

An important development concerning trade with Japan was signified by the negotiation in May, 1948, of a Payments Arrangement between certain sterling-area countries and the Supreme Commander for the Allied Powers in Japan (SCAP) whereunder trade between those sterling-area countries and Japan should be conducted on a sterling basis, subject to the provision that such balance as remained outstanding between them at the end of each six-monthly trading period would be subject to settlement in United States dollars. Subsequently, as a corollary of this Payments Arrangement, a trade arrangement between certain countries of the sterling area on the one hand and SCAP on the other was made with a view both to expanding trade between the sterling area and Japan, and to balancing it at the highest practicable level without loss of dollars to either side.

New Zealand participated in these arrangements, and, in common with the other countries concerned, submitted an estimate of its trade with Japan for the period covered by the Trade Arrangement which extended from 1st July, 1948, to 30th June, 1949. Purchases by New Zealand included such essential goods as furniture-timbers and certain types of textiles, while commodities offered by New Zealand comprised wool, hides and skins, casein, and field seeds.

The reopening of trade between New Zealand and Japan is advantageous, as it provides New Zealand with a further source of supply of certain essential goods which in some instances are available only from hard-currency countries, and at the same time allows New Zealand to send certain of her exports to a market in which they have previously been sold. The New Zealand Government Trade Representative in Tokyo is able to assist greatly in overcoming the problems arising from the peculiar circumstances created by the occupation of Japan.

SECTION 3—TRADE PROMOTION

Numerous commercial inquiries are received by the Division from traders abroad. Every effort is made to furnish full information in reply, or where such action is appropriate the particulars are sent to all New Zealand traders likely to be interested. For this purpose full advantage is taken of the facilities offered by the Associated Chambers of Commerce of New Zealand, the New Zealand Manufacturers' Federation, and similar organizations.

New Zealand business houses, too, frequently request assistance in obtaining information necessary to assess the prospects of establishing markets overseas for New Zealand products. Our Trade Representation Service gives invaluable help in supplying data for use in connection with inquiries of this type.

SECTION 4—INFORMATION SERVICES

In addition to providing information by way of answers to trade inquiries, the Department acts as a clearing-house for a large volume of industrial and commercial information received from a variety of sources in many countries. Regular monthly reports from all New Zealand Trade Commissioners and Trade Representatives abroad covering commercial matters and other detail about economic, political, industrial, and financial developments overseas are of great assistance in administration, and to the extent that the information is relevant it is relayed to other Government Departments or other organizations.

Our Trade Representatives overseas are kept informed from Wellington of current local matters by a monthly newsletter and by the monthly journal, the *Commerce Bulletin*, which deals in a more detailed way with developments in trade and industry in New Zealand. Both the newsletter and the *Bulletin* are for departmental use only.