SETTLEMENT OF CLAIMS BY OR AGAINST BRITISH NATIONALS RESIDENT IN NEW ZEALAND.

TOTAL OF CLAIMS RECEIVED FOR SETTLEMENT THROUGH THE NEW ZEALAND CLEARING OFFICE.

13. The following table shows the total amount of the claims by or against German nationals or the German Government received for settlement through the New Zealand Clearing Office to the 31st March, 1926, and 31st March, 1927, respectively. The total of the additional claims received since the last report is given in the third column:—

	31st March, 1926.	31st March, 1927.	Increase.
Claims under Article 296 of the Treaty of Versailles :—	£	£	£
(a) By New Zealand nationals against German nationals	53,034	53,034	Nil
(b) By German nationals against New Zealand nationals Claims under Article 297 of the Treaty of Versailles:—	210,975	211,152	177
(c) By New Zealand nationals	52,732	52,732	Nil
Totals	316,741	316,918	177

The progress regarding the disposal of the Clearing Office claims is indicated in the tables printed in the Appendix hereto. Only a small percentage of the claims originally lodged for settlement remain outstanding.

CLAIMS IN TERMS OF PARAGRAPH 4 OF THE ANNEX TO SECTION IV OF PART X OF THE TREATY OF VERSAILLES.

14. No restriction is imposed by the Treaty as to the period of time within which claims in terms of the above Treaty provision are to be notified to the Arbitrator appointed to deal with these claims. Advice was received from the Central Clearing Office that it was proposed that the British and German Government Agents should apply to the Arbitrator appointed to adjudicate upon these claims to fix a final date for the lodging of the claims, and the New Zealand Government was approached for its approval of the time-limit proposed in regard to the Dominion. This approval was duly given, and in accordance with the arrangements agreed to by the Arbitrator it is necessary for persons with claims under this heading to notify them to the New Zealand Clearing Office in sufficient time to enable the claims to be referred to the Arbitrator in London prior to the 15th July next; otherwise they will not be accepted for consideration. A notification to this effect was published in the New Zealand Gazette No. 20, of the 7th April, 1927, and due publicity was given to the matter in the public Press.

15. Persons with claims under this provision of the Treaty must demonstrate that they suffered injury (in the sense of financial loss) directly caused by acts committed by the German Government or by German authorities between the 31st July and the 4th August, 1914. A common example of a claim under this heading is that of British sailors who suffered loss of wages through internment in Germany during the war consequent upon the illegal detention of their vessel by the German authorities during the period referred to.

NEW ZEALAND ACCOUNT WITH THE CENTRAL CLEARING OFFICE, LONDON.

16. It will be observed that the statement previously included in the appendix to my annual reports on ex-enemy property in relation to the New Zealand Clearing Office account with the Central Clearing Office, London, has not been continued in this report. During the past year the British Treasury approached the New Zealand Government with certain proposals in regard to the distribution of the pre-Dawes reparation receipts, and in return for concessions offered on other points it was decided to forgo any right the New Zealand Government might have to payment of this balance.

DECISIONS OF MIXED ARBITRAL TRIBUNALS.

17. Summaries of recent decisions of the Mixed Arbitral Tribunals which are of particular interest to this Office and New Zealand residents are reprinted hereunder. The summaries are derived from the report of the Legal Adviser to the Central Clearing Office appended to the last report of that Office, and I have inserted wherever possible the references to the volumes of the Recueil des Décisions des Tribunaux Arbitraux Mixtes in which the decisions are reported.

18. I quoted in my previous report an extract from the last published report of the Controller of the Central Clearing Office referring to difficulties arising as a result of conflicting decisions given by the various divisions of the Anglo-German Mixed Arbitral Tribunal. The following extract from his next report indicates that measures have been taken to remove or minimize this difficulty:—

"The difficulty occasioned by conflicting decisions of the Mixed Arbitral Tribunal, which was referred to in the last report, has been the subject of anxious consideration and considerable corre-