

The regulations which were amended have been in force since 18th June, 1940. They are part of the over-all exchange control system in operation in New Zealand, and were introduced as a wartime emergency measure. It is now considered that, so far as the sterling area is concerned, the need for the restrictions has passed.

Three other points should be emphasized:—

- (1) In accordance with the terms on which export licences are issued, the net proceeds in foreign currency of the sale of exports must still be sold to a bank in New Zealand.
- (2) The taking or sending of money from New Zealand is still subject to control.
- (3) It is still contrary to the exchange control regulations to be a party to any transaction which involves the conversion of New Zealand currency into the currency of any other country at a rate of exchange other than the official rate.

The offers of sale of foreign currency, and the declaration of foreign securities which have been made to the Reserve Bank under Regulations 6 and 7, permitted the compilation of statistics concerning holdings of foreign currency and securities by persons ordinarily resident in New Zealand. A summary of the figures as at 1st November, 1949, is as follows:—

**FOREIGN BALANCES AND SECURITIES HELD BY NEW ZEALAND RESIDENTS (AS AT 1ST NOVEMBER, 1949)**  
(£000)

Country.	Balances.	Unlisted Securities (Face Value).	Listed Securities (Estimated Market Value).
United Kingdom .. ..	874	1,408	9,397
Australia .. ..	1,106	1,785	22,962
United States of America .. ..	292	27	127
Canada .. ..	101	40	335
Other .. ..	111	658	..
Total .. ..	2,483	3,918	32,821

The above table does not include—

- (a) Numerous balances, mostly small, in various countries for which no sufficiently reliable basis of valuation is available.
- (b) Trading balances, amounting to £2.9 millions, which are required by their owners for normal business purposes.
- (c) Securities, valued at £23.05 millions, held by banks, insurance companies, shipping companies, and other trading concerns, which are regarded as essential for the purposes for which they are held.
- (d) Miscellaneous securities for which no sufficiently reliable basis of valuation is possible.