

	<u>November</u>	<u>December</u>	<u>January</u>	<u>February a/</u>
Raw materials (metric tons) (end of month)				
Soy sauce in process	-	-	299,006 a/	-
Soy beans	-	9,645	10,276	-
Wheat	-	6,786	6,637	-
Salt	-	4,904	4,673	-

a/ Estimate

SOURCE: Ministry of Agriculture and Forestry.

SYNTHETIC SOY SAUCE INDUSTRY
November 1945 - January 1946

	<u>November</u>	<u>December</u>	<u>January</u>
Production (metric tons)			
Actual	743	629	453
Capacity	-	23,722	-
Factories			
Operating	27	36	30
Idle	-	17	-
Employees	1,676	1,436	1,350

SOURCE: Ministry of Agriculture and Forestry.

BEAN PASTE INDUSTRY
November 1945 - February 1946

	<u>November</u>	<u>December</u>	<u>January</u>	<u>February a/</u>
Production (metric tons)				
Actual	24,679	19,998	32,896	40,196
Capacity	-	-	62,813	-
Factories				
Operating	3,981	3,753	3,417	-
Idle	1,623	-	-	-
Employees	23,372	21,837	22,349	-

a/ Estimate

SOURCE: Ministry of Agriculture and Forestry.

BREWING OF BEER
November 1945 - February 1946

	<u>November</u>	<u>December</u>	<u>January</u>	<u>February a/</u>
Production (hectoliters)				
Actual	89,386	63,803	70,744	92,049
Capacity	-	-	200,220	-
Plants				
Operating	13	13	13	13
Idle	0	0	0	0
Employees	4,202	3,854	3,968	-
a/ Estimate				

SOURCE: Ministry of Agriculture and Forestry.

LIQUOR AND WINE INDUSTRY
November 1945 - February 1946

	<u>November</u>	<u>December</u>	<u>January</u>	<u>February a/</u>
Production (hectoliters)				
Sake	0	250	3,684	359,498
Imitation sake	12,719	11,541	25,490	33,089
Shochu	8,414	17,971	36,134	62,023
Others (whiskey and wine)	29,995	4,415	3,797	15,590
Factories in operation				
Sake	0	843	2,428	-
Imitation sake	30	33	36	-
Shochu	165	313	352	-
Others	1,290	253	278	-
Employees				
Sake	1,250 b/	11,757	24,009	-
Imitation sake	2,231	1,539	1,518	-
Shochu	1,605	2,971	3,391	-
Others	2,042	1,256	2,948	-

a/ Estimate

b/ Principally engaged in pre-season maintenance and repair work.

SOURCE: Ministry of Agriculture and Forestry.

CONFECTIONERY INDUSTRY
November 1945 - January 1946

	<u>November</u>	<u>December</u>	<u>January</u>
Production (metric tons)	1,622	1,908	1,110 <i>a/</i>
Plants			
Operating	495	595	460
Idle	4,400	-	-
Employees	30,499	26,788	22,031

a/ About four percent of capacity.

SOURCE: Ministry of Agriculture and Forestry.

MILK PROCESSING INDUSTRY
November 1945 - February 1946

	<u>November</u>	<u>December</u>	<u>January</u>	<u>February <i>a/</i></u>
Production (metric tons)				
Condensed milk	247	258	86 <i>b/</i>	68
Powdered milk	426	395	252 <i>c/</i>	203
Butter	175	70	70 <i>d/</i>	65
Factories in operation				
Condensed and powdered milk	52	51	51	-
Butter	97	97	97	-
Employees				
Condensed and powdered milk	1,522	1,500	1,500	-
Butter	525	390	409	-

a/ Estimate

b/ About five percent of capacity.

c/ About 30 percent of capacity.

d/ About 16 percent of capacity.

SOURCE: Ministry of Agriculture and Forestry.

MEAT PROCESSING INDUSTRY
December 1945 - February 1946

	<u>December</u>	<u>January</u>	<u>February <i>a/</i></u>
Production (metric tons)	-	41.7	63.5
Factories in operation	38	35	-
Employees	369	423	-

a/ Estimate

SOURCE: Ministry of Agriculture and Forestry.

PULP AND PAPER

2. A continuing decline in pulp and paper production was the natural consequence of the restricted allocation of coal to the industry and the shortage of basic raw materials which resulted from inadequate transportation.

FULP PRODUCTION
October 1945 - January 1946
(short tons)

<u>Pulp</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>January</u>
Rayon	701	262	43	0
Chemical	5,980	5,727	5,075	2,277
Mechanical	13,978	13,662	8,659	6,835
Total	20,659	19,651	13,777	9,112

SOURCE: Paper Control and Distributing Corporation.

PAPER PRODUCTION
October 1945 - January 1946
(short tons)

<u>Style of Paper</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>January</u>
<u>Foreign</u>				
Printing	4,272	4,371	2,708	2,668
Newsprint	8,862	7,891	5,048	3,523
Writing and drawing	26	22	36	33
Coated	0	0	0	0
Wrapping	2,048	1,925	1,858	1,350
Board	2,661	3,106	2,340	2,623
Cigarette	353	264	200	205
Other	528	800	1,315	1,349
Total	18,750	18,379	13,505	11,751
<u>Japanese</u>				
Machine made	2,027	1,286	1,401	786
Hand made	255	52	116	41
Total	2,282	1,338	1,517	827
GRAND TOTAL	21,032	19,717	15,022	12,578

SOURCE: Paper Control and Distributing Corporation.

GLASS INDUSTRY

Sheet Glass

3. Production of window glass for January was approximately 20,000 cases of 100 square feet each.

Polished plate glass is being produced at the rate of 1,000 cases per month as compared to an estimated capacity of 3,925. Production is expected to increase to 2,000 cases per month by June 1946.

No other sheet glass products are in production but the manufacture of figured and laminated glass is scheduled to start in April with a monthly production goal of 25,000 and 300 cases respectively. The production capacity of laminated glass is estimated at 1,225 cases per month.

Glassware

4. The production of glassware during 1945 reached the lowest point in the past 20 years.

GLASSWARE PRODUCTION
1937 - 1945
(metric tons)

<u>Year</u>	<u>Production</u>	<u>Capacity</u>
1937	460,000	-
1938	426,000	506,400
1939	385,000	-
1940	351,000	-
1941	270,000	-
1942	207,000	218,100
1943	102,000	-
1944	53,800	-
1945	19,000	156,300

SOURCE: Ministry of Commerce and Industry.

GLASSWARE PRODUCTION
1946
(metric tons)

<u>Type of Ware</u>	<u>Quantity a/</u>
Beverage containers	10,000
Bottles and containers for food	6,000
Household ware	3,000
Glass for electrical products	3,000
Chemical ware	1,000
Medical ware	1,000
Other products	<u>4,700</u>
Total	28,700

a/ Estimate

SOURCE: Ministry of Commerce and Industry.

Fiber Glass

5. The fiber glass industry of Japan expanded rapidly from 1936 through 1944 but is now at a standstill. Items formerly manufactured included yarn, tape, cloth, separators for storage batteries, battery retainer mats, fiber glass paper for dry cells, resin treated fiber plates for electrical insulation and other products for thermal insulation and filtration.

FIBER GLASS PRODUCTS
1936 - 1945
(metric tons)

<u>Year</u>	<u>Quantity</u>	<u>No. Plants</u>
1936	4.4	1
1937	16.8	1
1938	16.5	2
1939	22.5	4
1940	77.3	4
1941	259.0	6
1942	240.0	6
1943	436.4	7
1944	798.0	7
1945	695.4	7

SOURCE: Japan Inorganic Fiber Industry Control Union.

Optical Instruments

INSTRUMENT PRODUCTION
October - December 1945

<u>Instruments</u>	<u>October</u>	<u>November</u>	<u>December</u>
Cameras	227	341	421
Projectors	16	23	30
Binoculars	35	799	653
Microscopes	0	0	52
Surveying	110	60	110
Gas indicators	50	20	34
Other items	<u>60</u>	<u>72</u>	<u>0</u>
Total	498	1,315	1,300

SOURCE: Ministry of Commerce and Industry.

BRICK INDUSTRY

6. Although no coal was allotted to the brick industry for the first quarter of 1946, wood can be used in some plants. Monthly production is estimated at from 100,000 to 150,000.

BRICK PRODUCTION, 1945

<u>Quarter</u>	<u>Production</u>
First	6,040,550
Second	96,089,890
Third	67,380,700
Fourth	<u>7,272,860</u>
Total	176,784,000

SOURCE: The Japan Brick Industry Control Union.

REFRACTORY INDUSTRY

7. Although 75 of the 162 plants manufacturing refractory products were in operation, production was only 11 percent of capacity.

REFRACTORY PRODUCTION
January 1946
(metric tons)

Type of Refractory	Production
Fire clay	10,660
Silica	2,079
Chrome	114
Magnesia	329
Corhart	13
Forsterite	0
High alumina	<u>186</u>
Total	13,381

SOURCE: Ministry of Commerce and Industry.

GRINDING WHEELS AND ABRASIVE GRAIN

8. Japan's first grinding wheel plant was established in 1903 at Hiroshima and by 1940 over 250 plants were in operation. In the latter year the Grinding Wheel Manufacturing Association was established to control the quality and distribution of the products and the number of factories was reduced to 64. By 1944 the total yearly capacity of the industry was 35,000 metric tons but since September 1945 no production has been reported.

GRINDING WHEEL INDUSTRY
1945
(metric tons)

Type	Capacity a/	Production a/
Vitreous	18,000	9,000
Rubber) Selac)	<u>2,000</u>	<u>600</u> <u>400</u>
Total	20,000	10,000

a/ Estimate.

SOURCE: The Grinding Wheel Manufacturing Association.

ABRASIVE GRAIN PRODUCTION
1941 - 1945
(metric tons)

Type	1941	1942	1943	1944	1945
Alumina	13,000	14,300	17,100	11,237	2,887
Alumina (white)	2,300	3,000	2,200	4,182	921
Silicon carbide	2,500	2,500	2,500	2,561	573
Silicon carbide (green)	<u>2,200</u>	<u>2,200</u>	<u>2,200</u>	<u>1,293</u>	<u>173</u>
Total	20,000	22,000	24,000	19,273	4,560

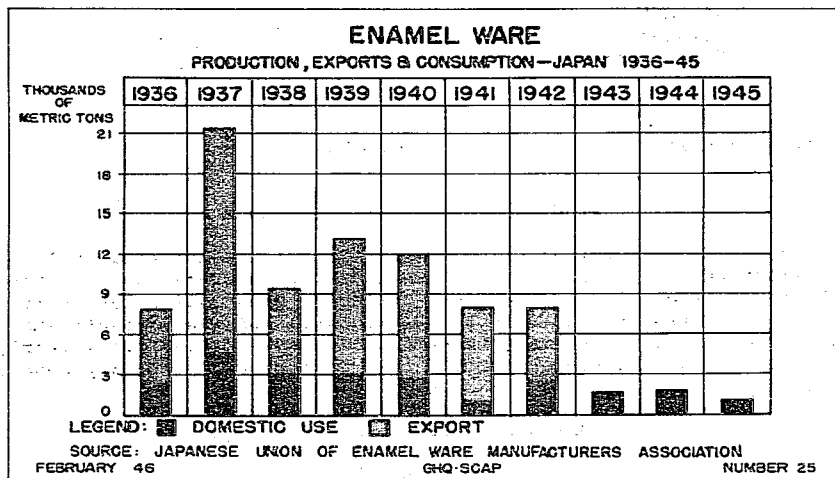
Stock as of 31 January 1946 - 5,000 metric tons
 Domestic demand for 1946 - 12,000 metric tons
 Estimated production 1946 - 7,000 metric tons

SOURCE: Abrasive Grain Control Association.

VITREOUS ENAMEL

9. Until 1942 vitreous enamelware was manufactured largely for export to China, India and the Dutch Indies. Kitchenware was the principal item of export and was consumed to a varying degree in the domestic market. Since 1943 all such ware has been used domestically.

During January three plants produced 25 metric tons of vitreous enamelware. Other plants are making ordinary iron kitchenware and preparing stock for enamelling when more coal is made available.



CERAMIC INDUSTRY

10. No general allotment of coal was made to the industry in January so that the production of most ceramic ware continued at a low level. Some special allotments of coal were made to manufacturers of hotel chinaware and sanitary ware for use by the Occupation Forces.

ELECTRIC MANUFACTURING

11. The Electric Manufacturing and Distribution Control Association, which is not active under the present reorganization, formerly exercised control over all raw materials and the distribution of finished products. In order to solve their mutual problems the manufacturers recently organized themselves into the following nine associations.

- (1) The Japan Electric Power Machinery Association.
 (This association includes manufacturers of electric motors, transformers, switchboards, generators, converters and similar apparatus.)
- (2) The Communications Manufacturing Association.
- (3) The Measuring Instrument Association.

- (4) The Japan Radio Receiver Manufacturing Association.
- (5) The Japan Electric Lamp Association.
- (6) The Japan Dry Cell Manufacturing Association.
- (7) The Japan Illumination Manufacturing Association.
- (8) The Japan Wiring Accessories Manufacturing Association.
- (9) The Japan Storage Battery Manufacturing Association.

HEAVY-CURRENT MACHINERY
December 1945

<u>Manufacturer</u>	<u>Products</u>	<u>Monthly Capacity</u>	<u>December Production</u>
Tokyo Shibaura Denki Co.	Electric locomotives Large motors	4 150	1 100
Mitsubishi Denki Co.	Transformers and mercury rectifiers	500	200
Hitachi-seisakusho Co.	Large electrical machinery	100	20
Meiden-sha Co.	Large electrical machinery	50	10

SOURCE: Ministry of Commerce and Industry.

In January 934 transformers of 1 - 200 KVA capacity were produced.

LOW HORSEPOWER INDUCTION MOTORS
December 1945 - January 1946

<u>Horsepower of Motors</u>	<u>Monthly Capacity</u>	<u>December Production</u>	<u>January Production</u>
3 HP	800	533	-
5 HP	5,000	2,480	-
7½ HP	<u>3,400</u>	<u>1,750</u>	-
Total	9,200	4,763	2,051 ^{a/}

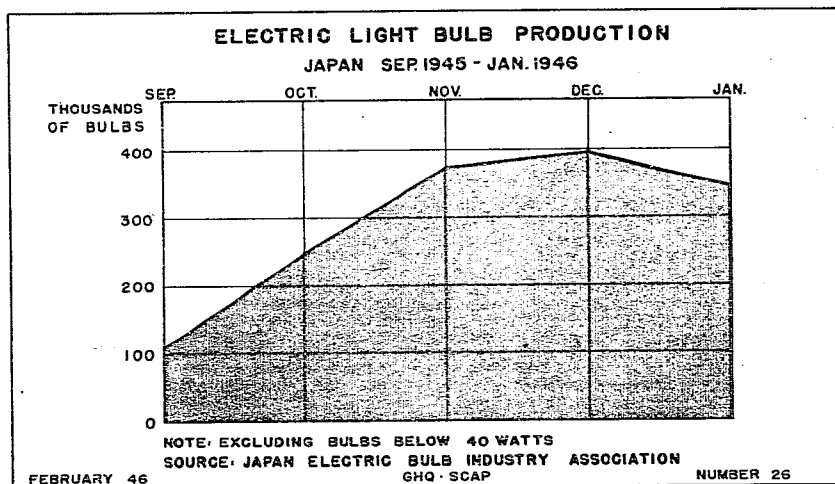
^{a/} All induction motors under 100 HP.

SOURCE: Ministry of Commerce and Industry.

Electric Light Bulbs

12. January production of electric light bulbs of 15 watts or above was reported at 654,700 units.

Of 10 factories in operation at one time or another from September 1945 through January 1946, six of them produced more than 97 percent of the 1,467,787 bulbs. Monthly production increased from 109,440 in September to 395,477 in December 1945 but fell off to 346,073 in January 1946.



TRANSPORTATION EQUIPMENT

13. The production of vehicles during January was carried on from a rapidly depleting stock of available parts. Although vehicles are critically needed it will be noted from the following tables that distribution is faulty. New vehicles are being withheld from the market by manufacturers pending review of proposed price increases by the Ministry of Commerce and Industry.

PRODUCTION AND DISPOSITION OF DOMESTIC TRUCKS
January 1946

	<u>Toyota</u>	<u>Nissan</u>	<u>Diesel</u>	<u>Total</u>
Carried forward from December	7	86	118	211
Production	<u>210</u>	<u>175</u>	<u>30</u>	<u>415</u>
Total	217	261	148	626
Disposed of	<u>0</u>	<u>103</u>	<u>29</u>	<u>132</u>
Carried over into February	217	158	119	494

SOURCE: Automobile Control Association.

PRODUCTION AND DISPOSITION OF DOMESTIC
THREE WHEEL MOTOR CARS
January 1946

	<u>Daihatsu</u>	<u>Matsuda</u>	<u>Total</u>
Carried forward from December	14	0	14
Production	<u>40</u>	<u>30</u>	<u>70</u>
Total	54	30	84
Disposed of	<u>1</u>	<u>9</u>	<u>10</u>
Carried over into February	53	21	74

SOURCE: Automobile Control Association.

PRODUCTION AND DISPOSITION OF DOMESTIC
ELECTRIC AUTOMOBILES
January 1946

	<u>Nihondenki</u>	<u>Nakajima</u>	<u>Total</u>
Production	13	2	15
Disposed of	13	2	15

SOURCE: Automobile Control Association.

PRODUCTION AND DISPOSITION OF TRACTORS
January 1946

	<u>Komatsu</u>	<u>Kato</u>	<u>Kongo</u>	<u>Ikegai</u>	<u>Total</u>
Production	12	23	5	5	45
Disposed of	<u>8</u>	<u>12</u>	<u>5</u>	<u>5</u>	<u>30</u>
Carried over into February	4	11	0	0	15

SOURCE: Automobile Control Association.

Vehicle Demand

14. A partially completed survey by the Ministry of Transportation's Automobile Bureau indicates a 1946 demand for some 94,556 vehicles of the following types:

STANDARD VEHICLE DEMAND

	<u>Toyoda</u>	<u>Nissan</u>	<u>Isuzu</u>
Commercial trucks	7,691	6,268	346
Commercial buses	2,835	1,988	142
Taxis and business hire	755	605	30
Passenger (business)	6,234	4,972	900

	<u>Toyota</u>	<u>Nissan</u>	<u>Isuzu</u>
Passenger (private)	262	117	43
Transportation Ministry (truck)	2,892	2,089	1,049
Transportation Ministry (business)	-	-	805
Government (general use)	<u>231</u>	<u>247</u>	<u>9</u>
Total	20,900	16,286	3,324

SOURCE: Ministry of Transportation, Automobile Bureau.

SMALL VEHICLE DEMAND

	<u>Daihatsu</u>	<u>Rikuo</u>	<u>Kurogane</u>	<u>Datsun</u>	<u>Matsuda</u>	<u>Other</u>
Commercial trucks	3,119	112	195	322	1,200	88
Commercial buses	2	-	-	-	2	-
Taxis and business hire	100	12	18	172	-	20
Passenger (business)	8,150	890	1,280	5,439	4,554	374
Passenger (private)	-	202	2	1,338	35	423
Transportation Ministry (truck)	390	64	56	128	14	16
Government (general use)	<u>28</u>	<u>106</u>	<u>44</u>	<u>148</u>	<u>-</u>	<u>71</u>
Total	11,789	1,386	1,595	7,597	5,805	992

SOURCE: Ministry of Transportation, Automobile Bureau.

MISCELLANEOUS VEHICLE DEMAND

	<u>Electric cars</u>	<u>Trailers</u>	<u>Total</u>
Passenger (business)	100	7	107
Transportation Ministry	<u>-</u>	<u>1,268</u>	<u>1,268</u>
Total	100	1,275	1,375

SOURCE: Ministry of Transportation, Automobile Bureau.

FOREIGN VEHICLE DEMAND

	<u>Plymouth</u>	<u>Dodge</u>	<u>Chevrolet</u>	<u>Ford</u>	<u>Other</u>
Commercial trucks	0	0	728	904	0
Commercial buses	0	8	1,915	1,201	0
Taxis and business hire	90	1,819	3,812	3,739	400
Passenger (business)	0	0	976	1,315	29
Passenger (private)	0	1,527	1,816	1,892	2
Transportation Ministry (truck)	0	0	80	117	0
Government (general use)	<u>0</u>	<u>77</u>	<u>553</u>	<u>484</u>	<u>23</u>
Total	90	3,431	9,880	9,652	454

SOURCE: Ministry of Transportation, Automobile Bureau.

Vehicle Repair

15. The Ministry of Home Affairs is continuing the investigation to determine the present total number of vehicles in Japan by type, make and age which are actually in use or are capable of repair. The ministry's order indicates that non-operative vehicles are to be repaired within a definite period of time, after which they will be re-inspected. Since the existing vehicles will be Japan's most important source of motor transportation for some time to come, it is necessary that an adequate portion of raw materials be allotted for the production of spare parts.

Basic Materials

BASIC MATERIALS REQUIRED
(metric tons)

		<u>Automobiles</u>		<u>Special</u>	<u>Pig Iron</u>	<u>Rubber</u>
		<u>Type</u>	<u>Number</u>	<u>Steel</u>	<u>Steel</u>	
New cars						
Second half of fiscal year 1945	Standard	3,500	8,050	2,100	2,450	560
	g/Light	-	-	-	-	-
Fiscal year of 1946	Standard	28,000	64,400	16,800	19,600	4,480
	Light	<u>10,000</u>	<u>11,150</u>	<u>3,000</u>	<u>3,500</u>	<u>800</u>
Total		38,000	75,550	19,800	23,100	5,280
Parts						
Second half of fiscal year 1945	Standard	-	3,200	2,800	2,500	6,100
	Light	-	<u>900</u>	<u>740</u>	<u>640</u>	<u>1,100</u>
Total		-	4,100	3,540	3,140	7,200
Fiscal year of 1946	Standard	-	8,600	7,800	6,900	21,300
	Light	-	<u>1,500</u>	<u>1,250</u>	<u>1,080</u>	<u>1,800</u>
Total		-	10,300	9,050	7,980	23,100

g/ Fiscal year 1 April 1945 to 31 March 1946.

SOURCE: Ministry of Transportation, Automobile Bureau.

SECTION 6
TEXTILE INDUSTRIES

CONTENTS

	Paragraph
General	1
Cotton	2
Silk	3
Rayon	5
Wool	6
Knitting and Hosiery	7
Sewing Goods Manufacturing	8
Hard Fibers	9
Dyeing, Finishing, Bleaching, Printing	10
Sundry Goods	11
Leather	12

GENERAL

1. The nine-day New Year's shutdown, the necessity for taking inventories and the continuing shortages of fuel, raw materials and labor contributed to the decline in production of most textiles during January.

SPINNING PRODUCTION
November 1945 - January 1946
(thousands of pounds)

<u>Yarn Classification</u>	<u>November</u>	<u>December</u>	<u>January</u>
Cotton and mixtures			
Pure cotton	1,533	1,535	1,885
Mixed (1/3 staple fiber)	62	238	134
Mixed (1/2 staple fiber)	-	-	3
Staple fiber	408	461	437
Other mixtures	<u>665</u>	<u>660</u>	<u>610</u>
Total	3,668	2,954	3,069
Silk and rayon			
Rayon pulp	515	84	0
Rayon	292	277	206
Staple fiber	1,234	1,063	967
Spun silk	97	57	68
Mixed (waste silk and staple fiber)	7	8	2
Noil	<u>38</u>	<u>24</u>	<u>43</u>
Total	2,183	1,523	1,286

<u>Yarn Classification</u>	<u>November</u>	<u>December</u>	<u>January</u>
Woolen and worsted			
Woolen	911	1,168	1,037
Worsted	<u>166</u>	<u>252</u>	<u>255</u>
Total	1,077	1,420	1,292
Hard Fibers			
Flax and China grass	87	461	328
Jute	232	94	173
Rope	4,373	2,640	1,856
Cord	470	278	229
Fish net twine	<u>16</u>	<u>15</u>	<u>100</u>
Total	5,178	3,488	2,686

SOURCE: Japan Textile Association.

WEAVING PRODUCTION
November 1945 - January 1946
(thousands of square yards)

<u>Fiber or Product</u>	<u>November</u>	<u>December</u>	<u>January</u>
Throstle spun yarn a/ Worsted)	348	184	259
)		36	31
Woolen)	1,351	348	199
Flax and hemp	33	291	71
Cotton	4,999	3,305	2,000
Rayon	2,240	2,815	937
Silk (spun and raw)	3,684	4,397	2,167
Staple fiber	1,944	6,054	1,267
Regenerated yarn b/	<u>265</u>	<u>284</u>	<u>327</u>
Total	14,864	17,715	7,258

a/ Made largely from waste flax, ramie and cotton.

b/ Made from waste cotton, flax, ramie and wool fibers and used as substitutes for cotton yarn.

SOURCE: Japan Textile Association.

MANUFACTURED GOODS PRODUCTION
November 1945 - January 1946

<u>Product</u>	<u>November</u>	<u>December</u>	<u>January</u>
Knitted wear			
Underwear (dozen)	17,795	57,625	44,753
Stockings (dozen pair)	80,243	204,656	180,807
Gloves (dozen pair)	56,632	101,458	89,670
Sewing thread (pounds)			
Silk	24,736	27,729	32,667
Cotton	437,301	134,555	84,927
Rayon	<u>3,700</u>	<u>11,000</u>	<u>5,622</u>
Total	465,737	173,285	123,223

<u>Product</u>	<u>November</u>	<u>December</u>	<u>January</u>
Ready-made clothing (pieces)			
Work	242,619	7,988,579	646,224
Street and house	49,188	245,449	35,422
Kimonos	167,335	92,737	10,241
Underwear, shirts, etc.	666,068	2,945,998	769,164
Secondary school uniforms	142,561	-	-
Footwear (pair)			
Tabi	2,622,127	1,690,506	2,734,109
Fish Netting (pounds)			
Cotton	88,657	89,312	33,643
Manila	9,517	-	1,835
Silk	174	370	-
Miscellaneous (pounds)			
Sundry goods (lace, tape, etc.)	1,059,783	2,015,752	754,183

SOURCE: Japan Textile Association.

MILL STOCK OF RAW MATERIAL
December 1945 - January 1946
(thousands of pounds)

<u>Fiber</u>	<u>December</u>	<u>January</u>
Pure cotton	10,861	9,491
Staple fiber	4,078	4,270
Rayon	22,785	20,288
Spun silk	712	3,361
Woolen	-	14,822
Worsted	-	5,587
Jute	1,578	2,747
China grass	6,878	6,173
Flax	5,388	4,189
Rope	800	800
Other hard fibers	<u>4,703</u>	<u>5,923</u>
Total	57,783	77,651

SOURCE: Japan Textile Association.

YARN STOCKS
December 1945 - January 1946
(thousands of pounds)

<u>Yarn Classification</u>	<u>In Mill</u>		<u>On Market</u>	
	<u>December</u>	<u>January</u>	<u>December</u>	<u>January</u>
Cotton and mixtures				
Pure cotton	6,678	6,436	3,110	3,043
Mixed (1/3 staple fiber)	954	862	804	697
Mixed (1/2 staple fiber)	84	106	2	2
Staple fiber	1,985	2,934	26	1
Other mixtures	<u>1,643</u>	<u>2,553</u>	<u>118</u>	<u>87</u>
Total	11,344	12,891	4,060	3,820

Yarn Classification	In Mill		On Market	
	December	January	December	January
Silk and rayon				
Rayon	9,997	9,454	-	-
Staple fiber (not spun)	9,996	9,050	-	-
Spun silk	449	640	1	-
Mixed (waste silk and staple fiber)	34	176	7	-
Noil	<u>189</u>	<u>225</u>	-	-
Total	20,665	19,545	8	-
Woolen and worsted				
Woolen	1,106	811	-	-
Worsted	<u>923</u>	<u>776</u>	-	-
Total	2,029	1,587	-	-
Hard fibers				
Flax and China grass	1,208	1,406	-	-
Jute	266	350	-	-
Rope	<u>2,254</u>	<u>2,713</u>	-	-
Total	3,727	4,469	-	-

SOURCE: Japan Textile Association.

COTTON

2. The shipping from the United States of 50,000 short tons of raw cotton is expected to begin by 1 April 1945. Sixty percent by weight of the processed cotton goods is to be exported from Japan as payment for the imported raw cotton. Any portion of this 60 percent not required to pay for raw cotton will be sold to accumulate foreign exchange credit for the Japanese. The remaining 40 percent is scheduled for consumption by the Japanese people.

A meeting of the Cotton Weaving Division of the Japan Textile Association was called on 8 February to investigate and report to SCAP the status of equipment in the weaving industry.

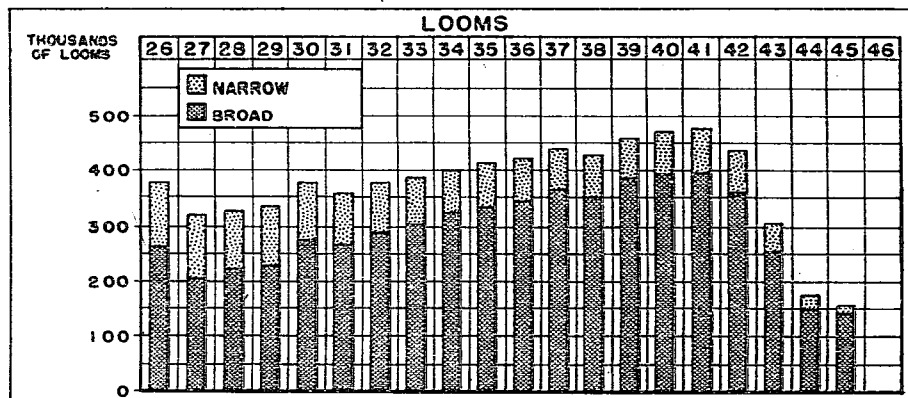
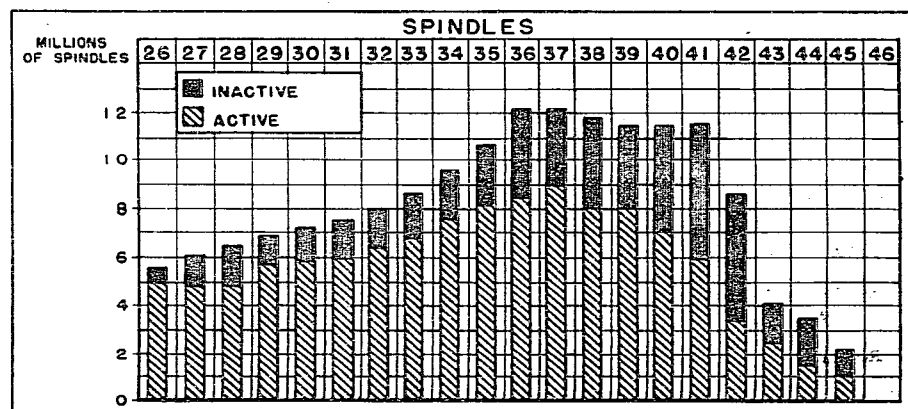
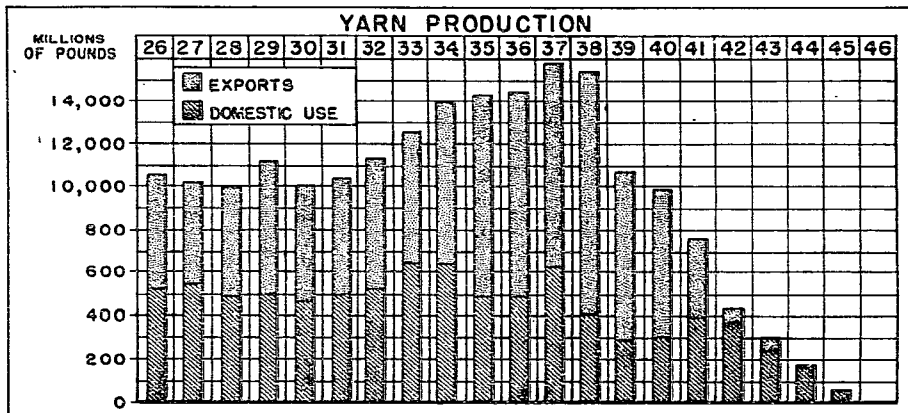
Production and equipment statistics for 1926-1945 are shown in Chart 27.

SILK

3. Raw silk production during January was estimated at 3,270 bales, which shows a decline beyond seasonal trend. Reasons for this decrease were:

- (1) Custom of annual January vacations for women workers in silk reeling mills.
- (2) Willingness of mill operators to shut down before the start of Spring reeling to allow employees to solve food and fuel problems during the coldest season of the year.
- (3) Curtailment of production in anticipation of revision in February of the ceiling price of raw silk.

In order to obtain increased production of raw silk for export to pay for food and other imports, the Japanese Government took the following steps:



NOTE : FROM 1938 TO 1945 "YARN" HAS INCLUDED MIXED YARN (1/3 OR 1/2 RAYON STAPLE), SPUN RAYON YARN AND MISCELLANEOUS YARNS. DOMESTIC CONSUMPTION OF YARN WAS CALCULATED FROM CLOTH CONSUMPTION (1 LB. OF YARN = 4 SQ. YDS. OF CLOTH).

SOURCE : JAPANESE TEXTILE ASSOCIATION

COTTON INDUSTRY

1926 - 1945

JAPAN

FEBRUARY 46

GHQ-SCAP

NUMBER 27

0398

- (1) Issued a directive to prefectural governors on 2 February increasing the rice ration for a raw silk reeling employee by 100 grams per day.
- (2) Issued a directive to prefectural governors on 6 February allocating 5,000 metric tons of coal to the raw silk industry, the amount to each mill depending on the number of operating basins on 1 February.
- (3) Raised the raw silk ceiling price of standard grade (Grade D White 13/15) from ¥ 4,320 to ¥ 5,680 per bale.

Speedy rehabilitation of reeling mills is anticipated as the result of a recent agreement on financial settlement between the Raw Silk Association of Japan and the raw silk reelers.

The Raw Silk Industry Research Office is being set up by the Raw Silk Bureau and officers are being elected. This office will handle testing and grading, research and study of export, demand and supply.

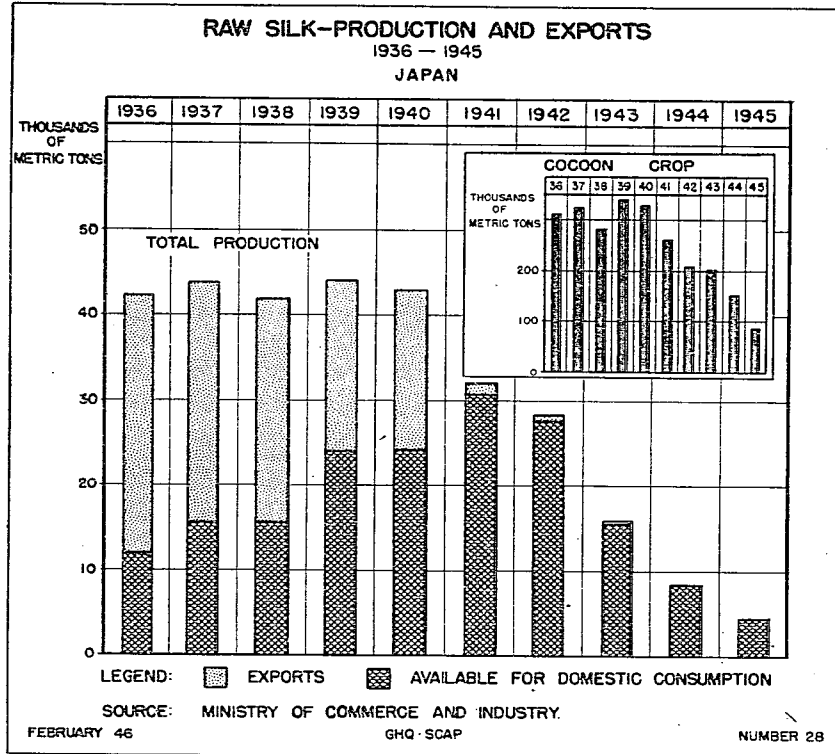
Japan's 1946 raw silk crop will approximate 150,000 bales. The Ministry of Agriculture and Forestry is considering a plan which would involve increasing the number of mulberry trees, the allotment of cocoons and the addition of new mills.

MONTHLY REPORT ON RAW SILK SITUATION
February 1946

<u>Item</u>	<u>Jan 46</u>	<u>Feb 46</u>	<u>Mar 46 a/</u>
Reeling basins in operation	21,800	22,155	23,715
Reeling plants in operation	160	162	170
Raw silk produced (bales)	2,270	5,305	6,137
Short fiber machines in operation	162	162	114
Short fiber plants in operation	15	15	15
Short fiber produced (thousands of pounds)	295	295	224
Cocoons on hand, end of month (thousands of pounds)	97,166	90,238	82,913
Raw silk inspected and rechecked for export (bales)	8,919	13,500	14,000

a/ Estimate.

SOURCE: Ministry of Commerce and Industry.



Silk Weaving

4. The decline in silk weaving production during January resulted from the long holiday season, labor unrest and shortages common to the textile industry.

RAYON

5. During January there were 18 mills in operation, six manufacturing pulp, four yarn and eight rayon staple.

RAYON YARN PRODUCTION
December 1945 - January 1946
(thousands of pounds)

<u>Fiber</u>	<u>December</u>	<u>January</u>
Viscose	259	181
Bemberg	18	25
Rayon staple	<u>1,063</u>	<u>967</u>
Total	1,340	1,173

RAYON AND RAYON STAPLE FIBER STOCKS

<u>Fiber</u>	<u>31 December</u>	<u>31 January</u>
Viscose	8,438	7,892
Bemberg	<u>1,537</u>	<u>1,562</u>
Total	9,975	9,454

RAYON PULP CONSUMPTION AND STOCK

	<u>December</u>	<u>January</u>
Consumption	1,671	1,605
Stock (end of month)	22,785	20,287

SOURCE: Japan Textile Association.

WOOL

6. As of 30 September 1945 wool stocks totalled 174,000 bales. Some were located in army and navy warehouses and released later for civilian use, others were held by private companies to be processed for military purposes and the remainder were held and owned by private companies.

By 28 February 1946 4,650 bales had been released and processed for civilian use.

Reconversion was not sufficiently advanced to bring production to normal peacetime levels but a gradual increase is expected in succeeding months.

KNITTING AND HOSIERY

7. The first problem discussed at the January meeting of the Knitting and Hosiery Section of the Japanese Textile Association was a plan to get more coordination and cooperation in the knitting industry. This would be brought about by giving the 15 Japanese knitting guilds in the various regions more power to control production in each mill, to gather necessary reports and to control their members. The second problem concerned plans for the reconstruction of about 600 of the 1,600 damaged factories.

At a meeting of representatives of all knitting guilds the importance of making prompt monthly reports and adhering strictly to instructions concerning the restoration of the industry were discussed.

There are 631 mills in operation but operating machinery was only about 15 percent of the total machinery registered.

KNITTING AND HOSIERY MACHINES
31 January 1946

<u>Type of Knit</u>	<u>Registered</u>	<u>Operating</u>	<u>Obtained in January</u>
Warp	218	65	6
Circular	10,456	1,046	94
Flat	8,863	709	-
Flat for gloves	16,389	819	-
Hosiery	<u>11,395</u>	<u>4,558</u>	-
Total	47,321	7,197	100

SOURCE: Japan Textile Association.

DISPOSITION AND STOCK OF KNITTED GOODS
January 1946

	Delivered to Japan Knitted Goods Company	Completed Stock in Mills Ready for Delivery 31 January
Underwear (dozen)	14,292	60,210
Stockings (dozen pair)	66,418	189,093
Gloves (dozen pair)	77,321	506,843
Others (sweaters, etc.)	2,790	3,374

SOURCE: Japan Textile Association.

CONSUMPTION AND STOCKS OF RAW MATERIALS FOR KNITTING
January 1946
(pounds)

	Consumption	Raw Material on Hand 31 January
Cotton yarn including mixes	224,702	543,430
Spun rayon	71,496	243,816
Raw silk and spun silk yarn	102,000	396,120
Rayon	105,598	682,942
Woolen yarn	367,015	357,720
Other yarns	3,190	69,808
Total	874,001	2,293,836

SOURCE: Japan Textile Association.

SEWING GOODS MANUFACTURING

8. The Japan Clothing Products Control Corporation and the Tabi Association elected new officers in accordance with a recent policy to eliminate the old officials of the associations.

The member companies of the Sewing Goods Section of Japan Textile Association were busy making inventories of silk goods for SCAP.

The factor preventing most sewing factories from increasing production was shortage of labor due to shortage of food.

Of the 120,775 sewing machines in Japan, only 72,000 were in operation.

SEWING GOODS
January 1946

<u>Product</u>	<u>Delivered to Distributing Association</u>	<u>In Mills Ready for Delivery 31 January</u>
Sewing thread (pounds)		
Cotton	129,392	664,652
Silk	3,300	111,324
Rayon	<u>2,025</u>	<u>39,295</u>
Total	134,717	815,271
Ready-made clothing (pieces)		
Work	1,021,556	9,000,689
Street and house	2,256	150,987
Kimonos	38,176	98,005
Underwear, shirts, etc.	289,691	4,073,464
Elementary school uniforms	109,293	1,689,202
Footwear (pairs)		
Tabi	2,694,103	2,059,259

SOURCE: Japan Textile Association.

RAW MATERIAL DATA FOR MANUFACTURE SEWING GOODS
January 1946

<u>Materials</u>	<u>Consumed</u>	<u>In Mills 31 January</u>
Yarn (pounds)		
Cotton	92,017	2,776,137
Raw silk	43,556	759,022
Rayon	<u>9,204</u>	<u>155,625</u>
Total	144,777	3,690,784
Cloth (square yards)		
Cotton	1,399,416	26,223,090
Rayon	1,461,798	4,024,474
Rayon staple	884,572	11,346,863
Raw silk	252,267	6,860,813
Mixed silk fiber	16,600	1,217,260
Regenerated yarn	1,400	818,980
Woolen	<u>143,604</u>	<u>3,098,767</u>
Total	4,159,657	53,590,247

SOURCE: Japan Textile Association.

HARD FIBERS

9. A diminishing amount of raw materials handicapped the production of the hard fiber industry.

OPERATING MILLS AND MACHINES
January 1946

<u>Fiber</u>	<u>Mills</u>	<u>Spindles</u>	<u>Looms</u>	<u>Twine and Cord Machines (stands)</u>
Flax	7	19,190	1,332	-
Hemp	20	-	-	288
Ramie	4	2,370	348	-
Jute	3	15,700	179	-
Total	34	37,260	1,859	288

SOURCE: Japan Textile Association.

MILLS AND MACHINES IDLE
January 1946

<u>Fiber</u>	<u>Mills</u>	<u>Spindles</u>	<u>Looms</u>	<u>Twine and Cord Machines (stands)</u>
Flax	-	21,288	10,787	-
Hemp	10	-	-	71
Ramie	2	47,201	283	-
Jute	-	144	-	-
Total	12	68,633	11,070	71

SOURCE: Japan Textile Association.

HARD FIBER PRODUCTION
December 1945 and January 1946
(thousands of pounds)

<u>Fiber</u>	<u>December</u>	<u>January</u>
Flax and China grass	461	312
Hemp	-	-
Ramie	-	17
Jute	94	173
Total	555	502

SOURCE: Japan Textile Association.

CLOTH PRODUCTION
January 1946
(thousands of square yards)

<u>Cloth</u>	<u>January</u>
Flax	728
Hemp	20
Ramie	181
Jute	31
Total	960

SOURCE: Japan Textile Association.

MANUFACTURE OF HARD FIBER PRODUCTS
December 1945 and January 1946
(thousands of pounds)

<u>Item</u>	<u>December</u>	<u>January</u>
Rope	2,640	1,855
Fish net twine	15	100
Cord	278	229
Jute bags (each)	17,328	8,200

SOURCE: Japan Textile Association.

CONSUMPTION OF RAW MATERIALS
January 1946
(thousands of pounds)

<u>Raw Material</u>	<u>January</u>
Flax	713
Hemp	2,436
Kenaf	108
Jute	<u>222</u>
Total	3,479

SOURCE: Japan Textile Association.

RAW MATERIAL ON HAND AT END OF MONTH
December 1945 and January 1946
(thousands of pounds)

<u>Fiber</u>	<u>December</u>	<u>January</u>
Jute	1,578	2,747
China grass	6,878	6,173
Flax	5,388	4,189
Rope	800	800
All others	<u>203</u>	<u>5,923</u>
Total	14,847	19,832

SOURCE: Japan Textile Association.

DYEING, FINISHING, BLEACHING, PRINTING

10. Since much value is added to all kinds of textiles by bleaching, finishing, dyeing and printing, this field will assist Japanese economy to build export credit abroad.

The Dyeing and Finishing Section of the Japan Textile Association met in January and discussed the serious shortages of fast dyestuffs, coal and other supplies. Other problems considered were the advantages and disadvantages of forming a distributing company within the section, possible reconstruction of war-damaged plants and plans for handling the dyeing and finishing of yarns and piece goods to be made from raw cotton which will be imported from the United States.

DYEING AND FINISHING
January 1946
(square yards)

<u>Cloth</u>	<u>Dyed or Finished</u>	<u>Returned to Client</u>	<u>Remaining at Mill to be Returned</u>
Cotton	21,491,447	10,737,724	15,583,031
Rayon staple	219,916	109,958	280,730
Raw silk	5,259,580	2,589,790	2,302,202
Rayon	7,618,620	3,809,810	3,567,022
Linen and ramie	<u>4,878,668</u>	<u>2,439,334</u>	<u>1,858,487</u>
Total	39,468,231	19,686,616	23,591,472

SOURCE: Japan Textile Association.

SUNDRY GOODS

11. There were 482 sundry goods mills and 438 fish netting mills operating in February, with a total of 28,392 machines in use.

PRODUCTION OF SUNDRY GOODS
January 1946
(pounds)

<u>Item</u>	<u>Production</u>	<u>Products on Hand at End of Month</u>
Braid	338,943	855,779
Fringe	39,156	61,241
Narrow width cloth	372,584	433,106
Fish netting	35,478	-
Twine and net	<u>81,800</u>	<u>65,350</u>
Total	867,961	1,420,476

SOURCE: Japan Textile Association.

CONSUMPTION OF RAW MATERIALS
January 1946
(pounds)

<u>Fiber</u>	<u>Sundry Goods</u>	<u>Fish Netting</u>
Cotton yarn	1,058,989	113,450
Rayon staple	529,057	-
Manila yarn	-	-
Rayon yarn	1,597,122	-
Raw silk	751,140	254
Spun silk yarn	-	-
Others	<u>762,159</u>	<u>-</u>
Total	4,698,467	113,704

SOURCE: Japan Textile Association.

RAW MATERIAL STOCKS
31 January 1946
(pounds)

<u>Fiber</u>	<u>Sundry Goods</u>	<u>Fish Netting</u>
Cotton yarn (including mixed)	1,058,989	128,460
Rayon staple	529,057	200
Raw silk	751,140	2,275
Manila yarn		-
Rayon yarn	1,597,122	-
Others	<u>762,159</u>	-
Total	4,698,467	130,935

SOURCE: Japan Textile Association.

LEATHER

12. The tanning and production of finished leather goods increased during January in spite of continuing shortages.

LEATHER HIDES RECEIVED BY TANNERIES a/

<u>Type</u>	<u>December</u>	<u>January</u>
Cattle	381	261
Horse	135	26
Pig	50	1
Sheep and goat	<u>50</u>	-
Total	616	288

a/ The figures actually represent hides on hand which were not previously reported.

SOURCE: Hide and Leather Association of Japan.

TANNED LEATHER PRODUCTION
December 1945 - January 1946
(thousands of pounds)

<u>Type</u>	<u>December</u>	<u>January</u>
Cattle		
Sole	250	253
Harness	30	39
Case	49	6
Upper	36	84
Belting	28	12
Horse		
Case	33	29
Upper	19	5
Pig		
Case	156	118
Upper	5	2
Kid	-	<u>116</u>
Total	604	664

SOURCE: Hide and Leather Association of Japan.

LEATHER GOODS PRODUCTION
December 1945 and January 1946
(thousands of pounds)

<u>Item</u>	<u>December</u>	<u>January</u>
Belting	101	114
Packing	4	7
Textile	13	13
Artificial limbs	-	1
Harness		
Riding	-	2
Drawing	-	10
Packing	-	2
Footwear (handmade)		
Men's	20	30
Women's	2	3
Footwear (machine made)		
Men's	-	<u>130</u>
Total	140	312

SOURCE: Hide and Leather Association of Japan.

in the number of motor vehicles during the war. The large difference shown between the number of vehicles existing and the number working was caused by the shortage of repair parts; shortage of gasoline, oil or substitutes; and the lack of mechanics and drivers. Air-raid damage accounts for the rapid decline in the number of vehicles during the latter stages of the war.

3. It is questionable whether motor transportation is making a significant contribution to post-war reconstruction. The majority of vehicles has been converted to the use of gasoline substitutes such as charcoal, wood, coal or carbide. Such conversion materially decreases the efficiency and shortens the life expectancy of the engine and the automobile.

4. The trucking demand resulting from civilian needs is estimated at 54,000,000 tons for the latter half of the year ending on 31 March 1946 and at 134,000,000 tons for the entire 1946-47 fiscal year beginning on 1 April 1946. This tonnage requirement may be met with a supply of trucks as indicated in the following tabulation:

ESTIMATED TRUCK REQUIREMENTS

	Letter Half 1945-46 <u>Fiscal Year</u>	1946-47 <u>Fiscal Year</u>
Existing at beginning of period	54,905	62,642
Needed by end of period	67,078	62,942
To be added during period	12,173	300
Required for replacements	<u>8,700</u>	<u>14,500</u>
Total new trucks required	20,873	14,800
New trucks that can be supplied	16,437	13,000

SOURCE: Ministry of Transportation, Automobile Bureau.

5. In order to re-establish bus transportation at the 1940 level the following vehicle requirements are estimated:

ESTIMATED BUS REQUIREMENTS

	Letter Half 1945-46 <u>Fiscal Year</u>	1946-47 <u>Fiscal Year</u>
Existing at beginning of period	11,109	13,509
Needed by end of period	13,509	25,351
To be added during period	2,400	11,842
Required for replacements	<u>1,000</u>	<u>4,000</u>
Total new busses required	3,400	15,842
New busses that can be supplied	3,400	15,000

SOURCE: Ministry of Transportation, Automobile Bureau.

6. The 21,603 passenger cars existing in 1944 are considered the minimum essential for Japan. In order to regain this level 10,197 vehicles should be supplied to supplement the 11,406 now in existence.

7. The achievement of these goals is visualized by production of new vehicles and utilization of ex-military vehicles as follows:

SOURCE OF REQUIRED MOTOR VEHICLES

	<u>Truck</u>	<u>Bus</u>	<u>Pass. Car</u>	<u>Total</u>
Latter half of fiscal year 1945-46				
New vehicles (domestic)	2,100	1,400	0	3,500
Ex-military	<u>14,337</u>	<u>2,000</u>	<u>2,000</u>	<u>18,337</u>
Total	16,437	3,400	2,000	21,837
Fiscal year 1946-47				
New vehicles (domestic)	13,000	15,000	-	28,000

SOURCE: Ministry of Transportation, Automobile Bureau.

RAIL TRANSPORTATION

8. The Japanese railroad transportation system remains over-taxed. Chart 30 indicates the extent to which the movement of Kyushu and Hokkaido coal was diverted from sea routes to land routes. This dislocation still prevails.

Shortages of coal have reduced scheduled freight and passenger operations. Shortages of steel and lumber are retarding the rehabilitation of rolling stock.

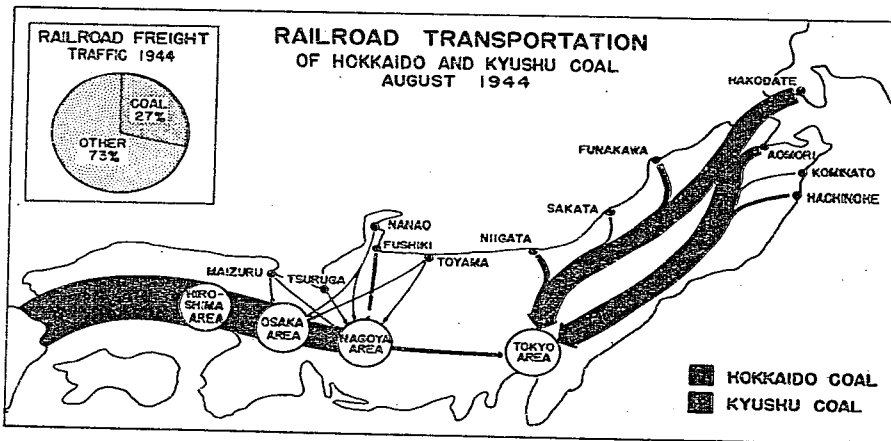
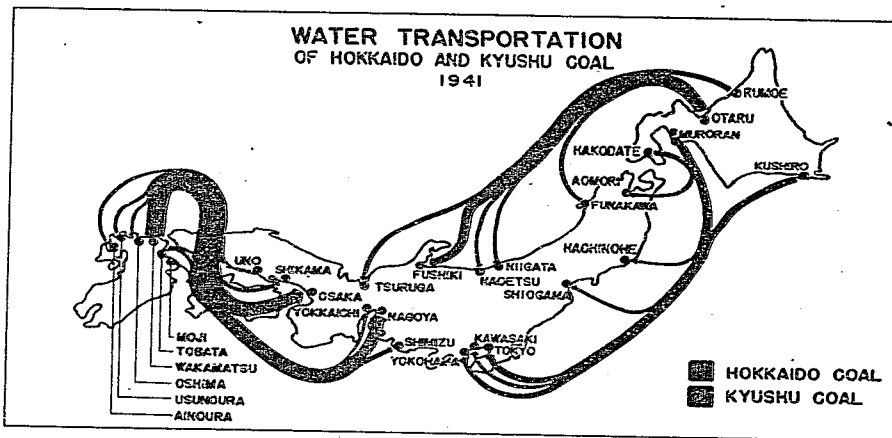
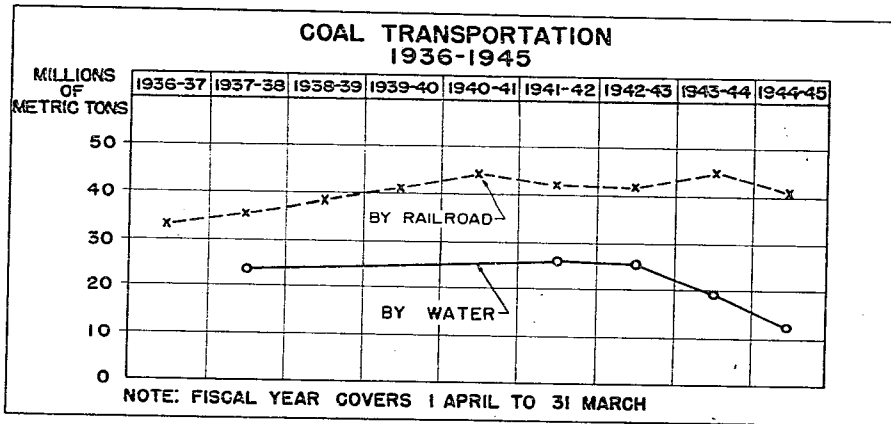
9. The overcrowding of trains and the inability of many prospective passengers to secure passage continue despite the restriction within urban areas during the morning and evening rush hours to movements of season commuter ticket holders and the allocation of a limited number of tickets to each station for sale to through passengers.

10. Chart 31 illustrates the progressive increase of railroad traffic during the past 10 years.

11. Freight traffic demands continued at a high level. Control of freight movement is maintained through a system of permits. High priorities are established for the movement of civilian foodstuffs. The Ministry of Transportation states that it is in a position to move all foodstuffs offered for shipment. The civilian freight traffic demand of 7,500,000 metric tons for February was handled. The Ministry of Transportation states that the estimated demand of 8,300,000 tons for March can be met.

12. The government railways will close the 1945-46 fiscal year with a deficit estimated at ¥ 700,000,000. In an effort to bring earnings and operating costs into balance, passenger fares are to be increased 250 percent and freight rates 300 percent effective 1 March 1946.

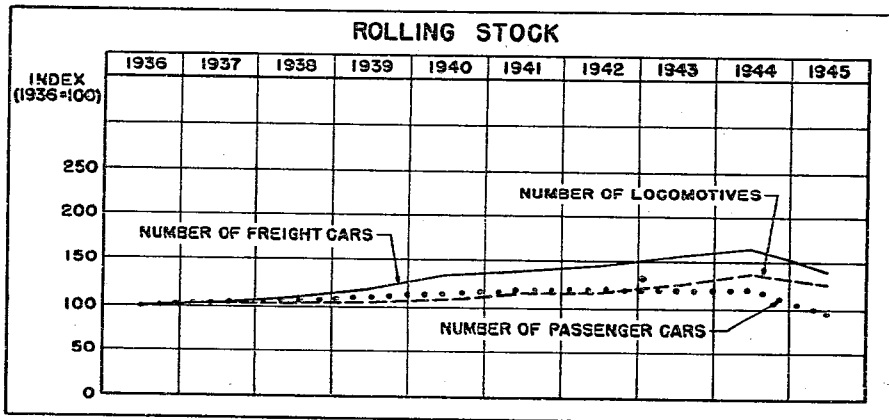
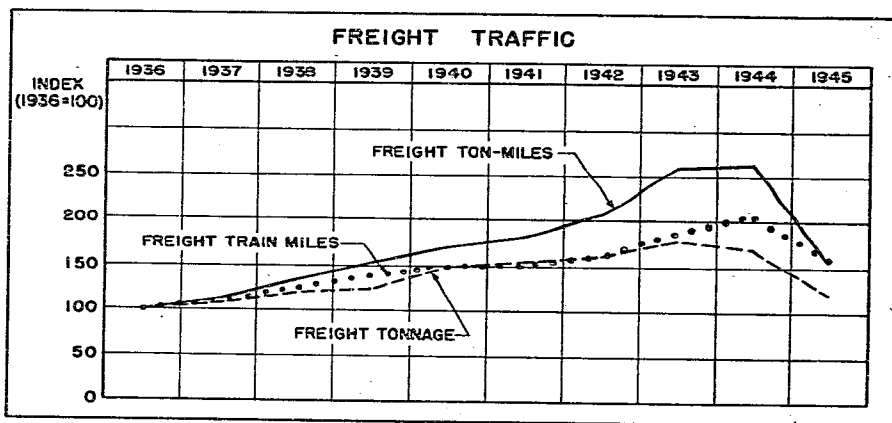
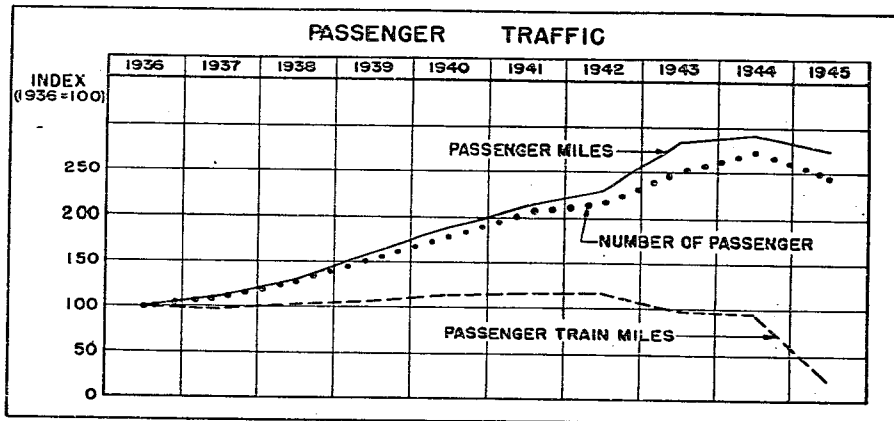
13. The general labor unrest is reflected in the transportation industry through schedule slowdowns and threats to strike. Several increases in wages have been made and negotiations are now under way



SOURCE: MINISTRY OF TRANSPORTATION

COAL TRANSPORTATION 1936-1945

JAPAN



NOTE: 1945 FIGURES ARE ESTIMATES

SOURCE: MINISTRY OF TRANSPORTATION

GOVERNMENT RAILROADS TRAFFIC AND ROLLING STOCK JAPAN 1936-1945

which are expected to stabilize transport workers' wages and salaries.

14. The following data cover plant and equipment of government and non-government railways on 31 December 1945:

	<u>Government Railways</u>	<u>Non-government railways</u>
Route-miles	12,134.2	4,859
Plant equipment		
Total track-miles	19,981	7,819
Bridges	36,280	6,600
Buildings, sq.ft.	86,706,707	46,415,230
Land, acres	151,826	13,136
Stations	4,109	4,700
Communication lines, circuit-miles	419,507	58,833
Number of employees	552,714	110,486

SOURCE: Ministry of Transportation.

15. The routes of the government railway system throughout Japan are shown on Map 32.

SHIPPING

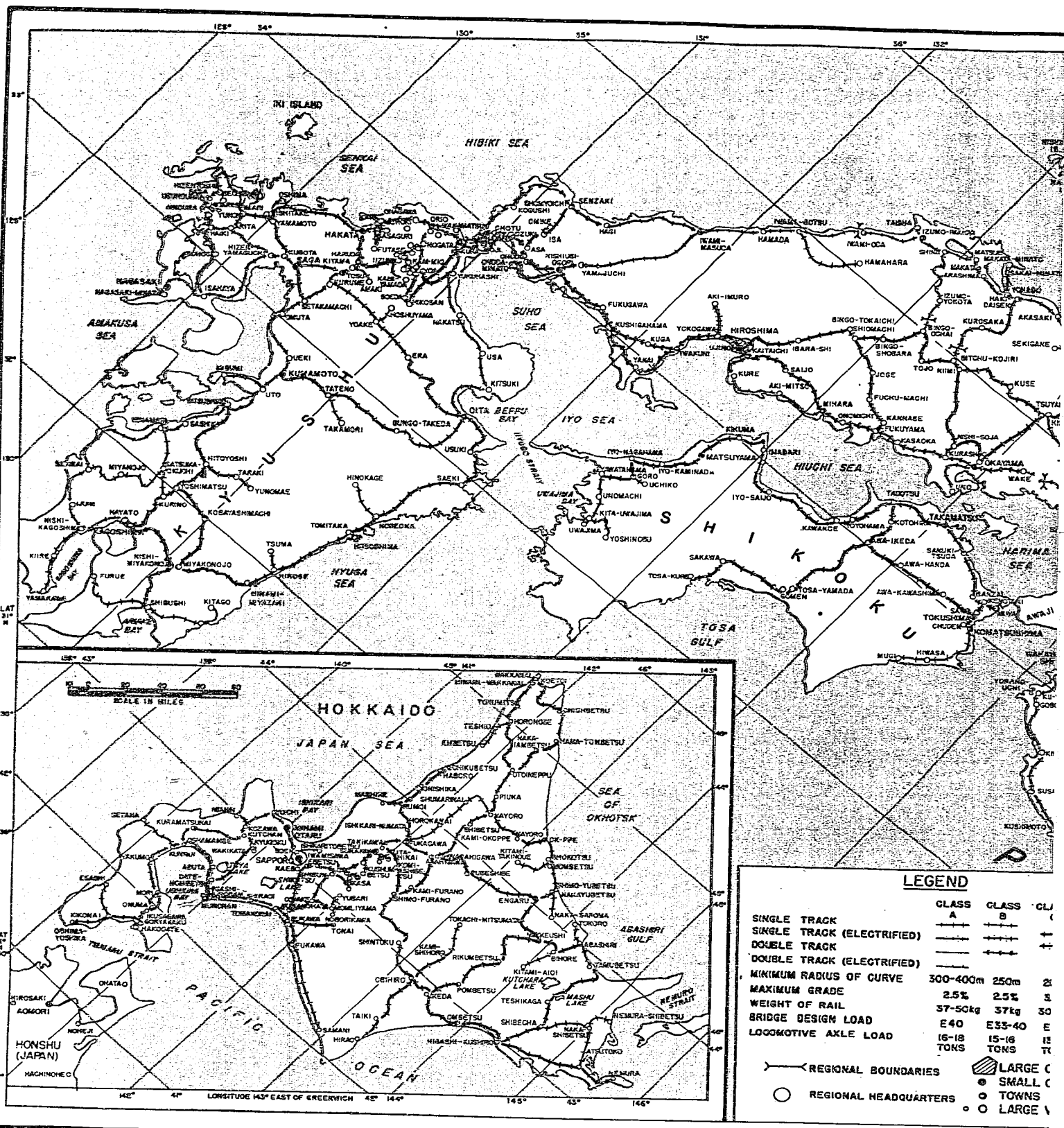
16. During February the number of Japanese merchant vessels in service increased. The following table indicates the number of merchant ships in service and undergoing repair:

MERCHANT SHIPS (February 1946)

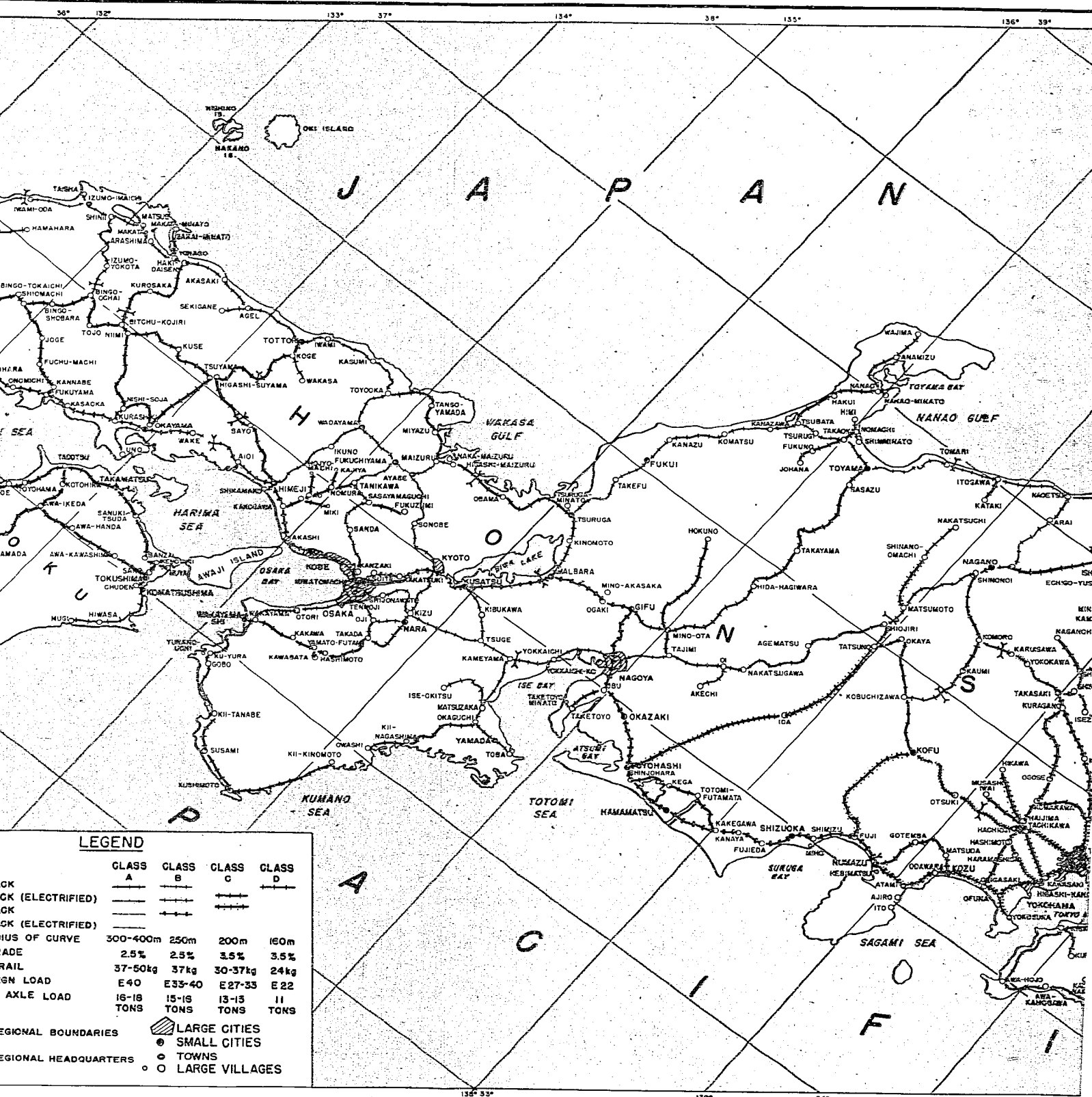
Date	<u>Operating</u>		<u>Under Repair</u>			
	No.	Gross Tons	<u>In Service Since Occupation</u>		<u>Not in Service Since Occupation</u>	
			No.	Gross Tons	No.	Gross Tons
1 Feb	447	603,878	147	179,706	88	210,740
11 Feb	504	667,734	135	249,790	108	251,340
20 Feb	504	639,642	135	277,582	108	251,340

SOURCE: Shipping Control Authority, Japanese Merchant Marine.

17. Demilitarized Japanese navy ships continued to be used in repatriation service and in mine sweeping operations, as shown by the following table:



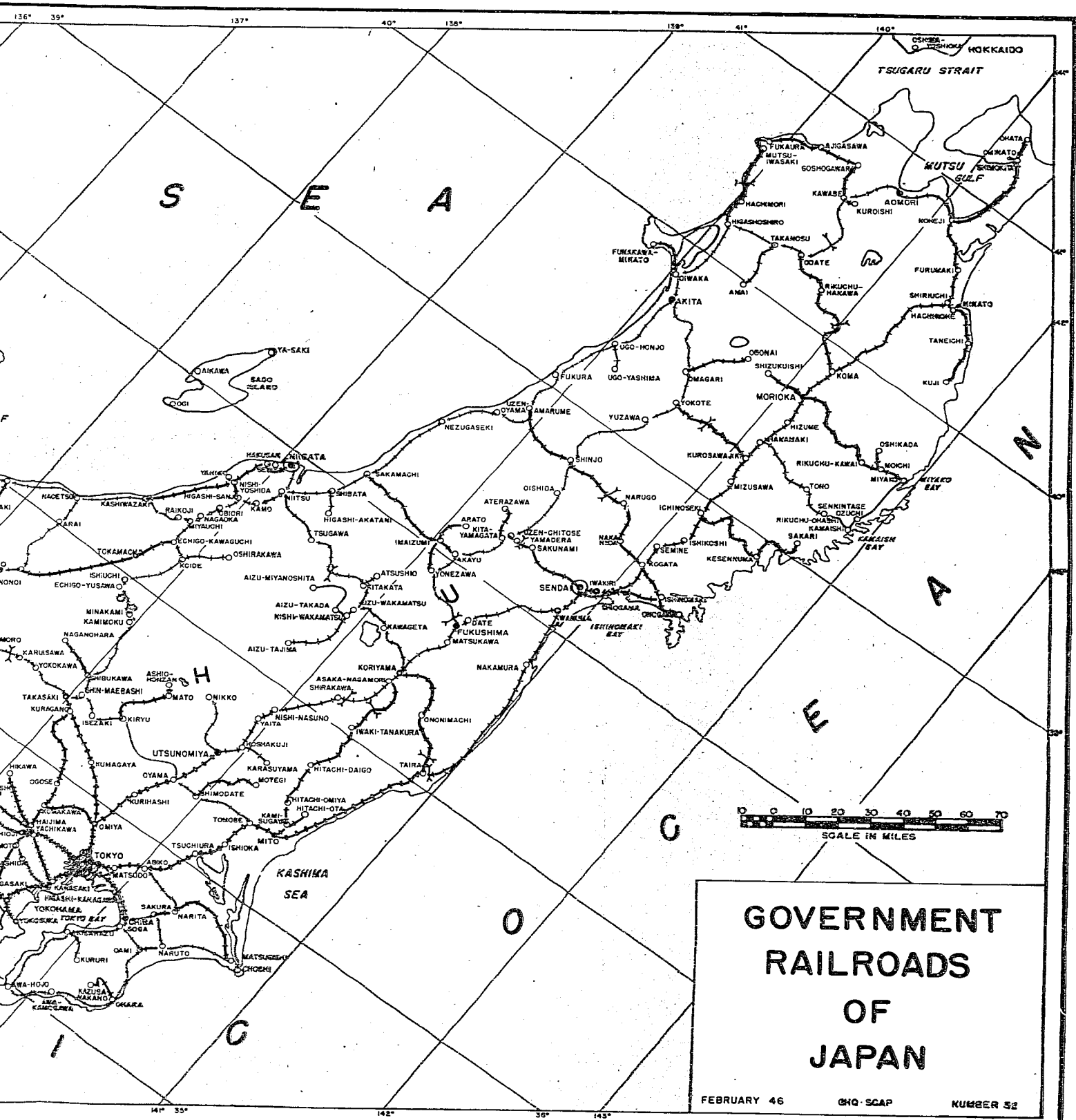
0415 1/3



LEGEND

	CLASS A	CLASS B	CLASS C	CLASS D
RAIL	————	————	————	————
RAIL (ELECTRIFIED)	———+———	———+———	———+———	———+———
RAIL (ELECTRIFIED)	———+———	———+———	———+———	———+———
RADIUS OF CURVE	300-400m	250m	200m	160m
GRADE	2.5%	2.5%	3.5%	3.5%
RAIL	37-50kg	37kg	30-37kg	24kg
DESIGN LOAD	E40	E33-40	E27-33	E22
AXLE LOAD	16-18 TONS	15-18 TONS	13-15 TONS	11 TONS
REGIONAL BOUNDARIES	▨ LARGE CITIES			
REGIONAL HEADQUARTERS	● SMALL CITIES			
	○ TOWNS			
	○ LARGE VILLAGES			

0415 2/3



15 2/3

0415 3/3

DEMILITARIZED NAVY SHIPS
(February 1946)

<u>Date</u>	<u>Repatriation</u>			<u>Mine Sweeping</u>		
	<u>In Service</u>	<u>Under Repair</u>	<u>Total</u>	<u>In Service</u>	<u>Under Repair</u>	<u>Total</u>
1 Feb	96	45	141	23	8	31
11 Feb	88	53	141	24	1	25
20 Feb	92	60	152	23	3	26

SOURCE: Shipping Control Authority, Japanese Merchant Marine.

18. While dry coastwise shipping continues to be predominantly coal and coke other movements were significant, as indicated by the following tabulation:

COASTWISE SHIPPING IN STEEL SHIPS OVER 100 GROSS TONS
February 1946
(long tons)

Coal	134,813
Coke and charcoal	12,624
Lumber	17,717
Paper and pulp	7,638
Provisions	11,368
Steel and iron	16,782
Miscellaneous ^{a/}	<u>22,910</u>
Total	223,853

^{a/} Includes copper ore, sea products, gypsum, limestone, tobacco and cotton.

SOURCE: Japanese Civilian Merchant Marine Committee.

19. The cargo carried by tankers between Japanese ports during February follows:

CARGO CARRIED BY JAPANESE TANKERS
February 1946
(kiloliters)

Black oil	26,464
Diesel oil	5,313
Kerosene	3,221
Miscellaneous ^{a/}	<u>5,254</u>
Total	40,252

^{a/} Includes machine oil, fuel oil, vegetable oil, gasoline, pine root distillates and crude oil.

SOURCE: Japanese Civilian Merchant Marine Committee.

20. Ocean shipping of merchandise in February was largely confined to China and Korea.

OCEAN SHIPPING OF JAPAN
February 1946
(long tons)

Dynamite to China	34
Pitwood to China	2,965
Coal to Korea	57,141
Fitch to Korea	1,164
Salt from China	11,400
Phosphate from Kita Daito Shima	<u>3,250</u>
Total	75,954

SOURCE: Japanese Civilian Merchant Marine Committee.

ELECTRIC POWER

21. The electric power load has grown steadily since the occupation. The load in December 1945 was 57 percent of the December 1943 average kilowatt hour load; the January 1946 load was 67 percent of the load in January 1944; and the first and second 10 day periods of February 1946 show 75 percent and 79 percent respectively of that of the same periods in 1944. Details of this load growth are shown in Chart 33, with breakdown by power districts.

22. A comparison of total power demands for the fiscal years starting April 1943, 1944 and 1945 is shown in Chart 34. Drop in load (kilowatt hours supplied) during last period in February is due to the shorter number of days as well as the restrictions caused by low water flow.

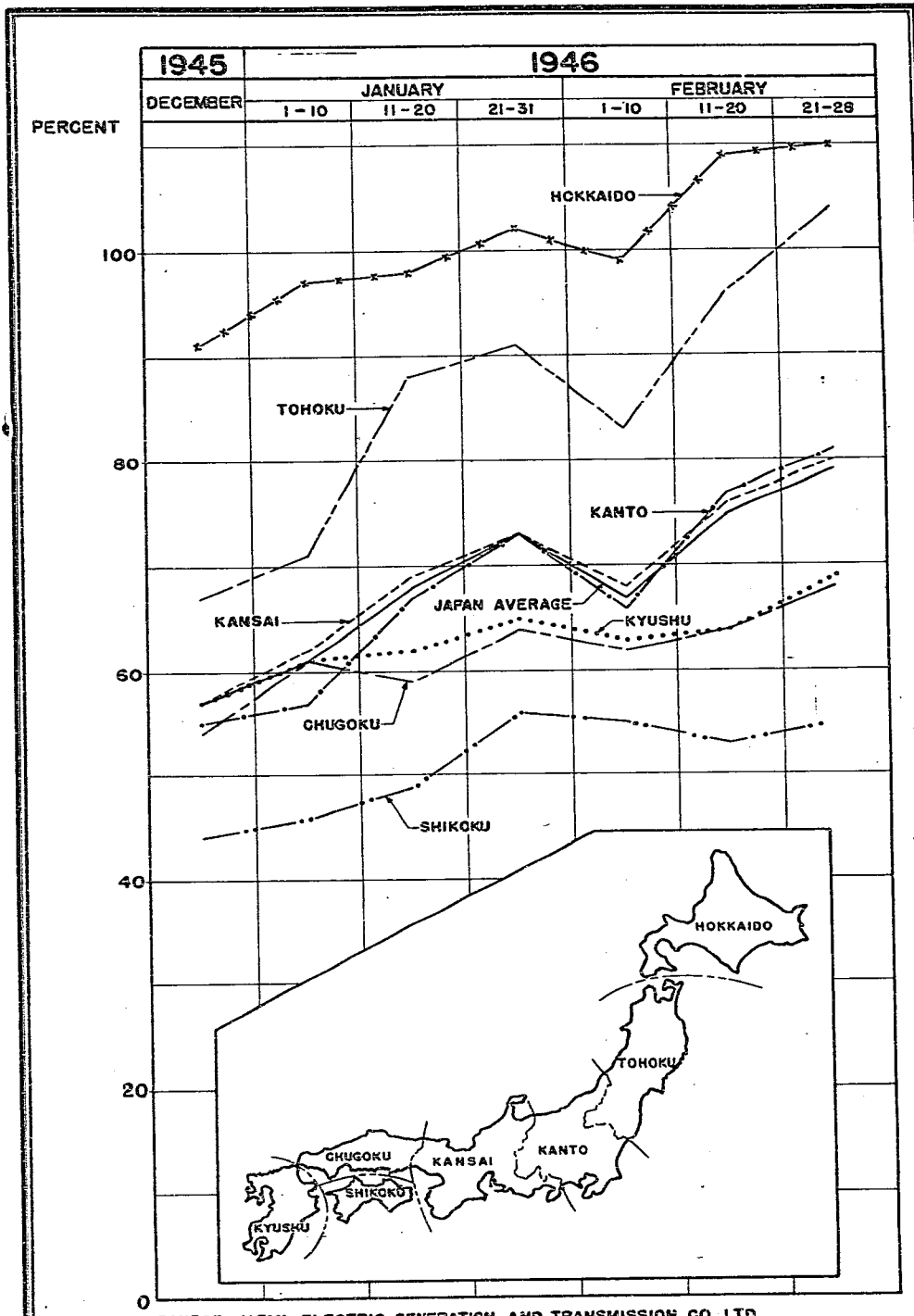
23. The increase in load during January and February has exhausted the surplus hydro-electric power and necessitated the operation of three steam power plants in Southern Honshu in addition to those regularly operated in Kyushu.

To avoid operation of more steam plants the power companies are limiting the amount of power supplied during peak load periods to consumers whose contracts are based on the use of surplus power at low cost.

It is anticipated that by 15 March additional stream flow from melting snow and rainfall will increase the hydro-electric power generated so that a surplus will be available. This will permit operation without supplemental steam plants except in Kyushu where thermal plants are regularly operated as base load plants.

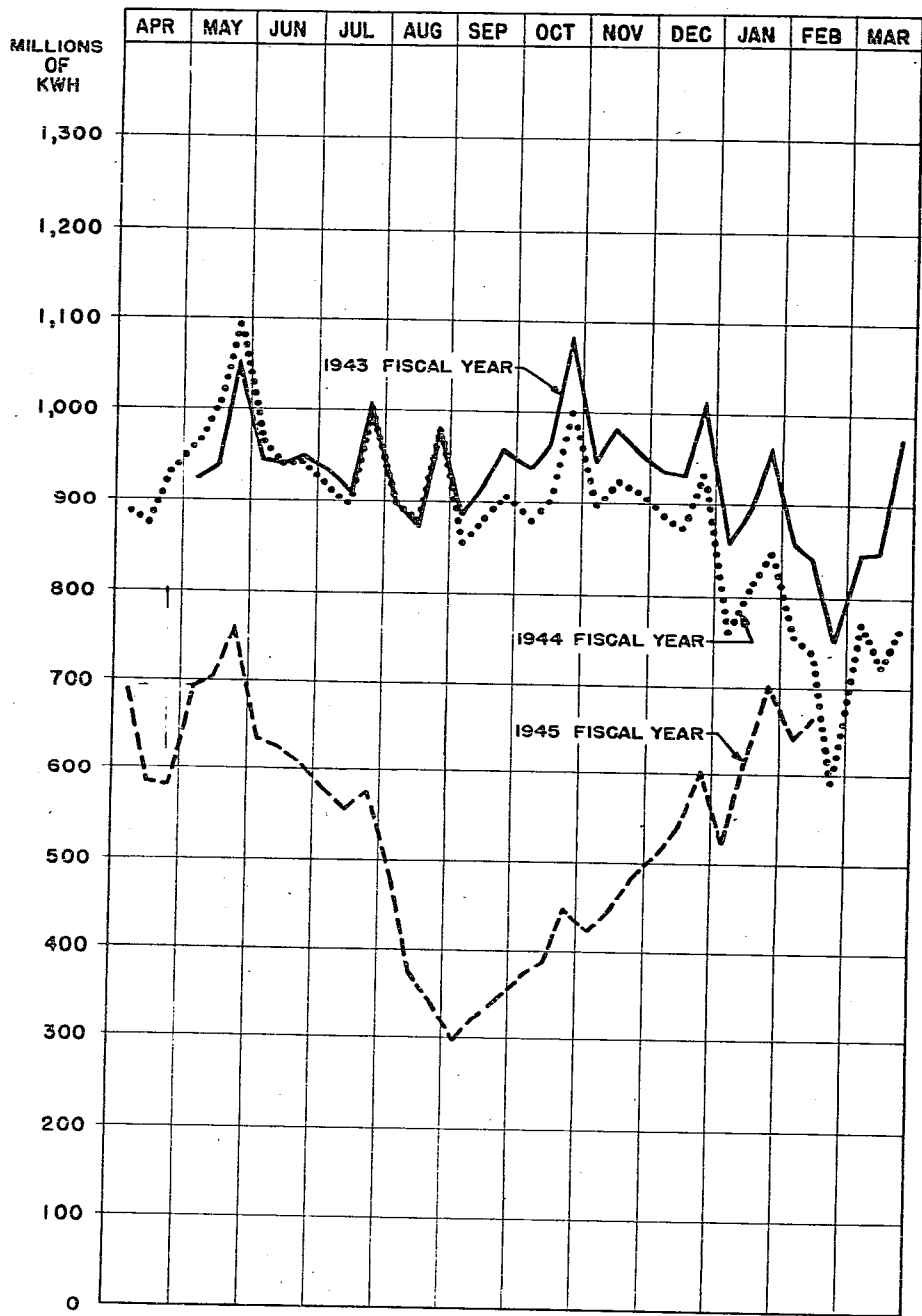
24. The increased load is attributed to the use of domestic cooking and heating appliances, and to extensive substitution of electric heat for coal and other fuels in industrial processes.

25. Operations of the Japanese electric power system indicate that the critical areas of supply are the Chugoku district of Southern Honshu and the Kyushu district. In these districts snowfall is comparatively slight and hydro-electric generation is dependent upon rainfall and stream flow.



SOURCE: JAPAN ELECTRIC GENERATION AND TRANSMISSION CO., LTD

ELECTRIC POWER DEMAND
JAPAN DECEMBER 1945 - FEBRUARY 1946
 EXPRESSED AS PERCENTAGE OF DEMAND FOR
 CORRESPONDING PERIOD TWO YEARS PREVIOUS



SOURCE: MINISTRY OF COMMERCE AND INDUSTRY, ELECTRIC POWER BUREAU

ELECTRIC POWER DEMAND
 BY TEN DAY PERIODS - 1 MAY 1943 THRU 20 FEBRUARY 1946
 JAPAN

FEBRUARY 46

GHO-SCAP

NUMBER 34

0419

During the dry season the power generated by some hydro-electric plants will drop as low as 20 to 30 percent of full capacity. Chugoku and Kyushu have little reserve water, storage in reservoirs which adds to the difficulty of providing constant power during the year.

26. The hydro plants are designed to take advantage of the maximum water flow during the highest three months of the year. This situation causes such irregular supply from hydro-electric plants as to require supplemental steam generation. Capacity should be installed only to use the average water flow without extensive reliance on supplemental thermal power.

27. The method of operation of hydro and thermal power plants during wet season, average water flow season and the dry season are shown in Chart 35.

There are two types of hydro plants. One has a storage reservoir which can partially level off generating capacity with variation in river flow. The second or natural flow type of plant is dependent upon daily river flow. Certain of the latter type have a forebay or small pool above the dam or headrace which is sufficient to provide extra water for the daily peak loads.

During high water season operation of hydro plants having storage reservoirs is stopped as the natural flow hydro plants are run to full capacity. The use of thermal plants for peak hours during this type operation is common although the operating period is quite short as shown in Chart 35.

As water flow decreases forebay type hydro plants display their daily regulatory ability and take care of the short heavy peak load. Thermal plants supply longer period peak loads and base load is carried by run of the river plants. In this case thermal plants are stopped at midnight. See Chart 35.

During low water season generating capacity of natural flow plants is at a minimum and supplies base load with no waste during minimum load at midnight. Storage reservoir hydro plants supplement natural flow plants on base load. Forebay type plants take short period peak loads. Thermal plants are operated to the extent necessary to supplement the insufficient capacity of hydro plants as shown in Chart 35.

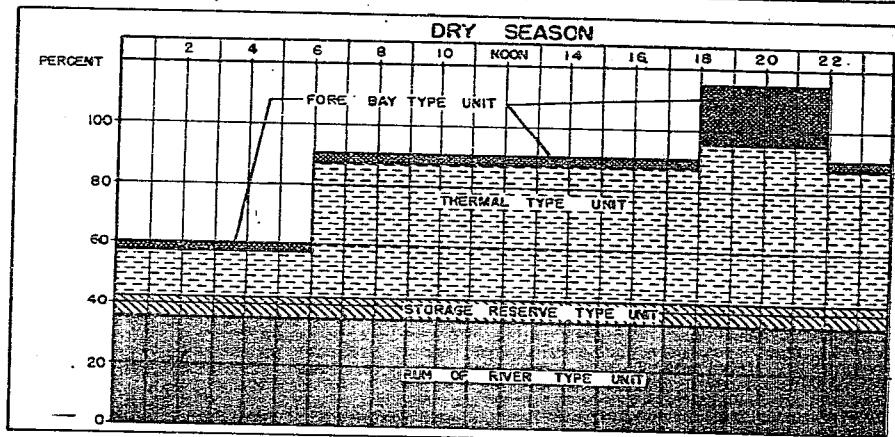
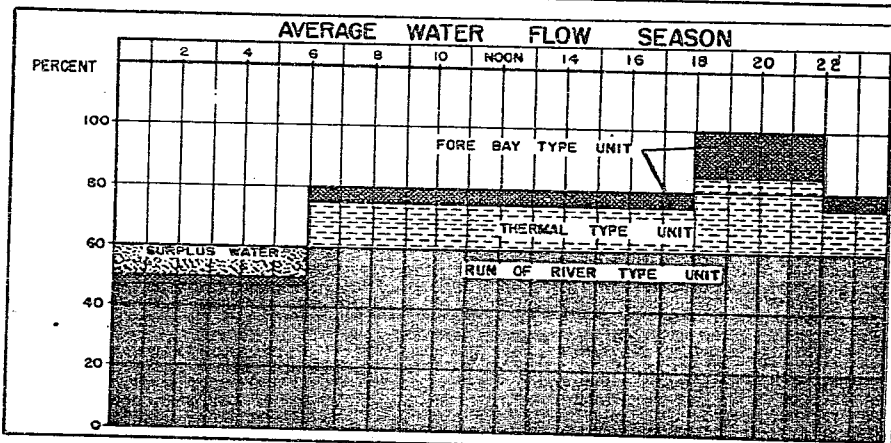
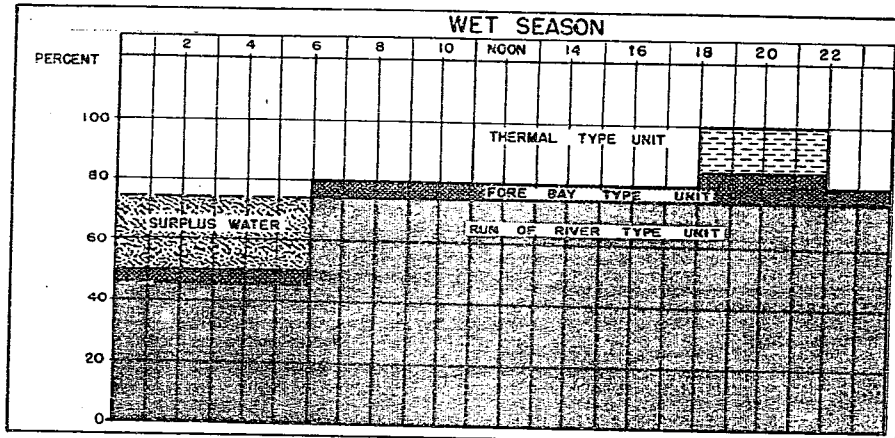
28. Future hydro-electric development indicates potential resources with a firm capacity (dry season) of 4,527,000 kilowatts and a maximum capacity of 13,776,000 kilowatts during the wet season.

GAS INDUSTRY

29. Operation of the public utility gas systems is still limited by coal allocations. Present operations are three to eight hours daily with better service in localities close to coal mines.

The gas installation systems as of 31 December 1945 are shown on Map 36.

30. Coal allocations from October 1945 to February 1946 together with actual receipts and consumption are indicated in the following table:



NOTE: PERCENT IS BASED ON THE PEAK LOAD OF WET AND AVERAGE FLOW SEASON AS 100%. THE PEAK FOR THE YEAR OCCURS IN DECEMBER DURING THE DRY SEASON.
SOURCE: MINISTRY OF COMMERCE AND INDUSTRY, ELECTRIC POWER BUREAU

HYDRO-THERMAL ELECTRIC POWER PLANT

TYPICAL METHOD OF DAILY OPERATION

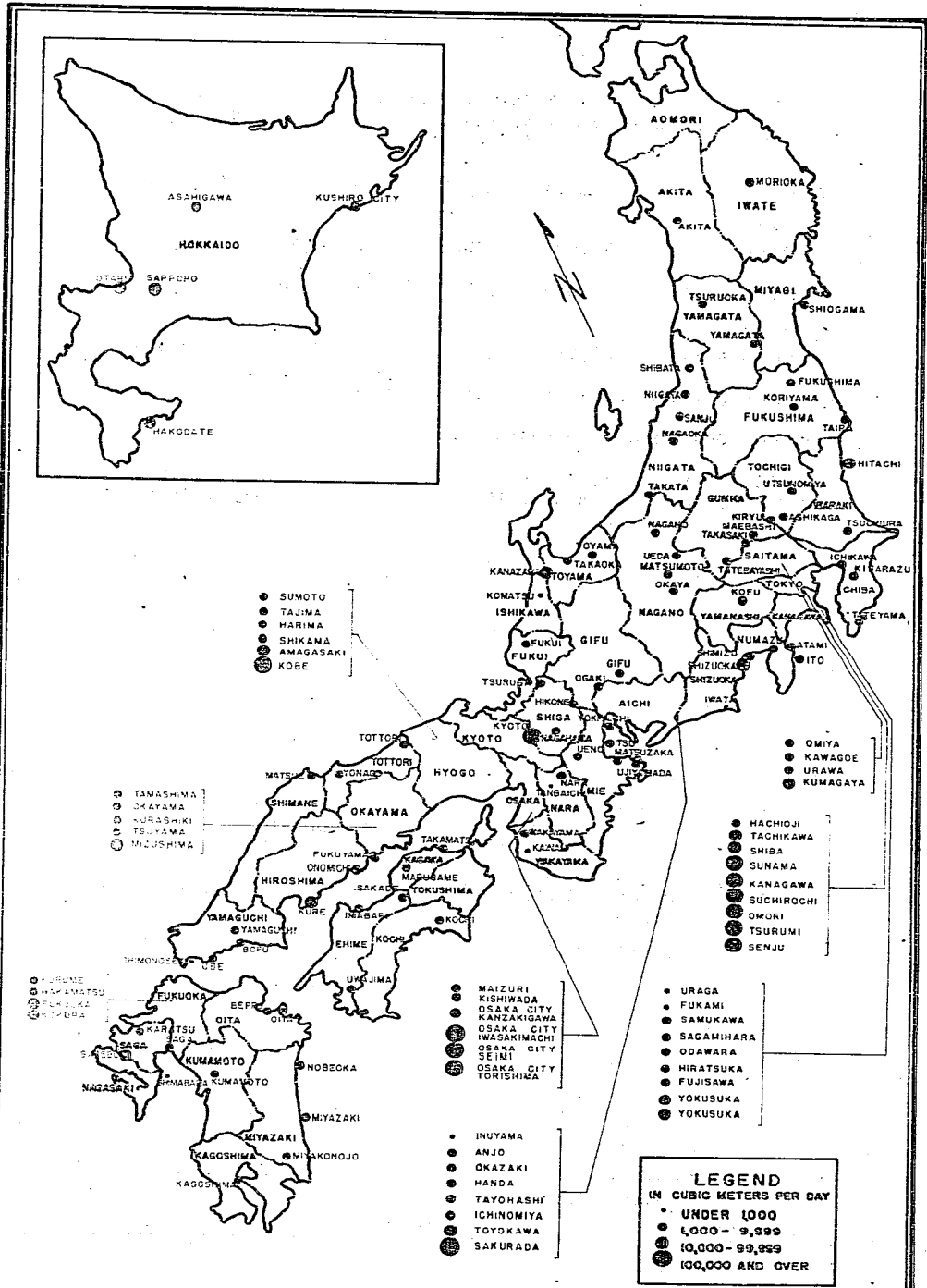
CENTRAL HONSHU

FEBRUARY 46

GHQ-SCAP

NUMBER 35

0421



SOURCE: MINISTRY OF COMMERCE AND INDUSTRY, COAL BUREAU

PUBLIC UTILITY GAS INSTALLATIONS JAPAN 31 DECEMBER 1945

FEBRUARY 46

GHQ · SCAP

NUMBER 36

0422

SECTION 8
COMMUNICATIONS

C O N T E N T S

	Paragraph
General	1
Wire Communications	4
Radio Communications.	19
Postal Communications	32
Communications Manufacturing and Supply	35
Financial Aspects of Communications	43

GENERAL

Board of Communications

1. A reorganization has taken place in the Board of Communications, the organizational structure of which is shown in Chart 38.
2. A Telecommunications Facilities Reconstruction Council has been formed of representatives of the Board of Communications and various ministries to provide improved coordination of the Board's activities.
3. The Reconstruction Bureau established in 1945 to care for war damage was discontinued and its responsibilities delegated to various engineering bureaus.

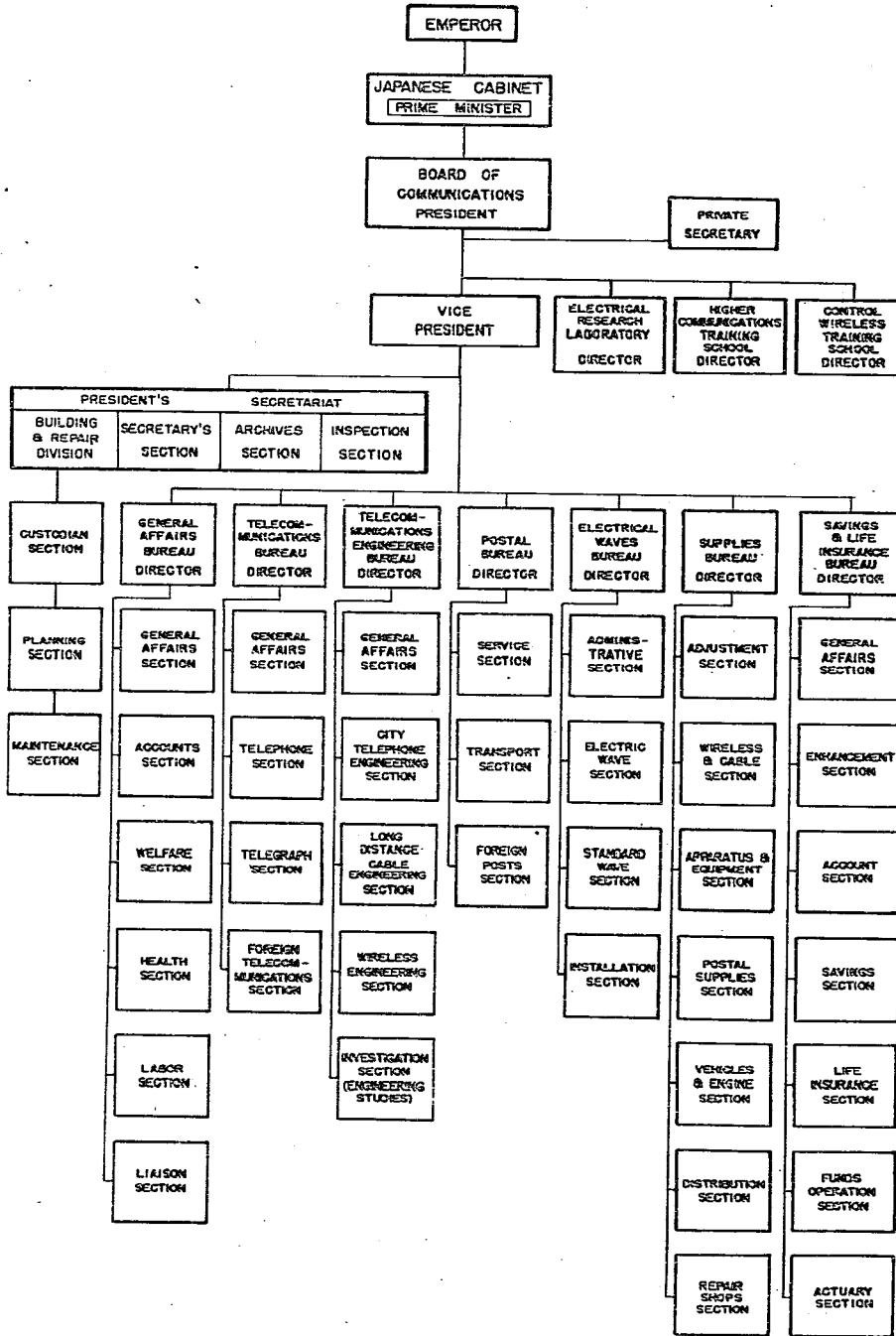
WIRE COMMUNICATIONS

Occupational Services

4. Rearrangement of the military communication networks necessitated by the consolidation of the SIXTH and EIGHTH Army areas into a single command is practically complete.
5. The Japanese Government was directed to furnish supplementary long distance telephone service to Occupation Forces from domestic toll exchanges.
6. The EIGHTH Army is preparing estimated requirements for Japanese communication personnel for the remainder of 1946.

The maintenance of at least two PBX exchanges was delegated to the Board of Communications. A request for five cable-splicing crews of five men each is being processed.
7. Projects in connection with the use of Japanese wire communication facilities for Occupation Forces are:
 - (1) The installation and construction of tie cables and equipment preparatory to changing from the present GHQ PBX to an 1800-line automatic exchange is 60 per cent complete.

ORGANIZATION OF BOARD OF COMMUNICATIONS JAPAN FEBRUARY 1946



0425

- (2) Work on the construction and loading of cable in the northern Kanto Plain area is progressing satisfactorily.
- (3) The Armed Forces Radio Service wire circuit serving Nagoya was changed from 2,300 cycle to a 4,000 cycle circuit. Similar improvements are being made in the Niigata circuit.
- (4) Steps were taken to improve domestic telegraph service to offices of the Civil Merchant Marine Committee.
- (5) The Japanese Government was directed to install and operate telephone and telegraph facilities for the International War Crimes Tribunal, Tokyo.
- (6) The Japanese Government was directed to install a 100-line PBX in the Russian Embassy.
- (7) Delivery of Expeditionary Force Messages over domestic telegraph circuits was improved.

Demilitarization

8. There has been no change in the wire circuit networks used by the First and Second Demobilization Ministries. Present layouts are expected to continue for several months.

9. Arrangements were made for improved domestic telegraph service to demobilization points.

Construction and Rehabilitation

10. A field inspection by representatives of SCAP of toll plant in the Tokyo-Sendai area showed the outside plant to be of good design and construction. Insect borers have punctured the lead sheaths of cables at numerous points in the Tokyo-Mito section of the new Tokyo-Sendai subterranean carrier cable. Cables are being repaired and in order to prevent future damage they will be enclosed in concrete.

11. Most outside plant troubles in the area covered were found to be located near repeater stations particularly at the terminals of main cable sections. Toll repeater stations equipment was in bad condition due to lack of sufficient maintenance parts. Plate and filament batteries, vacuum tubes and emergency power equipment are needed.

12. Construction on the Niara-Sendai section of the new Tokyo-Sendai carrier cable route is progressing satisfactorily. It is estimated that these cables will be completed during April.

13. The International Telecommunications Company, Ltd., received approval of its request for a loan of \$ 11,000,000, which permits continuance of construction of cable facilities on Kyushu.

14. The Board of Communications planned to rehabilitate the Central Telephone and Telegraph Offices at Tokyo and Osaka to serve as models for their employees.

Cable Ships

15. The three cable ships available for submarine cable repair were occupied as follows:

- (1) Tsushima Maru, 1,700 tons engaged in making cable repairs on the submarine section of the Matsuyama-Kure carrier cables. One repair project has been

completed.

- (2) Osei Maru, 600 tons still engaged in cable repair activities in the Bango Straits area between Shikoku and Kyushu.
- (3) Motoku Maru, power cable barge assisting the Tsurushima Maru in making repairs on the Matsuyama-Kure cable.

Maintenance

16. SCAP was furnished initial lists of necessary communication maintenance supplies. This equipment was ordered but only a limited amount was received which included carrier and telephone repeater tubes. These were used to improve transmission through selected circuits between Tokyo and Osaka. Critical requirements are listed below:

<u>Item</u>	<u>Immediate Need</u>	<u>Total 1946</u>
Vacuum tubes	29,600	183,000
Equipment fuses	251,900	851,900
Power switchboard fuses	6,840	72,840
Switchboard and alarm lamps	253,750	743,750
Keys	2,320	20,320
Plugs	350,540	590,540
Capacity unbalance sets	100	200
Dial speed indicators	200	300
Nippers	15,600	21,600
Solder (pounds)	29,000	60,000
Soldering irons	5,250	9,750

SOURCE: Board of Communications.

17. A group of Japanese telephone engineers selected to establish a program for improving transmission and maintenance of toll circuits are now working on the Tokyo-Nagoya-Osaka sections of the main toll routes. Most troubles exist in the repeater station equipment. Bad tubes, loose contacts, poor or unsoldered connections and broken-down or burned-out components characterize the equipment conditions in the stations. A few outside plant troubles are due to bad coils in loaded cable sections and impedance irregularities in non-loaded sections.

18. Estimates of 1946 requirements for manufactured materials and parts for construction and maintenance of telephone and telegraph facilities are being prepared by the Japanese Government.

RADIO COMMUNICATIONS

Broadcasting

19. Under plans previously agreed upon by the Board of Directors of the Broadcasting Corporation of Japan, Mr. H. Ohashi, Chairman of the Board and President of the Corporation, was to resign when a new president had been elected. Instead, he resigned on 15 February. Pending selection and installation of a new president by the Advisory Committee for Broadcasting the operations of the Broadcasting Corporation will be carried on by the three managing directors.

20. On 25 February SCAP approved an application of the Board of Communications to operate seven new broadcasting stations.

Approval was granted for increasing the power output of four other stations now in operation.

21. The total program transmission time for February was 446 hours for network Number 1 and 152 hours for network Number 2, representing a daily transmission average of 16 and 5.5 hours, respectively.

Domestic Radio Communications

22. On 5 February a directive was issued to the Japanese Government ordering that all radio circuits of the First Demobilization Ministry, with exception of those between Japan and North China, be closed and that only the 22 stations of the Second Demobilization Ministry within Japan continue to be operated by that Ministry.

Radio circuits of the Demobilization Ministries that will be in operation after this directive is effective are shown on Map 39.

23. The 27 radio stations of the Central Meteorological Observatory are shown on Map 40.

24. An additional flight channel and quadrant indicating radio navigational aid has been ordered placed in operation to provide assistance to Allied fliers approaching Tokyo from the east and south.

The former Japanese Navy radio range station located on the island of Oshima near the entrance of Tokyo Bay, severely damaged during the war, is now being restored by the Japanese under the supervision of the Army Airways Communication Service.

25. A comparison of the present traffic of the ship-to-shore coastal stations with the pre-war and wartime level is given below:

SHIP-TO-SHORE TRAFFIC

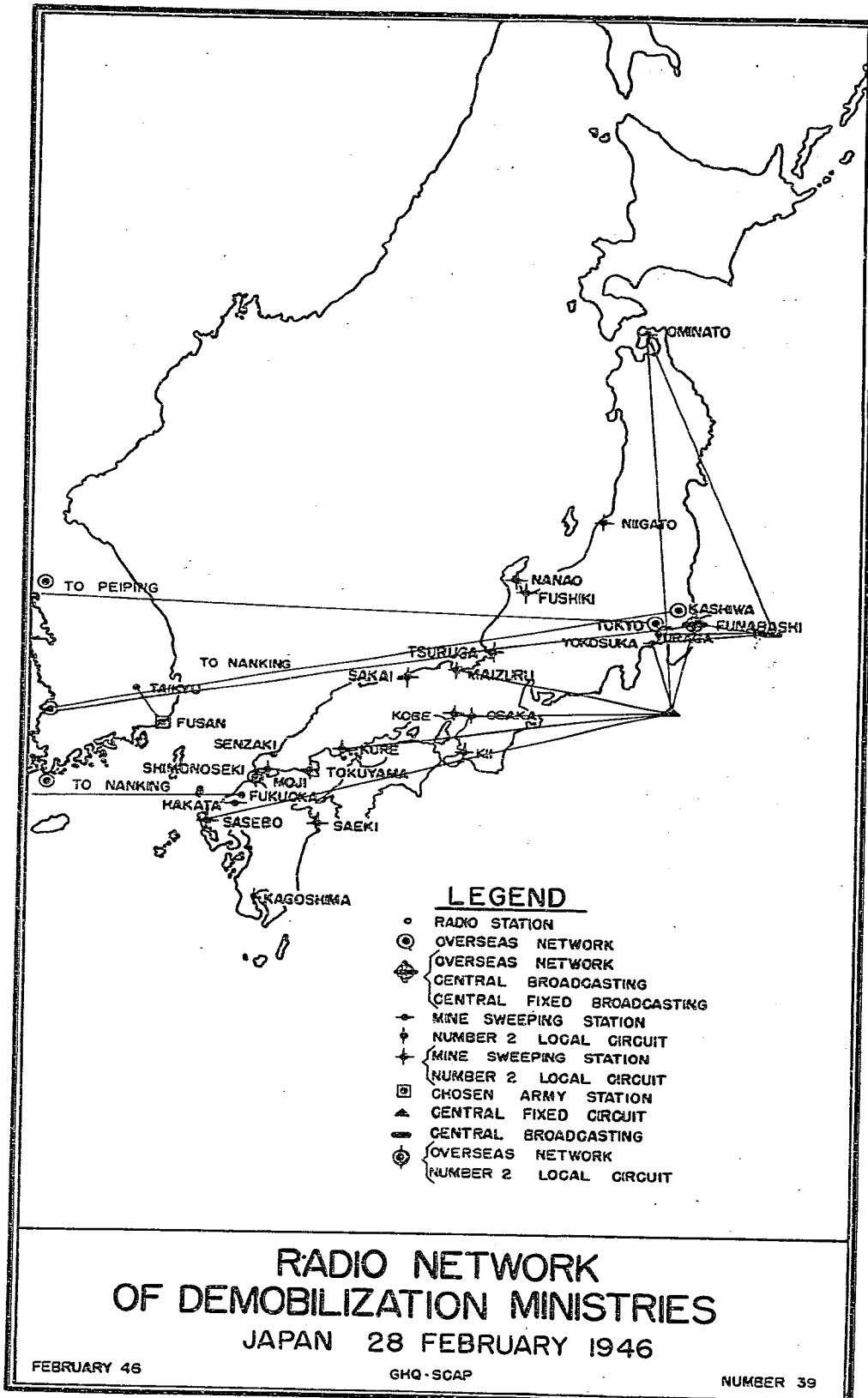
Station	Average Number of Messages per Month			
	1938	1944	Dec 45	Jan 46
Hakodate	2,616	3,559	35	254
Otchishi	8,016	576	19	21
Choshi	---	1,510	343	339
Teunoshima	435	543	976	762
Nagasaki	14,280	850	---	751
Niigata	---	159	455	337
Wakasa	---	---	307	110
Shiomizaki	2,867	351	115	130
Shimotsui	435	543	522	191
Otaru	---	232	---	---

SOURCE: Board of Communications.

The above tabulation indicates that the coastal stations are not heavily loaded and are capable of handling ship-to-shore traffic in Japanese waters.

26. An automatic high-speed radio telegraph circuit capable of carrying approximately 2,500 messages a day has been inaugurated by the Board of Communications between Tokyo and Fukuoka.

27. Two radio aids to navigation operated by the Lighthouse

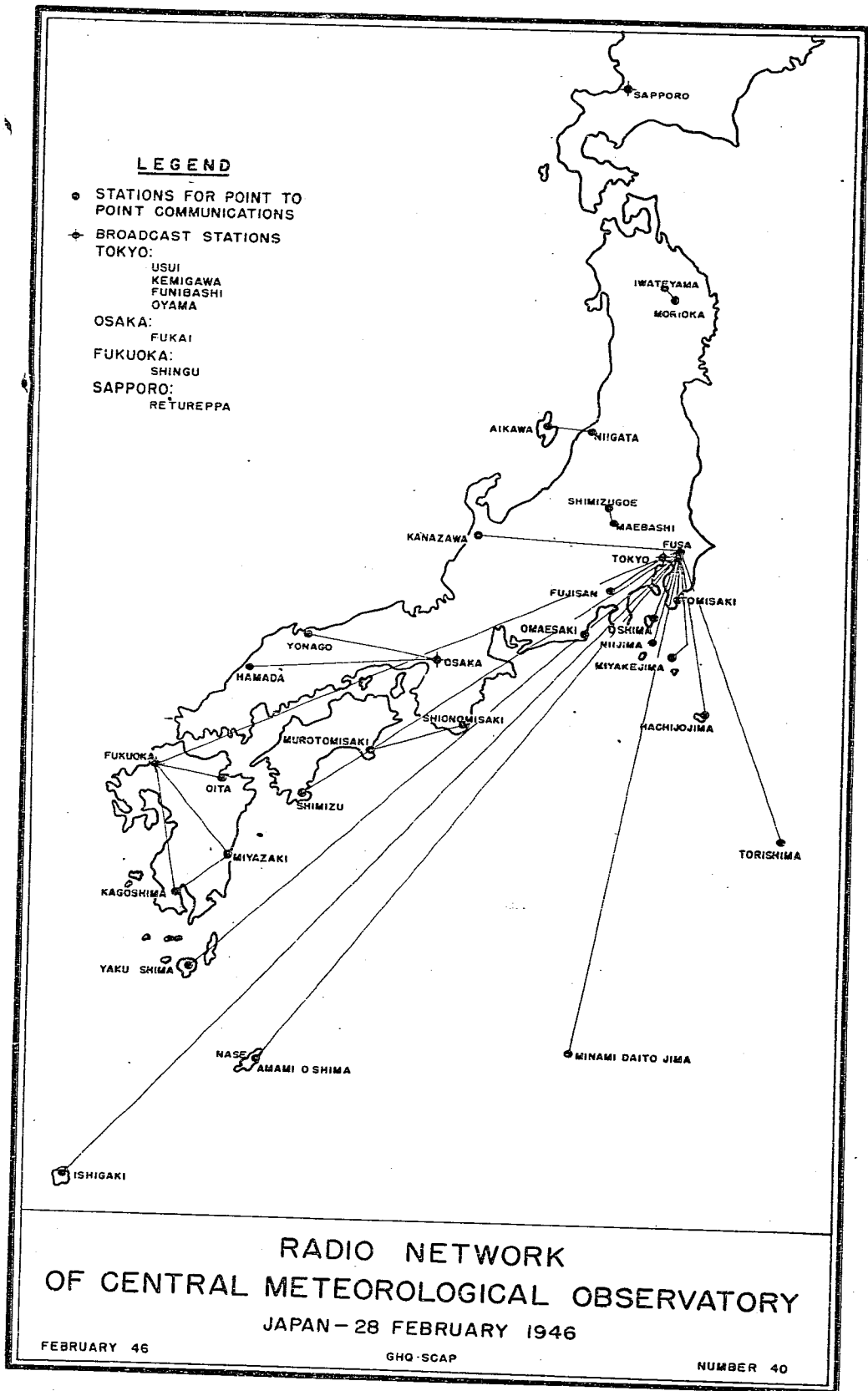


LEGEND

- RADIO STATION
- ⊙ OVERSEAS NETWORK
- ⊙ OVERSEAS NETWORK
- ◆ CENTRAL BROADCASTING
- ◆ CENTRAL FIXED BROADCASTING
- ◆ MINE SWEEPING STATION
- ◆ NUMBER 2 LOCAL CIRCUIT
- ◆ MINE SWEEPING STATION
- ◆ NUMBER 2 LOCAL CIRCUIT
- ◆ CHOSEN ARMY STATION
- ◆ CENTRAL FIXED CIRCUIT
- ◆ CENTRAL BROADCASTING
- ◆ OVERSEAS NETWORK
- ◆ NUMBER 2 LOCAL CIRCUIT

53

0429



RADIO NETWORK
 OF CENTRAL METEOROLOGICAL OBSERVATORY

JAPAN - 28 FEBRUARY 1946

FEBRUARY 46

GHO-SCAP

NUMBER 40

0430

Bureau went out of service due to break-down of equipment.

International Circuits

28. The telephone service between Tokyo and the United States has been expanded. Calling hours have been increased from 7 to 11 hours per day by the clearance of an additional frequency for mid-day use. The average number of calls has increased from 16 to 33 per day with 674 calls having been completed during February. The average length of conversations was 7.5 minutes.

29. A comparison of the overseas radio telegraph traffic for January and February follows:

MESSAGES HANDLED		
<u>Circuit</u>	<u>January</u>	<u>February</u>
Fukuoka-Fusan ^{a/}	15	0
Tokyo-Geneva	1,174	781
Tokyo-Moscow	782	543
Tokyo-Stockholm	435	350
Tokyo-San Francisco	49,229	40,390
Osaka-London	30	316

^{a/} Wire telegraph facility furnishing service between points in Japan and points in Korea. Previously reported as a Tokyo-Keijo radio telegraph circuit.

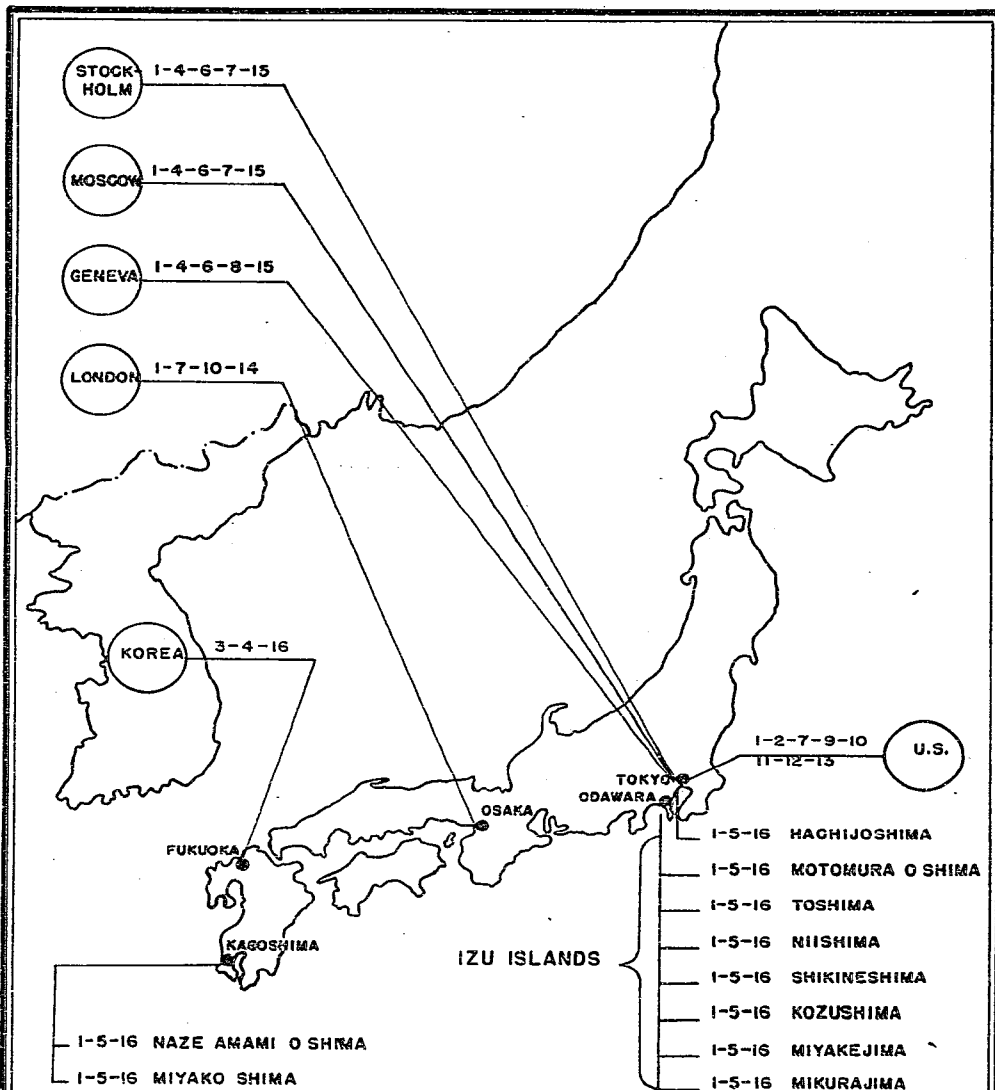
30. Temporary arrangements have been made to use United States commercial circuits through San Francisco for messages between China and Japan pending establishment of a direct radio telegraph circuit between Shanghai and Tokyo.

31. A check was made of telecommunication facilities now operating between Japan and islands formerly governed by Japan. Data on these and other international facilities are shown in Chart 41.

POSTAL COMMUNICATIONS

32. The Japanese postal system consists of 14,071 post offices staffed by 87,600 persons. The system is supervised by the Postal Bureau in the Board of Communications. For operational and administrative purposes, the Home Islands have been divided into eight postal districts.

33. The Board of Communications reports that the Japanese postal system lacks transportation facilities, particularly in local areas. The following table indicates requirements by bureaus:



1. RADIO TELEGRAPH.
2. RADIO TELEPHONE.
3. WIRE TELEGRAPH.
4. PRIVATE MESSAGES (PREPAID IN AND OUT; CENSORED; LANGUAGE LIMITED TO ENGLISH, RUSSIAN AND JAPANESE).
5. PRIVATE MESSAGES (PREPAID IN AND OUT; NOT PRESENTLY CENSORED).
6. GOVERNMENT MESSAGES (PREPAID IN; COLLECT OUT; SENT IN CLEAR OR CODE).
7. PRESS (PREPAID IN; COLLECT OUT; NOT CENSORED).
8. PRESS (MAY BE SENT PREPAID OR COLLECT; IN AND OUT).
9. IFM (FROM OR TO MILITARY AND ACCREDITED CIVILIAN PERSONNEL; PREPAID IN AND OUT; NOT CENSORED).
10. SSM (FROM OR TO MILITARY AND ACCREDITED CIVILIAN PERSONNEL; PREPAID IN AND OUT; NOT CENSORED).
11. TELEPHONE CALLS FROM TOKYO TO UNITED STATES (FROM MILITARY AND ACCREDITED CIVILIAN PERSONNEL; SENT PREPAID).
12. PROGRAM TRANSMISSIONS (PREPAID IN; COLLECT OUT).
13. PAYMENT OF FOREIGN NATIONS SHARE OF MONEY COLLECTED IN JAPAN ON A SEMI-MONETARY BASIS AS ARRANGED.
14. NO PAYMENT OF FOREIGN NATIONS SHARE OF MONEY COLLECTED IN JAPAN AS ARRANGED.
15. NO SETTLEMENT OF ACCOUNTS BEING CURRENTLY MADE. MONEY BEING COLLECTED IN JAPAN ON A BASIS OF 70 SEN PER GOLD FRANK (PRE-OCCUPATION RATES IN EFFECT).
16. NO SETTLEMENT OF ACCOUNTS BEING CURRENTLY MADE. JAPANESE DOMESTIC TELEGRAPH RATES IN EFFECT.

**JAPANESE INTERNATIONAL COMMERCIAL
TELECOMMUNICATION FACILITIES**

28 FEBRUARY 1946

0432

TRANSPORTATION REQUIREMENTS OF JAPANESE POSTAL SYSTEM

<u>Bureau</u>	<u>Mail Trucks</u>		<u>Mail Bicycles</u>	
	<u>In Use</u>	<u>Additional Requirement</u>	<u>In Use</u>	<u>Additional Requirement</u>
Tokyo	98	482	4,114	6,700
Nagoya	27	100	1,812	3,000
Ogaka	79	332	3,171	5,500
Hiroshima	42	110	2,136	3,600
Matsuyama	27	55	1,090	1,900
Kumamoto	31	71	2,923	4,900
Sendai	38	73	2,276	3,800
Sapporo	14	41	1,940	3,100
Shimetsu	17	25	1,098	1,800
Hokuriku	5	7	440	700
Total	378	1,296	21,000	35,000

SOURCE: Board of Communications.

34. Japanese Postal rates are:

<u>Classification</u>	<u>Rates</u>
1st Class --- Letters	10 sen per 20 grams
2nd Class --- Single postcards	5 sen
Reply postcards	10 sen
Letter cards	10 sen
3rd Class --- Newspapers	3 sen per 100 grams
Other periodicals	5 sen per 100 grams
4th Class --- Books, samples of merchandise	10 sen per 100 grams
5th Class --- Agricultural seeds	3 sen per 100 grams
Parcels ---	100 sen up to 4 kilograms 50 sen up to 2 kilograms

SOURCE: Board of Communications.

COMMUNICATIONS MANUFACTURING AND SUPPLY

35. The communications equipment manufacturing industry is making encouraging progress in reinstalling evacuated production equipment and in resuming production of basic piece parts, although many rehabilitated production units are not being used to full capacity because of the shortage of labor.

36. Production of electronic tubes is improving despite the shortage of industrial gas.

Manufacturers estimate approximately 90,000 receiver tubes were produced in February as compared with 52,000 in January.

Twenty-five hundred of the 3,000 repeater tubes scheduled for shipment to the Board of Communications for February were produced but, because of defects, only 1,500 were delivered. In view of the importance of these tubes in maintaining the toll circuits in Japan and Korea, the project is receiving considerable attention.

37. Estimated February production of radio receivers was

5,000 as compared with 7,500 produced in January. This decrease was caused by problems in converting to the manufacture of new type sets which have greater selectivity.

38. It is estimated that 8,000 telephone sets were produced in February against a total forecast for the first quarter of 45,000. Present indications are that about 30,000 sets will be produced in this quarter.

39. The Ministry of Commerce and Industry estimates an increase in production of telephone parts in March to ¥ 10,000,000 compared with the total of ¥ 1,500,000 in February.

40. War damage to the telephone cable production industry was not extensive enough to present a problem in productive facilities.

41. Ninety percent of the communications research facilities are owned by manufacturers; the balance are in educational institutions and in independent and government laboratories.

Surveys have been received covering 28 research agencies engaged in 80 pure research projects related to communications, 120 research-development projects in the field of radio communications and 84 wire communications research projects.

Use of Japanese Army and Navy Equipment

42. Returned Japanese Army-Navy signal equipment has been received and distributed by the Ministry of Home Affairs as follows:

RECEIPTS AND DISTRIBUTION OF JAPANESE ARMY AND NAVY COMMUNICATION EQUIPMENT 23 February 1946

<u>Item</u>	<u>Unit</u>	<u>Total Received To Date</u>	<u>Total Distribut- ed To Date</u>	<u>Percentage Distribut- ed To Date</u>
Wire				
Switchboards, misc.	each	211	39	19
Telephones	each	3,734	112	3
Telegraph sets	sets	80	0	0
Cable, lead covered	reels	974	500	51
	meter	233,523	207,700	89
Radio				
Transmitters (over 250 watts)	each	50	20	40
Receivers	each	357	27	8
Tubes, assorted	each	74,385	4,617	6
	box	1,049	35	3
Power				
Generators	each	288	0	0

SOURCE: Ministry of Home Affairs.

FINANCIAL ASPECTS OF COMMUNICATIONS

43. Financial reports covering the nine largest manufacturers of communications equipment, the Board of Communications, the Broadcasting Corporation of Japan and International Telecommunications Company, Ltd., have been completed.

Board of Communications

44. The Board of Communications enjoyed a considerable excess

of operating income over expenditures during the pre-war years and most of the war. The Japanese Government withdrew a part of this excess for use in military and civil expenditures.

45. A preliminary budget for 1946-1947 has been obtained from the Board of Communications and analyzed by SCAP. Budgeted operating income is ¥ 1,821,000,000 including ¥ 639,000,000 due to proposed increases in rates for telephone, telegraph and postal services varying from 100 to 200 percent. Budgeted operating expense is ¥ 1,548,000,000 including ¥ 602,000,000 additional labor costs representing more than a 100 percent increase over labor expenses in effect prior to December 1945. The budget figure for construction work amounts to ¥ 1,036,000,000, 12 percent new and 88 percent reconstruction. Funds for construction work are to be obtained as follows: ¥ 259,000,000 from operating revenues and ¥ 777,000,000 from bond issues.

Broadcasting Corporation of Japan

46. The Broadcasting Corporation of Japan which was highly profitable prior to the war is now operating at a loss estimated for the current year at between ¥ 5,000,000 and ¥ 6,000,000.

The Corporation suffers from a lack of working capital and at present must depend heavily on borrowed money. Practically all profits have been reinvested in fixed assets.

47. War damage to property is estimated at ¥ 2,500,000 based on values at the time the property was insured. The Corporation has received ¥ 1,000,000 in payment of claims and is preparing an additional claim for ¥ 1,500,000.

48. Wholly owned subsidiaries of the Broadcasting Corporation of Japan include the Japan Broadcasting Publishing Corporation, Broadcast Cultural News Company and Japan Broadcasting Recording Corporation. Control is also exercised over the Radio Receiving Set Distribution Company, since the Broadcasting Corporation of Japan is the largest single stockholder, owning 7,250 shares or 36.2 percent of the capital stock.

International Telecommunications Company, Limited

49. Earnings of the International Telecommunications Company have been very good in the past. Recently its income has decreased sharply due to current restrictions placed on foreign communications. The company is controlled by the government through the Board of Communications.

50. The International Telecommunications Company's investment in operating properties located outside Japan amounts to ¥ 44,690,613 or 19 percent of its total assets. This amount includes cable facilities to Korea as well as property and advances to branch offices in Korea, Formosa and Hainan Island.

In addition the Company has ¥ 22,698,500 invested in capital shares of communication and related companies located outside of Japan. These investments represent approximately 10 percent of the total assets of the company.

Total foreign assets represent approximately 29 percent of the company's total assets.

51. The International Telecommunications Company has outstanding obligations of ¥ 148,900,000. These are guaranteed as to interest and principal by the government, which owns 50 percent of the capital stock of this company.

Communications Equipment Manufacturing Companies

52. Financial conditions of the nine largest communications equipment manufacturers as of 30 September 1945 are indicated in the following table:

COMPARISON OF CURRENT ASSETS
WITH CURRENT LIABILITIES
30 September 1945

<u>Company</u>	<u>Assets a/ Liabilities</u> (millions of yen)		<u>Ratio</u>
Tokyo-Shibaaura Electric Co.	1,152	1,509	.76
Hetachi, Ltd.	1,290	913	1.41
Mitsubishi Electric Co.	692	704	.98
Nippon Electric Co.	547	533	1.02
Furukawa Electric Co.	363	375	.98
Sumitomo Electric Industries, Ltd.	170	222	.77
Japan Radio Co.	312	343	.91
Oki Electric Co.	204	74	2.75
Matsushita Electric Co.	<u>177</u>	<u>167</u>	<u>1.06</u>
Total	4,907	4,845	1.03

a/ War Damage claims not included.

53. Total insurance claims for war damage as shown in the balance sheets of the nine companies represent over 12 percent of the total assets. Total insurance claims filed (which include fixed assets at cost of rebuilding) amount to about ¥ 1,300,000,000 or 16 percent of the total assets and exceed damage shown on balance sheets because of increased replacement cost.

54. Six of the nine companies have been listed as restricted concerns under regulations for the control of the Zaibatsu. Two of the remaining three are linked with Zaibatsu organizations. Analyses of investments and interlocking directorates indicate that a large portion of the remaining companies in the industry are owned or controlled by the nine companies.

55. Fixed assets of the nine companies have increased 1,600 percent and total assets have increased 2,800 percent over the past nine and one-half years. Fixed assets are carried at cost less depreciation and represent the book value after war damage has been deducted. War damage to fixed assets at cost less depreciation is ¥ 268,530,000. Fixed assets remaining as of 30 September 1945 were ¥ 1,180,568,000 at cost less depreciation. Estimated damage is 18.5 percent of the total of war damage plus the remaining value of ¥ 1,449,098,000.

SECTION 9

LABOR

C O N T E N T S

	Paragraph
Labor Legislation	1
Labor Unions.	5
Labor Relations	14
Wages	18
Employment and Unemployment Measures.	22
Labor Used by Occupation Forces	26
Coal Mine Labor	28
Recruitment of Seamen	32
Miscellaneous	35

LABOR LEGISLATION

1. The Imperial Ordinance setting up procedural regulations under the Labor Union Law of 21 December 1945 was promulgated on 27 February 1946. Both the basic law and the ordinance will be effective on 1 March. Labor unions have legal status for the first time in Japanese history.

2. The Imperial Ordinance amplifies the basic Labor Union Law with regard to the selection and operation of the tri-partite Central, Maritime and prefectural Labor Relations Committees. The members of the Labor Relations Committees are to be appointed for a one-year term and are subject to removal under certain conditions.

Six weeks before members of the committees are appointed the Minister of Health and Welfare or the prefectural governor concerned is required to invite publicly all labor and employer organizations to recommend candidates and three weeks later to announce publicly the recommendations received. Administratively, the Labor Relations Committees are to be provided with independent staffs.

3. Pending enforcement of the basic Labor Union Law and the supplementary ordinance, tentative slates were announced for the Central Labor Relations Committee, for the Maritime Labor Relations Committee and for prefectural Labor Relations Committees in Fukushima, Fukui, Osaka, Shimane, Kagawa, Kochi and Nagasaki.

4. The initial draft of the Labor Disputes Bill was revised in the Labor Legislation Committee of the Ministry of Health and Welfare. Pending subsequent approval by SCAP, interim Mediation Boards have been established in 28 prefectures.

LABOR UNIONS

5. Up to 20 February 675 unions with a total membership of 495,912 had registered with the Ministry of Health and Welfare. The two largest organizations are the General Federation of Labor Unions, supporting the Social Democratic Party and claiming an affiliated membership of 300,000, and the Council of Kanto District Labor Unions, which was formed early in January and claimed an affiliated membership of 500,000 at the end of February.

6. Sporadic attempts have been made to unify all union members into a federation. On 19 February the Council of Kanto District Labor Unions proposed a merger with the General Federation of Labor Unions in accord with the following principles: (1) organization of labor unions to fight for the interests of workers; (2) freedom to criticize conduct of union leaders and (3) freedom to support any political party.

7. Two days later the All Japan News and Radio Workers' Union sponsored a conference with representatives of the following seven budding industrial unions: Government Railway Workers' Union, Communication Workers' Union, Japan Coal Miners' Union, National Metal Workers' Union, Japan Seamen's Union, National Traffic Workers' Union and Publishing Workers' Union.

A preparatory committee with Katsumi Kikunami as chairman was created to promote a congress of national industrial unions along the lines of the American Congress of Industrial Organization. The committee aimed at regrouping into the new organization 600 unions with a potential membership approaching 2,000,000.

8. The first truly national industrial union came into being on 9 February when 25,000 members of 34 local unions united to form the All Japan News and Radio Workers' Union with Katsumi Kikunami of the Tokyo Asahi Shimbun as Chairman. Twenty other local unions of newspaper and radio workers with 10,000 members have not joined this national union. The union proposes to expand its organization to include the news distribution agencies which employ 35,000 workers.

9. The first national conference of coal miners' unions was held in Tokyo on 10 February 1946 for the purpose of forming a national federation. Representatives from the three principal coal mining areas, Hokkaido, Kyushu and Joban, attended. Resolutions passed at the conference were: (1) to secure labor union participation in management; (2) to relieve the food problem; (3) to oppose company unionism; and (4) to secure the funds and facilities formerly belonging to Sampo.

Takashi Mizutani, president of the Hokkaido Federation, was elected chairman. A conference was planned for March to effect the federation.

10. In Hokkaido 53,000 coal miners are organized into 37 unions which are affiliated in the Hokkaido Federation of Coal Miners' Unions. In Joban 26,000 coal miners are organized into 18 unions which on 12 February formed a federation. In Kyushu 135,000 coal miners are organized into 68 unions comprising three separate federations, while another 30,000 miners are reported in a company-dominated union.

According to the union leaders only 1,200 miners in three Hokkaido mines, 1,200 miners in eight Joban mines and an undetermined number in the small Kyushu mines remain unorganized.

11. The labor movement entered a new phase when the first major contest for power took place within an established labor union.

In early December 1945 a small group of former officials of the important prewar Seamen's Union and Mercantile Marine Officers' Association organized the All Japan Seamen's Union with themselves as officers.

In January the president of the union, without consulting the members, signed an agreement with the Civilian Merchant Marine Committee providing for closed shop, check off system and limited wage increases. Indignant at this procedure, an insurgent "rank and file" element organized a movement to democratize the union. They have succeeded in compelling the negotiation of an additional agreement which provided for a \$ 1,000 emergency cost of living allowance per seaman.

12. On 15 February the communists announced the invasion of the Kansai region by Sanzo Kozaka, party chief, with a staff of union organizers. Hitherto, unions in the region, which includes the industrial cities of Kobe and Osaka, have been considered a solid sphere of influence of the Social Democratic Party under the leadership of Suehiro Nishio, pre-war right wing labor leader.

13. The first large scale attempt to promote participation of women in the labor movement took place under the auspices of the Council of Kanto District Labor Unions. On 3 February 400 delegates from the women's sections of 50 unions met in Shinagawa with the following aims: (1) to promote a national organization of women's sections, (2) to secure employment rights equal to those of men and (3) to secure paid menstrual and parturient leave.

The first successful negotiations for special paid leave for female workers were concluded by the women employees of the Nihon Woolen Mills who were granted a four-day paid menstrual period leave and a 70-day leave during parturition.

LABOR RELATIONS

14. Labor disputes were common. Strikes resulting in work stoppages were few and of short duration, usually less than a day, and there was no strike of any consequence.

15. Analysis of labor relations statistics for January as reported to the Ministry of Health and Welfare revealed that 139 labor disputes involving 168,604 workers occurred.

These disputes were characterized by the following: workers assuming management of production; walkouts by workers; "go slow" strikes; and a lockout by the management.

Of these disputes 99 were settled within the month by direct negotiation without the benefit of the interim mediation committees. Two of the settlements were aided by the good offices of labor administrative officials.

One hundred thirty-three of the 139 disputes dealt primarily with wage increase demands prompted by increased prices and cost of living. In only 18 of the settlements did the laborers win their wage demands fully but in no case were they completely unsuccessful.

Secondary objectives which the laborers succeeded in winning were union recognition, collective bargaining rights, shorter working hours and paid vacations.

16. Production management by workers has become a recognized form of strike action. The legality and limitations of this form of strike action were studied and discussed in the press and on the radio by union, employer, government and academic circles throughout the country.

Widespread recognition of the extreme shortage of goods and services in Japan has led to a tendency to consider production management by workers legal, since such an action is less extreme than a legal walkout or lockout which halts production entirely. The period of control of production by the workers is strictly limited by the stock of raw materials or fuel available in the plant.

Whether or not a labor dispute has involved production management by workers, the final settlement has usually provided for a measure of regular participation in management by the union.

17. On 1 February 1946 the Ministers of Home Affairs, Justice, Health and Welfare and Commerce and Industry issued a joint statement "regretting the cases of violence, intimidation and infringement of property rights such as have attended recent labor disputes.... With respect to such unjustified and unlawful acts, the government on its part, far from being unmindful, will be constrained to deal summarily with them."

Labor unions immediately characterized the statement as reactionary and designed to restrict activity. Separate unions as well as union councils, notably the Council of Kanto District Labor Unions claiming to represent 500,000 organized workers, denounced the joint statement and presented the Prime Minister with resolutions demanding the immediate resignation of the Cabinet.

Several cabinet meetings were held to determine the legality of production management by workers during a labor dispute.

On 8 February 1946 the Ministry of Home Affairs issued instructions to prefectural governors restricting the use of police in labor disputes. Further clarification of the statement of 1 February 1946 indicates that it was directed to the control of illegal acts "immensely harmful to peace and welfare of society," such as crimes of violence. It was not intended to preclude the legality of orderly control of production by workers during a dispute. Taking notice that the outbreak of illegal acts in labor disputes resulted from "lack of understanding and cooperation" on the part of employers "proper warning" was to be given to the employers.

WAGES

18. A revised wage scale for workers supplied by the Japanese Government to the Occupation Forces was put into effect by the Central Liaison Office. Wages were raised from 20 to 60 percent in order to assure an adequate supply of workers in the face of rapidly rising living costs. Notable in the revision is the elimination of the sex differential in wages and the adoption of the principle of "equal pay for equal work" in each locality.

19. Wage and monetary earnings continued to increase, but prices and cost of living rose at a faster rate. This was particularly true during the last two weeks of February when the rush to convert loose cash into goods before the currency conversion plan became effective caused consumer goods prices to skyrocket.

20. A new pattern in wage increases emerged in the electric power industry affecting 10 public utility monopolies and more than

100,000 workers. By the terms of the agreements negotiated, a graduated scale providing proportionately greater increases to lower income workers was established. Accordingly a worker hitherto earning ₹ 100 per month received a 225 percent increase, while an increase of only 80 percent was granted to an employee earning ₹ 500 per month.

21. Action on wage controls was deferred by the Ministry of Health and Welfare pending results of the anti-inflation program. The program as instituted in February provides a form of limited wage control by preventing an employer from paying more than ₹ 500 per month to any worker in cash. The balance of the wage, if any, is to be deposited in the worker's blocked account from which he may draw up to ₹ 300 a month plus ₹ 100 for each dependent. The remaining blocked funds may be used to pay debts, taxes and for certain other purposes by way of restricted check.

EMPLOYMENT AND UNEMPLOYMENT MEASURES

22. Unemployment continued to rise throughout February.

23. On 14 February the Cabinet approved the report of the Unemployment Measures Committee. This action indicates a general policy to alleviate unemployment and is to be supplemented by specific action programs drawn up by the ministries concerned.

The report recommends an extensive reforestation program, the conversion of merchant shipping to fishing, a reconsideration of the land reclamation program, expedition of coal production, encouragement of housing reconstruction, abolition of the restrictive Enterprise Permission Act to encourage development of small businesses and a program of public works.

A plan proposed to relieve unemployment among the intellectuals includes the establishment of research institutes, enlargement of graduate schools and return of conscripted students to the schools.

24. Employment exchanges continue to be relatively inefficient. A reluctance on the part of workers to utilize the exchanges and the latter's inability to place applicants is demonstrated below:

RECORD OF EMPLOYMENT EXCHANGES ACTIVITY 15 August - 31 December 1945

	<u>Job Openings</u>	<u>Application</u>	<u>Placements</u>
15 Aug - 30 Sep	355,529	203,805	69,064
October	444,650	189,581	80,801
November	305,688	144,132	90,458
December	243,152	148,014	112,197

SOURCE: Ministry of Health and Welfare

25. In anticipation of an expansion of the cotton textile industry in the near future a large scale labor recruitment program has been drawn up by the major cotton textile plants acting through the Textile Association. It is contemplated by the plan that from March through September 136,682 workers will be recruited as follows:

	<u>Men</u>	<u>Women</u>
Spinning	4,677	51,330
Weaving	10,869	69,806

This marks the first attempt by any private industry acting on its own initiative to secure labor on a large scale since the occupation of Japan.

LABOR USED BY OCCUPATION FORCES

26. The Japanese Government continued to supply labor to the Occupation Forces except in categories in which there have been shortages. Black-market employment offered by building contractors and private employers has been a heavy drain on the availability of skilled construction workers particularly carpenters.

27. Japanese labor furnished to the Occupation Forces and wages paid during December 1945, as reported by EIGHTH Army, were:

Average number of workers per day	162,194
Total wages in money	¥ 52,208,931.50
Total wages in kind	\$ 246,851.01

COAL MINE LABOR

28. For the 10-day period ending 20 February an average of 228,748 coal miners were actually working in the mines as compared with 213,998 and 218,679 for the periods ending 31 January and 10 February respectively. This represents an increase of 61,440 over 31 December and indicates that the goal of 70,000 new coal miners to be recruited during the first two months of the year has already been substantially met.

29. This success is explained by the increased wages afforded coal miners and by the fact that, with certain exceptions in Hokkaido, the special distribution of extra rice rations has reached the mines.

30. The effectiveness of the program has also been reflected in improved attendance in the mines which has risen from a daily average of 68.8 percent of all enlisted miners for the first 10 days of December to 83.7 percent for the last 10 days of January.

31. Total average daily output per miner has risen more than 50 percent, from a national average of 0.23 tons in the first 10 days of December to 0.36 tons in the last 10 days of January.

RECRUITMENT OF SEAMEN

32. The recruitment of seamen for the repatriation service improved considerably. The program drawn up by the Japanese Civilian Merchant Marine Committee and the Ministry of Transportation at the request of SCAP for the purpose of attracting seamen was applied progressively and is now largely in effect. The new wage scales providing for a general increase of 200 percent are in force.

Field inspection showed that the food supplied has been slightly below the amounts promised and that there have been delays in the provision of clothing. The unsanitary condition of the pre-assignment "barreck-ships" was ameliorated.

33. As of 28 February 1946 full crews for 187 out of the 209 LST's, Liberty Ships and CI-MAV-1's transferred to the Japanese for the repatriation service had been assembled. Crews for four Liberty Ships, 15 LST's and three CI-MAV-1's remain to be assembled. The progress of the recruitment program to date is as follows:

<u>Period</u>	<u>Number of Seamen Scheduled to be Assigned</u>	<u>Number of Seamen Reporting</u>	<u>Number of Seamen Assigned</u>
29 Dec - 25 Jan	6,535	4,327	3,708
26 Jan - 1 Feb	1,892	1,569	1,295
2 Feb - 8 Feb	1,562	1,452	1,448
9 Feb - 15 Feb	1,562	1,724	1,598
16 Feb - 22 Feb	1,474	1,620	1,433

34. One difficulty arose when the merchant marine officers assigned to the repatriation ships refused to ship out with crews other than those of their pre-war company. At the suggestion of SCAP a meeting was held at which representatives of the GMMC, the Ministry of Transportation and the shipping companies explained the necessity for mixed crews to the officers and assured them that their seniority and other rights would not be impaired by mixing. No further difficulty has been reported.

MISCELLANEOUS

35. A new form of workers' movement, the producers' cooperative, came to public attention.

The Japan Reconstruction Cooperative Movement founded in November 1945 has been conducting an educational campaign for the purpose of emulating the Chinese Industrial Cooperative Movement (Indusco). The leaders propose to organize small manufacturing cooperatives with financial aid from liberal banks and private contributors, using equipment borrowed from government agencies.

36. During the war, under the authority of the Peace Preservation Law, the police confiscated books, literature and records of labor union organizations. On 11 February the Free Lawyers Association reported it had succeeded in recovering a quantity of this material from the Tokyo Metropolitan Police and had it returned to the proper owners.

37. A field liaison officer of SCAP visited key cities and industrial areas in northern Honshu and Hokkaido to investigate local labor administration and the extent to which national labor policies have been effected in the field. Reports indicate: (1) variance in local labor practices; (2) lack of information among workers and government officials as to the significance of labor unions; and (3) occasional remnants of police activity in the labor field. A lack of coordination is evident between local Japanese labor administration and the national Ministry of Health and Welfare.

38. The Advisory Committee on Labor requested from the United States has arrived to give SCAP assistance and advice on special labor problems in Japan and Korea.

SECTION 10

IMPORTS AND EXPORTS

C O N T E N T S

	Paragraph
Trade Policy	2
Interim Trade	6
Import and Export Commodities	9

1. Details of foreign trade relations developed into more tangible form during February meetings between SCAP and the Japanese Government.

TRADE POLICY

2. The Japanese Government Foreign Trade Fund established by the law of 21 December 1945 will amount to ¥ 50,000,000, which may be increased by loans from other government funds repayable by the end of the following fiscal year. It is a revolving fund, from which the Japanese Government will pay exporters the yen value of all exports plus expenses and any claims connected therewith, and into which will be paid the yen value of all imports.

Such payments and deposits will be made regardless of destination or source of merchandise, and regardless of whether foreign currency settlements or reciprocal exchanges of commodities are to be made. Hence foreign trade can take place without the establishment of a rate of exchange.

Funds obtained as proceeds of Japanese exports will be available to the Supreme Commander and foreign governments concerned and may be used in payment for imports. The Supreme Commander will make all reasonable efforts to protect Japanese interests in exported goods and in merchandise purchased for shipment to Japan.

Under this system no foreign assets arising from foreign trade will come under the control of the Japanese Government or its nationals.

Trade Program

3. The Japanese export program for 1946 was completed and has been analyzed by SCAP to provide monthly shipping estimates.

4. Exports in the first half year will consist of commodities already available for export, such as silk and rayon fabrics, pottery wares, tea, cultured pearls, furs, crude rubber, tin and antimony. Stocks plus limited new production will provide exports of raw silk, industrial arts products, medicines, coal tar pitch and various small manufactures, including radio tubes, cameras and bicycles.

Estimates for the second half year show an increase in exports of goods capable of production from raw materials. Importation of such commodities as cotton and salt will make further exports possible.

The proposed export program for 1946 amounts to about 25 percent of the average annual export value for the years 1934 to 1939.

This program was coordinated with the industrial limitations imposed by the Potsdam Declaration and by subsequent SCAP directives.

Unforeseen domestic needs and requirements of the Occupation Forces reduce the amounts available for export. For example, insufficiency of labor and coal, coupled with production demands to meet Occupation Force needs, removed all prospects for export of electric light bulbs in the first half of 1946.

Within the overall import and export programs schedules were developed to meet the urgent foreign trade requirements and potentialities of Korea and China.

5. A program was established for shipments of raw cotton to Japan from Commodity Credit Corporation stocks in the United States. Cotton textiles and yarn produced therefrom will be exported in a quantity sufficient to pay for the total amount of such raw cotton imports. The balance will be used to meet essential Japanese civilian requirements. U.S. Commercial Company will act as supplier of the raw cotton and receiver of the cotton goods.

The initial shipments of raw cotton totalling about 50,000 short tons are expected to leave the United States in March or early April. The bulk of the cotton will be short staple, but there will be limited quantities of longer staple primarily for mechanical goods essential to Japan's economy, especially tire cord, fish nets and lines, thread, belting and sailcloth.

INTERIM TRADE

6. The following trade was consummated in February:

<u>Commodity</u>	<u>Country</u>	<u>Quantity</u>
<u>Imports</u>		
Salt	China	34,750 metric tons
Diesel oil	U.S. Army supplies	(amt. unreported)
Phosphate rock	Kita Daito Shima	3,250 metric tons
<u>Exports</u>		
Coal	Hongkong	7,752 metric tons (est.)
Coal	Korea	63,000 metric tons (est.)
Mining timbers	China	290,605 pcs. ^{a/}
Dynamite	China	800 cases
Mulberry seedlings	China	800,000 pcs.
Detonators (electric)	China	150,000 pcs.
Pitch	Korea	969 metric tons
Communications equipment	Korea	(Amt. unreported)
Electric heaters	U.S. Army in China	2,000 sets
Raw silk	Army Exchange (Japan)	16 bales
Silk cloth	Army Exchange (Japan)	623,000 yards

^{a/} Figure on mining timbers includes 69,410 pieces reported as exported in January, which did not actually leave Japanese ports until February.

Sizeable purchases of Japanese goods are made by the U.S. Army Exchange for sale to members of the Occupation Forces, and in most cases these goods are sent by them to the United States.

7. Commodities released for domestic consumption were either from stocks frozen early in the occupation or from stocks assembled for export by Koski Eidan, the wartime foreign trade corporation. These include printing paper, linseed oil and Japanese wood oil.

8. Procedures were established for handling samples of various proposed exports from Japan to United States. Three identical samples are obtained; one is sent abroad, one is retained by SCAP and one is held by the Japanese Government as a standard for export order.

IMPORT AND EXPORT COMMODITIES

Imports

9. No significant shipments of food arrived in February.

10. Small shipments of phosphate rock for fertilizer to augment future home crops began to arrive.

Exports

11. Raw silk packing lists and test certificates have already been received covering 1,100 bales and 1,500 tin-lined cases (a case is 133 pounds). Raw silk approved for export now totals 9,770 bales, of which 8,070 are in Yokohama and 1,700 in Kobe.

12. Proposed shipments to assist the revival of sericulture in China and Korea will be increased to a total of 2,000,000 mulberry seedlings for China and 910,000 for Korea. Actual shipping has commenced. Orders to ship 300,000 sheets of silkworm eggs to China are in course of execution.

13. A SCAP directive of 6 February ordered the immediate shipment to Korea of 21,580 kilograms of miscellaneous vegetable seeds.

14. A national inventory revealed the stocks of pearls, cultured and natural, to be twice as large as previously estimated. Figures from the partial summary report show stocks amounting to about ¥ 81,000,000 in present wholesale value and 3,000 kan in weight (one kan is 8.27 pounds).

15. A shipment of 12,000 pounds of Angora wool was moved to Yokohama in anticipation of export authorization.

16. In view of Chinese needs for certain products, especially mining timbers, railway sleepers and telephone poles, export possibilities are being developed. A shipment goal of 297,000 mining timbers per month was established. Nearly that quantity was shipped in February although about one quarter of it had been intended to constitute the January shipment.

0446-2.

SECTION 11

RATIONING AND PRICE CONTROL

C O N T E N T S

	Paragraph
Food Rationing	2
Clothing	15
Fuel	17
Lumber	23
Miscellaneous Goods.	24
Enforcement.	28

1. On 17 February the Japanese Government announced its economic stabilization program and concurrently promulgated ordinances which tightened surveillance over the distribution of essential commodities. Strong measures will be used to ferret out hoarded supplies of all types. Farmers will be required to fulfill previously established quotas of staple foods. Prices of essential commodities will be raised to more realistic levels which will be enforced.

FOOD RATIONING

Emergency Food Measures

2. Imperial Ordinance No. 66 dated 17 February 1946 represents the Japanese Government's program to cope with the critical food situation. The essential points follow:

- (1) The government may expropriate the amount of staple food (rice, barley, rye and wheat) which an individual has failed to deliver under orders issued pursuant to the Food Management Law.
- (2) When expropriation is necessary an employee of the Ministry of Agriculture and Forestry will mark the staple food to be delivered and present the owner with an expropriation warrant.
- (3) The owner will deliver the food as stipulated in the warrant and will be paid the fixed government purchase price.

3. An interpretation of the ordinance by the Ministry of Justice set forth the following legal safeguards against the abuse of authority:

- (1) The expropriating official will be an employee of the Ministry of Agriculture and Forestry and may not resort to violence.
- (2) If the farmer refuses to deliver the rice to the government in defiance of the warrant, the matter will be referred to the Public Procurator's Office which will apply for a special warrant. The police will

then search the premises and place the seized food under distraint.

- (3) The Court of Justice will try the farmer and, if he is found guilty, will order the food confiscated and sold to the Shokuryo-Eiden, the Food Controlling Company. The proceeds of this sale will be paid to the national treasury.

4. The ordinance makes the following acts punishable by fine or penal servitude:

- (1) Making false reports concerning the rationing of staple foods or receiving or causing others to receive an illegal ration of staple food.
- (2) Advising or assisting others to withhold staple foods from the government.
- (3) Refusing, obstructing or evading the expropriation of staple food as provided in the ordinance.

5. There has been insufficient time to evaluate the effectiveness of the plan but it is anticipated that a considerable portion of the hoarded foodstocks will be sold to the government under this program.

Staple Foods

6. Rice collections decreased considerably. The table below indicates the actual rice collections since November 1945 as compared with planned collections:

RICE COLLECTIONS (metric tons)

<u>Month</u>	<u>Actual Collections</u>	<u>Planned Collections</u>	<u>Percentage Collected</u>
November 1945	188,036	636,000	29.8
December 1945	561,814	1,341,000	41.9
January 1946	726,243	909,000	79.9
February 1946	<u>428,660</u>	<u>139,500</u>	307.2
Total	1,904,753	3,025,500	

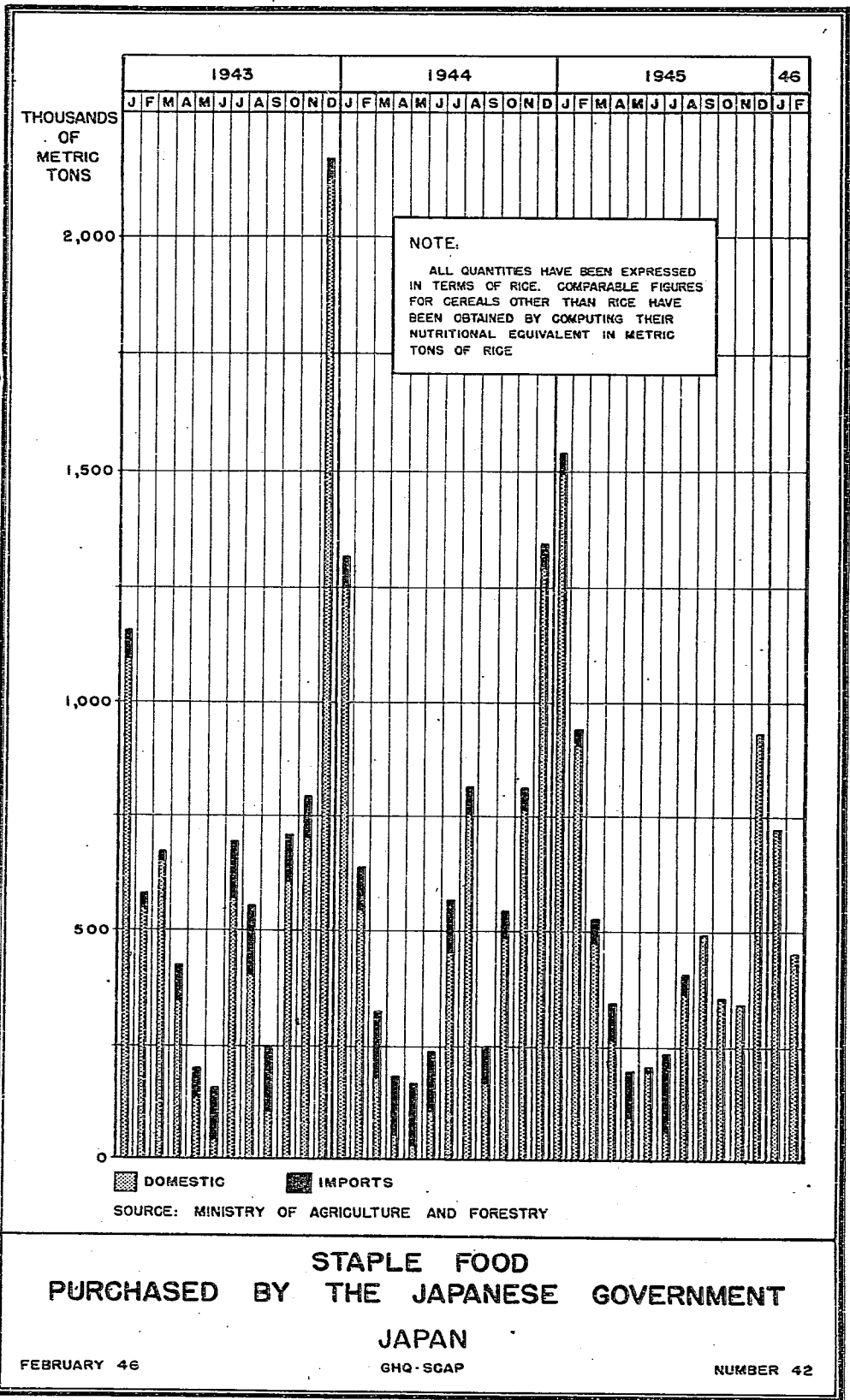
SOURCE: Ministry of Agriculture and Forestry, Bureau of Staple Food Administration.

Thirty-seven percent of the planned collections were diverted into the black market or are being hoarded.

7. Total Japanese foodstocks in the hands of the government and food controlling corporations equalled 72 days' supply on 20 February as compared with 148 days' supply in February 1945. Quantities of staple foods purchased monthly by the Japanese Government since January 1943 are shown in Chart 42.

Local shortages have resulted from transportation difficulties. Prefectural foodstocks varied from four days' supply in Hokkaido to 188 days' supply in Akita.

The foodstocks of Hokkaido remained at critical levels. The city of Muroran continued to meet the ration on a day-to-day basis with no food reserves. The cities of Hakodate, Otaru and Sapporo maintained reserves of from one to six days.



STAPLE FOOD
PURCHASED BY THE JAPANESE GOVERNMENT

JAPAN

FEBRUARY 46

GHQ-SCAP

NUMBER 42

0449

Of 21,640 metric tons of foodstuffs shipped from Honshu to Hokkaido 2,940 tons were transported by railway ferry between Aomori and Hakodate and the remainder by sea.

8. A SCAP memorandum of 11 February releasing 1,000 short tons of wheat flour to the Japanese Government represented the first quantity of imported food distributed through rationing channels.

Vegetables

9. The distribution of vegetables in January declined sharply as a result of seasonal factors of supply. The quantity of vegetables distributed in major cities in January ranged from 20 to 47 percent of the quantity distributed in the previous month as indicated by the following figures: Kyoto 20.1 percent, Tokyo 25.5 percent, Kobe 36.9 percent, Osaka 38.3 percent, Yokohama 42.9 percent and Nagoya 47.2 percent.

Shortages of fresh vegetables resulted in further price increases. January vegetable prices ranged from 150 to 350 percent of September prices and increased approximately 200 percent over December prices.

10. Because of seasonal shortages and reduction of consumer purchasing power the Japanese Government prepared a "bargain sale" system for lowering consumer prices of vegetables during the next three months. This plan called for the payment of subsidies to enable the vegetable distributing companies to sell to consumers at prices substantially lower than those paid to the producers.

Fish

11. The quantity of fish distributed in January was about the same as in December although seasonal factors would normally cause a decline.

12. There has been a steady increase in the quantity of fish reaching urban markets through the link system of distribution. From 10 January to 10 February the proportion of fish included in the link system varied from 21 percent in Nagoya to 56 percent in Tokyo. Other figures were: Yokohama 30 percent, Kobe 40 percent, Osaka 40 percent and Kyoto 43 percent.

This proportion has been increasing steadily since the inauguration of the link system on 10 January and it is expected that soon nearly all fish will be included under this system.

13. Fish sold through the link system reached consumers at substantially reduced prices, but fish outside the link system sold at the high December levels.

14. The recent Emergency Imperial Food Ordinance re-established the legal basis for price and distributional controls over perishable foods. The Japanese Government is preparing regulations re-establishing distributional and price controls over fresh fish products. It is considered essential that substantial quantities of fish reach consumers at reasonable prices because of restrictions placed upon consumer purchasing power.

CLOTHING

15. Under the terms of Imperial Ordinance No. 88 all persons who possess concealed stocks of clothing or textile goods must report them to the prefectural governor by 10 March. These reports will be submitted by the prefectural governors to the district branch

offices of the Ministry of Commerce and Industry. Inspecting officials from the prefectural control associations will examine the stocks and arrange their sale through legal channels.

Inspecting officials chosen by the prefectural governors, aided by local police, will search for and report all hidden stocks of clothing and textile goods not previously reported.

16. The issue of ration coupons is confined to the needy who receive special coupons. The Ministry of Commerce and Industry is formulating plans to resume the issuance of ration coupons to the general public.

Scarcity of clothing is still attributable to the lack of raw materials, but with the expectation of raw cotton imports the government is planning to increase production.

Chart 43 shows the distribution of clothing in January.

FUEL

Coal

17. Prior to December 1944 the production, allocation and distribution of coal was regulated by the Coal Control Association and the Nippon Coal Company. In December 1945 the Japanese Government created a Coal Board in the Ministry of Commerce and Industry as an emergency measure to cope with the coal crisis which developed in November when the coal mines of Japan produced less than in November of any previous year.

The Coal Board dictated policies concerning the production, allocation, distribution and price of coal as recommended by the Nippon Sekitan Kaisha and the Coal Control Association.

The Nippon Sekitan Kaisha is capitalized at ¥ 100,000,000, half of which is held by the government and half by private individuals. The following table lists by categories the shareholders of the Nippon Sekitan Kaisha:

	<u>No. of Shares</u>
Japanese Government	1,000,000
Coal mines	677,100
Coal importers	159,700
Gas industry	60,000
Sub-division of N.S.K.	23,800
Coal Control Co.	21,800
Former president of Japan Coal Mine Co.	1,000
President of sub-division of N.S.K.	800
Former president of a sub-division of N.S.K.	300

SOURCE: Ministry of Commerce and Industry, Coal Board.

As part of the policy of democratizing the company all directors and auditors who worked for the concern during the war are tendering their resignations to the Ministry of Commerce and Industry.

18. According to the Coal Board Japanese industry based on its present production capacity could use approximately 1,700,000 metric tons of coal monthly during the first half of 1946. However, only 1,500,000 tons per month will be available for distribution. In Charts 44 a, b, c, d, e and f the planned allocation of coal in comparison with demand during the six-month period is shown. These figures, compiled on a long-range basis, are subject to monthly revisions.

JANUARY 1946 CLOTHING DISTRIBUTION BY PREFECTURES JAPAN

Prefectures	CLOTH						CLOTHING GOODS						
	Cotton		Silk		Rayon	Worsted & Woolen	Blanket	Working	El. School Uniform	Ready-Made	Japanese	Cloth	Sec. School Uniform
	(sq yd)	Staple Fiber	(sq yd)	(sq yd)									
Hokkaido	207,653	44,708				8,688	4,506						
Aomori		71,250					1,380						
Iwate	683,000						216					9,372	
Miyagi		70,100					1,461	112,974			2,000	1,821	
Akita	1,597,200	52,000					138					25,795	
Yamagata	1,065,600						5					2,748	
Fukushima	951,600						180					2,037	
Ibaraki	120,000	26,978											
Tochigi		72,400						153,163					
Gunma	34,700							15,187					
Saitama		139,655					2,000	965					
Chiba	115,935											6,694	
Tokyo	1,885,679						21,600	29,829	5,160		2,385	2,040	
Nagawa	22,590	25,169					22,040						
Yamanashi													
Niigata	1,012,333												
Tojama		16,215					12,662	22,102				43,476	
Nagano		68,500						57,943					
Ishikawa	5,200	6,862					7,590					1,506	
Gifu	13,956												
Shizuoka	30,892							37,126					
Aichi	38,668						2,579			489			
Mie	90,511					2,600	4,111				2,000		
Fukui	398,743						1,680					133	
Shiga	90,511	73,500					200	20,570					
Kyoto	9,000							16,377					
Osaka	26,728	33,291						16,814					
Kyogo	2,908,800	2,150						42,575					
Nara								18,689					
Wakayama	1,606,800	306,000					3,220	7,187					
Tottori	24,800	20,880					2,960	7,627					
Shimane	30,700	69,200						10,038					
Okayama	38,000	71,200						1,120				347	
Hiroshima	31,300	70,060						14,044					
Yamaguchi	23,202							5,417				30,923	
Tochinsin		68,400					781	95,925				3,120	
Kagawa	83,125							51,964					
Ehime		73,450						39,487					
Kochi		68,100						13,656					
Fukuoka	1,171,200	101,990						106,239				1,100	
Saga		8,612						10,170					
Nagasaki								53,007	1,200				29,522
Kumamoto	120,000							10,178					10,780
Oita	50,067	79,221						19,178	1,200				20,880
Miyazaki	202,800	27,965						3,703					19,560
Kagoshima	16,450							1,640					15,280
Total	14,979,145	1,664,536				11,298	88,248	1,021,556	109,293	2,256	38,176	289,671	

Prefectures	TABI	KNITTED WEAR			BEDDING	YARN	FIBER SUNDRIES		HATS	SEWING THREAD		NETTING
	Tabi	Under Shirt	Stockings	Gloves	Cloth	Knitting	Twines	Tapes	Fate	Cotton	Silk	Mosquito Net
	(pr)	(dos)	(dos)	(dos)	(set)	(lb)	(1000yds)	(1000yds)	(each)	(lb)	(lb)	(piece)
Hokkaido		915	100	45		25,170						
Aomori		168	1,100		982	5,000				2,089		
Iwate		200			472	4,500			600	1,000		
Miyagi			591		150	4,500						
Akita					611	3,000				5,143		
Yamagata		556				5,000				1,000		
Fukushima		36			750	2,000						
Ibaraki						2,000						
Tochigi						2,000						
Gunma						2,000						
Saitama						12,000			50			
Chiba		108	2,739			2,000			480			
Tokyo		300	1,250		4,200	2,000			240	1,916		
Nagawa						15,000						
Yamanashi					2,095	6,000			99,592			
Niigata						2,000						
Tojama						5,700				2,004		
Nagano			2,007			2,000				2,461		
Ishikawa						500				555		
Gifu						2,000				1,666		
Shizuoka						8,000				1,685		
Aichi												
Mie					6				1,488	18,544		
Fukui						2,000				13,200		
Shiga	44,750		2,320									
Kyoto												
Osaka	1,929,371				200	5,000						
Kyogo	110,250				1,442	18,530			70,682			
Nara	75,000				411	4,000						
Wakayama												
Tottori	114,000											
Shimane						5,000						
Okayama						2,000						
Hiroshima			402							7,800		
Yamaguchi			668							2,546		
Tochinsin					1,067							
Kagawa												
Ehime										400		
Kochi			230							83		
Fukuoka			1,058									
Saga					3,193							
Nagasaki	50,000									27,019		
Kumamoto	59,750									4,568		
Oita	60,500									6,181		
Miyazaki	2,000				1,203					1,968		
Kagoshima	180,482					2,000				1,031		
Total	2,629,103	2,182	12,871	45	16,852	150,900			173,132	116,179		

NOTE: NO REPORTED DISTRIBUTION OF SILK, RAYON, SECONDARY SCHOOL UNIFORMS, FIBER TAPES TWINES, SILK THREAD AND MOSQUITO NETTING DURING JANUARY.

SOURCE: MINISTRY OF COMMERCE AND INDUSTRY

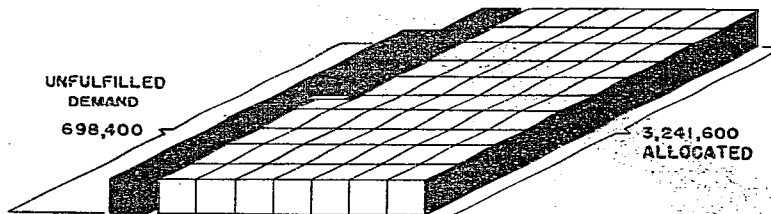
FEBRUARY 46

GHO-SCAP

NUMBER 43

0452

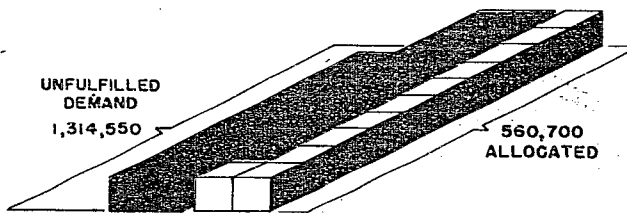
RAILROAD



MONTHLY ALLOCATION

JAN	465,000
FEB	524,600
MAR	546,000
APR	546,000
MAY	580,000
JUN	580,000
TOTAL	3,241,600

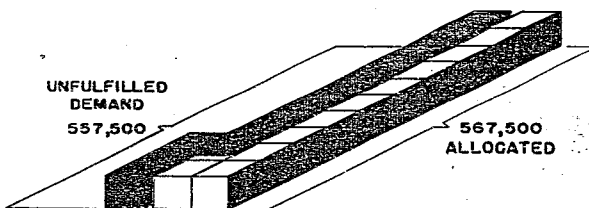
IRON AND STEEL



MONTHLY ALLOCATION

JAN	49,000
FEB	58,700
MAR	68,000
APR	118,000
MAY	123,000
JUN	124,000
TOTAL	560,700



GAS AND COKE



MONTHLY ALLOCATION

JAN	76,000
FEB	71,500
MAR	100,000
APR	100,000
MAY	110,000
JUN	110,000
TOTAL	567,500

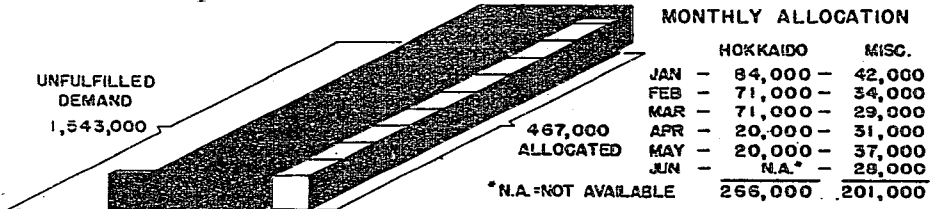
LEGEND

-  — 50,000 METRIC TONS ALLOCATED
-  — 50,000 METRIC TONS UNFULFILLED DEMAND

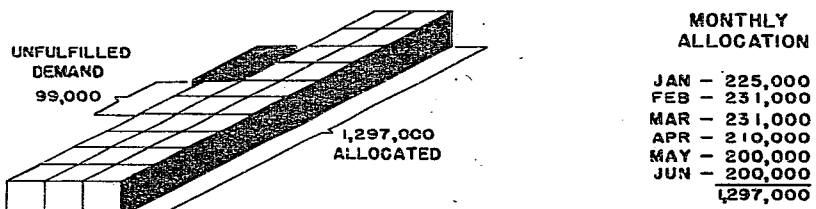
SOURCE: COAL BOARD, MINISTRY OF COMMERCE AND INDUSTRY

**COAL ALLOCATION FOR JAPAN
IN COMPARISON WITH DEMAND
JANUARY THRU JUNE 1946**

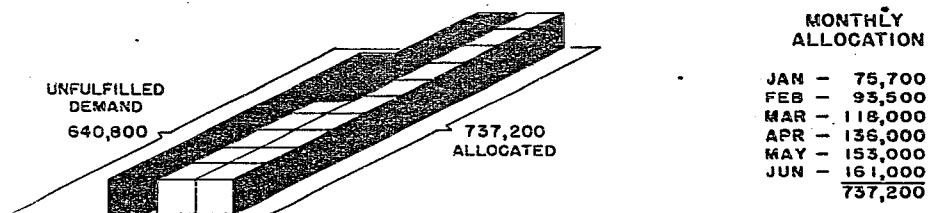
**NON-INDUSTRIAL HEATING AND COOKING
IN HOKKAIDO AND MISCELLANEOUS USAGES**



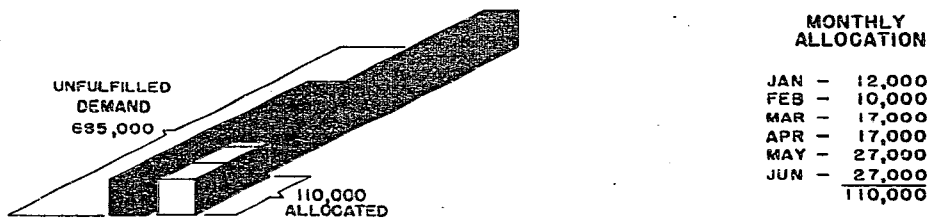
MINE USE



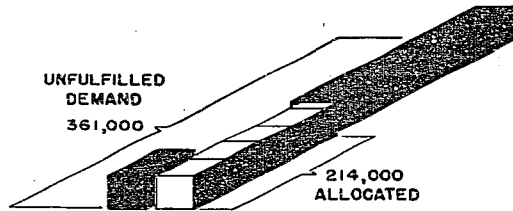
CHEMICAL INDUSTRY



CERAMICS, INCLUDING CEMENT



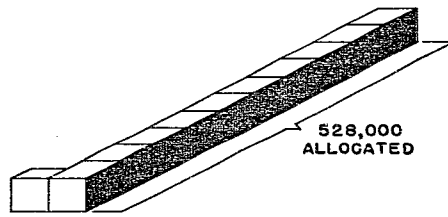
FIBER AND TEXTILE



MONTHLY ALLOCATION

JAN	- 11,000
FEB	- 22,000
MAR	- 33,000
APR	- 39,000
MAY	- 51,000
JUN	- 58,000
	<u>214,000</u>

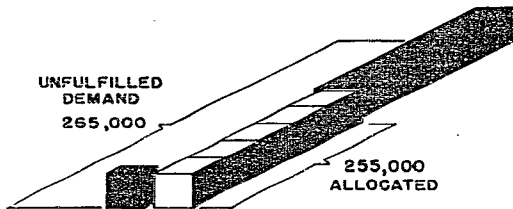
EXPORT



MONTHLY ALLOCATION

JAN	- 88,000
FEB	- 88,000
MAR	- 88,000
APR	- 88,000
MAY	- 88,000
JUN	- 88,000
	<u>528,000</u>

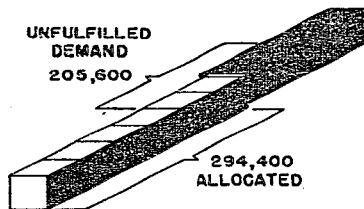
SALT



MONTHLY ALLOCATION

JAN	- 25,000
FEB	- 20,000
MAR	- 30,000
APR	- 50,000
MAY	- 60,000
JUN	- 70,000
	<u>255,000</u>

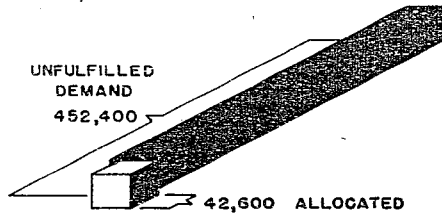
LIME AND BRIQUET



MONTHLY ALLOCATION

JAN	- 35,000
FEB	- 43,400
MAR	- 53,000
APR	- 53,000
MAY	- 60,000
JUN	- 50,000
	<u>294,400</u>

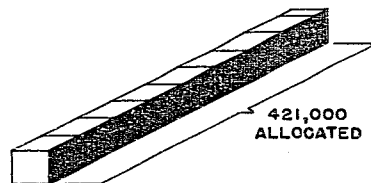
LIQUID FUEL



MONTHLY ALLOCATION

JAN -	1,300
FEB -	2,300
MAR -	8,000
APR -	9,000
MAY -	11,000
JUN -	11,000
	<u>42,600</u>

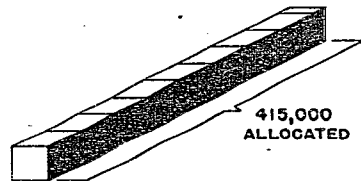
SHIP BUNKERING



MONTHLY ALLOCATION

JAN -	57,000
FEB -	59,000
MAR -	70,000
APR -	75,000
MAY -	80,000
JUN -	80,000
	<u>421,000</u>

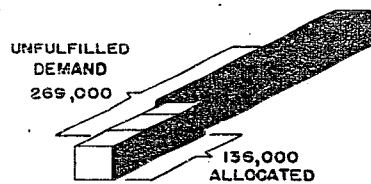
ALLIED POWERS



MONTHLY ALLOCATION

JAN -	102,000
FEB -	97,000
MAR -	77,000
APR -	69,000
MAY -	40,000
JUN -	30,000
	<u>415,000</u>

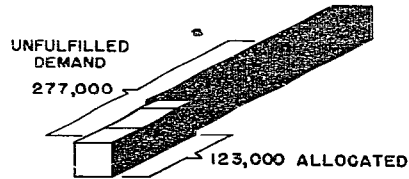
FOODSTUFF



MONTHLY ALLOCATION

JAN -	17,000
FEB -	19,000
MAR -	19,000
APR -	19,000
MAY -	31,000
JUN -	31,000
	<u>136,000</u>

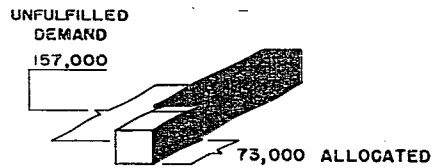
ELECTRIC POWER



MONTHLY ALLOCATION

JAN	-	16,000
FEB	-	27,000
MAR	-	30,000
APR	-	20,000
MAY	-	20,000
JUN	-	10,000
		<u>123,000</u>

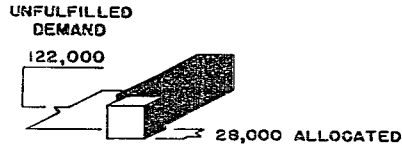
MACHINERY



MONTHLY ALLOCATION

JAN	-	1,000
FEB	-	14,000
MAR	-	8,000
APR	-	11,000
MAY	-	19,000
JUN	-	20,000
		<u>73,000</u>

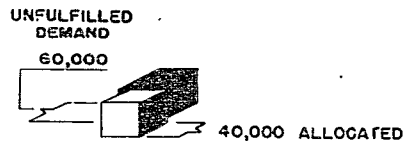
METAL MINING AND REFINING



MONTHLY ALLOCATION

JAN	-	0
FEB	-	0
MAR	-	4,000
APR	-	4,000
MAY	-	10,000
JUN	-	10,000
		<u>28,000</u>

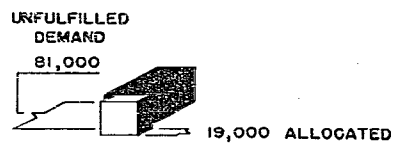
SHIPBUILDING



MONTHLY ALLOCATION

JAN	-	3,000
FEB	-	5,000
MAR	-	3,000
APR	-	5,000
MAY	-	11,000
JUN	-	11,000
		<u>40,000</u>

METAL INDUSTRY



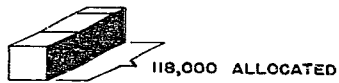
MONTHLY ALLOCATION

JAN	-	1,000
FEB	-	0
MAR	-	3,000
APR	-	3,000
MAY	-	6,000
JUN	-	6,000
		<u>19,000</u>

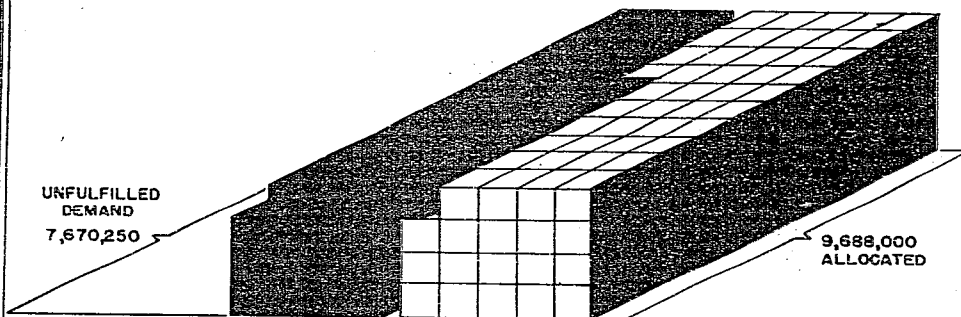
**SUPPLEMENT FOR STOCK
(IN HONSHU FOR FACTORY STOCKPILES)**

MONTHLY
ALLOCATION

BREAKDOWN
FIGURES
NOT
AVAILABLE



TOTALS — ALLOCATED AND UNFULFILLED DEMAND



MONTHLY ALLOCATION

JAN	-	1,386,000
FEB	-	1,491,000
MAR	-	1,646,000
APR	-	1,645,000
MAY	-	1,820,000
JUN	-	1,700,000
		<u>9,688,000</u>

NOTES: ALL FIGURES GIVEN IN METRIC TONS.
DATA BASED ON PLAN FORMULATED 1 FEB 1946 BY COAL BOARD, MINISTRY OF COMMERCE AND INDUSTRY.

19. An estimate by the Coal Board of the Ministry of Commerce and Industry based on minimum production indicates that 8,196,000 metric tons will be produced, 1,125,000 tons will be drawn from stockpiles and 367,000 tons will come from Japanese Army and Navy stocks.

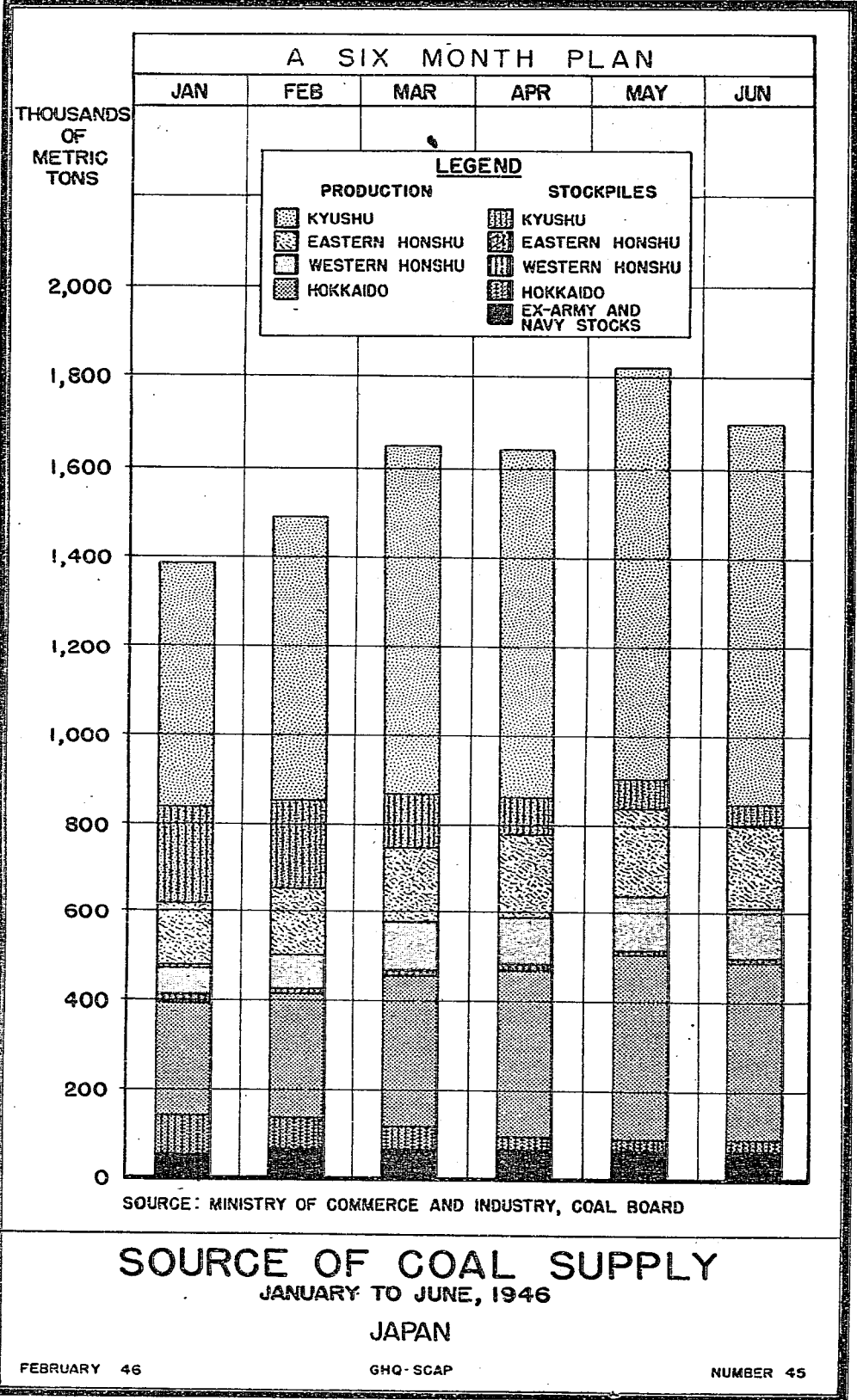
The source of supply of coal in Japan from January through June 1945 is illustrated in Chart 45.

20. The allocation plan of coal for March 1946 and the sources of supply are indicated in the following tables:

COAL ALLOCATION PLAN
March 1946
(metric tons)

Mine consumption	225,300
Allied Forces in Japan	56,500
Export	88,000
Iron and steel	96,900
Metal mining and refining	4,900
Shipbuilding	8,000
Machinery	18,000
Metal industries	8,500
Ceramics (including cement)	37,600
Chemical industry	148,000
Liquid fuel	6,600
Gas and coke	131,000
Fiber and textile	44,400
Salt	33,200
Foodstuffs	25,200
Electric generation	52,100
Railroads	625,500
Ships (bunker coal)	71,000
Lime and briquette	34,000
Non-industrial heating & cooking (Hokkaido)	82,000
Others	79,100
Stock on hand	<u>35,000</u>
Total	1,910,800

SOURCE: Ministry of Commerce and Industry, Coal Board.



0460

SUPPLY OF COAL AVAILABLE FOR DISTRIBUTION
March 1946
(1,000 metric tons)

<u>Source</u>	<u>Hokkaido</u>	<u>Eastern Honshu</u>	<u>Western Honshu</u>	<u>Kyushu</u>	<u>Total</u>
Production	410	200	110	900	1,620
February production transferred to March	-	-	-	60	60
Shipment from stock	57.9	-	15	122.9	195.8
Ex-army & navy stock	-	-	-	-	35 a/
Total	467.9	200	125	1,062.9	1,910.8

a/ Includes 13,000 tons at Waniishi Iron Works in Hokkaido available for distribution.

SOURCE: Ministry of Commerce and Industry, Coal Board.

Charcoal and Firewood

21. Charcoal has always been the household fuel of Japan and is used for heating and cooking. Because of the present shortage of charcoal, firewood has become equally important for domestic uses. Since the termination of hostilities the Japanese Government has not attempted to ration sufficient charcoal and firewood to maintain minimum standards of comfort.

The Firewood and Charcoal Division of the Ministry of Agriculture and Forestry estimates that one bale of charcoal or five bundles of firewood, producing approximately 100,000 calories, are necessary to maintain minimum standards of health and comfort per person per month.

Chart 46 illustrates the caloric value of the charcoal and firewood legally received by the average individual. It indicates that minimum standards were not maintained.

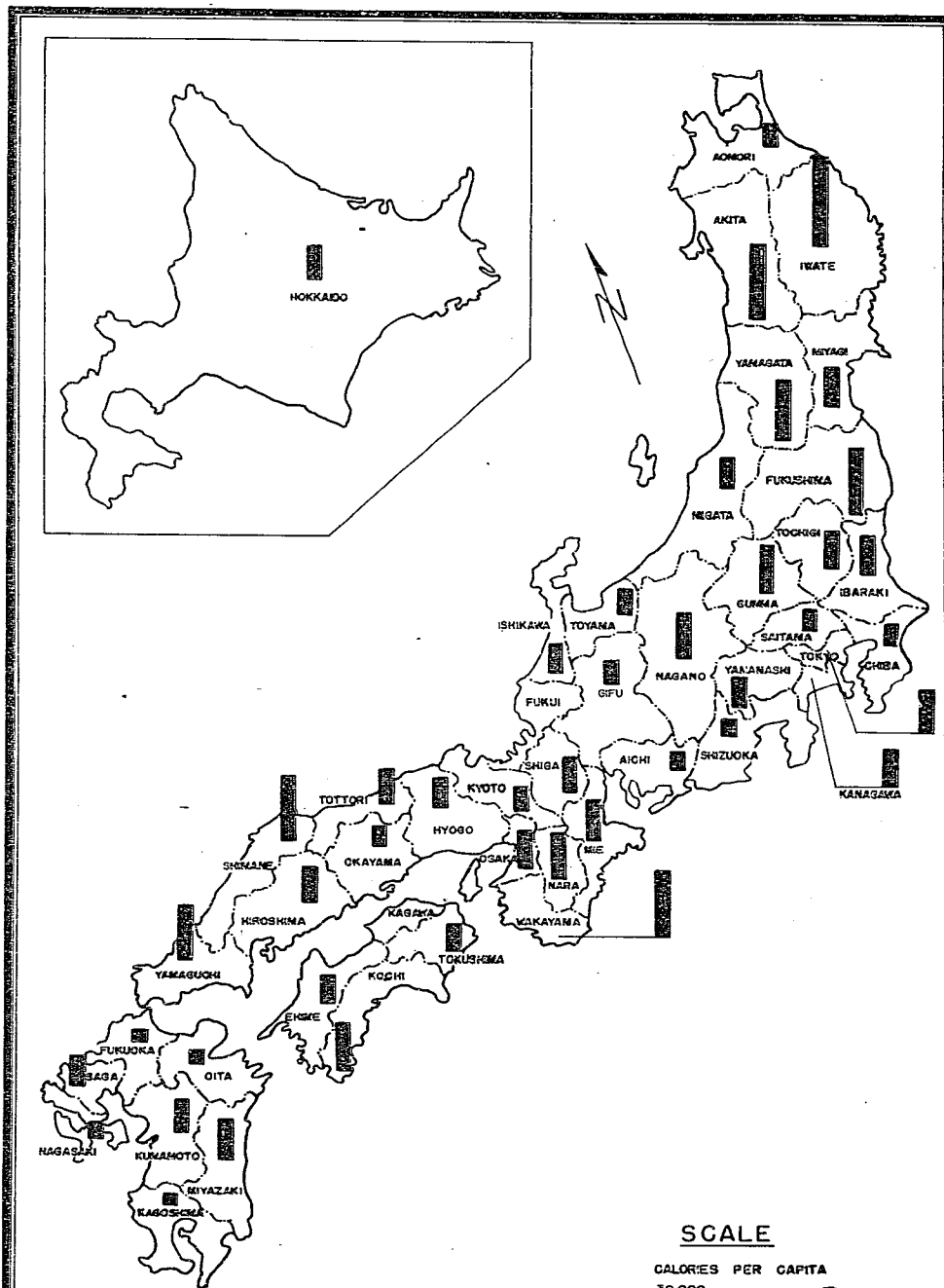
22. According to the Ministry of Agriculture and Forestry the amount of charcoal consumed by the average individual is about double that obtained through the official ration. Ten percent of the amount consumed is produced by the user and 30 to 40 percent is purchased through the black market.

The same situation prevails with regard to firewood except that a greater percentage of total consumption comes from self-supply. Both firewood and charcoal are supplemented slightly by gas, briquettes, taden (a type of charcoal dust), dry leaves and straw.

LUMBER

23. The Housing Corporation established for the purpose of building housing facilities for war sufferers has made plans to construct new houses and to convert other buildings. It is intended to use old lumber from evacuated cities for the conversion of buildings presently unoccupied, war-devastated buildings, workers' billets and former army and navy buildings.

In addition, the Housing Corporation erected temporary dwellings of cheap construction to insure housing for those whose homes were destroyed.



SOURCE: MINISTRY OF AGRICULTURE AND FORESTRY
 NOTE: PER CAPITA FIGURES BASED ON TOTAL POPULATION AS OF 1 NOV 1945. NON-MARKET TRANSACTIONS & BLACKMARKET PURCHASES ARE EXCLUDED FROM THESE FIGURES.

CHARCOAL & FIREWOOD

PER CAPITA CALORIC CONTENT OF OFFICIAL RATION FOR
 HOUSEHOLD USE NOV 1945 TO JAN 1946

FEBRUARY 46

GHQ-SCAP

NUMBER 46

0462

As the result of lumber and labor shortages some construction has been curtailed or discontinued. The results of the housing program of the Japanese Government are indicated in Chart 47.

MISCELLANEOUS GOODS

24. On 17 February the Ministry of Commerce and Industry announced an increase in the price of a miscellaneous group of consumers' commodities. A list of certain products on which prices were raised is presented in the following table:

PRICE OF MISCELLANEOUS CONSUMERS' GOODS
(yen)

Article	Former Official Retail Price	New Official Retail Price	Present Black Market Price
Knife, kitchen	5.25	10.50	19.50
Knife, heavy kitchen	9.75	25.25	50.00
Scissors (5 inches)	.75	8.00	12.00
Scissors (8 inches)	19.70	41.50	80.00
Knife (2.6 inches)	.65	4.50	6.00
Razor	4.23	44.50	70.00
Razor, rangi-type	4.12	16.00	Unknown
Razor, safety & 4 blades	2.48	9.50	18.50
Razor blades	.25	2.00	.70
Can opener	.44	.90	3.00
Chopper, wood with handle	10.21	25.00	80.00
Hatchet (5 inches)	5.85	20.00	32.50
Trivet	1.90	2.40	4.00
Shovel, fire	2.50	3.50	6.00
Frying pan, Chinese, 1 ft. diameter	7.00	12.00	24.00
Tongs, fire	.80	1.25	2.00
Net (rice)	1.30	1.60	2.25
Hammer	1.30	6.25	9.00
Pencils, black	.20	.25	.50
Pencils, colored	.20	.70	.80
Pen, fountain	11.20	19.30	30.00
Pencil, mechanical type	2.73	9.70	15.00
Pen	.07	.15	.30
Brush, writing (school)	1.70	3.40	8.00
Ink, India (school)	.90	2.25	5.00
Envelope (business use, 100 sheets)	1.00	5.00	10.00
Envelope (10 sheets)	.20	1.50	3.00
Paper, letter (50 sheets)	.70	2.50	3.00
Note book (business use)	.80	2.50	5.00
Note book (pocket)	1.20	3.00	3.00
Book, accounting	8.00	50.00	60.00
Clogs, wooden (men)	4.55	5.00	12.00
Clogs, wooden (women)	3.64	4.00	9.00
Clogs, wooden (children)	3.12	4.00	7.00
Clogs, inferior Paulownia (men)	8.45	9.00	15.00
Clogs, superior Paulownia (men)	13.00	14.00	25.00
Clogs, superior Paulownia (women)	10.40	11.20	20.00
Clogs, inferior Paulownia (women)	6.25	6.20	12.00
Sandals (Goma-ura)	6.50	10.00	13.00
Furnace, portable (Hibachi)	7.00	7.50	10.00

SOURCE: Ministry of Commerce and Industry.