

sent back to Japan at the same time he was ordered back, Matsui stated. These officers were ordered to return because forces in Nanking were cut from 10 to 5 divisions.

Testimony of Hashimoto

83. General Hashimoto declared that he had received orders from Lieutenant General Yanagawa directing him to sink all vessels proceeding toward Nanking without regard to nationality. These orders were issued two days before the fall of Nanking.

Hashimoto declared he had no knowledge of the Panay incident until the Ladybird passed by Wuhu. He said that he shelled the Ladybird and took it into custody, and that its commanding officer told him the Ladybird was going to the assistance of the Panay.

Testimony of Ito

84. In direct examination, Ito declared he received reports in Shanghai from the diplomatic corps and from the press that the Japanese Army had committed various atrocities at Nanking. At that time he was Minister at Large to China, in charge of negotiations with the diplomatic corps and the press, and also in charge of information. He testified that he did not try to verify the reports.

Testimony of Goette

85. In direct examination on 13 August Goette declared that the military aim of the Japanese army, as revealed to him in many interviews with ranking generals, was not so much the acquisition of territory as the annihilation of Chinese Nationalist armies.

In Shansi Province, British and American missionaries told him Chinese Christians were persecuted. Two missionaries received severe prison sentences because they took Chinese soldiers into their hospitals. It was a common procedure for the Japanese Army to requisition women from Chinese officials. This was commonly accepted by both sides.

Wide scale propaganda organs attempting to regiment Chinese masses were the New People's Society in North China and the East Asia Society in Central China, Goette testified.

Many Chinese colleges were bombed. Japanese teachers were forced on every major school and college. English was forbidden and Japanese was taught. Textbooks were revised and printed in Japan for use in China.

Testimony of Pu Yi

86. Under direct examination, Henry Pu Yi told the story of his life leading up to his assumption of the puppet rule of Manchuria. He was born in Peking in 1906, and at three was enthroned as Chinese Emperor. He abdicated in 1911 when China became a republic. The Chinese Government agreed to pay the abdicating royal family CN\$ 4,000,000 every year and to treat them as foreign royalty.

He lived in the Peking palace until 1924 when the royal family was ordered out by General Feng Yu-hsiang, heading a civil war faction opposed by Chang Tso-lin.

A succession of moves took him to his father's home in Peking, to the Japanese embassy, and then to Tientsin for about

seven years. He was in Tientsin at the time of the Mukden Incident, 18 September 1931. The Japanese commander of the Tientsin garrison then compelled him to go to Port Arthur. After half a year there, General Seishiro Itagaki came to see him under orders from General Shigeru Honjo, Commander of the Kwantung Army, and invited him to head the new political regime planned for Manchuria.

Although he refused at first, Pu Yi became Regent of Manchukuo 1 March 1932. He feared drastic action at the hands of the Japanese if he did not accept, he said, and moreover he believed the Chinese might have a chance to capitalize on his position as head of the state and at an opportune moment resist Japan.

When the witness became Regent, he was assured by Itagaki and others that Manchuria would be an independent state and that he would be empowered to administer it. But he was powerless to do anything, he declared. On 1 March 1934, his title was changed to Emperor.

"On paper, in order to fool the people of the world," Pu Yi declared, "Manchukuo was made to look like an independent state but in fact it was administered by the Kwantung Army. Nominally there were ministers and vice-ministers in charge of the various departments of the Government. Practically every one of the vice-ministers was a Japanese. Ministers were Chinese. On the surface the Chinese were put in charge, but underneath the Japanese ran the show. There was a Fourth Section in the Kwantung Army in control of Manchurian affairs. All ordinances and enactments would be proffered by the vice-ministers who were all Japanese, and then all had to be approved by the Kwantung Army.

"There was a Tuesday meeting composed of the Japanese Director of the General Affairs Bureau, the various vice-ministers and the Chief of the Fourth Section of the Kwantung Army. In this meeting all rescripts or other ordinances or enactments which were to be promulgated by the various ministries would be passed on. The Director of the General Affairs Bureau was the chairman and the Director of the Fourth Section of the Kwantung Army was the vice-chairman."

The Chinese had no right to oppose any law or enactment, he said, and after approval by the Kwantung Army laws were sent to the National Affairs Bureau to be passed on. Action by this Bureau was purely nominal.

General Yoshioka, who became supervisor of Pu Yi's personal affairs, named the relatives Pu Yi could visit, controlled his press interviews, furnished a Japanese doctor for his wife's fatal illness, and proposed that the witness marry a Japanese girl when his wife died. The witness married a Chinese girl whom he felt he could educate as he liked and who would not assimilate the Japanese way of life.

The witness was taken by Yoshioka to Japan in 1940 to visit the Emperor, where he was given two of the three Imperial treasures, a sword and a mirror.

Shintoism was introduced by the Japanese military into Manchukuo and the organic law amended to make practice of this religion compulsory, Pu Yi stated. Shintoism required soldiers and civilians alike to worship the Emperor of Japan.

Sixty-four special Japanese companies were formed, with capital sometimes running into billions, Pu Yi recalled. The banks

were in the hands of the Japanese. A Bureau of Monopolies channeled all transactions of monopoly commodities through its agency, including opium, one of the most significant items.

In 20 years about 6,000,000 Japanese immigrated into Manchuria and squeezed out native Manchurians. When the Japanese immigrants arrived they moved onto the tilled land and the Chinese were moved to undeveloped lands. The witness said he was not familiar with the plan of determining the sale of the requisitioned land.

The people of Manchuria were enslaved through a compulsory labor and civil service law, requiring people between the ages of 18 and 45 to render labor service to the Japanese Army. This law was passed at the time General Yoshijiro Umezumi, one of the defendants, was Commander of the Kwantung Army, Fu Yi continued. These people were used for opening highways and digging mines.

Opium exploitation was directed by the Director of the General Affairs Bureau under control of the Kwantung Army. The area of farms growing poppies in Manchuria was greatly extended. The income from the sale of opium increased yearly and the latest figure was \$ 200,000,000 in a special account, representing net profit.

Permits for smoking opium were officially sold for \$ 2 Manchurian. Those who obtained a permit were given \$ 2 by the Government to buy the opium although Japanese leaders said they were trying to suppress the growth of opium.

The witness said he had reason to believe that the Kwantung Army had prepared militarily through the building of railways to invade the Soviet.

When Uyeda took charge of the Kwantung Army, the Japanese Army at Changkufeng challenged the Soviet Army in order to test its strength. The Japanese were routed.

Cross-Examination

87. After the surrender of Japan, the witness and his family were sent to a town in Mukden Province. The witness said he was housed by Soviet authorities in a villa in the outskirts of Po-Li in Khabarovsk.

Fu Yi said he did not know whether the Soviet Government had an aggressive policy against China.

The witness said he was willing to come before the Tribunal in order to testify and tell to the world the oppression the Japanese had imposed on the Manchurians for the past 10 years or more.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

SUMMATION
of
NON-MILITARY ACTIVITIES
in
JAPAN

Number 11

August 1946

PART III

ECONOMIC

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SECTION 1

AGRICULTURE AND FISHERIES

C O N T E N T S

	Paragraph
Agriculture	5
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1. A land reform bill was drafted by the Ministry of Agriculture and Forestry, approved by the Cabinet and submitted to the Diet.

A five-year plan to increase silk production was initiated by the Japanese Government.

2. Adverse weather including a typhoon reduced July fish production. Localized outbreaks of cholera and the consequent prohibition of coastal fishing in the affected areas further reduced the catches in southern Japan. The Hokkaido fishery improved.

3. SCAP authorized the operation of a Japanese whaling fleet in the Antarctic Ocean.

4. Many new fishing boats began operations and the construction of more was authorized.

AGRICULTURE

	Paragraph
Land Reform	5
Five-year Plan for Cocoon Production	10
Fertiliser Allocations	12
Livestock	15

LAND REFORM

5. The land reform program submitted to the Diet on 15 August limits the amount of tenant-cultivated land an individual landlord may own to about one cho (2.45 acres) except in Hokkaido where ownership of four cho is permitted. About 80 percent of the tenants will be affected. Owner-farmers will be restricted in their rights to cultivate more than about three cho of land, 12 cho in Hokkaido.

6. Land holdings above the legal maximum will be purchased by the Government for resale to tenants. The average price for irrigated rice land will be ¥ 750 per tan (.245 acres). Uplands will bring ¥ 465 per tan. The Government will grant landlords an additional subsidy on the first three cho of land sold (12 cho in Hokkaido). The subsidy averages ¥ 220 per tan for irrigated rice land and ¥ 130 for uplands.

7. The tenants will pay for the land in not more than 30 annual installments at 3.2 percent interest. Annual installments plus taxes and other ownership obligations shall not exceed one third the value of the crop from the purchased land.

8. The reform will be supervised by local, prefectural and national land commissions consisting of tenants, landlords and peasant proprietors elected by their respective groups.

9. Farmers who still remain tenants will be protected by the proposed act from arbitrary evictions. Rentals, which must be in cash rather than in kind, cannot exceed 25 percent of the crop value on paddy lands and 15 percent on uplands.

FIVE-YEAR PLAN FOR COCOON PRODUCTION

10. The table below shows the Japanese Government's cocoon production program. Mulberry plantings are not used in the silk industry until the second year of growth so that complete results of the program will not be obtained until 1953. Silk production will be increased from an estimated 155,430 bales (9,325,800 kilograms) in 1946 to 321,300 bales (19,278,000 kilograms) in 1953. The planned 1951 mulberry acreage is about 45 percent of that used in 1934.

SCHEDULED FIVE-YEAR SERICULTURE PROGRAM (1946-1951)

<u>Year</u>	<u>New Area to be Planted (hectares)</u>	<u>Proposed Total Mul- berry Area (hectares)</u>	<u>Proposed Area in Pro- duction (hectares)</u>	<u>Anticipated Cocoon Production (metric tons)</u>	<u>Anticipated Silk Pro- duction (metric tons)</u>
1947	10,000	183,000	171,000	77,109	9,175
1948	17,000	200,000	173,000	87,783	10,443
1949	30,000	230,000	183,000	103,150	12,274
1950	30,000	260,000	200,000	120,250	14,309
1951	10,000	270,000	230,000	138,286	16,455

SOURCE: Ministry of Agriculture and Forestry, Raw Silk Bureau.

11. The plan will be aided by education, subsidies, price increases and allocations of fertilizer and equipment.

FERTILIZER ALLOCATIONS

12. The Japanese Government is allotting most available fertilizer to staple foods such as wheat, barley, naked barley, rye and oats. From 1 August to 31 December about 345,600 metric tons of ammonium sulfate and calcium cyanamide will be available for distribution.

13. These allocations have been made: 189,653 metric tons to wheat, barley and naked barley; 5,143 to Irish potato (seed); 31,754 for vegetables, fruit trees, mulberry, tobacco, rape, pyrethrum, ramie, tea and medicinal herbs; 59,290 to fulfill deficits in January-July farmer allotments; and the remaining 59,754 to be distributed to farmers in proportion to the quantity of rice delivered to the Government.

14. Fertilizer allocations are discussed further in the Rationing and Price Control Section, page 195.

ALLOCATION OF AMMONIUM SULFATE AND CALCIUM CYANAMIDE

<u>Crop</u>	<u>Kilograms of Ammonium Sulfate Equivalents (20 Percent Nitrogen) Allotted per Hectare</u>
Wheat	119.2
Barley	119.2
Naked barley	119.2
Oats	44.9
Rye	44.9
Irish potatoes	195.2
Vegetables	90.4
Fruit trees	26.2
Mulberry	44.8
Tobacco	56.2
Rape	18.9
Pyrethrum	12.5
Ramie	37.0
Tea	22.6
Medicinal herbs	17.0

SOURCE: Ministry of Agriculture and Forestry.

LIVESTOCK

15. Below are figures on livestock slaughter.

LIVESTOCK SLAUGHTER

	<u>Animals</u>		<u>Weight (kilograms)</u>	
	<u>May</u>	<u>June</u>	<u>May</u>	<u>June</u>
Cattle	9,794	9,579	1,669,626	1,637,735
Calves	1,307	931	52,547	37,604
Hogs	4,582	3,862	193,105	170,597
Horses	2,794	2,797	398,409	408,321
Goats	51	80	714	1,001
Sheep	21	55	382	536

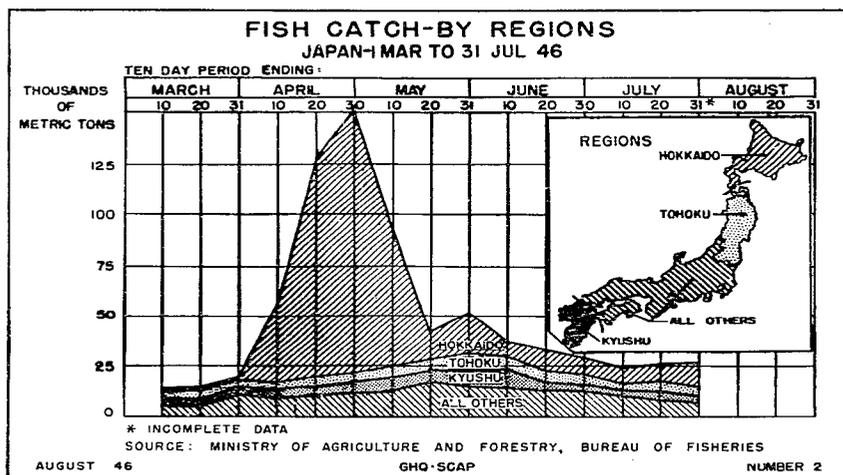
SOURCE: Ministry of Agriculture and Forestry.

FISHERIES

	Paragraph
Fisheries Production.	16
Distribution of Marine Products	20
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Marine By-products	27
Antarctic Whaling	29
Fisheries Federations and Associations.	36

FISHERIES PRODUCTION

16. The incomplete total reported landings of fish throughout Japan during July were 76,993.1 metric tons, 21,781.1 tons less than the reported June landings, as shown on the accompanying chart.



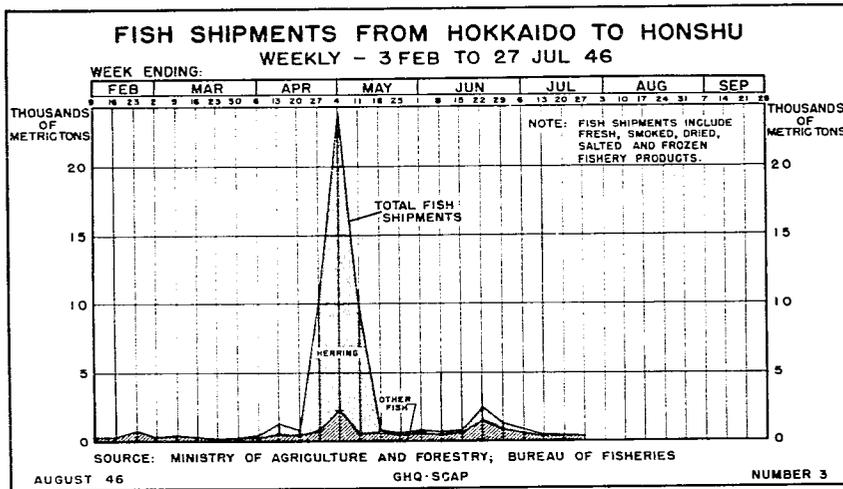
17. Fish caught during 1-10 July were 34,219.5 metric tons, 4,000 tons less than 21-30 June. Kanto landings decreased 2,050 tons due to bad weather and insufficient equipment available through lawful channels. Kyushu's decline resulted from restrictions imposed to fight cholera and dysentery in Saga Prefecture.

18. During 11-30 July landings increased to 25,966.5 metric tons because of improved catches in Hokkaido, Tohoku, Shikoku and Kyushu. Yamaguchi fishing was stopped by a cholera outbreak, reducing the Chugoku catch by 1,700 metric tons. Shikoku's 633 metric ton increase consisted of sardines, horse mackerel and shrimp. Twelve whales were caught at Otohara. Kyushu's increase of 427.6 metric tons came after the prohibition on fishing was lifted in former cholera areas.

19. Incomplete reports for 21-31 July show an increase to 26,807.1 metric tons. Hokkaido increased 3,923 metric tons with good catches of cod, shark and flounder. A typhoon over Kyushu, Shikoku and lower Honshu hurt fish production. Cholera continued to restrict Chugoku operations. Six whales were caught at Otohama.

DISTRIBUTION OF MARINE PRODUCTS

20. Shipments of fish from Hokkaido to Honshu are shown in the accompanying chart. Consumption figures are given in the Rationing and Price Control Section, page 186.



JAPANESE FISHING VESSELS

21. On 6 August SCAP authorized the construction of 211 steel and 17 wooden vessels. The 17 wooden vessels of approximately 120 metric tons gross each will be used for tuna fishing. The 211 steel vessels will be as follows:

<u>Type of Vessel and Gross Tonnage (metric tons)</u>	<u>No. of Vessels</u>	<u>Total Gross Tonnage (metric tons)</u>
Fish carrier		
750	3	2,250
95	1	95
Whaler		
300	7	2,100
Trawler		
320	1	320
270	7	1,890
Tuna boat		
135	55	7,425
120	3	360
95	62	5,890
75	4	300
Small trawler		
98	10	980
75	18	1,350
55	30	1,650
18	<u>10</u>	<u>180</u>
Total	211	24,790

SOURCE: Ministry of Agriculture and Forestry, Bureau of Fisheries.

All the vessels are scheduled for completion before 31 March, 1947.

EQUIPMENT AND SUPPLIES

Fishing Nets

22. About 9,000 additional bales (3,600,000 pounds) of cotton yarn have been allocated to the fish net industry for immediate delivery.

23. To meet the demands of the fishing industry and to keep the net factories at full production through December an additional 18,000 bales of raw cotton will be required.

Salt

24. Owing to the lack of refrigerating machinery aboard the whale factory ships most of the whale meat obtained in the Antarctic must be salted. About 12,362 metric tons of salt will be needed for the 1946-47 season. Of this, 7,812 tons will be available by 15 October at Osaka or Kobe and 4,550 tons at Nagasaki.

SALT DEMAND AND ALLOCATION
July-September

<u>Use</u>	<u>Demand</u> (metric tons)	<u>Allocation</u> (metric tons)
Salted and dried fish	8,600	7,700
Fresh fish	1,100	950
Pelagic fishing	1,624	1,480
Bait	400	350
Others, including cold storage	600	520
Total	12,324	11,000

SOURCE: Ministry of Agriculture and Forestry.

Ammonia

25. Delivery to refrigerating plants totaled 34 tons ammonia from 10 July to 15 August and 50 tons calcium chloride from 10 July to 10 August.

Petroleum Products

26. The earlier allocation of petroleum products for August was 11,500 kiloliters diesel oil, 300 kiloliters kerosene and 930 kiloliters lubricating oil. The extension of the fishing areas under the SCAP authorization of 22 June necessitated an increase to 13,500 kiloliters diesel oil and 1,050 kiloliters lubricating oil.

PETROLEUM PRODUCTS
NEEDED FOR ANTARCTIC WHALING
1946-47
(kiloliters)

Navy special oil (0.92 or 0.93 specific gravity)	40,517
Lubricating oil	662
Neutral oil	27
Kerosene	27
Gasoline	3

SOURCE: Ministry of Agriculture and Forestry.

MARINE BY-PRODUCTS

Seed Oyster Collection

27. A SCAP survey of prominent collection areas near Ishinomaki Bay found that in 1945 200,000 collector strings of 50 to 75 shells each were set out for the collection of the seed "spat". This year almost a million strings are already set out and supplies are available to complete the placing of 1,800,000 strings.

Vitamin Oil from Fish and Whale Livers

28. The Vitamin Industry, Ltd., has been formed in Tokyo to supervise the collection of fish and whale livers and to organize the distribution of livers to vitamin oil production plants.

ANTARCTIC WHALING

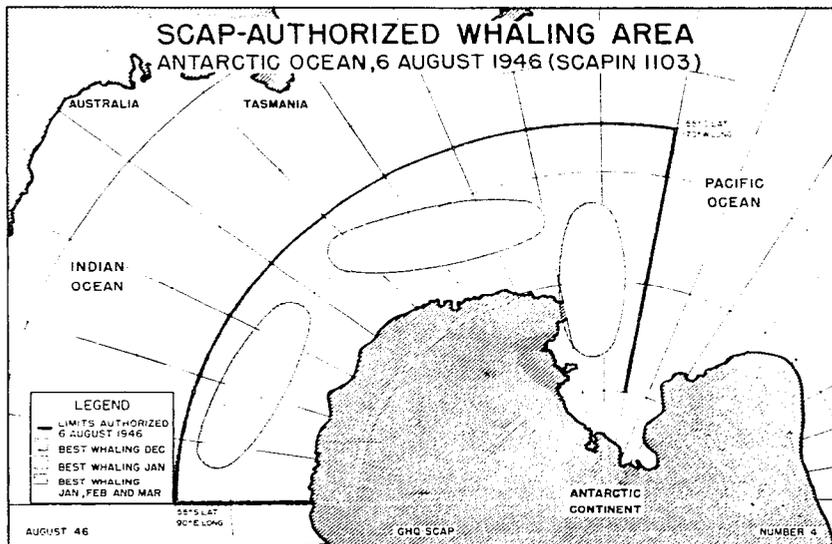
29. On 6 August SCAP authorized Japanese whaling in the Antarctic

Ocean during the 1946-47 season. The directive authorized the use of two factory ships, of 10,020 and 10,000 metric tons gross; 12 whalers, ranging from 298 to 387 metric tons gross; and seven carriers, two 10,000, one of 7,268 and four of 1,000 or less metric tons gross.

30. The Japanese estimate that this equipment can capture about 2,000 whales, yielding 11,450 metric tons whale oil, 1,700 metric tons frozen meat, 14,352 metric tons salted meat, 9,330 metric tons salted blubber and 12 metric tons liver oil. The oil will be available for export and the other products will be consumed in Japan.

31. This can be compared with the 1940-41 season, when six factory ships of 10,000 to 20,000 metric tons gross and 45 killer boats caught 9,857 whales, producing 101,000 metric tons of whale oil and 12,000 metric tons of other products. All the factory ships and most of the whalers were sunk during the war.

32. The authorized area is shown on the accompanying chart.



33. Operations are to be in strict conformity with the International Whaling Conventions and amendments thereto. The required reports on activities are to be submitted to SCAP by 1 June 1947.

34. The master of each factory ship shall send daily radio reports to the Japanese Bureau of Fisheries, showing the location of the vessel, the number and kinds of whales caught and the daily output of oil, blubber and meat.

35. The route to be followed by each vessel to and from the whaling area is to be supplied to SCAP 15 days prior to departure. Each vessel must proceed to and from the whaling area by the most direct route and may not approach closer than 12 miles to any land.

36. The vessels are authorized to leave Japanese ports during the period 1 November 1946 to 15 December 1946 and return to Japan within one month of the close of the whaling season but not later than 30 April 1947.

37. It is emphasized that the directive does not establish a precedent for whaling operations in any area for any subsequent period of time, nor is it an expression of Allied policy in relation to the ultimate determination of national jurisdiction, international boundaries or whaling and fishing operations in the area concerned or any other area.

FISHERIES FEDERATIONS AND ASSOCIATIONS

38. A small group of fishermen met on 14 May at Hazaki, Chiba Prefecture, and formed an independent union. By 1 August 673 of the 1,300 fishermen had joined the union. Under the old system of employment the boat-owners exercised complete control over the employees, permitting them no choice either of the type of fishing in which they should engage or any selection of time or place of operations.

39. At a meeting on 21 July the union prepared a list of 10 separate demands and submitted these to the boat-owners with the warning that if the demands were not met by 25 July the union members would strike. At the request of the boat-owners the deadline was deferred until 6 August, when the boat-owners met a committee from the union and announced that all the demands would be granted.

40. The Aquatic Research Institute has been established at Echujima to conduct studies in all phases of pure and applied marine science. The Institute consists of four sections: biological, industrial, oceanographical and biochemical. Formerly associated with industrial interests, the Institute is now governed by a board of 14 directors, all men of outstanding scientific attainments in Japan.

SECTION 2

FORESTRY AND MINING

C O N T E N T S

	Paragraph
General	1
Forestry	6
Mining and Geology	13

GENERAL

1. Production of forestry products did not increase in July. Machinery is old and in need of repair, stockpiles are subject to emergency uses and inflation reduces the value of subsidies and government aid. Recovery is not expected soon.

2. The food shortages and distribution problems facing the coal mining industry have been eased somewhat. The release of imported American food has contributed toward raising average production per working day to 72,800 metric tons, the highest since August 1945.

3. Mine production reports for June from the Ministry of Commerce and Industry show that production of 12 of 25 mineral commodities has increased. Ten commodities which had increased in May showed a decrease in June production.

4. The increase in iron ore production that started in March slackened, while iron sand output recovered from the May drop. The largest increases were in antimony, asbestos, manganese ore and mercury. The output of sulfur and tin continued to rise, but tin output remains small.

5. The Japanese mining industry is beset by food, fuel and equipment shortages. Lack of fuel for processing has caused many mines to have large and increasing stockpiles of concentrates. Low metal prices in contrast to high costs are also retarding mine production, since almost every mine is now operating at a loss. The cost of producing refined copper ranges from ¥ 10,000 to ¥ 50,000 per ton, while the price received is ¥ 13,000 plus a bonus of ¥ 7,000 per ton.

FORESTRY

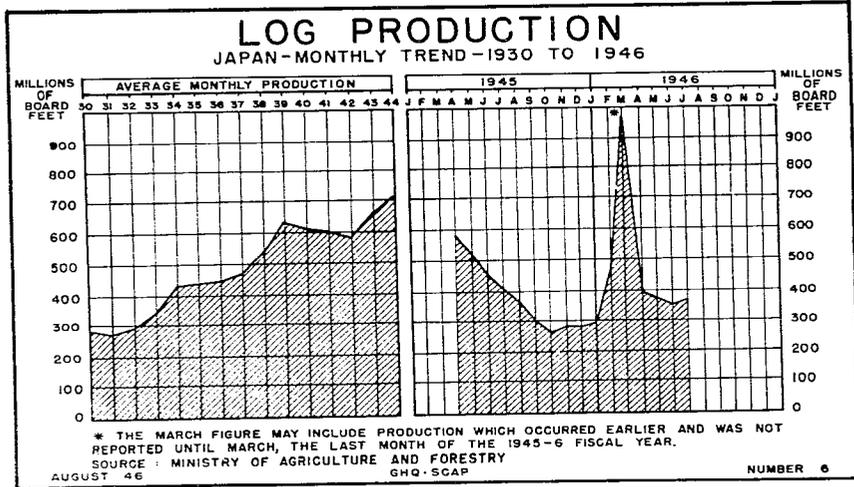
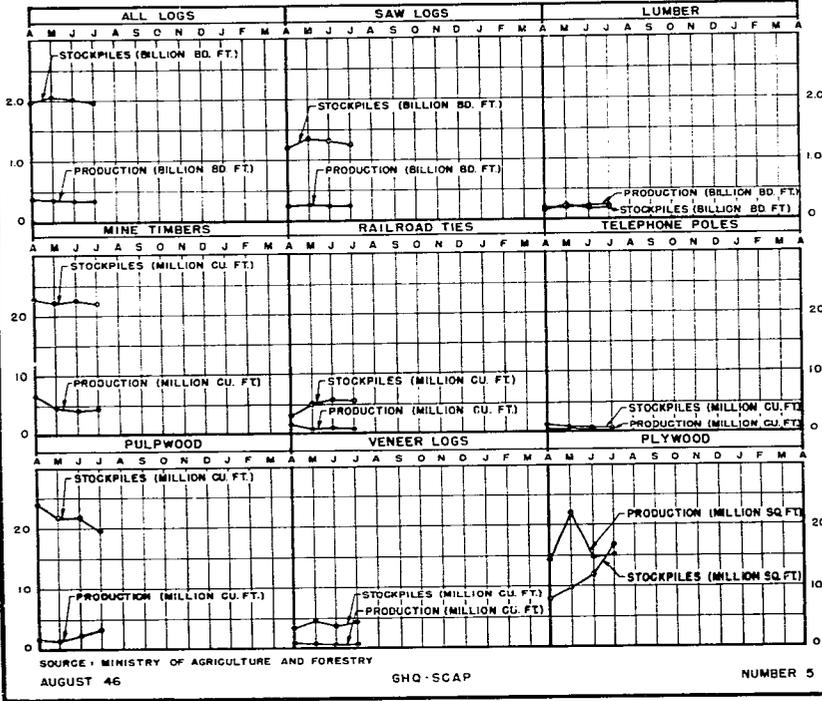
	Paragraph
Stockpiles and Production for July	6
Veneer and Plywood	7
Pulp and Paper	10

STOCKPILES AND PRODUCTION FIGURES FOR JULY

6. Lumber production and stockpiles are shown in Charts No. 5, 6 and 7, pages 72 and 73.

LOGS AND LUMBER-PRODUCTION AND SUPPLIES

JAPAN-MONTHLY-1945-6 FISCAL YEAR

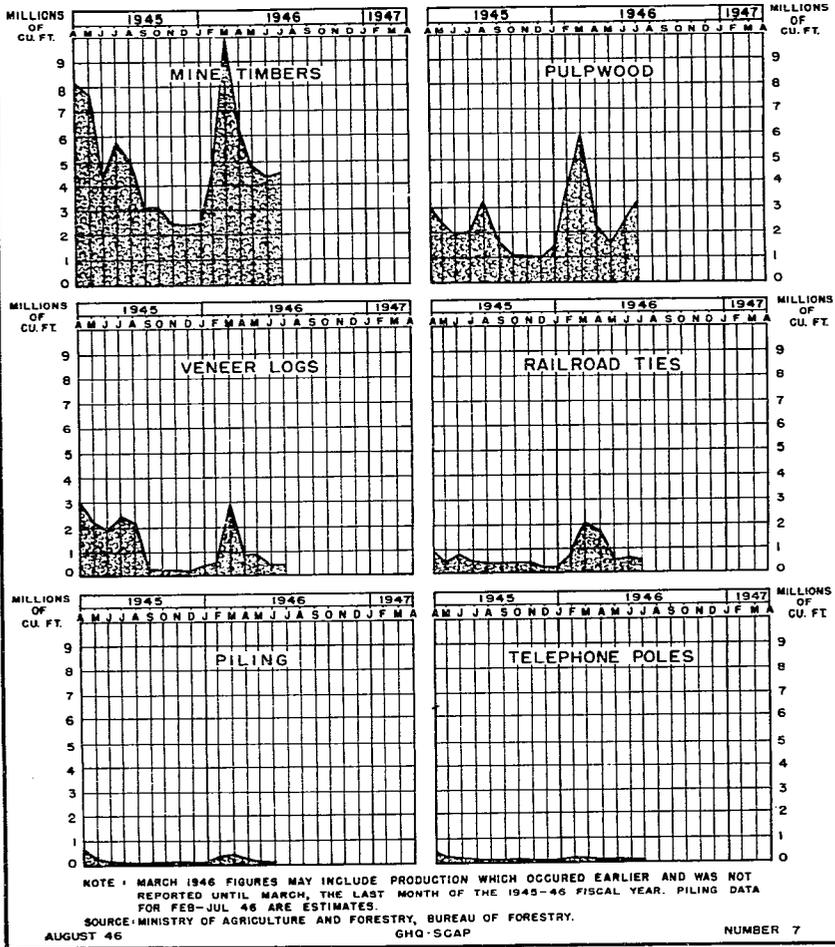


VENEER AND PLYWOOD

7. Plywood production is shown in Chart No. 6, page 73.

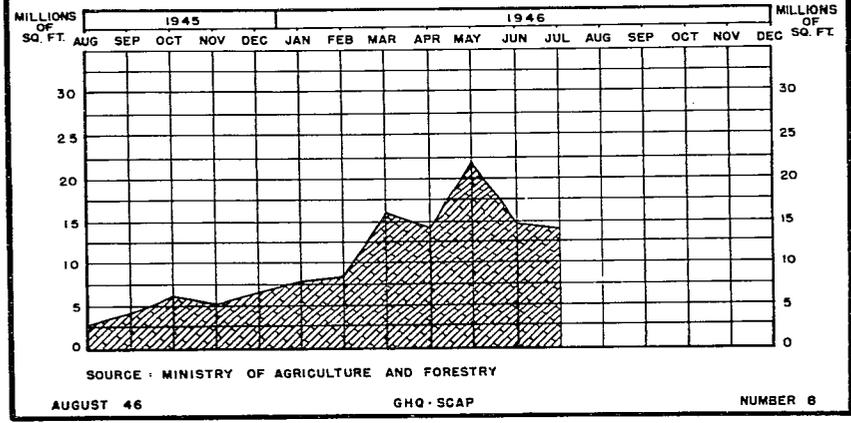
TIMBER PRODUCTS

MONTHLY PRODUCTION SINCE APRIL 1945



PLYWOOD PRODUCTION

JAPAN-MONTHLY SINCE AUG 45

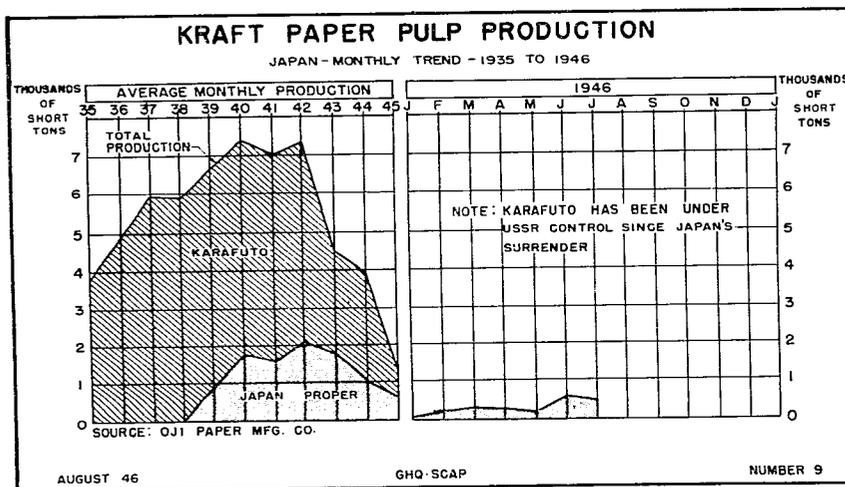


8. Production by plywood factories in Aichi, Kyoto, Mie, Shizuoka and Tokyo Prefectures is impeded by scarcity of raw materials, especially glue and good quality logs; scarcity of labor because of food shortages, and lack of production and maintenance equipment, especially in war-damaged plants.

9. Veneer knives and nose bar blades in many plants are badly ground and maintained. Some plants have little idea of the best knife and pressure bar settings to obtain satisfactory veneer thicker than 1/16 inch.

PULP AND PAPER

10. During July the only advance in pulp production was rayon pulp, of which 3,446 short tons were produced. Production of kraft pulp dropped 169 tons, while that of sulfite pulp has not yet reached the level attained in March. Although July production of mechanical pulp advanced beyond the June level, the output is still lower than May.



WOOD PULP PRODUCTION (July)

<u>Type</u>	<u>Short Tons</u>
Rayon	3,446
Sulfite	4,498
Kraft	407
Soda	99
Bamboo	18
Mechanical	13,078

SOURCE: Paper Control Association.

11. Paper production is given in the Manufacturing Section, page 103 .

12. Retarding production are shortages of coal, chemicals, transportation, pulpwood, construction materials and labor.

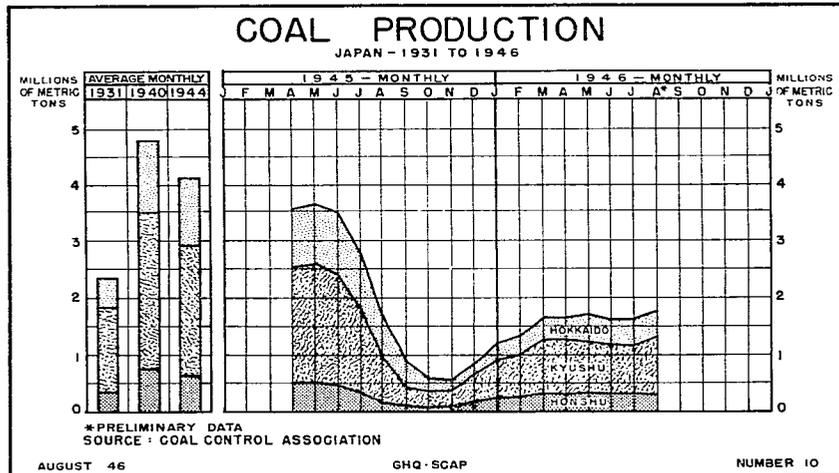
MINING AND GEOLOGY

	<u>Paragraph</u>
Coal	13
Other Minerals	17
Petroleum	18

COAL

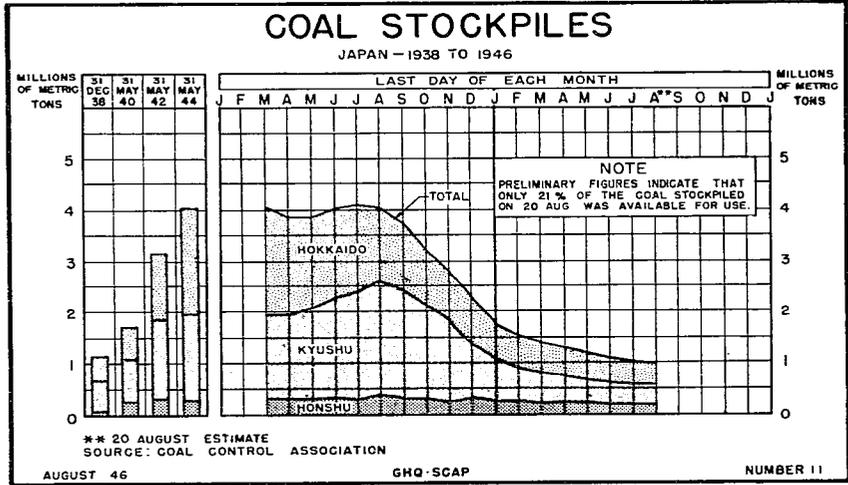
Production

13. Average production per working day for 11-20 August, 66,200 metric tons, was the highest since August 1945, but 1.7 extra days of religious holidays reduced total production to 483,500 tons. Average daily production for 21-31 August went still higher to 72,800 metric tons. Total coal produced in August was 1,770,200 metric tons, exceeding the Coal Board's quota by 120,200 metric tons. Average August production per working day was 68,300 metric tons. Production by districts is shown on the accompanying chart.



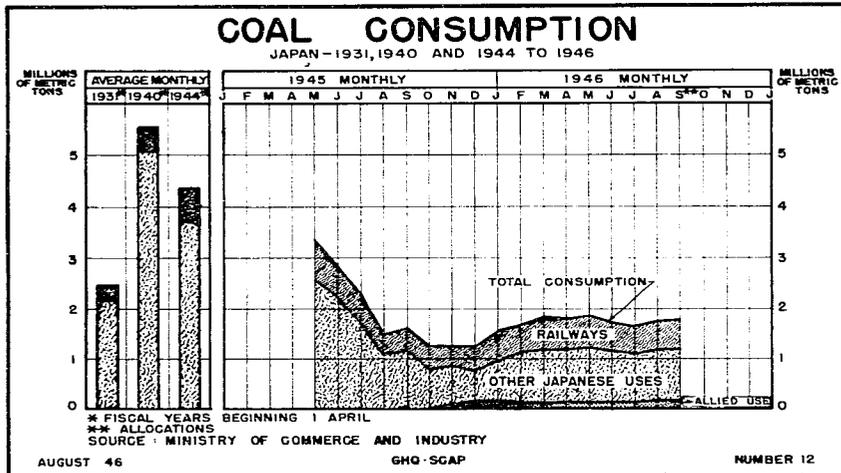
Stockpiles

14. Coal stockpiles were reduced two percent from 1,010,000 metric tons on 31 July to 992,000 metric tons on 20 August. Only 21 percent of this amount is readily available.



Consumption

15. Coal consumption is shown on the accompanying chart and charts, pages 78 and 79.



Lignite

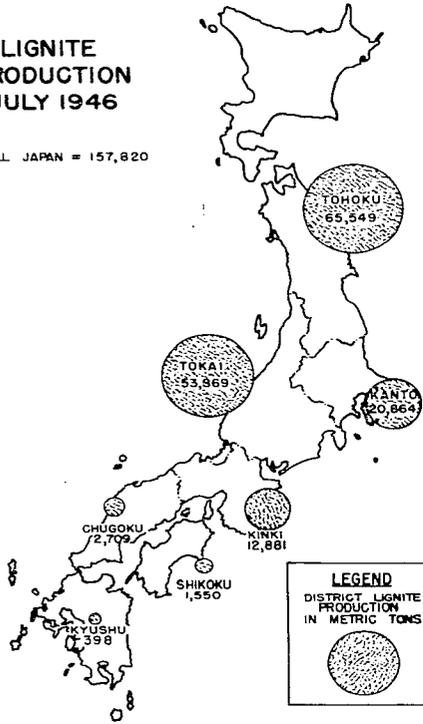
16. Lignite production has decreased 22 percent since April, from 203,179 metric tons to 157,820 metric tons in July. Stockpiles were 346,338 metric tons on 31 July, 22 percent below 31 April.

LIGNITE PRODUCTION, SALES AND STOCKPILES

DISTRICTS — JAPAN

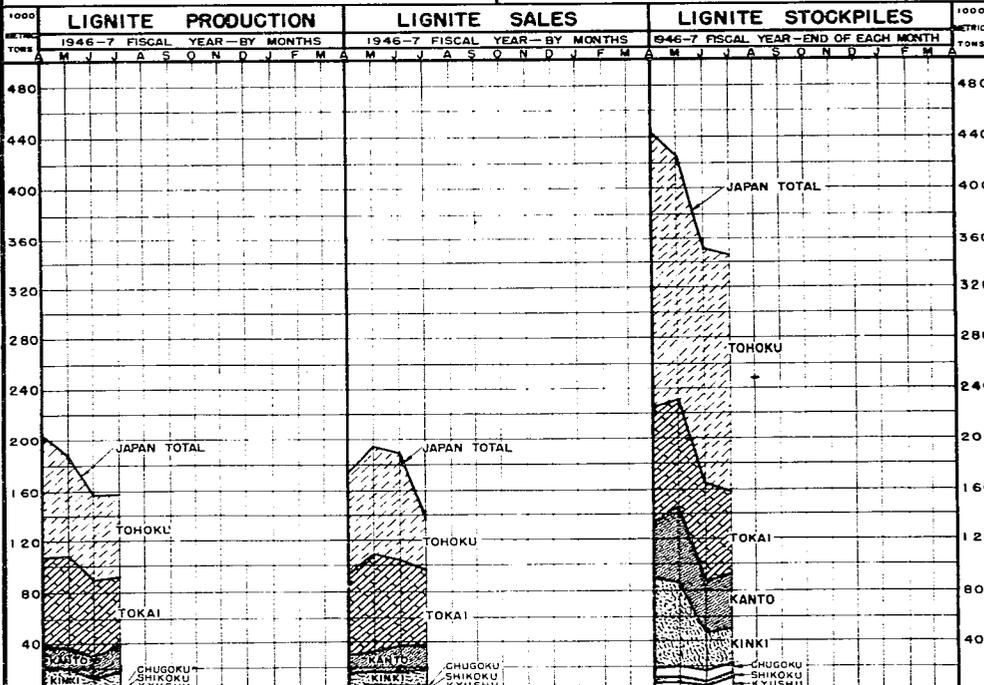
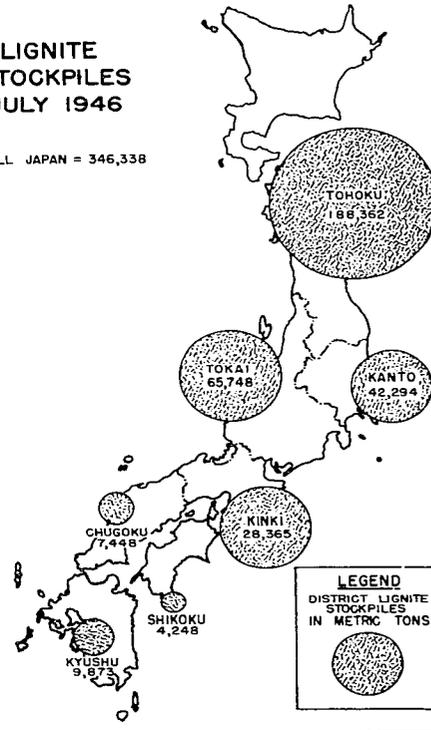
LIGNITE PRODUCTION JULY 1946

ALL JAPAN = 157,820



LIGNITE STOCKPILES JULY 1946

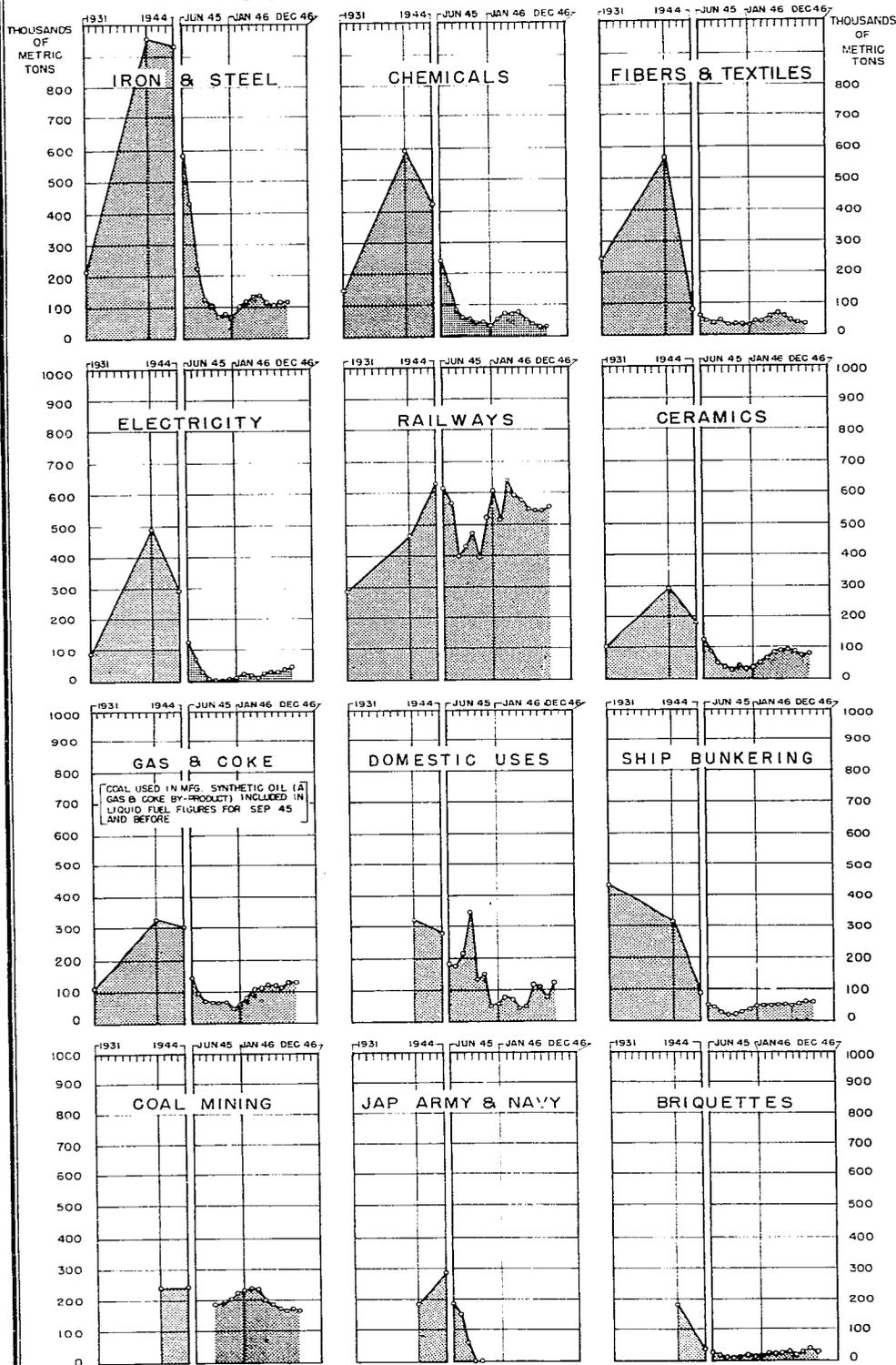
ALL JAPAN = 346,338



SOURCE: MINISTRY OF COMMERCE AND INDUSTRY, COAL BOARD

COAL CONSUMPTION BY INDUSTRIES

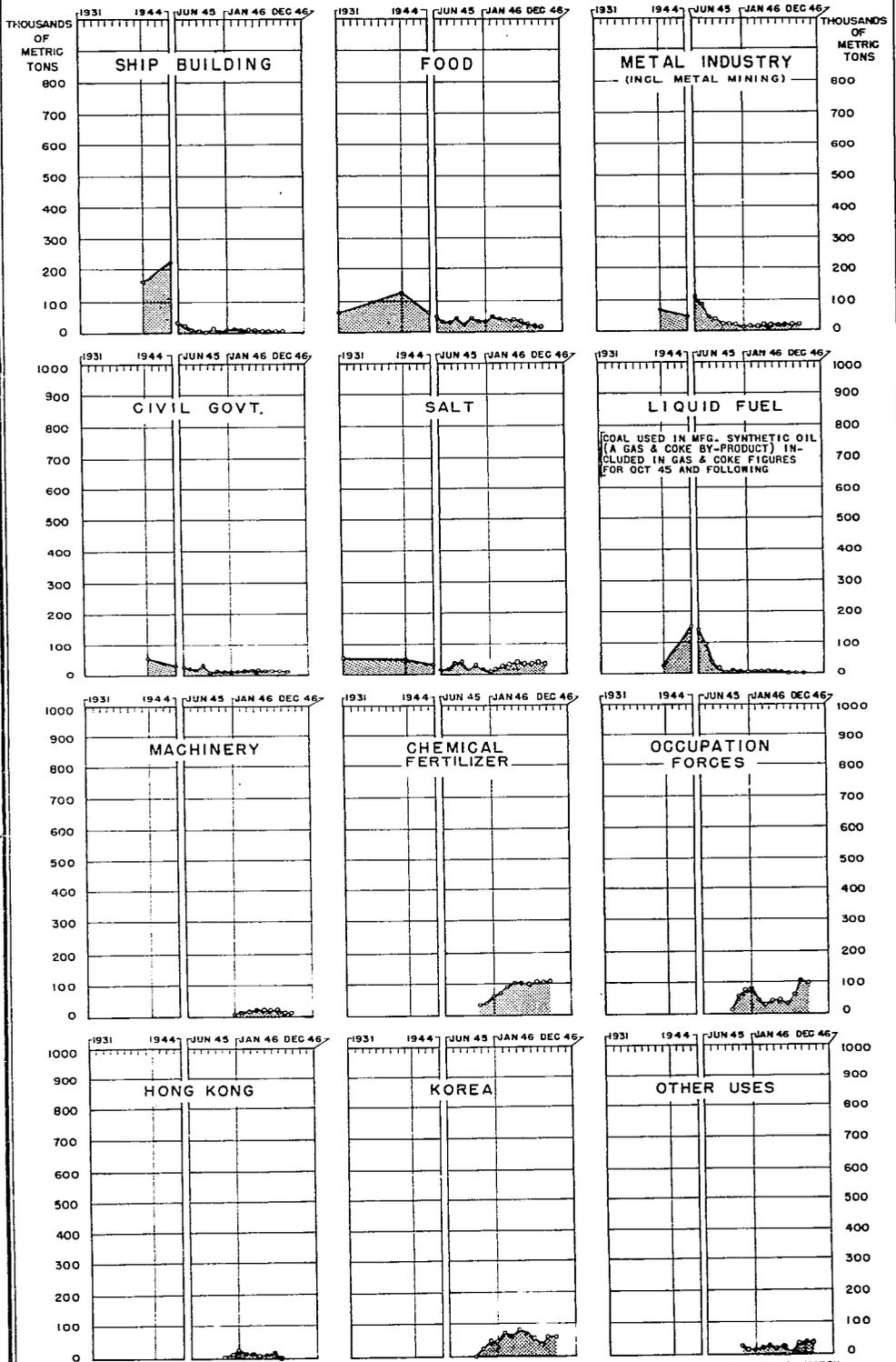
JAPAN-MONTHLY TREND 1931 TO 1946



NOTES: 1931 DATA ARE MONTHLY AVERAGES. 1940 AND 1944 DATA ARE MONTHLY AVERAGES FOR 1 APRIL TO 31 MARCH FISCAL YEARS. AUG AND SEPT 1946 DATA ARE ALLOCATIONS. SOURCE: MINISTRY OF COMMERCE AND INDUSTRY, COAL CONTROL ASSN.

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 SOURCE: MINISTRY OF COMMERCE AND INDUSTRY, COAL CONTROL ASSN.
 AUGUST 46

NUMBER 148

OTHER MINERALS

17. Production of other minerals is shown in the following table.

MINE PRODUCTION							
Commodity	Unit	Av Prod/Mo Fiscal Year			Current Total Fiscal Year		
		1945-46	April	May	June	1946-47	
Antimony	a/ MT	22	1.7	1.2	2.7	5.6	
Arsenic	a/ kg	-	58,277	41,584	60,954	160,815	
Asbestos	Fiber MT	-	67	62	195	324	
Barite	b/ MT	141	0	0	30	30	
Chromite	b/ MT	2,338	266	510	361	1,137	
Cobalt	a/ kg	-	557	750	840	2,147	
Copper	a/ MT	1,697	1,565	1,520	1,462	4,547	
Fire clay	- MT	-	1,390	1,996	1,064	4,450	
Fluorite	b/ MT	166	0	57	8	65	
Gold	a/ gm	-	95,943	114,657	118,000	328,600	
Graphite							
Amorphous and crystalline	b/ MT	217	214 c/	1,099	1,013	2,326	
Gypsum	b/ MT	2,976	4,329	4,930	4,706	13,965	
Iron ore	b/ MT	90,712	46,066	64,242	66,048	176,356	
Iron sand	b/ MT	10,180	1,159	2,501	1,730	5,390	
Lead	a/ MT	441	312	279	275	866	
Manganese	b/ MT	7,498	2,676	2,241	2,846	7,763	
Mercury	Metal kg	6,694	1,417	1,707	3,918	7,042	
Molybdenum	b/ kg	14,605	13,389	10,601	8,536	32,526	
Pyrite	b/ MT	30,964	38,563	40,547	37,566	116,676	
Silver	a/ gm	-	2,573,715	3,856,405	3,003,000	9,433,120	
Steatite	b/ MT	-	7,226	8,729	7,258	23,213	
Sulfur	Refined MT	2,479	1,471	1,940	2,241	5,652	
Tin	a/ kg	132	1,913	3,605	4,211	9,729	
Tungsten	b/ kg	10,845	11,789	17,300	5,055	34,144	
Zinc	a/ MT	1,898	1,394	1,658	1,490	4,542	

a/ Metal content in concentrate.

b/ Concentrate.

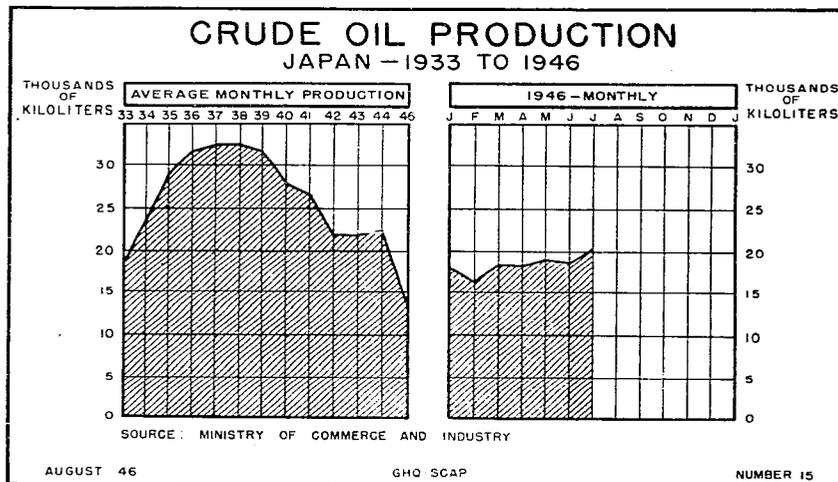
c/ Incomplete.

SOURCE: Ministry of Commerce and Industry.

PETROLEUM

Production Trends

18. Five new wells increased average weekly production to 4,604 kiloliters (28,959 barrels) through the five weeks ending 3 August. The second week of this period showed a sharp drop back to 4,320 kiloliters due to closing for repairs a 30-kiloliter per day producer in Yabase oilfield, Akita Prefecture. The remaining four weeks' production ranged from 4,628 to 4,759 kiloliters per week.



19. With additional exploitation of wells nearly completed, August production was expected to exceed a weekly average of 5,000 kiloliters. Most of this new production is expected from Hachimori field, Akita Prefecture. A well recently sunk there by the Nitto Oil Company brought in an initial production of 95 kiloliters per day. The well has now been controlled to maintain production of 30 kiloliters per day.

High-Cost Producing Fields

20. The Imperial Oil Company is studying production costs to eliminate high-cost wells. Only five fields are high-cost producers and three of these are still being explored.

Goetsu, an old field in Niigata Prefecture, has declined to a monthly production of 30 kiloliters at a cost of more than ¥ 7,000 per kiloliter. Kuwazone field, Niigata Prefecture, listed as a producing field despite a negligible production of 0.5 kiloliters per month, is comparatively new and carrying a heavy exploration cost.

Exploration Program

21. The Imperial Oil Company's exploration program has progressed slowly. The geological surveys are about one month behind schedule and the drilling program is from two to three months behind schedule. Reasons for the delays were the difficulty in obtaining cash funds in April, lack of transportation to remote drilling sites and the food and labor shortages.

A special ration of 150 grams of rice per day, in addition to the normal ration of 300 grams, was granted to field workers in Hokkaido, Akita, Yamagata and Niigata Prefectures, but only in Niigata Prefecture were government food stocks sufficient to permit the issue of the special ration.

Oil field laborers spend much time searching for food.

22. Just after a fixed budget had been adopted for exploration and drilling, wages were raised from ¥ 12 to ¥ 20 per day, thereby reducing the number of laborers which could be employed. Some of the more remote drilling areas have a shortage of available labor, since it is difficult to induce laborers to join field parties. A large amount of labor is required to get the drilling rigs to location.

SECTION 3
HEAVY INDUSTRIES

C O N T E N T S

	Paragraph
Coke	1
Metal Industries	2
Rubber	12
Petroleum	13
Cement	14
Construction	15
Shipbuilding	19
Chemical Industries	24
Machinery	32

COKE

1. July coke production fell to 113,000 metric tons due to the shortage of coking coal. Coal stockpiles total 36,000 metric tons, coke stocks 67,000 metric tons. One plant began operation in July, bringing the total to 170.

JULY COKE ALLOCATION AND DISTRIBUTION
(metric tons)

<u>Industry</u>	<u>Allocation</u>	<u>Distribution</u>
Consumed by producers		
Gas		
Iron and steel	57,320	60,090
Chemical		
Metal mining and refining	1,650	3,930
Metal industry	2,930	4,740
Shipbuilding and machinery manufacturing	14,030	27,510
Ceramics (including cement)	1,600	2,450
Chemical fertilizer	46,000	38,620
Chemical industry	3,630	2,980
Maintenance and repair of coal mines	540	540
Others	630	3,080
Reserve	<u>3,360</u>	<u>-</u>
Total	131,690	143,940

SOURCE: Ministry of Commerce and Industry.

METAL INDUSTRIES

2. Japan produces the following minerals and related products commercially: aluminum, antimony, arsenic, barium, beryllium-copper alloy, bismuth, boron carbide, cadmium, calcium, cerium, cesium, chromium, cobalt, copper, gold, indium, iridium, iron, ferroalloys, lead, lithium chloride, magnesium, manganese, mercury, molybdenum, nickel, osmium, palladium, phosphorus, ferrophosphorus, platinum, selenium, silicon, silver, sodium, strontium, sulfur, tantalum, tellurium, tin, titanium, tungsten, ferrovanadium, zinc and ferrozirconium.

Iron and Steel

3. The accompanying charts show production of iron and steel declined slightly in July due to reduced coal supplies.

Light Metals

4. July aluminum production increased 12 percent to 750 metric tons. Of this 412 tons were reduced from alumina in seven plants and 338 tons were remelted from scrap in seven plants. The Showa Denko K. K. produced about 187 tons of alumina in July by the "electric fusion" process of direct reduction of aluminous shale (old stock on hand). Most of the rest of the alumina used was from scrap digested in caustic soda and the alumina recovered by utilizing a part of the Bayer process.

Rolling Industry

5. Fifty-six operating plants produced the amounts indicated below. Although one additional plant began operation, production decreased due to labor absenteeism and shortage of fuel. August estimated tonnage is 2,115 tons.

LIGHT METALS ROLLING PRODUCTION
(metric tons)

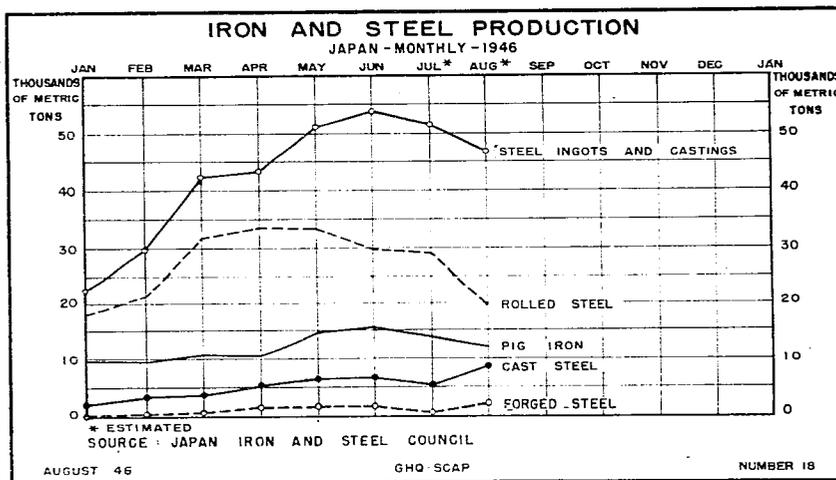
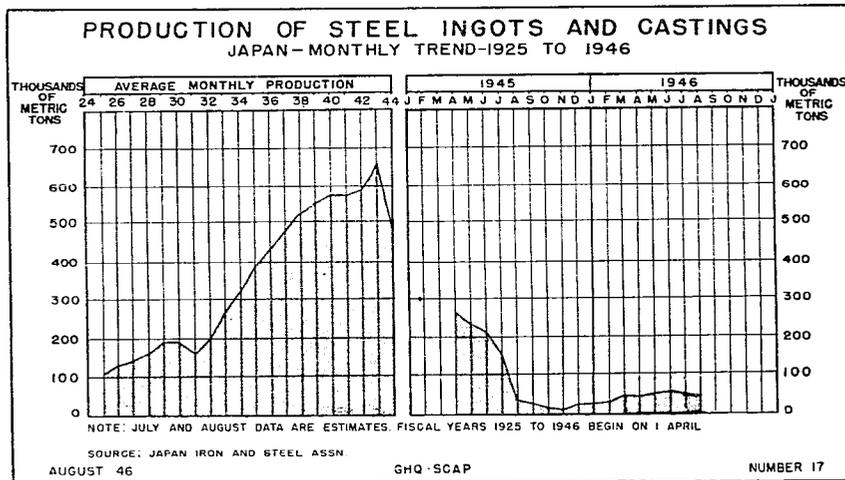
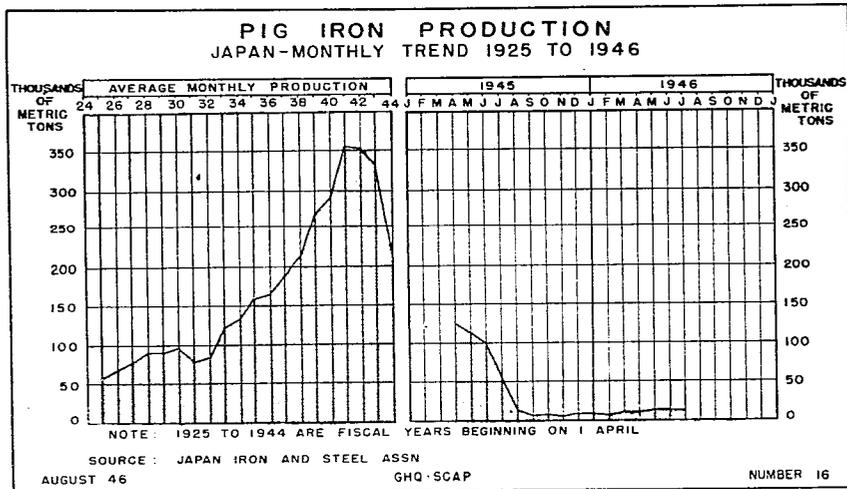
Item	Aluminum		Alloy		Tin		Total	
	Jul	Aug a/	Jul	Aug a/	Jul	Aug a/	Jul	Aug a/
Sheet	806	925	663	955	0	0	1,469	1,880
Pipe	5	15	12	20	0	0	17	35
Rod, bar and profile	2	30	66	80	0	0	68	110
Wire	3	10	11	20	0	0	14	30
Foil	6	15	0	0	27	45	33	60
Total	822	995	752	1,075	27	45	1,601	2,115

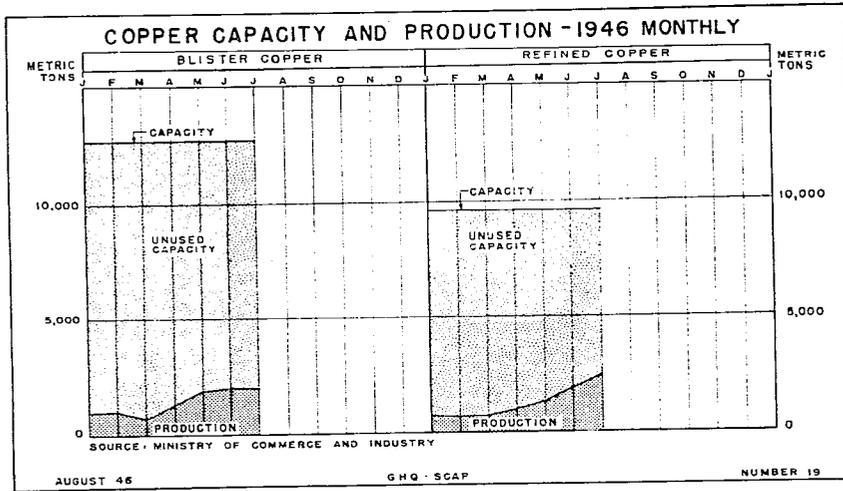
a/ Estimated.

SOURCE: Light Metals Rolling Association.

Copper

6. Copper capacity and production are shown in chart, page 86. The changes were caused by fluctuating fuel deliveries. One more refinery began operation.





Rolling Industry, Copper and Copper Alloys

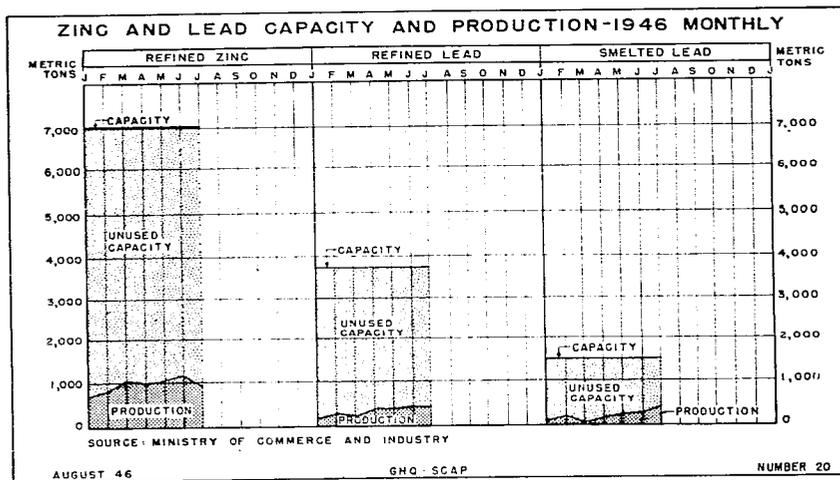
7. Rolled copper and copper alloy production was 2,867 metric tons for July, a nine percent increase over June. See charts, page 87.

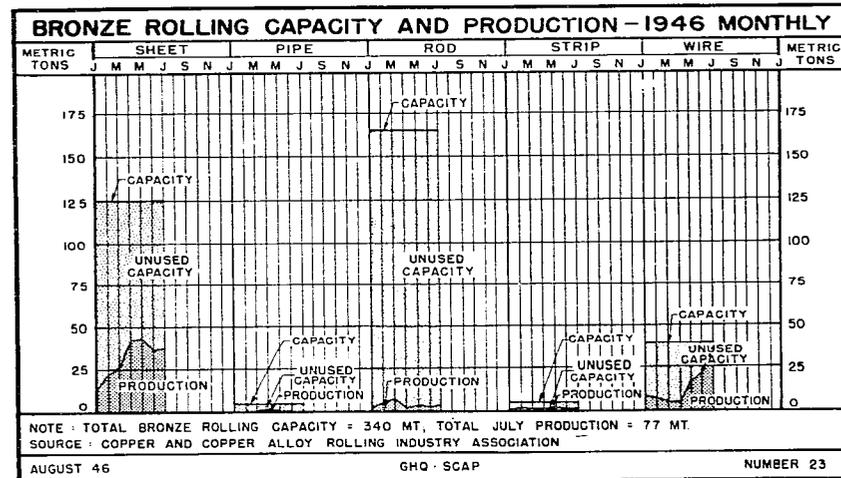
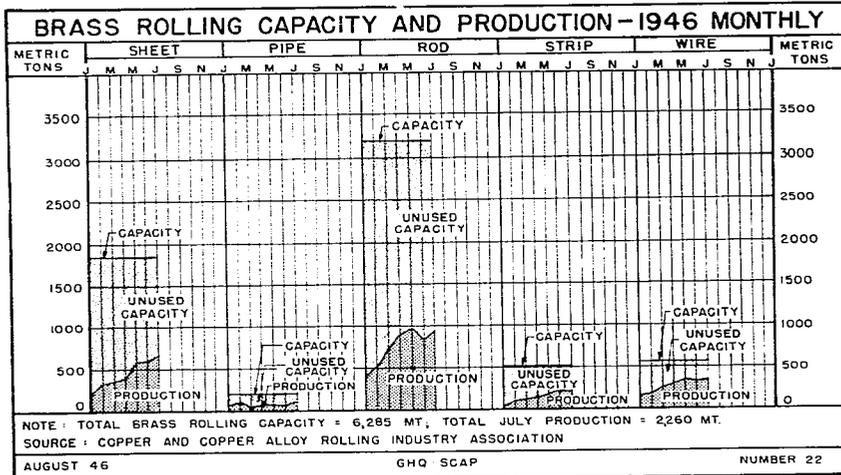
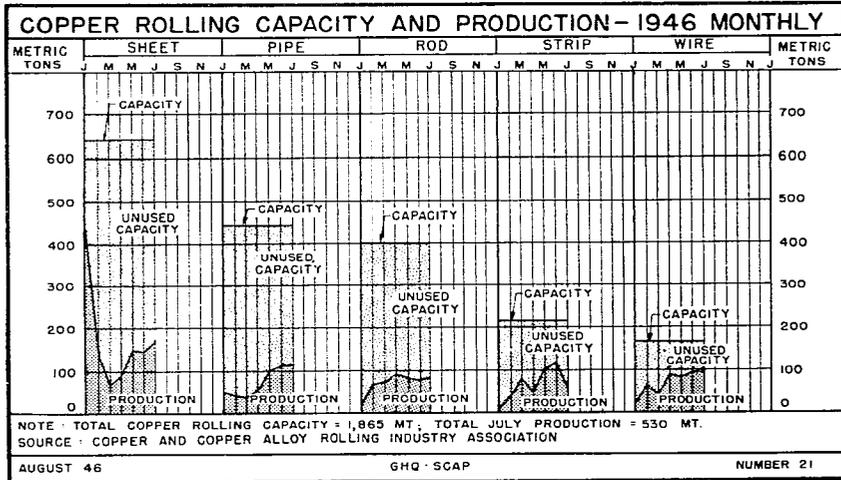
Zinc

8. Fuel shortage was responsible for a 20 percent decrease in July zinc production to 959 metric tons. Zinc plate production for July was 195 tons and the August estimate is 230 tons.

Lead

9. The output of lead refineries, 407 metric tons, decreased because one plant ceased operations. Lead smelting totaled 392 tons.



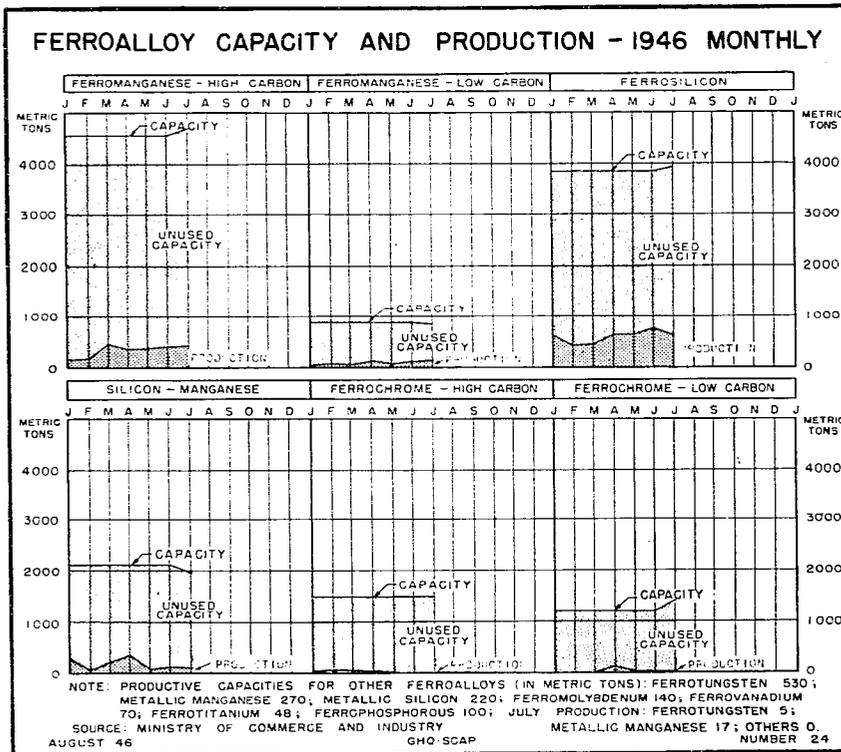


Other Nonferrous Metals

10. All tin, nickel and antimony plants remained inactive for want of fuel.

Ferroalloy Production

11. Production of ferroalloys is shown on the accompanying chart. The July decline in production was caused by limited demand, shortage of coke and shortage of electrodes. Nine plants resumed operations while nine others suspended production.

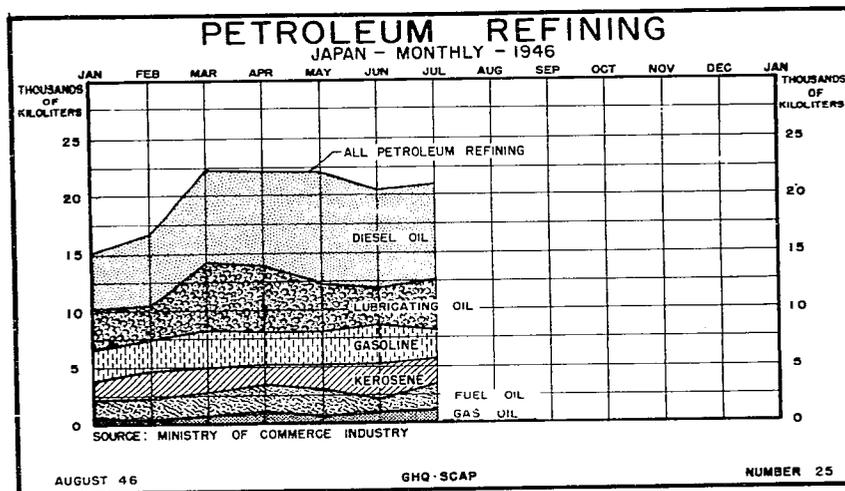


RUBBER

12. Production in July consumed 1,304 tons of crude rubber as compared with June consumption of 1,894 tons crude rubber. The decrease in consumption was due to the cessation of all factory operations in the industry from 1 July to 7 July in order to allow the Ministry of Commerce and Industry to make an inventory of rubber stock. Upon completion of the present export program in August the stock of crude rubber in Japan will be approximately 10,000 tons.

PETROLEUM

13. Refinery production in the four weeks ending 29 July increased 7.4 percent.



CEMENT

14. Thirty-five operating plants produced a total of 11,689 metric tons of cement in July, an increase of approximately 20 percent. Lack of coal, lubricating oil and steel balls hindered production. Estimated production for August is 100,000 metric tons.

CONSTRUCTION

Highways

15. The following tables show the amounts spent in this fiscal year on highway construction and the amounts scheduled to be spent during the entire fiscal year.

HIGHWAY CONSTRUCTION EXPENDITURES
(yen)

<u>Home Ministry Supervision</u>	<u>Total Amount for Fiscal Year 1 April 1946 to 31 March 1947</u>	<u>Amount Spent First Quarter 1 April to 30 June</u>
Improvement of national roads	52,000,000	6,614,717
Repair of damage due to floods, etc	3,122,000	0
<u>Prefectural Supervision</u>		
Improvement of national roads	39,762,972	7,662,734
Improvement of prefectural roads	107,031,908	18,009,912
Repair of damage due to ordinary deterioration	111,803,818	32,669,442
Repair of damages due to floods, etc	<u>82,386,888</u>	<u>40,395,753</u>
Total	396,107,586	105,352,558

Japanese Housing

16. The progress of Japan's housing reconstruction for the past year is shown below.

JAPANESE HOUSING RECONSTRUCTION

Prefecture	Units		Ratio	
	Destroyed a/	Percent Destroyed	Units Constructed 15 Aug 45 - 15 Aug 46 b/	Units Constructed/ Units Destroyed (percent)
Hokkaido	6,841	1.1	3,048	44.5
Aomori	15,794	8.8	2,754	17.4
Iwate	5,961	3.0	1,885	31.6
Miyagi	12,807	6.0	5,589	43.6
Akita	181	.1	309	170.7
Yamagata	117	.1	525	448.7
Fukushima	1,927	.7	1,605	83.3
Ibaraki	29,329	9.3	3,527	12.0
Tochigi	11,529	5.4	3,532	30.6
Gumma	15,294	6.2	13,373	87.4
Saitama	5,941	1.9	3,536	59.5
Chiba	26,711	8.2	4,910	18.4
Tokyo	769,049	46.5	69,157	9.0
Kanagawa	146,686	32.2	23,628	16.1
Yamanashi	18,730	14.7	5,708	30.5
Niigata	11,424	3.9	4,944	43.3
Nagano	80	c/	610	762.5
Gifu	26,345	10.3	10,193	38.7
Shizuoka	82,826	23.9	33,309	40.2
Aichi	183,039	27.3	21,567	11.8
Mie	38,940	15.4	15,293	39.3
Toyama	23,088	14.0	9,737	42.2
Ishikawa	0	0.0	1,032	-
Fukui	25,682	18.9	5,093	19.8
Shiga	81	c/	588	725.9
Kyoto	463	.1	434	93.7
Osaka	341,050	32.2	29,259	8.6
Hyogo	196,564	27.6	22,465	11.4
Nara	140	.1	136	97.1
Wakayama	30,709	15.8	4,180	13.6
Tottori	54	c/	311	575.9
Shimane	7	c/	508	7,257.1
Okayama	26,305	9.1	4,035	15.3
Hiroshima	102,477	22.8	12,337	12.0
Yamaguchi	21,269	6.9	5,974	28.1
Tokushima	18,702	13.0	5,081	27.2
Kagawa	16,449	10.7	2,902	17.6
Ehime	28,105	11.5	6,970	24.8
Kochi	12,461	7.8	1,268	10.2
Fukuoka	52,581	8.6	7,784	14.8
Saga	968	.7	937	96.8
Nagasaki	31,494	11.0	1,143	3.6
Kumamoto	14,456	5.4	3,771	26.1
Oita	4,510	2.2	841	18.6
Miyazaki	9,966	6.0	4,655	46.7
Kagoshima	55,113	19.4	14,601	26.5
Total	2,422,245		375,044	15.48

a/ Includes dwelling units removed to create fire-free areas.

b/ Based on reports up to 1 August 1946. Construction for first two weeks in August was estimated on basis of previous reports. Includes new construction as well as reconstruction of damaged building.

c/ Less than 0.1 percent.

SOURCE: Ministry of Home Affairs.

0639

17. In July 27,500 buildings of all types were constructed. Of these, 15,993 were homes, 6,426 were homes with shops attached and 5,081 were nonresidential buildings.

Railways

18. Additional railway construction in July for the Occupation Forces is shown below.

ADDITIONS TO RAILWAY FACILITIES
(yen)

	<u>Labor Cost</u>	<u>Materials Cost</u>	<u>Total Cost</u>
Track construction, 23,412.62 feet	801,656	1,863,027	2,664,683
Buildings, platform extensions, revisions	929,815	2,047,452	2,977,267
Crossing (3 locations)	9,732	29,234	38,966
Electrification			
Basic installations	<u>972,000</u>	<u>5,512,000</u>	<u>6,484,000</u>
Total	2,713,203	9,451,713	12,164,916

SOURCE: Third Military Railway Service.

SHIPBUILDING

19. From 10 July to 10 August civilian shipyards completed repairs on 253 merchant vessels totaling 790,573 gross tons.

20. From 20 July to 20 August two steel ships totaling 17,200 gross tons were launched and five steel ships totaling 11,000 gross tons were completed. In the same period eight wooden ships totaling 1,600 gross tons were launched and 14 wooden ships totaling 2,900 gross tons were completed.

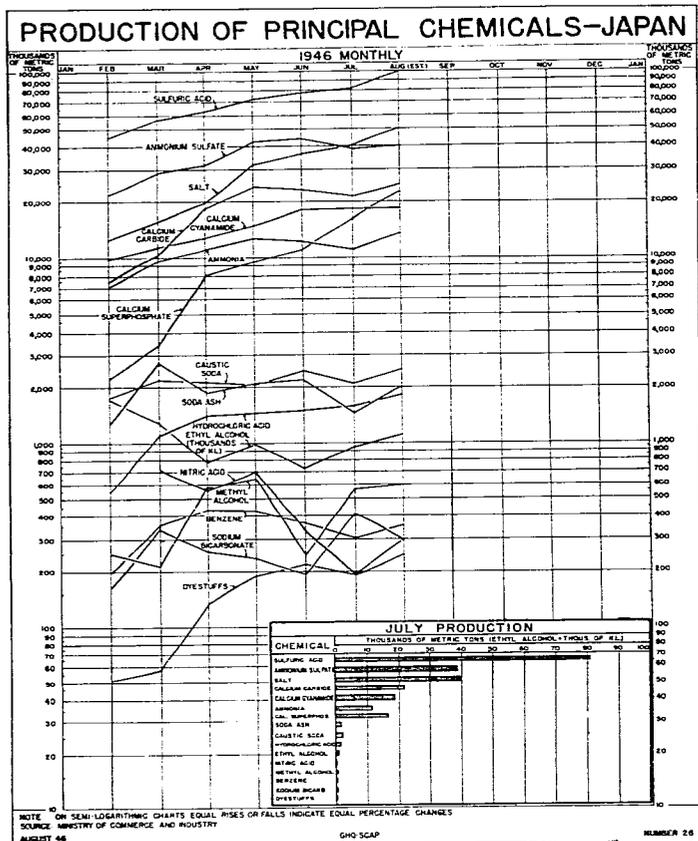
21. Reports from 50 of the 84 major shipyards of Japan show that 31 are working seven or eight hours a day, 10 are working nine to 16 hours a day and nine are working 24 hours a day.

22. On 10 August SCAP authorized the Japanese Government to construct 17 wooden and 211 steel fishing vessels totaling 26,830 gross tons. Total authorized fishing vessel construction is now 80,592 gross tons.

23. An inspection was made of the shipyards of Mitsubishi Heavy Industries, Yokohama; Nippon Steel Tube; Asano Dockyard; and Tsurumi Shipyard to obtain information for reparations and to determine yard conditions, current work load and labor and housing conditions.

CHEMICAL INDUSTRIES

24. Chemical production is shown on the following chart. Equipment failures and the continued coal shortage still hinder production.



Industrial Acids

25. Nitric acid production is still very low because most ammonia is going to fertilizer manufacture. The small quantities of nitric acid are being produced to manufacture ammonium nitrate for industrial explosives.

Sulfuric acid production was up five percent in July. The amount is sufficient for present demands, but far below normal requirements.

Salt

26. July salt production showed a small seasonal increase. August and September are usually the months of greatest production.

MACHINERY

32. Japanese industrial production normally declines during July. The fact that the machinery industry increased its production shows that some bottlenecks have been eased and that worker efficiency has been raised by the release of food imported from the United States.

33. Two hundred seventy-three machine tool, precision bearing and private munitions plants were placed under custody for reparations. The following table classifies 252 of these plants by the number of machine tools in place.

METAL WORKING PLANTS

	<u>Number</u>	<u>Total</u>
Over 1,000 machine tools	18	51,455
Over 500 machine tools	21	14,826
Over 100 machine tools	187	38,951
Over 50 machine tools	18	1,536
No record of machine tools	<u>8</u>	<u>-</u>
Total	252	106,768

SOURCE: Japan Machine Tool Association.

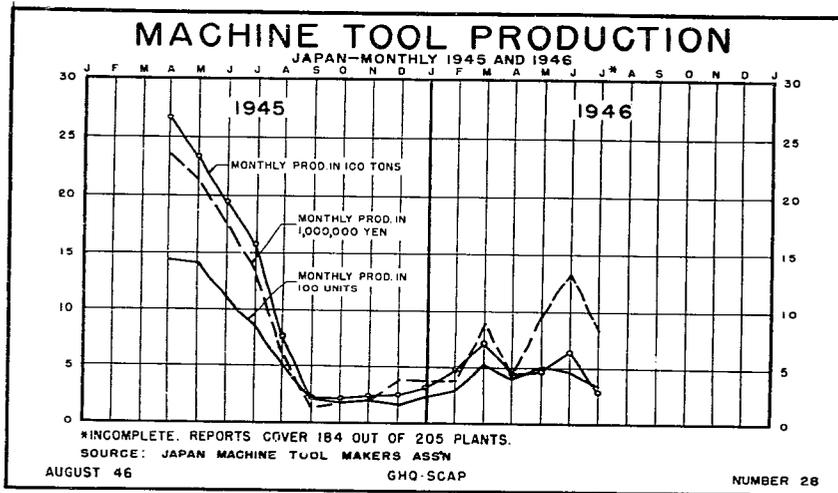
Machine Tools

34. The number of machine tool plants has dropped from 412 in 1943 to 205 at present. Only 68 plants of the 184 reporting were operating during July.

Employment in machine tool plants fell from 123,489 in November 1943 to 50,861 on 1 July 1946. Only 20 percent of the latter number were actually engaged in manufacturing machine tools, the balance turning out a wide variety of consumer goods within the same factories.

35. Announcement of reparations selections will remove uncertainties which have held down production.

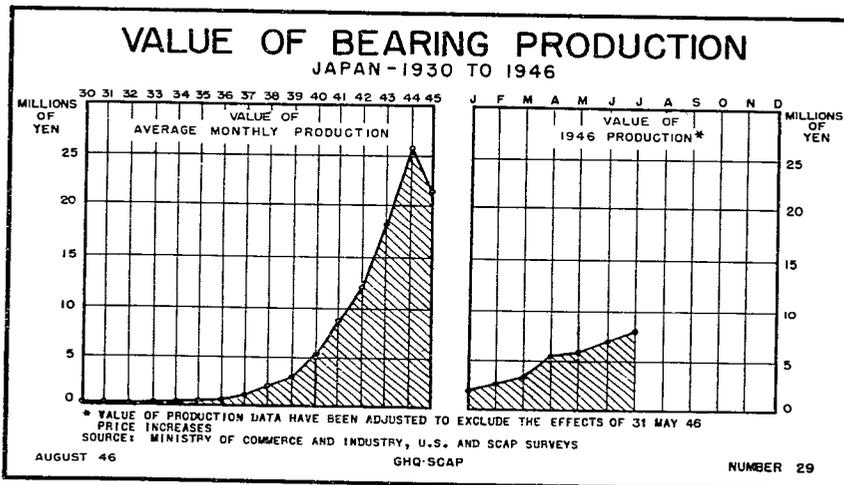
36. Machine tool production is shown in the accompanying chart. Material shortages and financial difficulties cause the low production.



Precision Bearings

37. Thirty-two principal bearing plants were designated for reparations, reducing capacity to 10 percent of wartime maximum. Only two important precision bearing factories remain to supply Japan's industrial requirements.

In anticipation of this action all bearing makers spurred July production to a new postwar peak valued at ¥ 32,038,000. This is 17 percent over June's output, which is valued at ¥ 27,390,000.



Industrial Machinery

38. July production of industrial machinery as compared with the previous month is shown below.

INDUSTRIAL MACHINERY PRODUCTION
(thousands of yen)

<u>Group</u> <u>Description</u>	<u>June</u>	<u>July</u>	<u>Percent</u> <u>Increase or</u> <u>Decrease</u>
Mining machinery	11,338	17,108	+ 51.0
Chemical manufacturing machinery	35,592	38,555	+ 18.3
Printing and bookbinding	15,424	26,754	+ 73.4
Rubber manufacturing machinery	2,486	5,692	+ 129.0
Pulp and paper making machinery	313	2,734	+ 773.5
Food products machinery	21,924	30,717	+ 40.1
Pumps	24,099	24,159	+ 0.2
Crushers, mixers, pulverizers	8,026	8,728	+ 8.7
Power transmission equipment	5,702	5,132	- 10.0
Foundry equipment machinery	1,918	4,441	+ 131.5
Conveyors	3,434	3,718	+ 8.3
Iron and steel equipment	4,462	7,200	+ 61.4
Prime movers	10,530	14,948	+ 42.0
Fans, blowers, compressors	11,901	14,513	+ 21.9
Metal forming equipment	16,658	25,779	+ 54.8
Cranes, derricks, hoists	12,372	21,893	+ 77.0
Miscellaneous	<u>5,924</u>	<u>2,733</u>	- 53.9
Total	192,103	254,804	+ 32.6

SOURCE: Industrial Machinery Association.

39. Employment in industrial machine factories increased 55 percent, from 71,647 workers in June to 110,908 in July. Release of American foodstuffs decreased absenteeism and increased production efficiency. The metal forming and bending machine plants are now making mostly small presses for toy manufacture.

40. Fuels, raw materials and electric power used are shown below.

RAW MATERIAL AND POWER CONSUMPTION
(metric tons)

<u>Month</u>	<u>Steel</u>	<u>Iron</u>	<u>Coal</u>	<u>Coke</u>	<u>Power</u> <u>(KWH)</u>
May	11,624	7,193	4,270	6,013	5,968,988
June	10,103	9,268	5,962	5,615	6,608,715
July	13,100	14,020	9,850	6,860	11,508,193

SOURCE: Industrial Machinery Association.

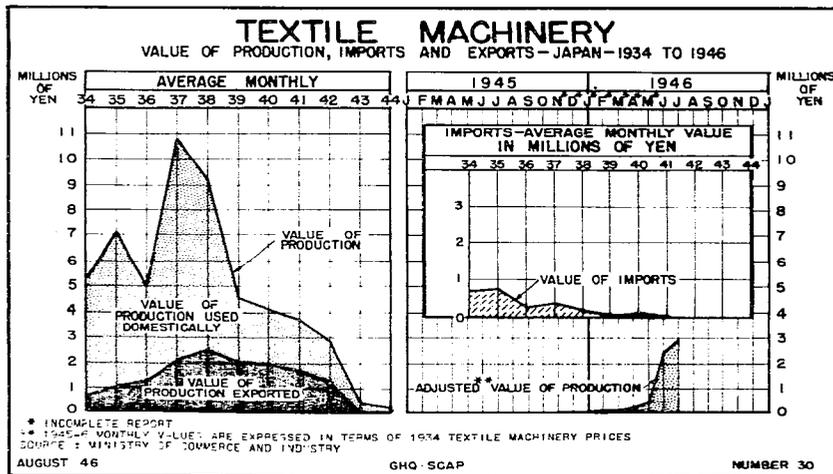
41. Reports from 260 textile machinery factories show production in new units and in total value to be the highest yet reported.

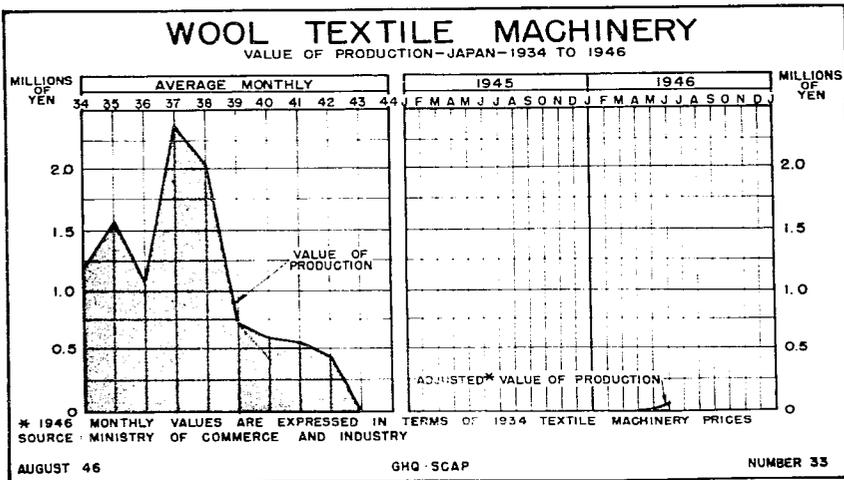
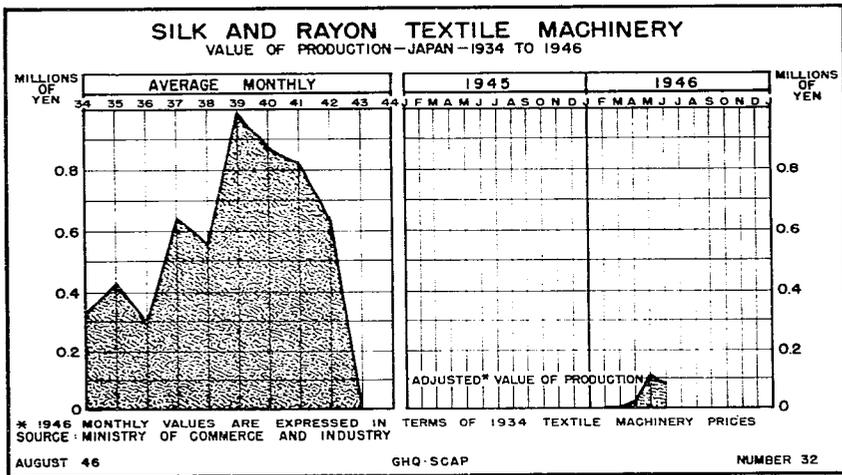
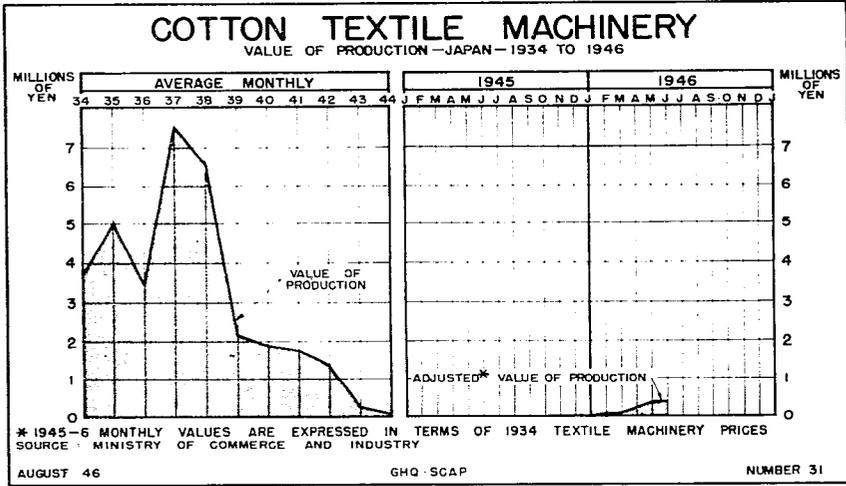
TEXTILE MACHINERY PRODUCTION
July
(yen)

Description	New Units	Parts	Repairs
Cleaning and opening machinery			283,000
Carding machinery	115,000	164,899	947,575
Combing machinery		488,600	470,500
Drawing and roving machinery	74,000	329,652	174,000
Spinning machinery	1,762,000	953,019	636,581
Twisting frames	735,000	39,084	59,244
Yarn preparing machinery	941,060	366,403	34,150
Looms	7,991,862	2,581,123	847,715
Knitting machines	1,145,405	89,475	173,062
Braiding machines	138,800		
Dyeing machinery	38,000	66,690	22,524
Dry finishing machinery		16,950	17,850
Wet finishing machinery	55,000	18,300	16,600
Cloth handling machinery		35,000	
Cordage and rope machinery	21,300	72,750	4,600
Accessories	<u>90,092</u>	<u>145,877</u>	<u>28,742</u>
Total	13,107,519	5,367,822	3,716,143

SOURCE: Japan Textile Machine Association.

42. The accompanying charts show total production, imports and exports of textile machinery and production of cotton, wool and silk and rayon machinery.





The price index of textile machinery at the end of June 1946 was 8.5 times greater than the average selling price in the period 1934-42. Cost per unit has risen from 4.3 to 8.5 times that base price from November 1945 to June 1946. This factor has been considered in comparing present production with past years'.

43. Silk manufacturing machinery production is shown below.

SILK MACHINE PRODUCTION
(thousands of yen)

Type	New Units		Repairs		Parts		Total	
	June	July	June	July	June	July	June	July
Cocoon dryers	2,256	1,030	328	70	-	-	2,584	1,100
Cocoon boilers	3,154	1,645	54	-	208	145	2,416	1,790
Silk manufacturing machinery	23,675	24,100	-	-	-	-	23,675	24,100
Reeling machines	<u>4,575</u>	<u>1,837</u>	-	-	-	-	<u>4,575</u>	<u>1,837</u>
Total	32,660	28,612	382	70	208	145	33,250	28,827

SOURCE: Textile Machinery Association.

SECTION 4
MANUFACTURING

C O N T E N T S

	Paragraph
Food Processing.	1
Pulp and Paper	4
Glass Industry	5
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Medical Instruments.	7
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Abrasive Industry.	11
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Asbestos Cement Products	13
Vitreous Enamel Ware	14
Pottery and Porcelain.	15
Electrical Manufacturing	16
Transportation Equipment	18
Rubber Manufacturing	28
Leather.	29
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Miscellaneous Manufacturing.	32

FOOD PROCESSING

1. The production of processed foods continues to be restricted by a general shortage of materials. A poor sardine catch has resulted in low production of canned foods. The release of imported wheat was responsible for the increased output of flour.

FOOD PROCESSING INDUSTRIES
(metric tons)

	<u>June</u>	<u>Production</u>	<u>July</u>
Canned and bottled foods	1,374		894
Bean paste	27,206		19,988
Flour	43,030		61,976 ^{a/}
Soy sauce	42,791		38,918

	<u>Production</u>	
	<u>June</u>	<u>July</u>
Synthetic soy sauce	726	1,125
Meat	41	66
Vegetable oils and fats		
Edible oil and fat	611	532
Drying oil	148	125
Others	235	175
Milk processing		
Condensed	213	418
Powdered	247	336
Butter	105	175
Confectionery	1,548	2,346

a/ Includes June production of some plants whose reports arrived too late for inclusion in June report.

SOURCE: Ministry of Agriculture and Forestry.

2. The production of alcoholic beverages continued to decline in July.

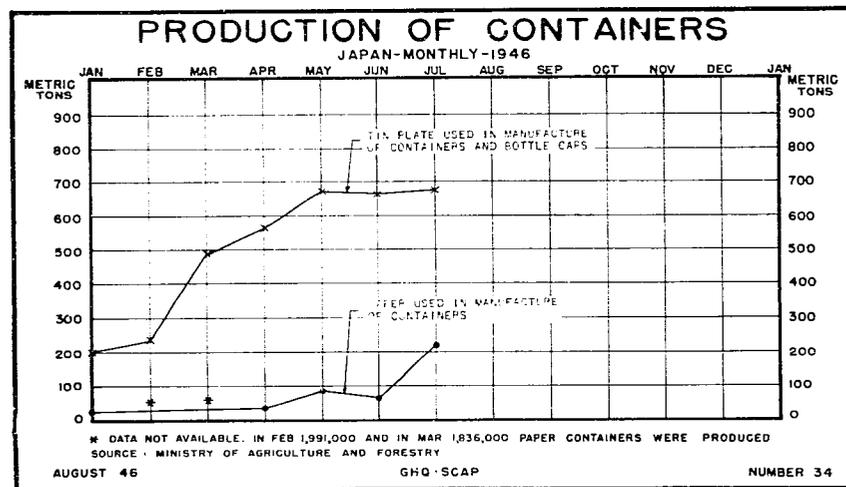
BREWING AND DISTILLING INDUSTRY
(hectoliters)

	<u>Production</u>	
	<u>June</u>	<u>July</u>
Beer	66,909	62,981
Sake	33,346	1,465
Imitation sake	11,467	17,417 a/
Shochu	24,501	24,160
Liquor and wine	9,387	7,281

a/ Includes June production of some plants whose reports arrived too late for inclusion in June report.

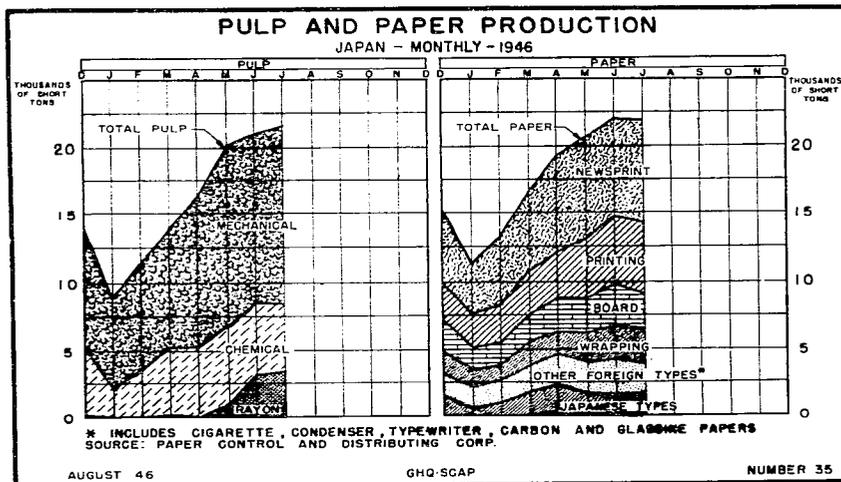
SOURCE: Ministry of Finance, Tax Bureau.

3. Production of tin and paper containers increased in July as shown in the accompanying chart.



PULP AND PAPER

4. Pulp production in July was 3.4 per cent greater than in June and paper output dropped 0.9 percent as indicated in the accompanying chart.



The Oji Paper Company manufactured 61.7 percent of all pulp produced in July and 69.7 percent of all paper. This company's increase over its previous month's production was 6.9 percent for pulp and 5.0 percent for paper.

GLASS INDUSTRY

5. During July production of window glass and glassware decreased 15 and 5 percent, respectively. Fiber glass output increased 55 percent but remains below production levels of 1946.

GLASS INDUSTRY

	Unit	Production	
		June	July
Window glass	case a/	76,822	65,429
Polished plate glass	case	842	1,156
Optical glass	kilogram	405	150
Fiber glass	kilogram	6,174	9,603
Glass wool	kilogram	25,000	25,300
Glassware	metric ton		
Beverage bottles		14	41
Food containers		1,546	1,298
Electrical products		297	243
Table and kitchenware		193	260
Light globes and shades		19	22
Miscellaneous products		1,416	1,458

a/ 100 square feet of 2-millimeter glass per case.

SOURCE: Ministry of Commerce and Industry, Japan Sheet Glass Control Association, Japan Glass Industry Control Association and Japan Inorganic Fiber Industry Control Union.

OPTICAL INSTRUMENTS

6. Production of optical instruments is beginning to suffer from the scarcity of optical glass. Financial difficulties and the loss of skilled workers handicap smaller companies.

INSTRUMENT PRODUCTION
(units)

<u>Instruments</u>	<u>June</u>	<u>July</u>
Cameras	2,514	1,974
Projectors	131	46
Binoculars	4,204	2,910
Microscopes	235	298
Transits	140	74
Engineers' levels	307	75
Hand levels	0	100
Sextants	52	50
Alidades	100	100
Gas indicators	211	258
Toolmakers' microscopes	17	12
Quartz spectrographs	5	2
Reading microphotometers	5	37
Photomeasuring microscopes	0	4

SOURCE: Ministry of Commerce and Industry.

MEDICAL INSTRUMENTS

7. The data below represent about 85 percent of total production of medical instruments in Japan. The value of instruments made in June was ¥ 6,430,000 compared with the May valuation of ¥ 7,474,000. The industry is hampered by dilapidated equipment since no replacements were permitted during the war.

MEDICAL INSTRUMENT PRODUCTION
(units)

<u>Classification of Instruments</u>	<u>May</u>	<u>June</u>
Examination, diagnosis	5,686	4,268
Injection, inhalation, puncture	721,420	760,662
Anthropological, vaccinating	1,156	0
Apparatus for narcosis	-	170
Haemostatic, suture	41,536	38,946
Surgery, orthopedy	60,000	30,710
Artificial limbs, redressing apparatus	1,956	0
Ophthalmology	4,390	8,449
Otorhinolaryngology	93,609	23,066
Dental, oral surgery	153	0
Gastrointestinal	200	50
Dermatology, urology	340	510
Gynecology, obstetrics	4,390	3,916
Cautery	125	0
X-ray apparatus and accessories	2,428	5,722
Physical treatment	370	4
Hospital and consulting room utensils	646	5,150
Operating tables and instruments	5,532	93
Sterilizing	7,239	10,687
Household hygiene, nursing	10,366	91,300
Pharmaceutical	95	21,284
Pathology, anatomy, histology	-	230
Microscopes, accessories	2,537	2,562
Medical laboratory	403	209

SOURCE: Japan Medical Instrument Control Association.

Hypodermic Syringes

8. Production of hypodermic syringes showed continued improvement. Production for July was 2.8 percent greater than in June. Domestic requirements are being met in full.

HYPODERMIC SYRINGE PRODUCTION
(units)

<u>Size a/</u>	<u>June</u>	<u>July</u>
1	1,000	1,400
2	58,000	60,120
3	1,100	150
5	30,100	37,240
10	27,800	24,090
20	40,900	49,835
30	3,000	1,000
50	9,000	4,650
100	2,800	3,530
1 (TB)	500	0
2 (TB)	11,000	15,700
2 (dental)	<u>12,000</u>	<u>5,060</u>
Total	197,200	202,775

a/ Cubic centimeters.

SOURCE: Eastern Injection Syringe Association.

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a/ Cubic centimeters.

SOURCE: Eastern Injection Syringe Association.

REFRACTORY INDUSTRY

9. Coal is still the limiting factor in production of refractories. Wood and lignite are being used to supplement coal.

Magnesia and forsterite brick, which are essential in the metal industries, were not produced during June and July due to the lack of raw materials. Graphite crucible production dropped slightly.

REFRACTORY BRICK PRODUCTION
(metric tons)

<u>Type</u>	<u>June</u>	<u>July</u>
Fire clay	11,519	11,957
Silica	3,521	3,483
Chrome	419	237
Corhart	122	103
High alumina	<u>155</u>	<u>105</u>
Total	15,736	15,885

SOURCE: Ministry of Commerce and Industry.

Silicon Carbide Refractory Brick

10. June production of silicon carbide refractory bricks was 3,600 metric tons. Present production is irregular and determined by the orders on hand.

ABRASIVE INDUSTRY

11. July production of abrasive grains and grinding wheels with elastic bonds increased, while output of abrasive cloth and paper decreased.

ABRASIVE INDUSTRY
(metric tons)

	<u>Production</u>	
	<u>June</u>	<u>July</u>
Grinding wheels and stones		
Vitreous bond	334	341
Elastic bond	15	34
Abrasive paper and cloth (ren) ^{a/}		
Cloth	5,684	3,745
Ordinary paper	8,022	6,894
Waterproof paper	126	253
Abrasive grain		
Aluminum oxide, regular	191	224
Silicon carbide, regular	47	50

^{a/} One ren equals 480 sheets or their equivalent.

SOURCE: Grinding Wheel Manufacturers' Association, Japanese Abrasive Cloth and Paper Association and the Abrasive Materials Industry Association.

STRUCTURAL CLAY PRODUCTS

12. Approximately 8,000,000 building bricks were produced during July, a decrease of five percent from the June output.

Production of roofing tile was 7,335,000 pieces, an increase of nine percent over June figures.

ASBESTOS CEMENT PRODUCTS

13. The asbestos cement products industry is operating at about 50 percent of capacity and employed 4,971 workers during July.

ASBESTOS CEMENT PRODUCTS
July

<u>Item</u>	<u>Unit</u>	<u>Production</u>
Asbestos cement high pressure pipe	metric ton	472
Concrete pipe	metric ton	6,620
Corrugated sheets	tsubo a/	84,840
Wall board	tsubo	53,115
Slates	tsubo	11,876

a/ One tsubo equals 36 square feet.

SOURCE: Japan Asbestos Cement Products Association.

VITREOUS ENAMEL WARE

14. July production of vitreous enamel ware increased to 55,339 pieces weighing 52.5 metric tons. The types of ware produced were limited to wash basins, cooking pans and three types of chemical ware.

POTTERY AND PORCELAIN

15. Reports on July output were received from 45 factories covering an estimated 75 percent of present production.

POTTERY AND PORCELAIN PRODUCTION
July

<u>Type of Ware</u>	<u>Number of Pieces</u>	<u>Weight (kilograms)</u>
Electrical porcelain insulators	5,728,957	892,050
Industrial ware	3,319,343	2,123,411
Laboratory ware	24,917	140,713
Domestic potteries	2,746,666	1,247,049
Sanitary ware	4,560,983	556,253

SOURCE: The Porcelain and China Ware Control Association.

ELECTRICAL MANUFACTURING

16. Based on total yen value overall production of electrical manufactured items during July decreased slightly. Low induction electric furnaces and certain railway equipment were new items produced in July to supply the needs of damaged plants and railway facilities.

17. The industry continues to suffer from material shortages and labor difficulties. The most pressing needs in materials are silicon steel, mica, graphite, coal and coke.

ELECTRICAL MANUFACTURING INDUSTRY

<u>Product</u>	<u>Production</u>		<u>Percent July/June</u>
	<u>June</u>	<u>July</u>	
Motors			
Fractional hp	2,656	880	33.1
Standard stock			
1-15 hp	9,164	599	6.5
16-100 hp	283	320	113.1
Over 100 hp	61	53	86.9
Portable tools	1,292	1,572	121.7
Other motors	1,076	1,220	113.4
Generators, converters and M-G sets except turbogenerators			
DC generators	507	384	75.7
AC generators	17	13	76.5
Others	3	362	12,066.7
Transformers			
Distribution, 100 kva and under	3,098	509	16.4
Power, over 100 kva	101	91	90.1
Instrument	207	641	309.7
Others	83	234	285.3
Rectifiers			
Steel tank	2	1	50.0
Hot cathode	0	30	-
Mercury vapor	2	22	1,100.0
Selenium and other	292	1,380	472.6
Power condensers	1,026	3,750	365.6
Furnaces			
Arc	0	3	-
Low frequency induction	0	5	-
Resistance	95	71	74.7
Others	0	151	-
Welding apparatus			
AC arc	46	145	315.2
Resistance	15	0	0.0
Control apparatus			
Hand control			
Starters	139	195	140.3
Controllers	232	76	32.8
Others	1,397	780	55.8
Remote control			
Contactors	26	562	2,161.5
Contactor panels	18	28	155.6
Resistors	215	367	170.7
Lifting devices	12	116	966.7
Others	7	69	985.7
Switchboard apparatus			
For standard motors	1,625	3,123	192.2
3300 volts and under	1,064	3,852	361.9
Over 3300 volts	157	411	261.8
Meters			
Watt-hour	13,606	9,460	69.5
Others	13,406	12,708	94.8

Product	Production		Percent July/June
	June	July	
Household appliances			
Flatirons	4,858	5,025	103.4
Toasters	0	1,596	-
Cooking ranges	200	396	198.0
Other cooking equipment	20,496	31,481	153.6
Heating devices	9,374	8,275	88.3
Fans	3,868	6,114	158.1
Refrigerators	108	1,071	991.7
Washing machines	0	159	-
Others	2,668	2,594	101.0
Fuses (kilograms)			
Wire	19,524	2,669	13.7
Tape	8,357	15,866	189.9
Link	97,130	133,990	138.0
Hard	978,300	1,010,180	103.2
Enclosed	4,950	11,338	229.1
Aluminum	0	50,000	-
Knife switches	8,275	36,054	435.7
Cutouts	48,789	88,236	180.8
Receptacles	119,571	153,982	128.8
Plugs	390,000	448,066	114.9
Line materials (kilograms)	340,813	390,320	114.5
Cable hangers	540,000	500,000	92.6
Railway equipment			
Main motors	70	71	101.4
M-G sets	0	24	-
Blower motors	0	2	-
Locomotives			
Railway	2	1	50.0
Mining and industrial	11	5	45.5
Control apparatus	73	14	19.2
Battery locomotives	15	16	106.7
Other battery vehicles	36	52	144.4
Railway signal equipment			
Signal mechanisms	58	0	0.0
Electric levers	116	41	35.3
Interlocking relays	4	0	0.0
Switch machines	32	42	131.2
Electric locks	353	113	32.0
Circuit controllers	124	125	101.0
Line transformers	58	58	100.0
Signal transformers	767	82	10.7
Rectifiers	236	31	13.1
Impedance bonds	0	10	-
Block instruments	17	35	205.9
Signal relays	1,035	480	46.4
Insulated rail joints	316	0	0.0
Others	868	0	0.0
Other electrical machines	238	189	79.5
Insulation materials			
Mica (kilograms)			
Moulding plate	4,012	5,798	144.5
Commutator segment	1,396	1,442	103.3
Heat resisting plate	160	63	39.4
Flexible plate	938	342	36.5

<u>Product</u>	<u>Production</u>		<u>Percent July/June</u>
	<u>June</u>	<u>July</u>	
Paper	8,858	8,408	94.9
Paper (roll)	2,189	4,364	199.4
Varnished cloth (square meters)	138,844	67,815	48.8
Varnished tubes (meters)	397,050	446,235	112.4
Friction tape (rolls)	192,331	66,980	34.8
Rubber tape (rolls)	14,800	1,000	6.8
Varnished cambric (rolls)	20,820	9,814	47.1
Illuminating equipment			
Fixtures	278,701	490,579	176.0
Light bulbs			
General use <u>b/</u>	3,046,757	2,974,003	97.6
Special <u>c/</u>	234,934	268,852	114.5
Flashlight <u>d/</u>	369,081	681,852	184.6
Wire and cable (metric tons)			
Bare copper	1,040	1,416	136.2
Rubber insulated	684	460	67.3
Weatherproofed	162	126	77.8
Cotton and silk covered	286	373	130.4
Enameled	102	108	105.9
Power cable	62	62	100.0
Others	112	112	100.0
Electromedical apparatus			
X-ray	129	83	64.3
Others	65	17	26.2
Batteries			
Dry cells			
Flashlight	4,232,150	4,300,000	101.6
Others	162,570	160,000	98.4
Storage			
Motor vehicle	20,213	14,488	71.2
Others	30,856	28,318	91.8
Turbo-generators			
Generators for steam turbines			
for power stations	1	1	100.0
Steam turbines for ships	3	1	33.3
Other steam turbines	1	114	114.0
<u>a/</u>	All production stated in pieces unless otherwise indicated.		
<u>b/</u>	Includes bulbs of 15 to 300 candlepower.		
<u>c/</u>	Includes bulbs of over 300 candlepower and special applications for railroads.		
<u>d/</u>	Motor vehicle and flashlight bulbs and Christmas tree lamps.		

SOURCE: Ministry of Commerce and Industry.

TRANSPORTATION EQUIPMENT

18. The overall production of transportation equipment remained at the June level. Increases were noted in bicycle, three-wheeled car and small car production. Production of all types of transportation equipment is still below capacity due to shortages of critical materials, food and working capital.

SUMMARY OF MANUFACTURE OF TRANSPORTATION EQUIPMENT

	<u>Production</u>		<u>Employment</u>
	<u>June</u>	<u>July</u>	<u>July</u>
Truck chassis	1,483	1,463	24,679
Vehicle bodies	1,631	1,609	9,900
Electric autos	31	25	1,238
Three-wheeled cars	124	213	5,979
Small cars	7	14	269
Motorcycles	29	17	399
Tractors	92	111	12,287
Bicycles	6,908 <u>a/</u>	9,108	23,563

a/ Revised.

SOURCE: Bicycle Association and Automobile Association.

Automotive Equipment

19. July production of truck chassis was 98.6 percent of the June output. The 21 producing factories of the three truck chassis manufacturers, employing 24,679 persons, were operating at 50.4 percent of the estimated maximum capacity.

PRODUCTION AND DISTRIBUTION OF TRUCK CHASSIS
July

<u>Company</u>	<u>Stock 30 June</u>	<u>July Production</u>	<u>Total Available</u>	<u>Distributed</u>	<u>Stock on Hand 31 July</u>
Toyota	597	607	1,204	660	544
Nissan	566	556	1,122	609	513
Diesel	<u>311</u>	<u>300</u>	<u>611</u>	<u>255</u>	<u>356</u>
Total	1,474	1,463	2,937	1,524	1,413

SOURCE: Automobile Association.

20. Seven three-wheel motor vehicle plants were in operation during July although one did not produce any finished vehicles. The July production of 213 vehicles was 171 percent of the previous month's output.

21. The output of 25 electric cars in July was 80.6 percent of the June production and 13.9 percent of the estimated maximum capacity of the four plants in the industry.

22. During July one factory employing 260 persons produced 14 small cars. This is 14 percent of the estimated capacity.

23. Three motorcycle manufacturers produced 17 motorcycles during July.

24. During July 9,900 persons were employed in 95 plants manufacturing truck and automobile bodies. The production was 1,609 bodies, which is 79 percent of the estimated total capacity. Some are being installed on the old truck chassis.

Tractors

25. Eight tractor plants produced 102 tractors during July and two tractor plants produced 9 trailers. The tractor production was 110.9 percent of the June output and 21.5 percent of the estimated maximum capacity.

Automobile and Tractor Parts

26. During July 154 automotive and tractor parts factories produced parts in 107 different categories. The industry employed 54,841 persons.

AUTOMOTIVE AND TRACTOR SPARE PARTS PRODUCTION a/

	<u>June</u>	<u>July</u>	<u>Percent July/June</u>
Truck	390	359	92.0
Tractor	6	10	166.6
Electric car	30	9	30.0
Small and three-wheel cars	450	55	12.2

a/ In parts equivalent to a vehicle in labor and material value.

SOURCE: Automobile Association.

Bicycles

27. During July 191 factories employing 23,563 persons produced 9,108 bicycles and 909 rear cars.

RUBBER MANUFACTURING

28. Textiles, coal and petroleum products are critical shortages hampering production. The output of rubber manufactured goods has been further decreased because supplies of crude rubber cannot be guaranteed.

RUBBER GOODS PRODUCTION a/
(kilograms of crude rubber consumed)

<u>Product</u>	<u>June</u>	<u>July</u>	<u>Percent July/June</u>
Auto tires and tubes	296,460	146,072	49.3
Bicycle tires and tubes	159,679	131,349	82.2
Rubber soled socks	326,572	99,578	30.5
Rubber shoes and boots	241,360	185,554	76.9
Rubber soled canvas shoes	93,729	24,201	25.8
Rubber soles and heels	71,686	43,390	60.5
Belting	81,511	81,936	100.5
Hose	53,137	75,819	142.7
Rubber cloth	184,732	99,528	53.9
Tire repair sheet	4,674	11,954	255.8
Medical goods	36,932	26,419	71.5
Latex goods	4,439	4,798	108.1
Rice thresher rolls	39,574	47,125	119.1
Mechanical goods	<u>299,666</u>	<u>326,270</u>	108.9
Total	1,894,151	1,303,993	68.8

a/ Data are for the period from the 21st of the preceding month to the 20th of the specified month.

SOURCE: Rubber Control Union.

LEATHER

29. Receipts of raw hides by tanneries dropped almost 50 percent in July as the industry was uncertain about ceiling prices for hides.

30. Production of tanned leather increased moderately as a result of the larger hide receipts in June. There was a small decrease in production of belting and footwear.

HIDES RECEIVED BY TANNERIES
(thousands of pounds)

	<u>June</u>	<u>July</u>
Cattle	1,551	917
Horse	620	322
Pig	57	107
Sheep and goat	<u>0</u>	<u>3</u>
Total	2,228	1,349

SOURCE: Hide and Leather Association of Japan.

TANNED LEATHER PRODUCTION
(thousands of pounds)

	<u>June</u>	<u>July</u>
Cattle		
Sole	179	177
Harness	75	24
Case	83	79
Upper	36	45
Belting	147	105
Packing	18	5
White	13	2
Horse		
Case	33	33
Upper	27	34
White	4	1
Pig		
Sole	10	16
Case	13	17
Upper	8	8
Kid		
Upper	10	11
Buffalo		
Sole	119	73
Harness	11	9
Belting	54	11
Sheep and goat	<u>0</u>	<u>4</u>
Total	840	654

SOURCE: Ministry of Commerce and Industry, Textile Bureau.

LEATHER GOODS PRODUCTION
(thousands of pounds)

	<u>June</u>	<u>July</u>
Belting	126	113
Packing	39	37
Textile	1	2
Artificial limbs	2	8
Footwear (handmade)	27	87
Footwear (semi-machine)	60	67
Footwear (machine-made)		
Men's	320 <u>a/</u>	257
Women's	3	3
Children's	67	42
Gloves (industrial)	1	1
Purses	4	0
Dustkeepers	<u>10</u>	<u>7</u>
Total	660 <u>a/</u>	624

a/ Revised by Japanese.

SOURCE: Ministry of Commerce and Industry, Textile Bureau.

AGRICULTURAL EQUIPMENT

31. A total of 160 factories employing 15,600 persons were manufacturing agricultural equipment during July. Shortages of working capital, food and transportation continue. The forging and casting of agricultural equipment are seriously hampered by the critical lack of coke. The manufacture of harvesting machines and agricultural implements is hindered by a shortage of sheet iron, small bar steel, pig iron, galvanized plate and lumber.

AGRICULTURAL IMPLEMENT PRODUCTION

<u>Product</u>	<u>June</u>	<u>July</u>	<u>On Hand 31 July</u>
Plow	22,425	12,583	17,859
Hoe	135,250	123,321	153,986
Horse stump cutter	0	106	26
Power cultivator	0	14	21
Harrow	1,884	3,927	2,451
Ridge scoop	550	1,370	922
Sowing machine	300	400	870
Scattering scoop	10,934	12,250	29,032
Simple weeder	8,000	15,821	3,750
Weeder	27,254	18,262	18,018
Fork	17,090	15,746	2,335
Sprayer	10,930	16,620	9,680

<u>Product</u>	<u>June</u>	<u>July</u>	<u>On Hand 31 July</u>
Cultivating hoe	-	1,370	125
Vertical pump	40	100	140
Sickle	449,975	564,483	1,725,989
Threshing machine	7,237	8,131	3,919
Rice huller	228	400	408
Winnower	2,155	2,510	1,252
Straw softener	420	360	610
Straw rope maker	2,773	3,629	2,863
Straw rope finisher	24	15	12
Straw mat machine	634	609	1,003
Pruning shears	600	550	700
Tea-leaf shears	1,500	1,257	3,700
Tea-leaf finisher	54	25	11
Potato cutter	2,030	1,383	3,104
Radish grater	-	600	2,400
Tobacco dryer	80	60	146
Straw cutter	614	1,520	1,962
Straw cutter with feeder	745	1,372	1,949
Rice cleaner	460	312	140
Barley cleaner	105	430	200
Barley press roller	20	20	66
Flour milling machine	90	115	18
Vermicelli maker	780	950	30
Fertilizer grinder	0	20	74
Farm cart	1,665	155	25

SOURCE: Japan Agricultural Implement Control Union.

MISCELLANEOUS MANUFACTURING

Pumps, Fans, Blowers and Compressors

32. During July 129 factories employing 14,558 persons produced various types and sizes of pumps, fans, blowers and compressors. Shortages of coal, coke, cast iron and steel continue to hamper production.

PUMP, COMPRESSOR, FAN AND BLOWER PRODUCTION

<u>Product</u>	<u>June</u>	<u>July</u>	<u>On Hand 31 July</u>
Pumps			
Centrifugal turbine	2,582	1,785	1,721
Axial flow	76	39	2
Reciprocating	228	245	238
Rotary	1,551	2,393	669
Diaphragm	0	5	0
Hydraulic	350	267	19
Hand	1,716	1,734	252
Fire engine	9	20	4
Other	89	111	230
Fans and blowers			
Centrifugal blowers	376	303	153
Axial fans	7	1	5
Turbo blowers	28	31	52
Rotary	2	6	56
Other	0	321	0

<u>Product</u>	<u>June</u>	<u>July</u>	<u>On Hand 31 July</u>
Compressors			
Horizontal single stage	49	37	61
Horizontal double stage	5	3	0
Vertical single stage	241	231	134
Portable single stage	115	164	26
Rotary	84	42	15
Other	15	62	73
Dry vacuum pumps	79	5	81

SOURCE: Industrial Machinery Association.

Business Machines

33. During July 10 of the 37 business machine companies were in operation. Production of metal type for Japanese typewriters increased. Japanese typewriter production was 1,716.6 percent of the June output because special rubber platen rollers are now being manufactured and made available for the industry.

BUSINESS MACHINE PRODUCTION

<u>Product</u>	<u>June</u>	<u>July</u>	<u>Percent July/June</u>
Japanese typewriters	6	103	1,716.7
Teletypewriters	-	51	-
Calculating machines	209	174	83.3
Time recorders	45	41	91.1
Time stamps	6	7	116.7
Blueprinting machines	6	8	133.3

SOURCE: Business Management Machine Association.

Cosmetics and Dentifrices

34. Cosmetics production increased 13 percent in July with 168 factories employing 6,045 persons. Production of hair preparations registered the largest gain. Manufacture of tooth powder, the only dentifrice now produced, decreased 16 percent during July.

Watches and Clocks

35. Watch and clock production increased seven percent in July. Of a total 42 factories 16 were operating in July employing 9,535 persons.

WATCH AND CLOCK PRODUCTION

<u>Item</u>	<u>June</u>	<u>July</u>
Wrist watches	6,867	7,057
Pocket watches	2,784	2,600
Alarm clocks	44,703 ^{a/}	15,093
Table clocks	-	32,334
Wall clocks	<u>7,838</u>	<u>9,861</u>
Total	62,192	66,945

^{a/} Includes table clocks.

SOURCE: Nippon Watch and Clock Industry Association.

Sewing Machines

36. During July 11 factories manufacturing sewing machines and 10 producing sewing machine parts employed 4,497 persons. Production of 1,995 sewing machines during July was 128.5 percent of the June output.

SEWING MACHINE, PARTS AND NEEDLE PRODUCTION

<u>Type</u>	<u>June</u>	<u>July</u>	<u>On Hand 31 July</u>
Home type, Singer 15-83	971	1,089	220
Cloth, gear driven Singer 96-40	411	641	128
Cloth, Singer 96-41	170	265	53
Parts	25,506	19,814	8,876
Needles (gross)	1,600	2,114	30

SOURCE: Nippon Sewing Machine Manufacturing Association.

Light Metal Casting and Forging

37. There were 10,948 persons employed in 214 casting plants and 8,038 employees in 46 forging and stamping plants. Five forging plants and 12 casting plants were idle during July.

PRODUCTION OF CAST AND FORGED PRODUCTS (metric tons)

<u>Item</u>	<u>June</u>	<u>July</u>
Cast household utensils	822	827
Other cast products	<u>209</u>	<u>230</u>
Total	1,031	1,057
Utensils forged from plate	300	259
Other forged products	<u>105</u>	<u>169</u>
Total	405	428

SOURCE: Ministry of Commerce and Industry.

Musical Instruments

38. In July musical instruments were produced in 31 factories employing 2,324 persons. Production of plectrums and brass instruments increased 249 and 205 percent respectively while output of drums and xylophones decreased greatly. Shortages of raw materials, skilled personnel and capital continue to hamper production.

SECTION 5

TEXTILE INDUSTRIES

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COTTON

1. In July the cotton industry felt for the first time the effects of the import of American cotton. Yarn production more than tripled over June and cloth output increased about 35 percent. Chart, page 122 compares actual monthly production with average 1926-46 monthly production.

2. The raw cotton consumed amounted to only a fifth of the quantity released by SCAP for processing. The mills ascribed the relatively small production to the unsuitable proportions of the various grades and staples of cotton in the released cargoes.

3. Failure of the Japanese to submit satisfactory spinning plans to SCAP delayed the release of additional cargoes in July but the spinners have now prepared schedules for the processing of the fourth and subsequent cargoes based on yarn counts required for the cloths approved for export.

Several cargoes are to be released simultaneously in August to allow a wider range for blending purposes.

4. By the end of July the mills had 1,162,808 spindles operating of a total 2,476,233 installed and operable. Running hours per spindle were irregular and cut operations down to the equivalent of 824,388 spindles, based on a normal working day of two 8-hour shifts.

5. Yarn production per spindle, based on normal two-shift operations, was approximately 10 pounds during July, which is the average output that the spinners expect to maintain during the second half of 1946. This compares with a normal operating level of 18 pounds.

6. Production of spun rayon yarn and mixed yarns dropped

sharply in July as the spinners concentrated their production facilities on imported cotton. Output of one-third rayon staple yarns was reduced almost to the vanishing point, as the spinners consumed the bulk of the final allocation of staple fiber for this purpose.

7. Yarns spun from American cotton increased the stockpiles of spinners and weavers by 3,700,000 pounds. These and other newly-spun yarns will remain in stock until satisfactory weaving plans are submitted and approved by SCAP. With the prospect of a large supply of newly spun yarns for weaving, the mills used up a considerable part of their own backlogs of yarns resulting in an increase of 3,650,000 square yards in cotton fabric output.

8. Twenty ships had left the United States by 31 July with cotton cargoes for Japan aggregating 395,248 bales. Of these, 10 ships have arrived with cargoes amounting to 205,355 bales of which 47,432 have been released for spinning. The status of the unconsumed portion of the cotton on 31 July was: 14,139 bales on barges; 34,820 in sheds; 52,604 in transit to mills; 69,235 in mills.

The cargoes of the 20 ships which left American ports are as follows:

Rain-grown white	221,154
Rain-grown spotted	129,667
Irrigated white	15,556
Irrigated spotted	3,807
SIP	9,273
Egyptian	14,393
Unidentified	<u>1,398</u>
Total	395,248

9. Approximately 61 percent of the American cotton shipped is of grades below middling and staples shorter than one inch. The quantities of these types included in the compilation above are as follows:

Rain-grown white	182,545
Rain-grown spotted	53,385
Irrigated white	2,161
Irrigated spotted	<u>3,723</u>
Total	241,815

10. Most of the Egyptian cotton being shipped is of the Giza 7 variety but Karnak, Menoufi, Malaki and Sakha types are also included.

11. Following is a compilation of the grades and staples included in the first 20 cargoes. The figures are subject to correction since they are based largely on cabled advices.

RAIN-GROWN WHITE
(bales)

Staple	Grade							Total
	GM	SM	M	SLM	LM	SGO	GO	
13/16	4	266	2,295	3,137	3,801	13,504	2,402	25,399
7/8	0	21	718	8,396	25,479	20,512	6,308	61,434
29/32	0	0	74	4,497	19,812	5,845	134	30,362
15/16	0	0	0	811	18,716	30,370	11,696	61,593
31/32	0	0	2	454	0	2,842	3,829	7,127
1	0	0	0	1	1,037	9,307	20,515	30,860
1 1/32	0	0	543	0	30	0	0	573
1 1/16	0	0	0	0	0	0	51	51
1 3/32	0	112	1,509	12	0	1	7	1,641
1 1/8	0	467	1,422	225	0	0	0	2,114
Total	4	856	6,563	17,533	68,875	82,381	44,942	221,154

RAIN-GROWN SPOTTED
(bales)

Staple	Grade				Total
	SM	M	SLM	LM	
13/16	7,888	40,490	15,428	18,404	82,210
7/8	0	27,888	10,437	8,769	47,094
29/32	-	0	0	348	348
15/16	3	0	0	0	3
31/32	10	0	0	0	10
1 1/32	0	0	0	2	2
Total	7,901	68,378	25,865	27,523	129,667

IRRIGATED WHITE
(bales)

Staple	Grade						Total
	SM	M	SLM	LM	SGO	GO	
1 3/16	0	0	4	1	146	75	226
7/8	0	32	5	83	658	670	1,448
29/32	0	0	0	23	83	0	106
15/16	86	0	0	149	253	0	488
31/32	0	0	0	0	12	0	12
1	0	0	0	0	2,000	969	2,969
1 1/16	0	514	0	0	2	0	516
1 3/32	1,489	4,060	244	0	0	1	5,794
1 1/8	1,822	1,251	924	0	0	1	3,998
Total	3,397	5,857	1,177	256	3,153	1,716	15,556

IRRIGATED SPOTTED
(bales)

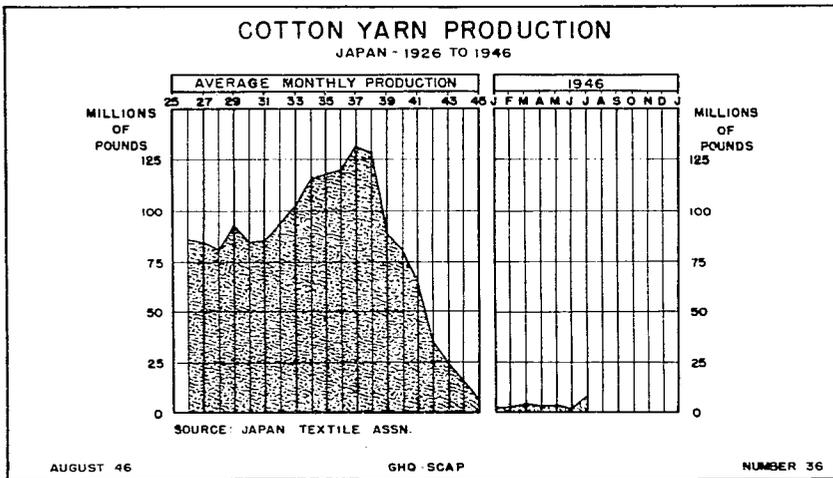
Staple	Grade				Total
	SM	M	SLM	LM	
13/16	15	40	190	178	423
7/8	-	29	220	3,135	3,384
Total	15	69	410	3,313	3,807

RAW COTTON IN MILLS
(thousands of pounds)

	<u>June</u>	<u>July</u>
Receipts		
Imported cotton	15,761	66,268
Home Ministry	1,126	78
Consumption	2,518	9,573
Month-end stocks	17,027 ^{a/}	71,868

^{a/} Revised by Japanese.

SOURCE: Japan Textile Association.



YARN PRODUCTION
(thousands of pounds)

	<u>June</u>	<u>July</u>
Pure cotton	2,520	8,196
Mixed 1/3 rayon staple	121	3
Mixed 1/2 rayon staple	0	3
Other mixtures ^{a/}	146	88

^{a/} All figures revised to include only yarns containing cotton; formerly included mixtures of other fibers spun by cotton spinners.

SOURCE: Japan Textile Association.

YARN STOCKS
(thousands of pounds)

	<u>June</u>	<u>July</u>
Pure cotton		
Spinners	4,767	8,207
Independent cotton weavers	1,804	2,020
Knit goods manufacturers	353	331
Thread manufacturers	1,640	1,577
Sundry goods manufacturers	162	190
Fish net manufacturers	985	773
Net and rope manufacturers	27	45
In dealers' hands	<u>1,100</u>	<u>1,419</u>
Total	10,838	14,562
Mixed 1/3 staple fiber		
Spinners	396	413
Independent cotton weavers	385	456
Knit goods manufacturers	150	131
Thread manufacturers	256	220
Sundry goods manufacturers	1	7
Net and rope manufacturers	1	1
In dealers' hands	<u>380</u>	<u>410</u>
Total	1,570	1,638
Mixed 1/2 staple fiber		
Spinners	119	296
Independent weavers	23	23
In dealers' hands	<u>1</u>	<u>1</u>
Total	143	320
Other mixtures (cotton and other fibers)		
Spinners	727	765
Independent weavers	5	5
Hosiery manufacturers	0	0
Thread manufacturers	0	0
Sundry goods manufacturers	0	0
In dealers' hands	<u>0</u>	<u>46</u>
Total	732	816
Grand total	13,283	17,336

SOURCE: Japan Textile Association.

CLOTH PRODUCTION
(thousands of square yards)

	<u>June</u>	<u>July</u>
Cotton ^{a/}	9,307	12,957

^{a/} Includes small quantity of mixtures with rayon staple.

SOURCE: Japan Textile Association.

CLOTH STOCKS
(thousands of square yards)

	<u>June</u>	<u>July</u>
Cotton and mixtures with rayon staple		
Weavers <u>a/</u>	32,822	31,759
Independent weavers	12,439	16,869
Cloth Control Company		
Receipts	5,294	1,954
Disposition	7,266 <u>b/</u>	13,254
Month-end stocks	56,037 <u>b/</u>	44,737

a/ Weaving subsidiaries of spinning companies.

b/ Revised to include 15,123,050 yards deducted from disposition and included in month-end stocks through bookkeeping error.

SOURCE: Japan Textile Association.

MACHINERY

	<u>June</u>	<u>July</u>
Spindles installed	2,468,650	2,488,043
Spindles operable	2,457,490 <u>a/</u>	2,476,233
Spindles operating <u>b/</u>	595,394	824,388
Looms installed	129,031	129,946
Looms operable	113,752 <u>a/</u>	115,386
Looms operating <u>c/</u>	36,516 <u>a/</u>	40,016

a/ Revised by Japanese.

b/ Actual number of spindles operating converted into terms of two-shift basis.

c/ Spindle companies, two-shift basis. Independent weavers, one shift, approximately 10 hours.

SOURCE: Japan Textile Association.

SILK

12. Following the normal seasonal upswing after receipt of the spring cocoon crop by the filatures, raw silk production in July was increased 1,713 bales, or approximately 25 percent over June. This is 71 percent of the Raw Silk Bureau's goal for the month. Chart, page 126, compares monthly trends with 1926-46 production.

13. Although manufacturers of reeling equipment have eliminated most of the bottlenecks in the flow of materials, installation of basins continues to lag because of shortage of funds for reconstruction work due to cancellation of war indemnities.

14. The Yokohama and Kobe silk conditioning houses reported that more than 15,000 bales of raw silk were tested which is an increase of approximately 50 percent over June. This was the first time since the retesting of the wartime stockpiles was completed that more than a month's anticipated export requirements have been tested. The new advanced ceiling prices paid by the Japanese Government for raw silk were primarily responsible for this movement.

Approximately 30 percent of the silk tested by the conditioning houses in the second quarter of the year was 13/15 denier

and 70 percent 20/22. While this five percent increase over June is still considerably short of the desired 50 percent 13/15 denier, it is a significant development in view of the quality of cocoons available in the carry-over stocks and the newly trained workers in the filatures.

15. The silk reeling committee of the Board of the Raw Silk Industry reported that the filatures have experienced considerably less difficulty than anticipated in reeling 13/15 silk from the new spring crop of cocoons.

16. Preliminary estimates of the Raw Silk Bureau indicated that the filatures could expect to receive 55,409,000 pounds of reelable cocoons from the summer and fall crops.

17. The filatures reported that while receipts of coal and substitute fuels exceeded their anticipated rations, the supply was below their operating needs for the month. As a result stockpiles of fuels were reduced. At the end of July the filatures had on hand a fuel supply equivalent to two and a half months' needs at the present relatively low rate of operations.

Four more mills were converted to electric power, making a total of 37.

Silk Weaving

18. Weaving of silk cloth slackened in July as the mills neared the end of the supply of materials released in April for weaving fabrics for export. Of the total of 55,000 bales released for this purpose only a part was found suitable for manufacture of the type of cloth ordered.

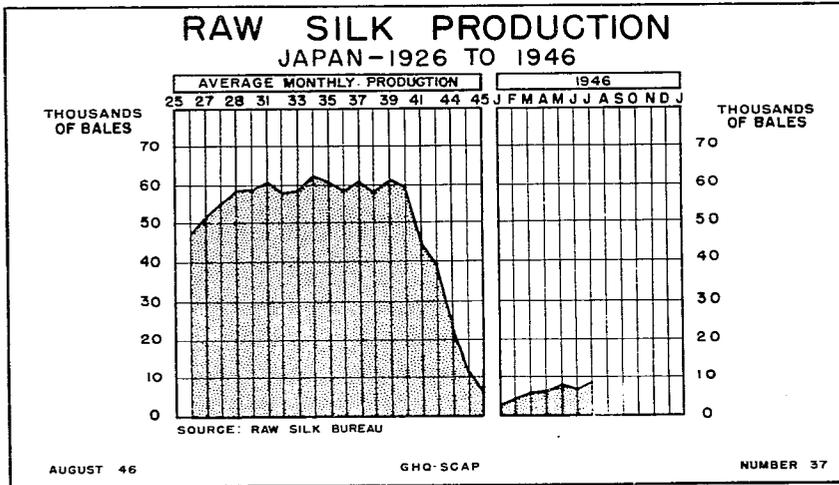
From April to July the weavers manufactured approximately 10,000,000 yards of cloth for export. The grades of silk which they have on hand will provide materials for another 5,000,000 yards, most of which is expected to be produced in August.

Spun Silk

19. Production of cut silk fiber and receipts of silk waste from filatures ceased in July. As a result production in the spun silk yarn group dropped about 20 percent. Although large quantities of waste accumulated at the reeling mills the filatures were reluctant to sell pending establishment of higher ceiling prices for the waste which are now under discussion by the Ministry of Finance and the Ministry of Agriculture and Forestry.

20. Distribution of silk waste was removed from the jurisdiction of the Raw Silk Association and will be handled by independent merchants after establishment of new ceiling prices. This is expected to accelerate the flow of materials.

21. A reduction of the tightness in the spun silk industry was expected to result from clarification of SCAP's silk freezing directives which pointed out that silk fiber and spun silk yarns are not included in the order which freezes all raw silk and silk fabrics. The Textile Bureau prepared a memorandum, with the approval of SCAP, stating that there is no objection to the use of silk staple or waste to spin yarns or for mixtures, nor to the use of these yarns for weaving. It was made clear that no commercially reelable cocoons are to be used for the manufacture of cut silk staple that only pierced and other waste cocoons may be used for this purpose.



RAW SILK

	<u>June</u>	<u>July</u>
Cocoons on hand at end of month (thousands of pounds)		
In filatures	98,876	104,637
In other hands ^{a/}	20,609	7,846
Total	119,485	112,483
Raw silk produced (bales)	6,835	8,548
Short fiber production (thousands of pounds)	47	0
Tested for export (bales)	10,227	15,277

^{a/} Largely waste and dupion cocoons; excludes stocks for farmers' home use.

SOURCE: Raw Silk Bureau.

RAW MATERIAL CONSUMPTION (thousands of pounds) ^{a/}

	<u>June</u>	<u>July</u>
Waste silk	364	444
Short-cut silk } Short-cut cocoon }	735	903

^{a/} Computed at boiling stage, before spinning.

SOURCE: Japan Textile Association.

FIBER STOCKS IN MILLS
(thousands of pounds) a/

	<u>June</u>	<u>July</u>
Waste silk	1,537	1,489
Short-cut silk } Short-cut cocoon }	13,448	12,576

a/ Weight "in gun."

SOURCE: Japan Textile Association.

SPUN SILK YARN PRODUCTION
(thousands of pounds)

	<u>June</u>	<u>July</u>
Spun silk	124	30
Mixed waste silk and staple fiber	31	9
Silk noils	62	64
Short-cut silk } Short-cut cocoon a/ }	600	545
Total	817	648

a/ Includes mixtures.

SOURCE: Japan Textile Association.

YARN STOCKS
(thousands of pounds)

	<u>June</u>	<u>July</u>
Raw silk	5,107	4,607
Spun silk	791	642
Mixed waste silk and staple fiber	201	148
Silk noils	304	349
Short-cut cocoon	1,750	2,221
Mixed waste silk and staple fiber	5	5
Cut cocoon	30	30

SOURCE: Japan Textile Association.

CLOTH PRODUCTION
(thousands of square yards)

	<u>June</u>	<u>July</u>
Silk	4,328	3,020
Fuji silk	127	293
All others	903	504

SOURCE: Japan Textile Association.

CLOTH STOCKS
(thousands of square yards)

	<u>June</u>	<u>July</u>
Silk	22,877	23,365
Silk staple and Fuji silk	5,652	2,999
Silk (Cloth Control Company)		
Receipts	91	0
Disposition	32	27
Month-end stock	21,716	15,195 a/

a/ Deduction of 4,114,638 yards damaged in air raids and now deleted from inventory and deduction of 2,379,847 yards due to conversion of narrow fabrics into terms of square yards.

SOURCE: Japan Textile Association.

MACHINERY

	<u>June</u>	<u>July</u>
Silk reeling basins operable	23,848	24,392
Silk reeling plants in operation	184	196
Short fiber machines operable	55	0
Silk short fiber plants in operation	5	0
Silk staple spindles operating	63,433 a/	71,904
Silk noil spindles		
Installed	29,568	29,568
Operable	29,568 a/	29,568
Operating	11,776	17,039

a/ Revised by Japanese.

SOURCE: Raw Silk Bureau and Japan Textile Association.

RAYON

22. Shortage of caustic soda retarded the upswing in rayon yarn production in July although there was a moderate increase over the previous month.

Rayon mills were granted an allocation of 3,200 metric tons of soda for the month, and were expected to produce 1,200,000 pounds of yarn and 2,100,000 pounds of staple on this basis. See charts, pages 129 and 130 for a comparison of monthly production trends. Actual deliveries were short of the allotted quantities and transportation difficulties resulted in uneven distribution among the mills.

23. Production of spun rayon yarn was cut to less than half of June's peak because cotton spinners who also spin rayon staple concentrated on cotton yarns almost exclusively. Production of rayon staple fiber dropped slightly due principally to short supplies of caustic soda.

24. There was an increase of 2,200,000 pounds in rayon pulp production, which is twice the current monthly consumption rate. Mill stocks of pulp are sufficient for three months' operations at the production levels planned for the rest of the year. While rayon production is expanding a sharp reduction in pulp production was foreseen in August due to a shortage of chemicals.

25. Supplementary rations of coal to rayon mills in July more than doubled the original allocation of 6,000 metric tons but August allotments have been cut to 4,000 tons or 40 percent of requirements.

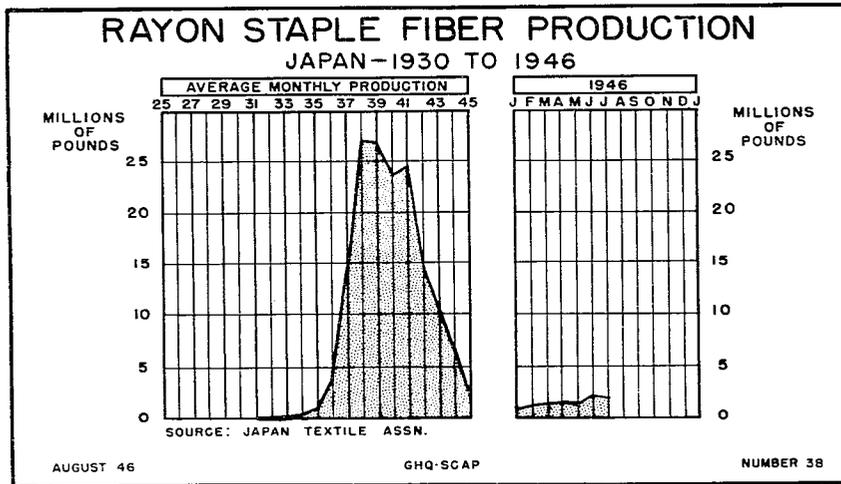
Rayon Weaving

26. Although the silk and rayon weavers had 56,608 looms in operation in July compared with 55,709 in June, rayon cloth production declined slightly. Priority was given by the weavers to the manufacture of silk fabrics and production of rayons was irregular.

RAYON FULP
(thousands of pounds)

	<u>June</u>	<u>July</u>
Production	6,413	8,608
Consumption	4,325	3,884
Month-end mill stocks	13,852	17,011

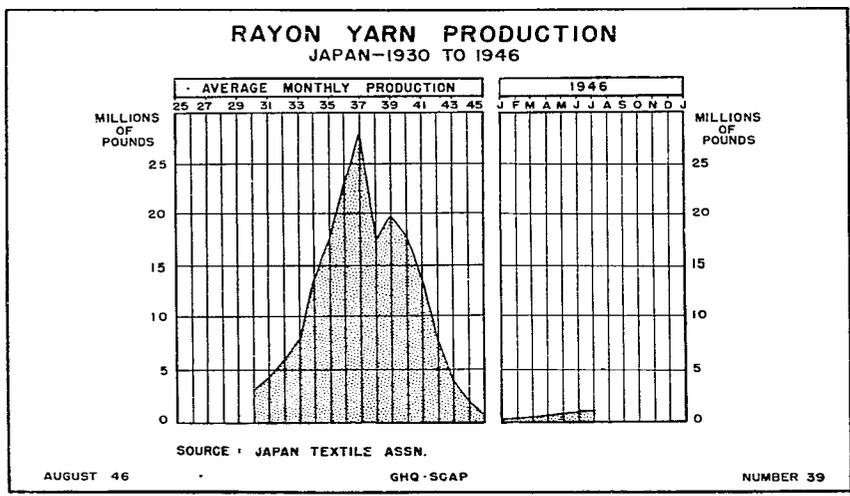
SOURCE: Japan Textile Association.



RAYON STAPLE
(thousands of pounds)

	<u>June</u>	<u>July</u>
Production	2,421	2,030
Consumption	3,125	2,145
Month-end mill stocks	25,185	24,713

SOURCE: Japan Textile Association.



YARN PRODUCTION (thousands of pounds)

	<u>June</u>	<u>July</u>
Rayon	888	951
Spun rayon	2,264	927

SOURCE: Japan Textile Association.

YARN STOCKS IN MILLS (thousands of pounds)

	<u>June</u>	<u>July</u>
Rayon		
Rayon mills	11,139	10,501
Weavers	3,615	3,961
Knit goods manufacturers	424	454
Sewing thread	262	264
Sundry goods	264	187
Total	15,704	15,367
Spun rayon yarn		
Spinners	5,220	4,924
Independent cotton weavers	727	642
Knit goods manufacturers	133	132
Sundry goods manufacturers	74	51
Net and rope manufacturers	0	0
In dealers hands	85	483
Total	6,239	6,232

SOURCE: Japan Textile Association.

CLOTH PRODUCTION
(thousands of square yards)

	<u>June</u>	<u>July</u>
Rayon	3,972	3,640
Spun rayon	3,470	2,344

SOURCE: Japan Textile Association.

CLOTH STOCKS
(thousands of square yards)

	<u>June</u>	<u>July</u>
Mills		
Rayon	14,390	14,906
Spun rayon	12,091	10,639
Cloth Control Company		
Rayon		
Receipts	412	4,340
Distribution	367	3,388
Month-end stock	9,147	10,099
Spun rayon		
Receipts	3,658	3,830
Distribution	6,148	6,580
Month-end stock	30,169	27,419

SOURCE: Japan Textile Association.

WOOL

27. Pending formulation of an export program, operations of the wool industry continued at a low level and at a small proportion of potential capacity.

Yarn production dropped slightly during July, while cloth output showed a slight increase. See charts, page 132.

28. The mills scoured a three months' supply of wool in July in anticipation of a greater need for the raw materials in the near future.

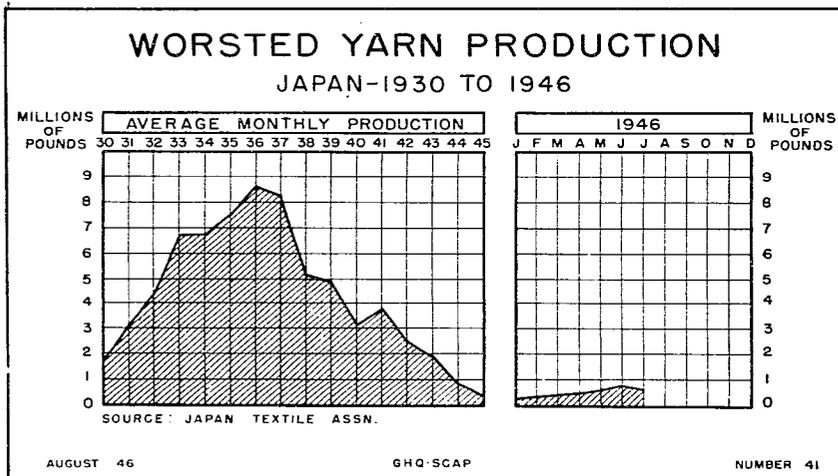
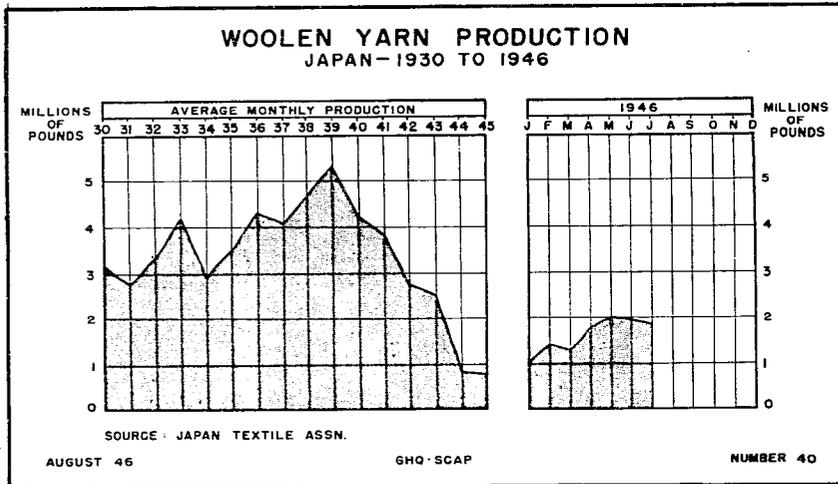
29. About 30 percent of woolen yarns produced in July consisted of carpet yarns and coarser yarns for blankets. These are being used largely in weaving blankets and carpets for the use of the Occupation Forces.

RAW MATERIALS
(thousands of pounds) ^{a/}

	<u>June</u>	<u>July</u>
Month's consumption		
Woolen	842	1,841
Worsted	383	1,153
Month-end stocks in mills		
Woolen	14,910	12,983
Worsted	5,407	5,646
Wool waste	13,538	13,005
Camel and goat hair	3,631	4,583
Miscellaneous	6,330	6,058

^{a/} Scoured weight.

SOURCE: Japan Textile Association.



YARN PRODUCTION ^{a/}
(thousands of pounds)

	June	July
Woolen	1,941	1,856
Worsted	730	586

^{a/} Contains 10 percent or more wool.

SOURCE: Japan Textile Association.

YARN STOCKS IN MILLS ^{a/}
(thousands of pounds)

	<u>June</u>	<u>July</u>
Woolen		
Spinners	2,778	2,939
Weavers	466	742
Worsted		
Spinners	2,566	2,212
Weavers	237	279
Knitters	659	740

^{a/} Contains 10 percent or more wool.

SOURCE: Japan Textile Association.

CLOTH PRODUCTION ^{a/}
(thousands of square yards)

	<u>June</u>	<u>July</u>
Woolen	1,045	1,319
Worsted	<u>404 ^{b/}</u>	<u>399</u>
Total	1,449	1,718

^{a/} Contains 10 percent or more wool.

^{b/} Revised by Japanese.

SOURCE: Japan Textile Association.

CLOTH STOCKS
(thousands of square yards)

	<u>June</u>	<u>July</u>
Woolen	5,671	4,033
Worsted	2,181	1,603
Cloth Control Company		
Receipts	14	79
Distribution	72	355
Month-end stocks	2,433	2,157

SOURCE: Japan Textile Association.

MACHINERY

	<u>June</u>	<u>July</u>
Wool		
Cards installed	430	430
Cards operable	373	375
Cards operating	245	201
Worsted		
Spindles installed	422,372	422,272
Spindles operable	276,778 ^{a/}	250,358 ^{b/}
Spindles operating ^{c/}	87,685	89,728

	<u>June</u>	<u>July</u>
Looms		
Installed	10,834	10,859
Operable	9,807	9,859
Operating	2,455	2,572

- a/ Revised by Japanese.
- b/ Reduction due to shift of production from ring to mule spindle in one mill, and transfer of spindles between mills of one company.
- c/ Beginning May all operating spindles converted to two-shift basis.

SOURCE: Japan Textile Association.

HARD AND BAST FIBERS

30. Shortage of hamp and allied fibers resulted during July in a continued decrease in production of rope, cord and fish net twine. Production of all but ramie yarns declined slightly.

31. While receipts of these fibers, largely from former military stocks, showed an increase over June, the month's consumption exceeded receipts even at a reduced rate of operations. The result was a further small reduction of mill stocks.

32. Production of gunny sacks dropped to a little more than a third of June's total.

Production of oakum, an important material for the operation of fishing boats, dropped sharply.

RAW MATERIALS
(thousands of pounds)

	<u>June</u>	<u>July</u>
Receipts by mills		
Sisal	0	139
Jute	112	209
China grass and ramie	152 a/	414
Flax	1,199	1,267
Hemp	730	1,018
Maoian b/	580	973
Bamboo	60	173
Kanpon c/	1	940
Others	<u>301</u>	<u>44</u>
Total	3,135	5,177
Consumed		
Sisal	227	310
Jute	302	350
China grass and ramie	289	434
Flax	1,894	1,219
Hemp	2,440	1,645
Maoian b/	506	942
Bamboo	128	14
Kanpon c/	65	581
Others	<u>275</u>	<u>128</u>
Total	6,126	5,623

	<u>June</u>	<u>July</u>
Month-end mill stocks		
Sisal	664	493
Jute	2,421	2,280
China grass and ramie	471	451
Flax	7,896	7,944
Hemp		
Domestic	6,929	6,271
Manchurian	1,794	2,074
Manila	1,262	1,012
Maolan ^{b/}	707	738
Bamboo	157	316
Kanpon ^{c/}	456	815
Flax waste	2,358	2,359
Others	<u>855</u>	<u>771</u>
Total	25,970	25,524

- ^{a/} Revised by Japanese.
^{b/} New Zealand fiber.
^{c/} A variety of Manchurian hemp.

SOURCE: Japan Textile Association.

SPINNING PRODUCTION
(thousands of pounds)

	<u>June</u>	<u>July</u>
Flax	938	931
China grass and ramie	310	437
Jute	322	241
Rope	1,802	1,693
Cord	127	11
Fish net twine	<u>212</u>	<u>190</u>
Total	3,711	3,503

SOURCE: Japan Textile Association.

YARN STOCKS IN MILLS
(thousands of pounds)

	<u>June</u>	<u>July</u>
Flax	2,538	2,560
China grass and ramie	1,192	1,356
Jute	581	531
Rope	1,826	1,567
Cord	128	20
Fish net twine	<u>215</u>	<u>51</u>
Total	6,480	6,085

SOURCE: Japan Textile Association.

CLOTH PRODUCTION
(thousands of square yards)

	<u>June</u>	<u>July</u>
Flax	1,133	1,148
Ramie and hemp	1,253	1,223
Jute	<u>14</u>	<u>27</u>
Total	2,400	2,398
Jute bags (pieces)	24,400	8,800

SOURCE: Japan Textile Association.

CLOTH STOCKS IN MILLS
(thousands of square yards)

	<u>June</u>	<u>July</u>
Flax	3,650	3,780
Ramie and hemp	1,723	1,690
Jute	<u>69</u>	<u>78</u>
Total	5,442	5,548

SOURCE: Japan Textile Association.

OAKUM
(thousands of pounds)

	<u>June</u>	<u>July</u>
Production	69	21
Month-end stock	44	45

SOURCE: Japan Textile Association.

MACHINES
(operating)

	<u>Spindles</u>		<u>Looms</u>	
	<u>June</u>	<u>July</u>	<u>June</u>	<u>July</u>
Flax	30,685	28,628	3,876 a/	4,551 a/
Ramie and hemp	31,120	22,598	-	-
Jute	4,035	3,944	42	40

a/ Includes flax, hemp and ramie looms.

SOURCE: Japan Textile Association.

MISCELLANEOUS

33. Production of cloth woven from throstle-spun and reprocessed yarns increased slightly in July after a sharp decline in recent months. There is a considerable demand for these fabrics for the manufacture of work clothes.

During the war these fabrics became important as a source of coarse cloth for work garments since they required only the use of waste materials and almost any type of fiber in various mixtures could be used. Standard cloth constructions were set by the Government. The industry has slowed down in recent months awaiting the new standards which are to be set for these fabrics.

YARN PRODUCTION
(thousands of pounds)

	<u>June</u>	<u>July</u>
Throstle <u>a/</u>	480	437
Reprocessed <u>b/</u>	169	120

a/ Waste flax, ramie and cotton.

b/ Waste cotton, flax, ramie and wool fibers used as substitutes for cotton yarn.

YARN STOCKS IN MILLS
(thousands of pounds)

	<u>June</u>	<u>July</u>
Throstle-spun		
Independent weavers	978	567
Sundry goods manufacturers	45	35
Reprocessed		
Independent weavers	374	439
Sundry goods manufacturers	5	5
Others		
Spinners	431	1,285
Independent weavers	383	335
Sundry goods manufacturers and others	33	22
In dealers' hands	0	0

SOURCE: Japan Textile Association.

CLOTH PRODUCTION
(thousands of square yards)

	<u>June</u>	<u>July</u>
Throstle	203	244
Reprocessed	314	283
Others	756	661

SOURCE: Japan Textile Association.

CLOTH STOCKS IN MILLS
(thousands of square yards)

	<u>June</u>	<u>July</u>
Throstle	772	794
Reprocessed	450	316
Others (mixed fabrics)	2,484	3,418

SOURCE: Japan Textile Association.

MACHINERY

	<u>June</u>	<u>July</u>
Throstle spindles		
Installed	1,007,542	1,007,542
Operable	814,008	895,417
Operating	705,279	722,106

SOURCE: Japan Textile Association.

KNIT GOODS

34. Yarn allocations have been diverted from hosiery and gloves to underwear in order to build up a stock of this urgently needed item for winter.

YARN CONSUMPTION AND STOCKS
(thousands of pounds)

	<u>On Hand 30 June</u>	<u>Receipts</u>	<u>Consumed</u>	<u>On Hand 31 July</u>
Cotton	352	134	155	331
Mixed cotton	150	44	64	130
Rayon	425	147	118	454
Spun rayon	132	258	258	132
Raw silk	671 ^{a/}	123	142	652
Woolen	660	286	205	741
Others	<u>35</u>	<u>20</u>	<u>16</u>	<u>39</u>
Total	2,425 ^{a/}	1,012	958	2,479

^{a/} Revised by Japanese.

SOURCE: Japan Textile Association.

KNIT GOODS PRODUCTION

	<u>June</u>	<u>July</u>
Underwear (dozen)	132,739	147,820
Stockings (dozen pair)	211,316	204,361
Gloves (dozen pair)	<u>64,613</u>	<u>30,943</u>
Total	408,668	383,124

SOURCE: Japan Textile Association.

DISPOSITION AND STOCKS
July

	<u>Delivered to Japan Knit Goods Company</u>	<u>In Mills Ready for Delivery 31 July</u>
Underwear (dozen)	110,274	197,256
Stockings (dozen pair)	157,853	513,834
Gloves (dozen pair)	35,829	130,846
Others (sweaters, etc)	<u>0</u>	<u>0</u>
Total	303,956	841,936

SOURCE: Japan Textile Association.

KNITTING MACHINES IN OPERATION

	<u>June</u>	<u>July</u>
Warp	94	99
Circular	2,461	2,795
Flat	2,375	2,157
Flat for gloves	2,890	1,808
Hosiery	<u>3,014 a/</u>	<u>3,676</u>
Total	10,834 a/	10,535

a/ Revised by Japanese.

SOURCE: Japan Textile Association.

SEWING GOODS

35. The sewing goods industries reported in July a continued expansion of clothing production centered largely in garments earmarked for use by repatriates and demobilized soldiers. Since most of the demobilized soldiers have been returned to civilian life, the clothing articles allotted for their use are included in the tables which follow under the headings of street and house clothing (2,065,590 garments) and underwear (1,329,879 suits).

36. Production of "tabi" footwear, needed for industrial workers and other laborers, declined slightly. The manufacturers expect to reach and maintain a production of 4,000,000 pair a month in the near future.

CLOTH STOCKS AND MOVEMENT
(thousands of square yards)

	<u>In Mills 30 June</u>	<u>Receipts</u>	<u>Consumed</u>	<u>In Mills 31 July</u>
Cotton	28,310	15,444	11,480	32,274
Rayon	4,848	1,128	1,118	4,858
Spun rayon	11,131	3,944	5,395	9,680
Silk	4,143	1,369	1,758	3,754
Mixed silk fiber	0	0	0	0
Reprocessed	1,671	188	1,074	785
Woolen and worsted	4,361	975	2,193	3,143
Others	<u>1,581</u>	<u>2,202</u>	<u>863</u>	<u>2,920</u>
Total	56,045	25,250	23,881	57,414

SOURCE: Japan Textile Association.

PRODUCTION
(pieces)

	<u>June</u>	<u>July</u>
Ready-made clothing		
Work	770,254	740,980
Street and house garments	121,614	639,934
Kimonos	907,333	257,549
Underwear, shirts, etc	1,732,858	2,410,903

	<u>June</u>	<u>July</u>
Ready-made clothing		
Elementary school uniforms	381,582	436,141
Secondary school uniforms	149,471	244,589
Tabi (pair)	3,353,937	3,272,261
Mattress ticking (sets of 3)	23,266	34,853
Mosquito nets	109,676	122,971
Hats	153,995	218,879

SOURCE: Japan Textile Association.

DISPOSITION AND STOCKS
(pieces)

	<u>Delivered in July to Distribution Association</u>	<u>In Mills Ready for Delivery 31 July</u>
Ready-made clothing		
Work	2,622,897	6,144,054
Street and house garments	1,002,869	2,146,455
Kimonos	324,437	1,367,997
Underwear, shirts, etc	2,558,050	6,319,131
Elementary school uniforms	1,468,042	1,509,417
Secondary school uniforms	320,414	159,339
Tabi (pair)	2,571,432	4,172,420
Mattress ticking (sets of 3)	44,539	157,383
Mosquito nets	153,201	169,380
Hats	311,529	715,305

SOURCE: Japan Textile Association.

SUNDEY GOODS

37. New allocations of yarn stimulated production of fish nets after a sharp decline in June. The Textile Bureau of the Ministry of Commerce and Industry expedited the allocation of cotton yarns for fish netting to meet urgent demands from the fishing industry.

38. Fish net manufacturers are to receive 3,600,000 pounds of yarn from present stocks and a similar quantity of yarn to be spun from the imported cotton released for domestic consumption. Expecting deliveries against these allotments, the fish net mills have gone more deeply into their own backlogs to expand their output as rapidly as possible.

39. Production of Manila hemp and silk netting declined as a result of shortages of these materials. The mills have almost exhausted the May allocation of silk for netting.

40. A shortage of raw materials in the mills caused a sharp reduction in sewing thread production. A recovery is anticipated when the manufacturers receive deliveries of American SLP cotton released to the Japanese for domestic use and allocated for the manufacture of sewing thread. Egyptian cotton which was shipped from the United States in July will also be partially used for this purpose.

41. Manufacture of insulating tape dropped 80 percent from May to July because of depletion of material stocks. Users of this tape have been supplied largely from stocks which had been accumulated during the war for military use.

YARN CONSUMPTION AND STOCKS
(thousands of pounds)

	<u>In Mills</u> <u>30 June</u>	<u>Receipts</u>	<u>Consumption</u>	<u>In Mills</u> <u>31 July</u>
Cotton				
Pure	2,813	504	732	2,585
Mixed	257	23	51	229
Silk	674	20	76	618
Spun silk	2	0	1	1
Rayon	527	55	132	450
Spun rayon	75	7	31	51
Reprocessed	5	0	1	4
Throstle	45	0	10	35
Manila hemp	20	3	2	21
Others	33	0	11	22
Total	4,451	612	1,047	4,016

SOURCE: Japan Textile Association.

DISPOSITION AND STOCKS
July
(pounds)

	<u>In Mills</u> <u>30 June</u>	<u>Delivered to</u> <u>Distributing</u> <u>Association</u>	<u>In Mills</u> <u>31 July</u>
Sewing thread			
Cotton			
Pure	1,021,959	329,698	1,068,345
Mixed	40,000	19,680	63,000
Silk	355,939	3,223	374,805
Rayon	98,780	35,333	93,616
Other products			
Braid	1,886,196	187,336	1,808,231
Fringe	148,519	6,870	140,253
Tape	485,189	149,482	417,644
Twine and net	43,444	45,338	17,325
Lace	108,736	34,475	103,066
Fish netting			
Cotton	12,160	431,146	10,730
Manila	0	2,200	0
Silk	1,880	16,198	1,880

SOURCE: Japan Textile Association.

SEWING THREAD PRODUCTION
(pounds)

	<u>June</u>	<u>July</u>
Silk	52,666	22,089
Cotton		
Pure	337,147	219,917
Mixed	40,000	42,680
Rayon	46,520	30,169
Total	476,323	314,855

SOURCE: Japan Textile Association.

OTHER PRODUCTION
(pounds)

	<u>June</u>	<u>July</u>
Braid	116,592	109,371
Fringe	1,753	6,604
Tape	283,044	81,937
Twine and net	7,441	19,219
Lace	14,623	28,805
Fish netting		
Cotton	310,194	429,716
Manila	16,251	2,200
Silk	27,163	16,198

SOURCE: Japan Textile Association.

DYEING AND FINISHING

42. Operations of the dyeing and finishing industry continued at a relatively slow pace in July as the mills awaited formulation of a processing plan for the fabrics to be woven from imported cotton.

43. There was a moderate increase in the quantity of cotton and rayon fabrics processed. The latter was due to the upward revision of rayon cloth ceiling prices and a freer movement of these fabrics into consuming channels. Processing of silk and spun rayon fabrics decreased slightly compared with June.

DYEING AND FINISHING

	<u>Dyed or Finished</u>	<u>Returned to Client</u>	<u>In Mills 31 July</u>
Cloth (square yards)			
Cotton	7,090,592	5,476,468	7,640,717
Spun rayon staple	4,962,083	5,306,539	5,336,166
Silk	5,215,645	4,585,957	6,617,072
Rayon	6,065,699	2,951,142	6,590,869
Linen and China grass	<u>1,769,940</u>	<u>1,657,554</u>	<u>1,205,025</u>
Total	25,103,959	19,977,660	27,389,849

SOURCE: Japan Textile Association.

MACHINERY

	<u>June</u>	<u>July</u>
Mills reporting	155	157
Mills operating	121	119
Machines operating		
Boilers	193	216
Tenters	178	227
Driers	260	322
Printers	20	25
Napping machines	126	180

SOURCE: Japan Textile Association.

SECTION 6

TRANSPORTATION AND PUBLIC UTILITIES

C O N T E N T S

	Paragraph
Motor Transportation	1
Rail Transportation	2
Water Transportation	5
Electric Power	7
Gas Industry	16

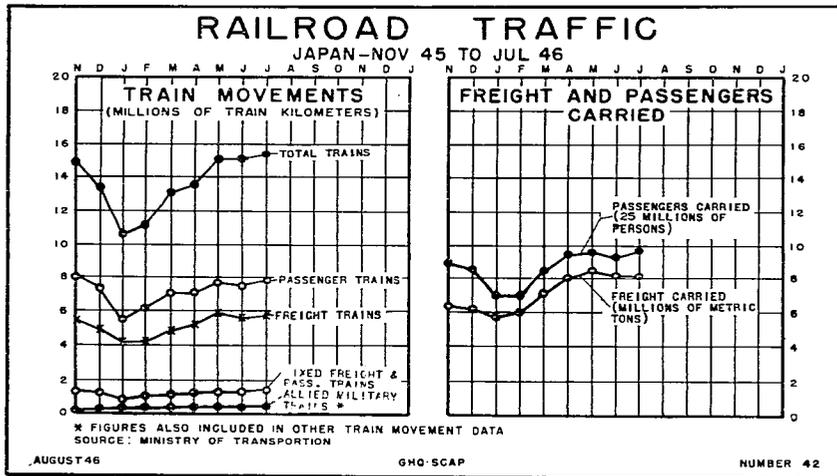
MOTOR TRANSPORTATION

1. The number of vehicles increased from 104,477 in June to 105,553 at the end of July; 55 percent are in actual service.

RAIL TRANSPORTATION

2. Cancellation of scheduled train operations increased from 140,138 kilometers in June to 147,953 in July. Total train kilometers operated increased from 15,113,734 to 15,404,848.

3. There was a slight decrease in total freight tonnage handled in July, as shown in the following chart. The chart also shows the trend in total train movements, Allied military train movements and passengers carried.



The breakdown by classification of freight tonnage follows:

CLASSIFICATION OF TONNAGE HANDLED
(metric tons)

	<u>June</u>	<u>July</u>
Coal	1,690,300	1,532,700
Iron and steel	161,700	173,100
Scrap metal	101,200	91,400
Petroleum and alcohol	109,400	94,500
Rice	102,300	57,600
Wheat and barley	77,300	186,000
Salt	36,500	37,400
Fertiliser	140,900 a/	127,800
Industrial chemicals	69,000	58,800
Limestone	108,400	103,900
Lime	85,700	90,000
Machinery (including vehicles)	230,800	241,800
Cement	121,900	103,100
Clack	113,800	116,700
Lumber	1,173,600	1,286,800
Charcoal	99,500	79,700
Flour (wheat)	45,600	81,900
Soy beans	8,200	10,300
Potatoes	22,500	36,000
Fresh vegetables	16,600	22,000
Sea food	104,300	73,800
Grease (including cooking oils)	15,600	20,200
Soy products	30,500	27,800
Sugar	3,600	1,900
Straw manufactures	65,100	49,400
Cattle	50,600	84,100
Livestock feed	23,800	21,300
Ore	210,600 a/	206,400
Paper and pulp	61,200	61,700
Wine and liquor	17,500	17,300
Tobacco	33,400	33,900
Fresh fruits	7,600	6,600
Gravel	389,100	447,100
Stone (building)	38,000	67,700
Firewood	198,100	179,900
Fiber manufactures	139,100	144,700
Brown coal (lignite)	101,900	94,400
Others	<u>2,134,900 a/</u>	<u>2,000,200</u>
Total	8,140,100 a/	8,069,700

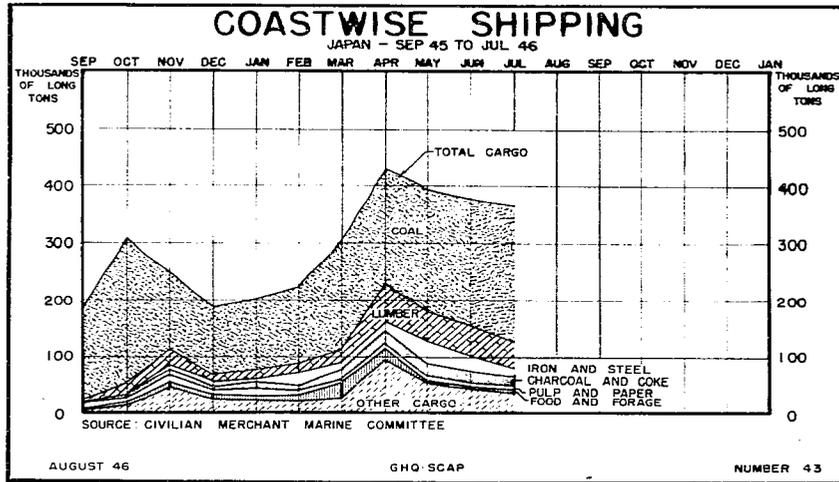
a/ Revised

SOURCE: Ministry of Transportation, General Railway Bureau.

4. New rolling stock placed in operation in July consisted of two electric and 19 steam locomotives, 53 electric cars, 19 passenger cars and 123 freight cars.

WATER TRANSPORTATION

5. Coastwise merchant shipping showed a slight increase in July. The accompanying chart shows both the total tonnage handled and the breakdown by classification.

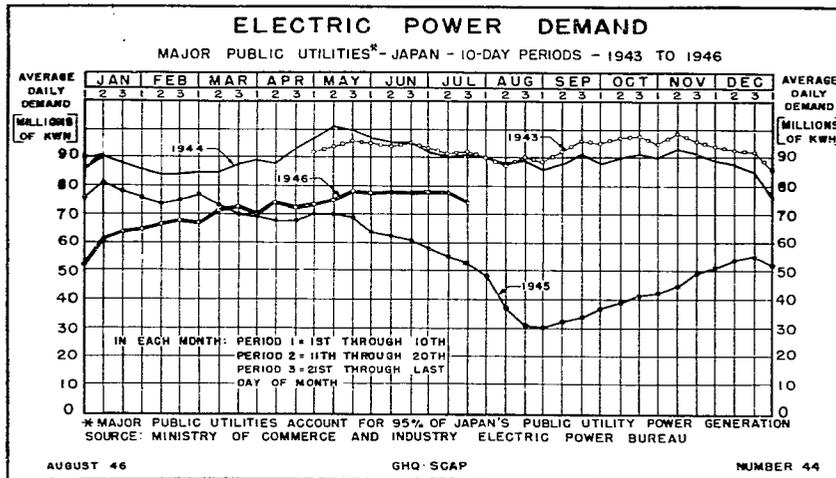


6. Cargo shipments to China decreased again in July, totaling 9,320 long tons. Shipments to Korea remained practically constant at 64,463 tons.

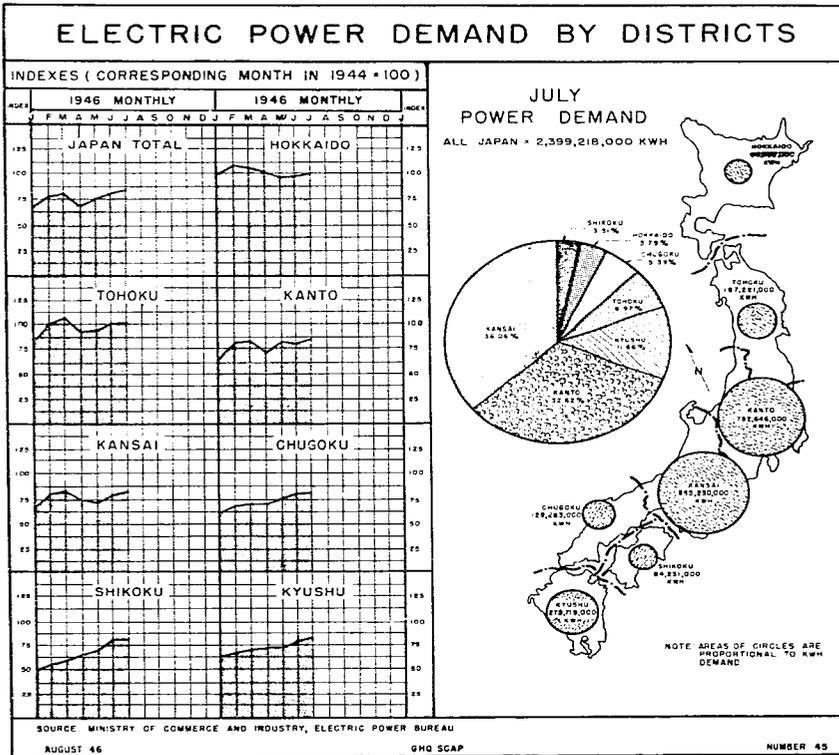
ELECTRIC POWER

7. The supply of electric power remained adequate.

8. Power generated during July totaled 2,399,318,000 kilowatt hours compared with the 2,315,000,000 kilowatt hours generated in June. The accompanying chart shows the trend of electric power demand for 10-day periods from 1 May 1946 to 31 July 1946.

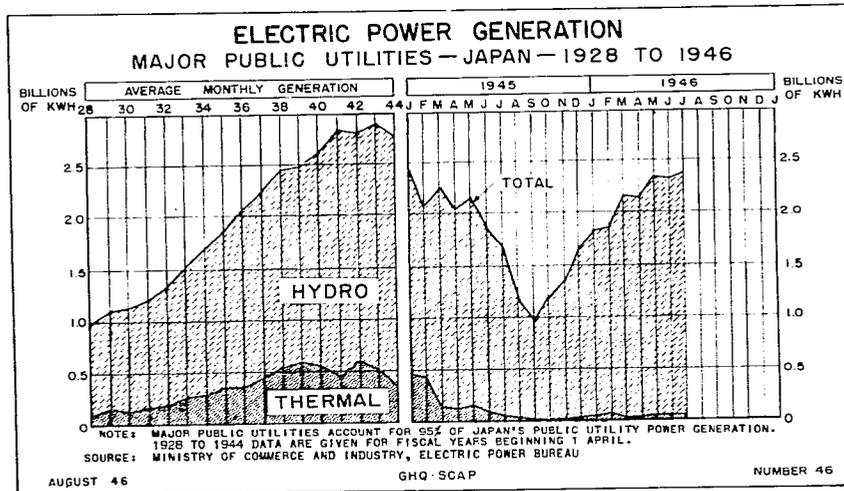


9. The index of electric power demand by districts from 1 January to 31 July compared with corresponding periods in 1944 is indicated in following chart.

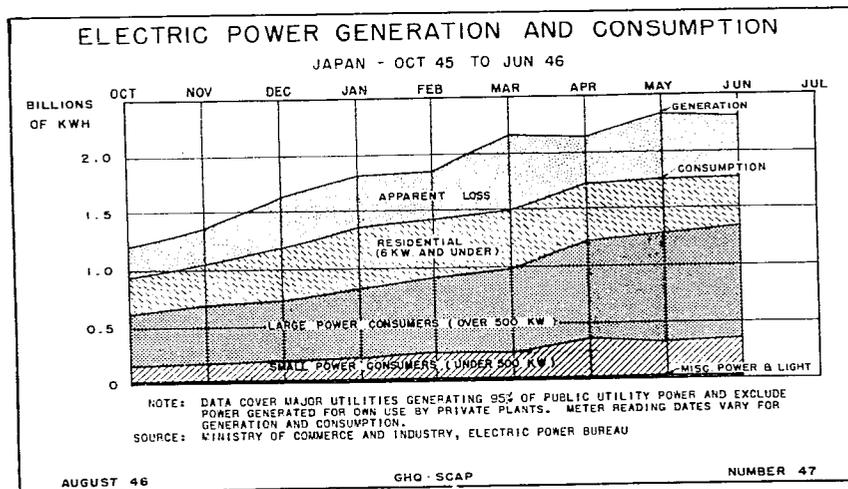


10. Hydroelectric power plants were the source of all power generated except in the Chugoku and Kyushu districts, where steam generating plants accounted for 4.4 percent and 10.8 percent, respectively of the total. During July these plants generated 36,884,000 kilowatt hours.

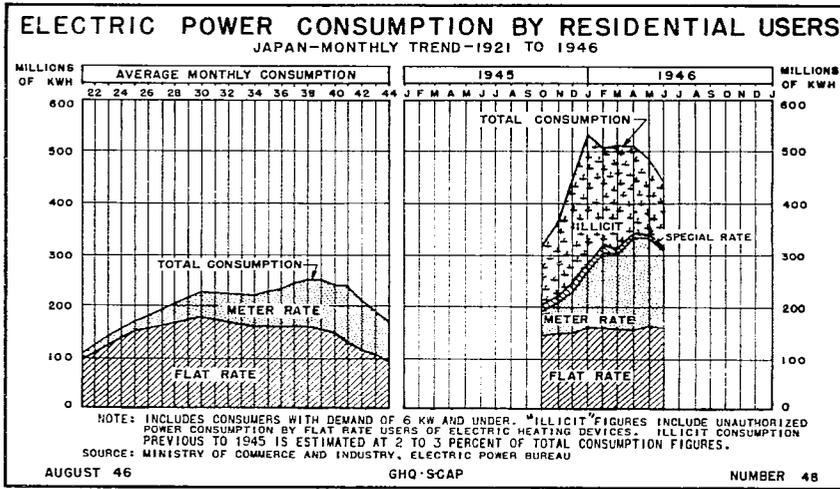
11. The monthly trend of electric power generation, both hydro and thermal, for the major public utilities from 1928 to 1946 is shown in the accompanying chart.



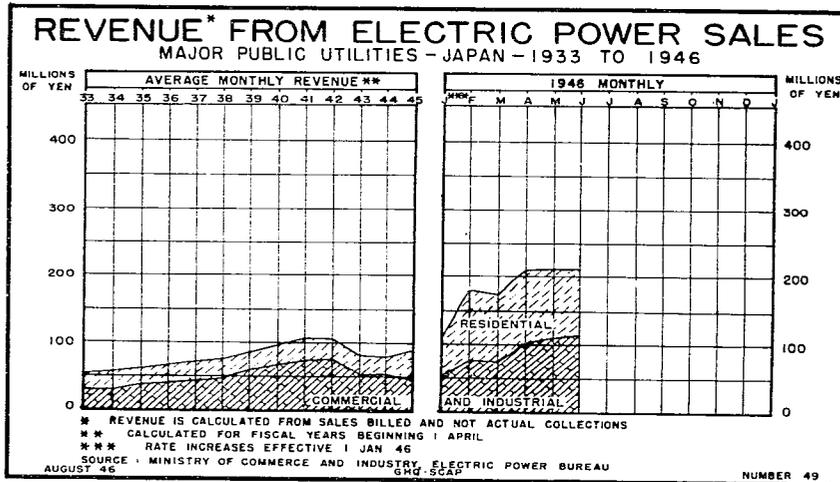
12. The accompanying chart shows electric power generation and consumption by major classes of consumers. Heavy industries are included in the "Large Power" classification which shows a steady increase in power consumption concurrent with industrial recovery.



13. The following chart shows the monthly trend of electric power consumption for residential service.



14. Electric power revenue of the major public utilities, classified by residential and commercial and industrial consumption is shown on the following chart.



Plant Construction

15. Fourteen hydroelectric plants, with a total of 82,400 kilowatts generation capacity, are under construction. Seven are to be completed this year.

GAS INDUSTRY

16. The coal shortage rendered 74.5 percent of gas production capacity idle. The supply of gas to the consumer remained irregular and undependable.

Production

17. August production averaged 940,805 cubic meters per day compared with the daily average of 981,508 cubic meters in July. The daily average supply of gas increased from 654,662 cubic meters in June to 722,333 in July, showing a great reduction in apparent losses.

Small quantities of natural gas are used in Niigata, Akita, Nagano and Chiba Prefectures.

18. The following table is a detailed report of the public utility gas industry by prefecture.

REPORT ON GAS FOR JULY
(cubic meters/day)

Prefecture	Plant Capacity	Average Production	Average Consumption		
			Domestic	Industrial	Gas Works
Hokkaido	45,000	24,510	15,756	2,715	926
Iwate	2,520	0	0	0	0
Akita <u>a/</u>	2,700	5,869	4,506	624	51
Yamagata	7,070	2,931	1,538	847	65
Miyagi	10,800	3,320	1,843	686	13
Fukuahima	8,190	2,876	1,679	701	9
Ibaraki	30,400	1,429	472	648	20
Tochigi	12,600	2,616	1,556	302	36
Gunma	9,300	3,249	2,085	957	55
Saitama	11,630	3,767	2,751	664	49
Chiba <u>b/</u>	13,750	9,953	4,051	5,088	102
Tokyo	738,530	296,277	185,762	12,104	283
Kanagawa	621,650	43,877	18,109	19,447	231
Yamanashi	2,930	655	355	197	7
Niigata <u>c/</u>	23,660	20,665	11,912	5,693	344
Nagano <u>d/</u>	11,660	6,803	3,610	2,441	46
Shizuoka	30,440	7,632	5,398	406	58
Aichi	181,410	58,006	38,396	2,853	1,050
Gifu	10,750	2,998	1,723	923	18
Mie	18,170	4,962	3,631	1,216	19
Toyama	6,080	1,728	753	348	13
Ishikawa	16,700	5,462	4,586	365	14
Kyoto	195,300	66,751	55,372	3,741	1,563
Osaka	1,130,640	191,225	88,091	57,515	1,172
Hyogo	254,330	46,584	18,692	8,241	2,968
Nara	5,450	4,181	3,677	65	30
Wakayama	7,600	1,465	1,090	0	14
Shiga	3,380	3,352	2,974	159	18
Fukui	5,400	662	455	75	5
Tottori	4,950	1,624	817	391	30
Shimane	3,240	691	461	91	3
Okayama	50,690	6,618	2,152	2,496	313
Hiroshima	52,350	13,754	1,260	173	10,573
Yamaguchi	8,330	3,219	2,307	155	96
Tokuahima	2,250	0	0	0	0
Kagawa	5,040	1,589	601	519	103
Ehime	11,260	2,498	879	1,061	40
Kochi	5,200	790	591	50	14
Fukuoka	86,250	55,035	44,446	9,919	130
Saga	4,950	2,829	2,305	222	9
Nagasaki	19,200	11,337	7,765	876	29
Kumamoto	8,650	8,352	5,910	594	21
Oita	7,190	4,148	2,037	37	492
Miyazaki	4,060	3,134	2,210	290	33
Kagoshima	5,000	1,382	647	62	0
Total	3,696,650	940,805	555,311	145,957	21,065

- a/ 86 percent natural gas.
- b/ 74 percent natural gas.
- c/ 73 percent natural gas.
- d/ 31 percent natural gas.

SOURCE: Gas Industry Association.

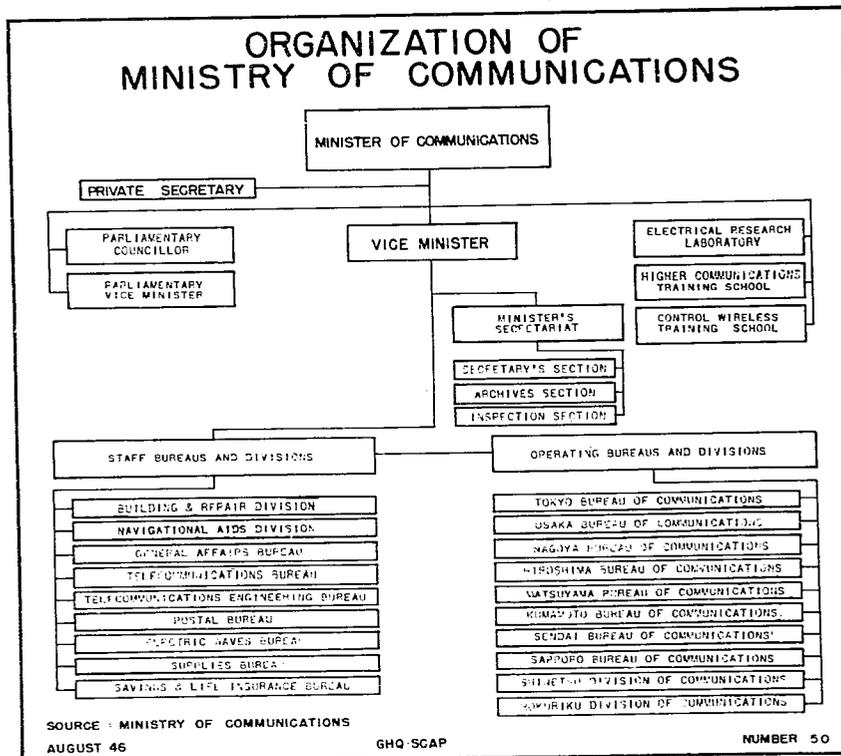
SECTION 7
COMMUNICATIONS

C O N T E N T S

	Paragraph
Administration	1
Wire Services	8
Radio Services	14
Postal Services	24
Construction and Rehabilitation	32
Communications Equipment Manufacturing and Supply	39
Personnel	46
Financial Operations	52
Research	57

ADMINISTRATION

1. The organization of the Ministry of Communications is shown on the following chart.



2. An amendment to the Postal Savings Law for increasing the minimum and maximum amounts of individual deposits from 50 sen to ¥ 1 and from ¥ 5,000 to ¥ 10,000, respectively, was promulgated on 22 August.

3. An amendment to the Post Office Life Insurance Law for increasing the maximum amount of insurance on any one life from ¥ 2,000 to ¥ 5,000 was promulgated 22 August.

4. An amendment to the Postal Life Annuities Law for increasing the maximum amount of annuities purchasable from ¥ 3,600 to ¥ 6,000 was promulgated on 22 August.

5. The Diet passed on 7 August an Omnibus Bill which includes provision for the following:

- (1) Revision of the Special Account Law for Communications Enterprises to permit the Ministry of Communications to use borrowed funds for the construction of post offices and telephone and telegraph facilities.
- (2) Revision of the Special Account Law for Postal Life Insurance and Postal Annuities by eliminating all reference to the former colonies and occupied territories, namely Formosa, Kwantung and the South Sea Islands.

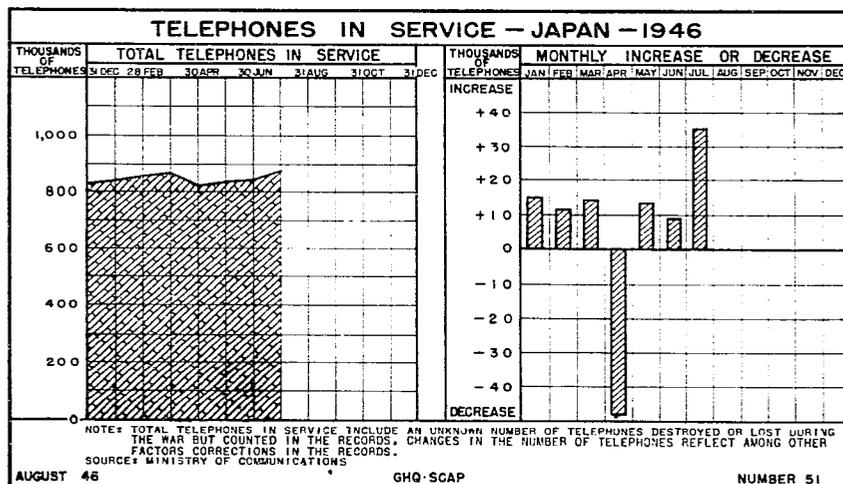
6. SCAP approved the establishment of a committee of representatives of the Government and communications manufacturing companies. The committee will co-ordinate construction and maintenance of telecommunications facilities. It will also allocate materials required by governmental and private agencies. This committee which has authority to act replaces the Telecommunications Facilities Reconstruction Council which had only advisory powers.

7. The Special Rehabilitation Headquarters of the Ministry of Communications began operations on 1 August. It will expedite the rehabilitation and reconstruction of telephone and telegraph equipment in Tokyo.

WIRE SERVICES

Telephone

8. The number of telephones in service is shown in the following chart.



9. Changes in the number of telephones in service from 1 January to 31 July by operating bureaus and divisions of the Ministry are shown below:

Bureau or Division	Telephones 1 January 46	Telephones 31 July 46	Increase or Decrease	Telephones/100 Population
Tokyo	219,188	235,442	16,254	1.46
Shinetsu	46,901	51,953	5,052	1.19
Nagoya	77,221	90,500	13,279	1.13
Hokuriku	26,167	27,301	1,134	1.51
Osaka	216,721	203,221	- 13,500	1.92
Hiroshima	50,454	57,391	6,937	0.92
Matsuyama	19,017	21,816	2,799	0.56
Kumamoto	60,729	75,088	14,359	0.71
Sendai	53,729	57,763	4,034	0.71
Sapporo	52,115	53,180	1,065	1.51
Total	822,242	873,655	51,413	1.20

SOURCE: Ministry of Communications.

10. Long distance telephone service on 5 July as compared with 5 June for selected cities is shown on chart, page 154.

11. Representatives of U.S. Army Signal Offices in the principal cities are assisting in the training of English-speaking Japanese operators to handle calls for the Occupation Forces over the Japanese toll system. Several hundred English-speaking operators have been trained.

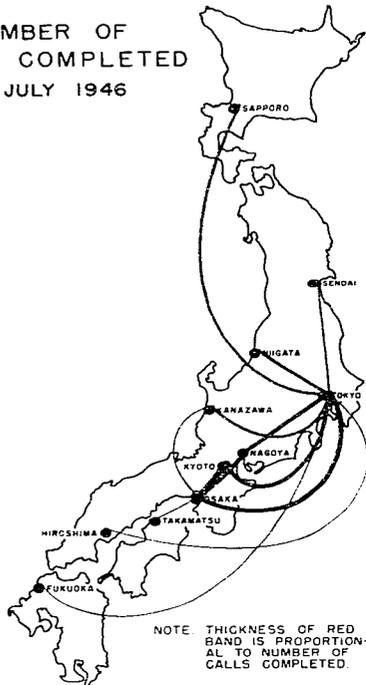
12. SCAP instructed the Ministry of Communications on 16 August to establish by the end of August telegraph service for Occupation Forces official business in all cities where Allied Forces are stationed.

13. The number of telegrams handled in Tokyo through the week ending 12 August is shown on chart, page 155.

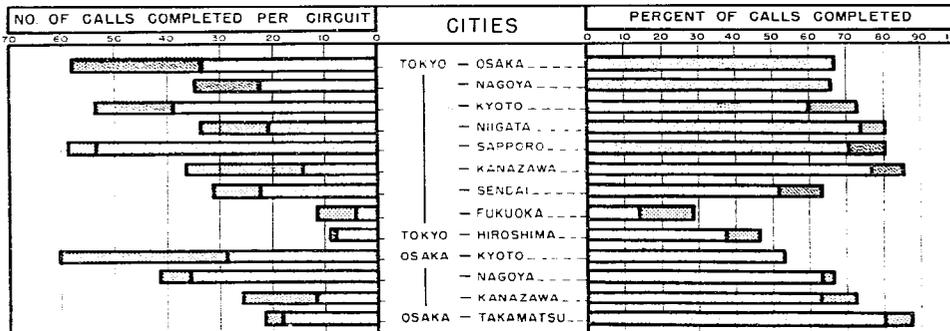
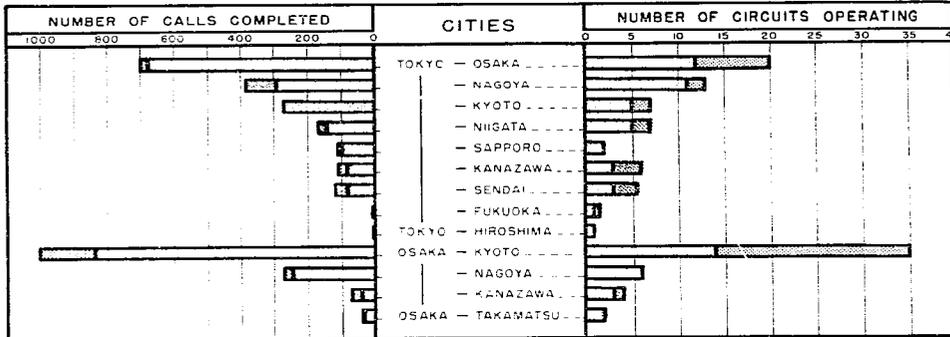
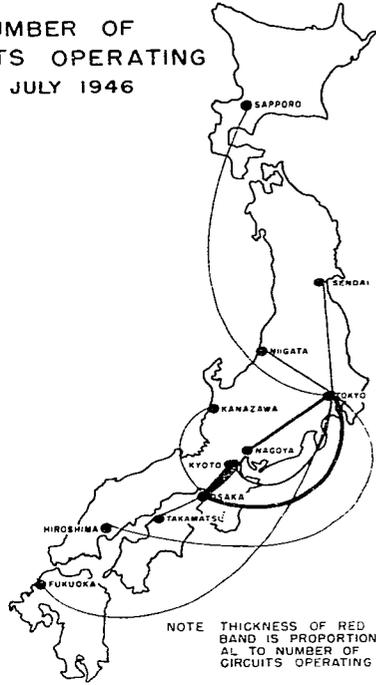
LONG-DISTANCE TELEPHONE SERVICE

BETWEEN SELECTED CITIES—JAPAN—5 JUNE AND 5 JULY 1946

NUMBER OF CALLS COMPLETED
5 JULY 1946

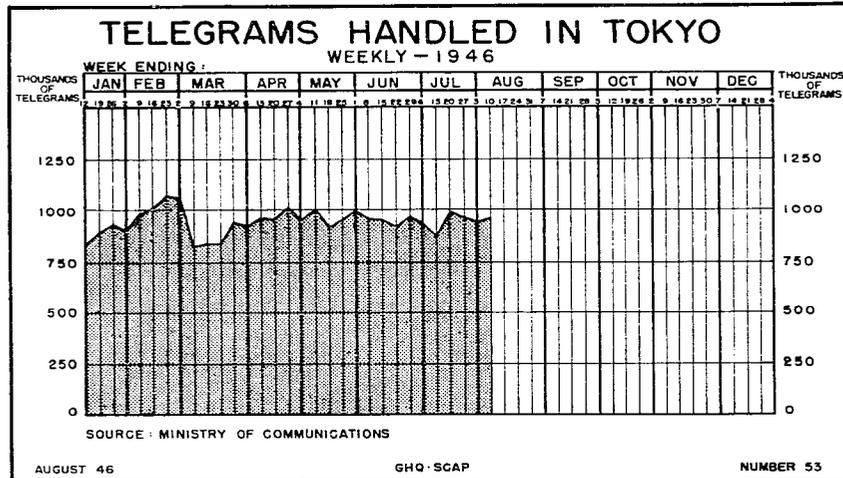


NUMBER OF CIRCUITS OPERATING
5 JULY 1946



SOURCE: MINISTRY OF COMMUNICATIONS
AUGUST 46
GHO SCAP
NUMBER 52

0703



RADIO SERVICES

General

14. On 29 August SCAP approved the assignment of frequencies to all Japanese radio stations. The approved frequency list is the first comprehensive listing of radio stations since the publication of the 1942 list of the Bureau of the International Telecommunications Union.

15. SCAP approved on 29 August the Ministry of Communications plan for rehabilitation and extension of the radio monitoring system.

Domestic

16. Chart, pages 157 through 160, shows the location and facilities of the networks of the Broadcasting Corporation of Japan, including those utilized by the Armed Forces Radio Service.

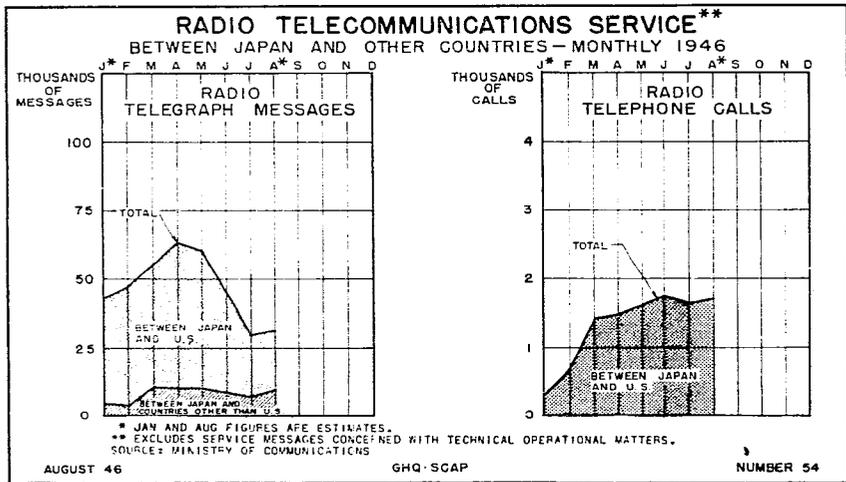
17. The Broadcasting Corporation of Japan on 10 August opened a new local station in its national (No. 1) network at Kitami, in northern Hokkaido.

18. During July the Broadcasting Corporation issued 53,500 radio listening licenses, a continuation of the upward trend which began in April.

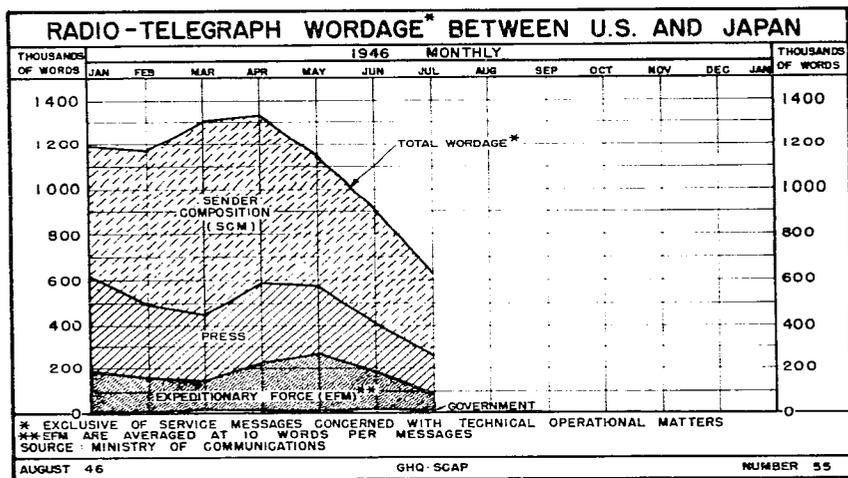
19. SCAP on 31 July ordered the Ministry of Communications to dismantle all Japanese aeronautical radio stations except those performing service for and controlled by the U.S. Army Air Forces. Under the terms of the directive the Japanese will dismantle seven radio direction-finding stations, 18 radiotelegraph field stations and three radio beacons.

International

20. Radiotelegraph messages between Japan and the United States and from Japan to other countries through August are shown on the following chart.



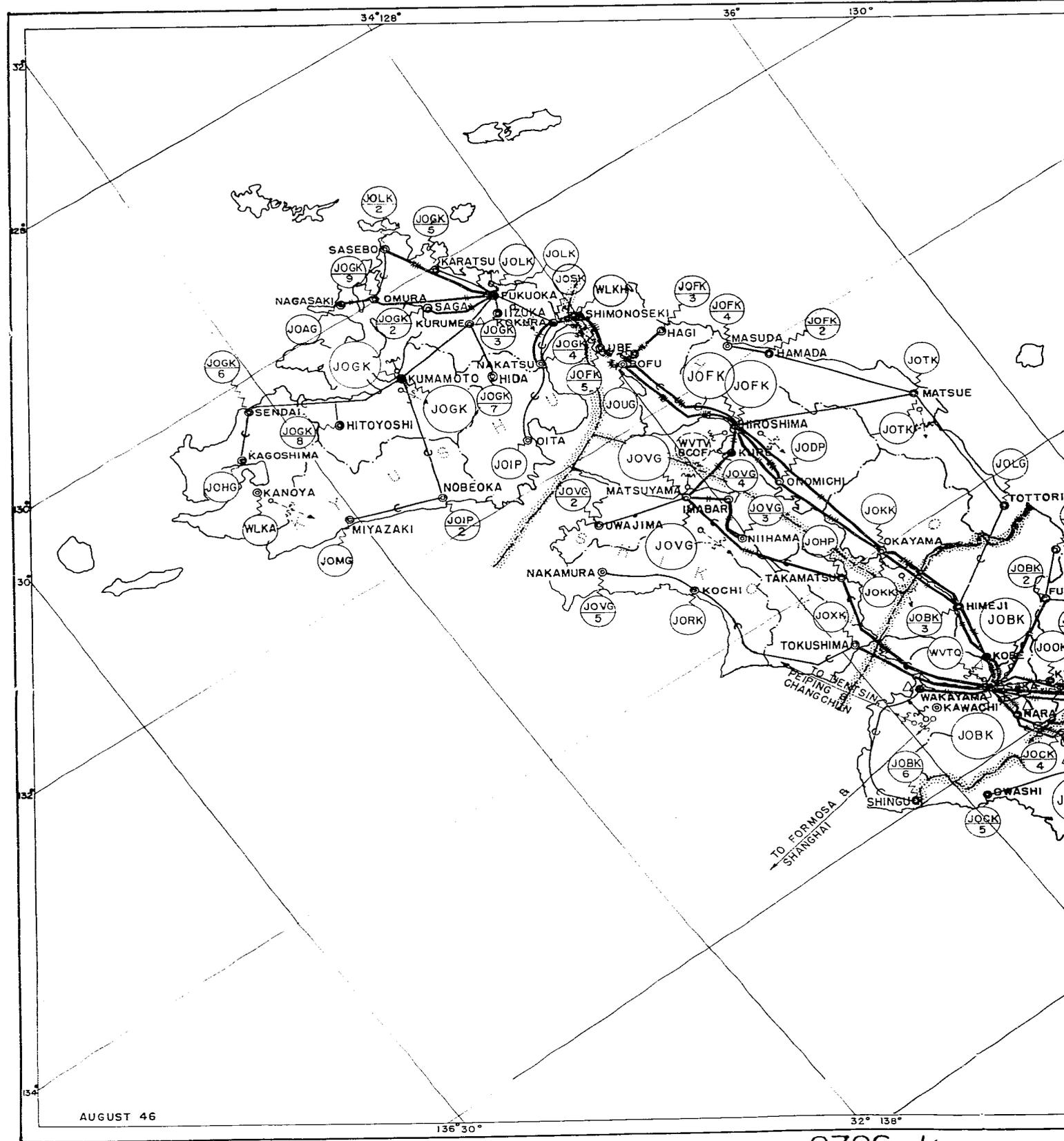
21. Radiotelegraph wordage between Japan and the United States from January to July 1946 is shown in the following chart.



22. Effective 2 August the limitation in the use of the radio-telephone circuit from Japan to the United States to emergency calls was removed. Although priority is still given to emergency calls, accredited Occupation Forces personnel may use the circuit at will.

Removal of this restriction was made possible in part by the expansion of this service to two channels by using single side-band equipment, which increased the circuit capacity by approximately 60 percent.

23. EFM and SCM radiotelegraph service between Japan and British Commonwealth points via London was initiated on 22 August.

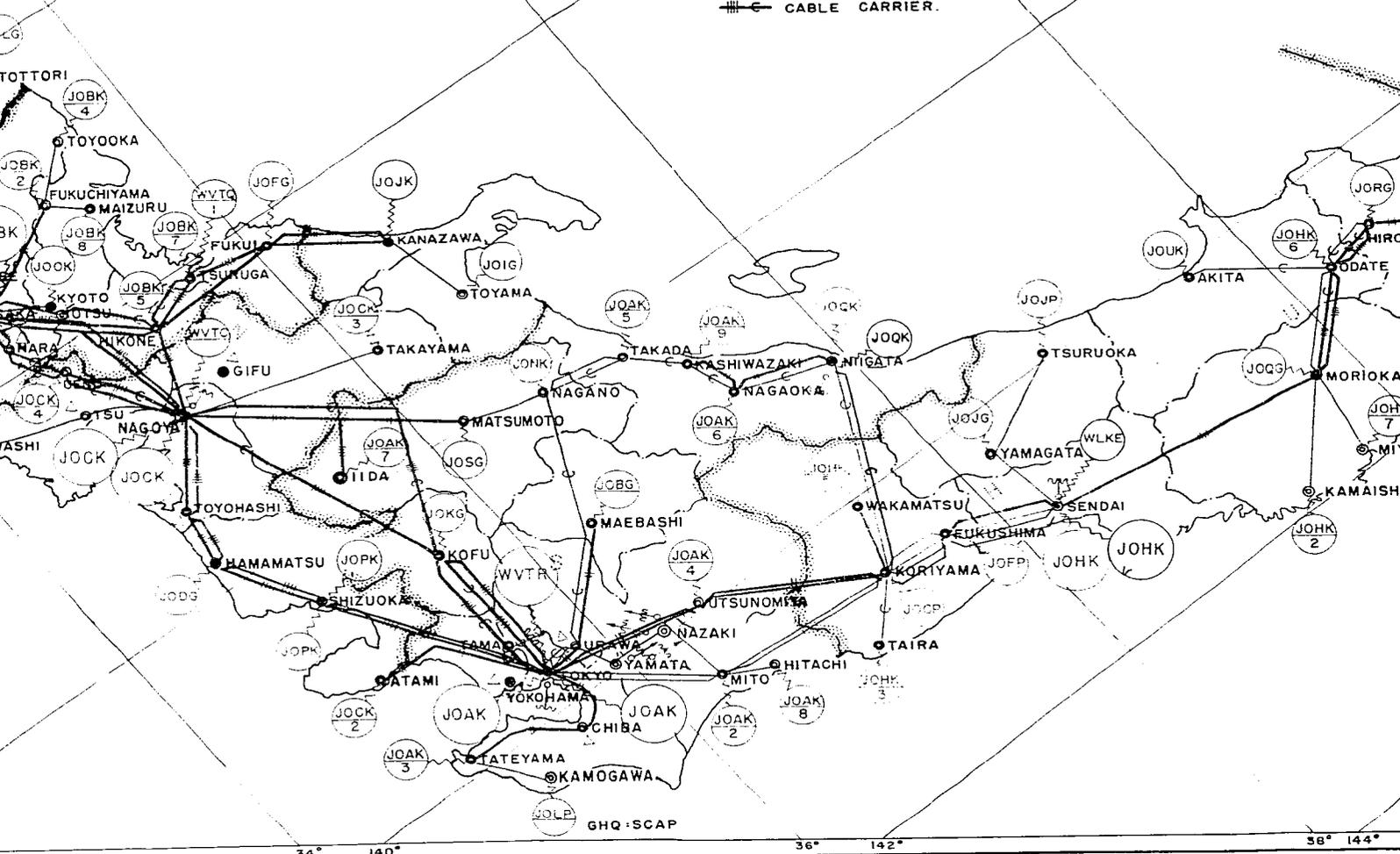
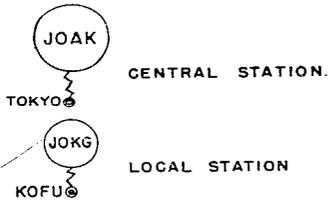


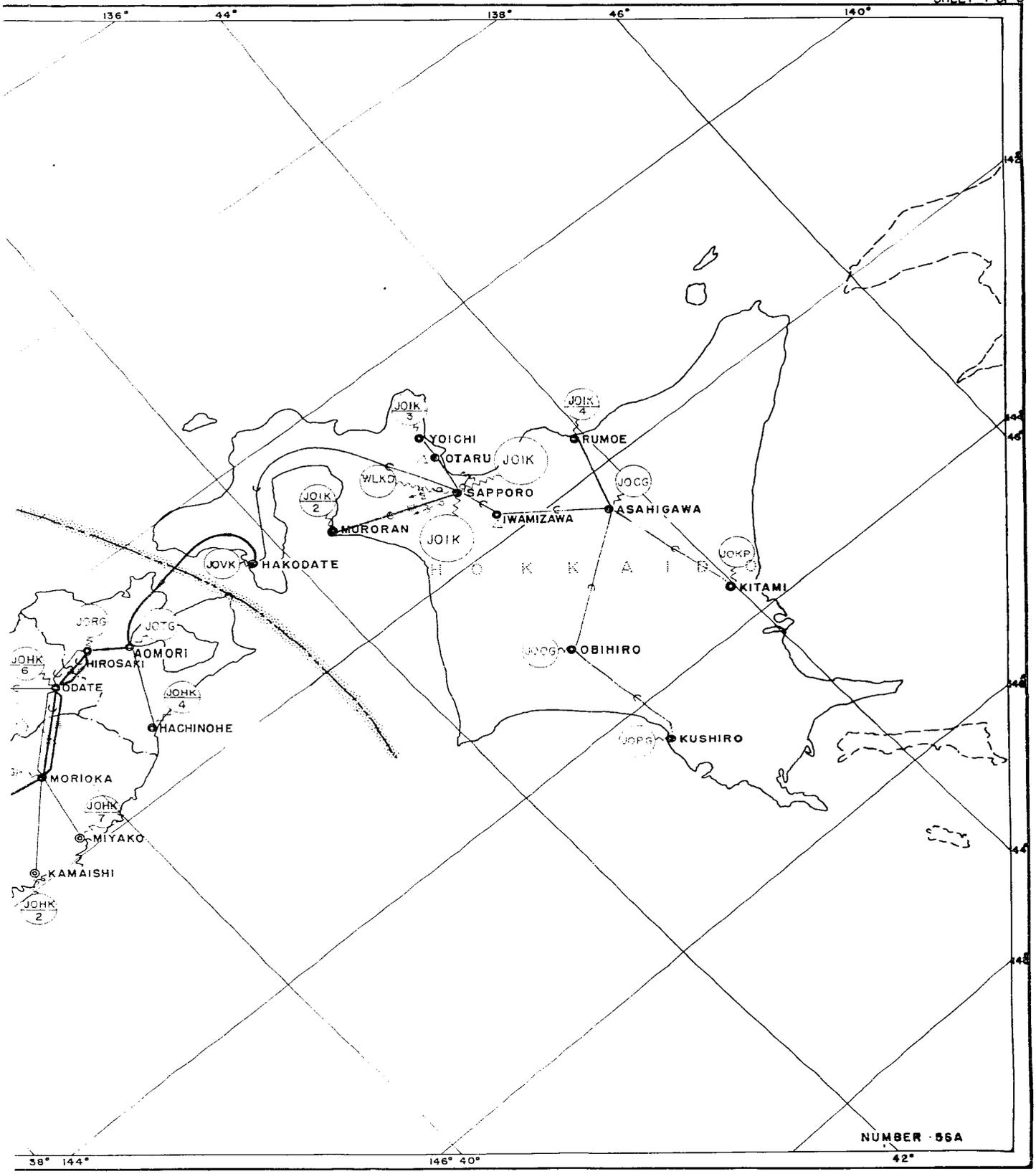
BROADCASTING FACILITIES IN JAPAN

LEGEND

-  BOUNDARY OF ADMINISTRATIVE REGION OF CENTRAL STATION
-  PREFECTURAL BOUNDARY.
- RED NETWORK NO.1 BROADCASTING CORPORATION OF JAPAN.
- BLUE NETWORK NO.2 BROADCASTING CORPORATION OF JAPAN.
- GREEN OCCUPATION FORCE FACILITIES.

-  LOCAL STATION (REBROADCAST ONLY)
-  SHORT-WAVE STATION, PROGRAM RELAY (ARROW POINTS IN DIRECTION OF TRANSMISSION)
-  SHORT-WAVE RECEIVING TERMINAL (ARROW POINTS IN DIRECTION OF RECEPTION)
-  SHORT-WAVE STATION (UTILITY).
-  BRANCH OFFICE.
-  OPEN WIRE.
-  OPEN WIRE CARRIER.
-  2-WIRE CABLE.
-  4-WIRE CABLE.
-  CABLE CARRIER.





NUMBER 56A

0706 3/13

BROADCASTING FACILITIES IN JAPAN

STATION	CALL SIGN	FREQUENCY (Kilocycles)	POWER OUT (Watts)	STATION	CALL SIGN	FREQUENCY (Kilocycles)	POWER OUT (Watts)				
NETWORK NO. 1, BCJ											
TOKYO CENTRAL											
LOCAL STATIONS											
Kofu	JOEG	610	500	HIROSHIMA CENTRAL							
Matsumoto	JOSG	960	500								
Nagano	JOHK	1,120	500								
Niigata	JOJK	920	500	LOCAL STATIONS							
LOCAL STATIONS (REBROADCAST ONLY)											
Hitachi	JOAK-8	1,380	50	LOCAL STATIONS (REBROADCAST ONLY)							
Iida	JOAK-7	1,150	50								
Inagawa	JOAL	1,390	50								
Kashiwazaki	JOAK-9	1,390	50	SHORT-WAVE STATION (UTILITY)							
Nashinashi	JOMS	1,260	50								
Mito	JOAK-2	1,240	50								
Nagasaki	JOAK-5	1,450	50	SHORT-WAVE STATION (UTILITY)							
Takada	JOAK-6	1,330	50								
Tateyama	JOAK-3	1,190	50								
Utsunomiya	JOAK-4	1,290	50	SHORT-WAVE STATION (UTILITY)							
SHORT-WAVE STATIONS (PROGRAM RELAY)											
Nasaki (Tokyo)	JJP	9,655	5,000	KUMAMOTO CENTRAL							
Yasata (Tokyo)	JJK-2	4,910	5,000								
	JJK	7,257.5	5,000								
SHORT-WAVE STATION (UTILITY)											
Niigata	JO9J	3,220	300	LOCAL STATIONS							
	JO9I	6,005									
BRANCH OFFICES											
Chiba				LOCAL STATIONS (REBROADCAST ONLY)							
Utsawa											
Yokohama											
OSAKA CENTRAL											
LOCAL STATIONS											
Fukui	JOFG	820	300	SHORT-WAVE STATIONS (UTILITY)							
Kyoto	JOOK	1,070	300								
LOCAL STATIONS (REBROADCAST ONLY)											
Fukuhiyama	JOEK-2	1,410	50	SHORT-WAVE STATIONS (UTILITY)							
Hikone	JOEK-5	1,270	50								
Himeji	JOEK-3	1,190	50								
Wakusuru	JOEK-8	1,260	50	BRANCH OFFICE							
Shingu	JOEK-6	1,290	50								
Toyouka	JOEK-4	1,240	50								
Teuruga	JOEK-7	1,440	500	Kurume							
SHORT-WAVE STATIONS (UTILITY)											
Osaka	JO3E	3,345	300	SENDAI CENTRAL							
	JO3F	6,190									
	JO3G	9,535									
Kawachi (Overseas Relay/JVW)	JVW-2	15,225	20,000					LOCAL STATIONS			
	JVW-3	9,505	10,000								
	JVW-4	15,140	10,000								
BRANCH OFFICES											
Kobe				LOCAL STATIONS (REBROADCAST ONLY)							
Hara											
Otsu											
Wakayama				SHORT-WAVE STATION (UTILITY)							
NAGOYA CENTRAL											
LOCAL STATIONS											
Hamanatsu	JOJD	570	500	BRANCH OFFICE							
Kanazawa	JOJK	800	500								
Shizuoka	JOKE	780	500								
Toyama	JOIG	1,050	500	Sandai							
LOCAL STATIONS (REBROADCAST ONLY)											
Atami	JOCK-2	1,280	50	SHORT-WAVE STATION (UTILITY)							
Owashi	JOCK-5	1,160	50								
Takayama	JOCK-3	1,280	50								
Ueno	JOCK-4	1,190	50	SHORT-WAVE STATION (UTILITY)							
SHORT-WAVE STATION (UTILITY)											
Nagoya	JO2J	3,965	300								
	JO2K	6,005		SHORT-WAVE STATION (UTILITY)							
	JO2L	9,535									

BROADCASTING FACILITIES IN JAPAN

STATION	CALL SIGN	FREQUENCY KILOCYCLES	POWER OUT PUT (WATTS)	STATION	CALL SIGN	FREQUENCY KILOCYCLES	POWER OUT PUT (WATTS)
SAPPORO CENTRAL	JOIK	810	10000	OSAKA CENTRAL	JOBK	940	10000
LOCAL STATIONS				SHORT-WAVE STATION (PROGRAM RELAY)			
Ashigawa	JOCG	1,130	300	Kawachi (Osaka)	JEG	9,695	5,000
Hakodate	JOVK	1,250	500		JEG-2	4,930	
Kitami	JUAP	1,500	500	NAGOYA CENTRAL	JOCK	990	10000
Kushiro	JOPG	1,110	100	LOCAL STATION			
Obihiro	JOQG	950	500	Shimoka	JOFK	1,130	500
LOCAL STATIONS (REBROADCAST ONLY)				HIROSHIMA CENTRAL	JOFK	1100	10000
Muroran	JOIK-2	1,350	50	LOCAL STATIONS			
Rumoi	JOIK-4	1,490	50	Okayama	JOEK	1,040	500
Toichi	JOIK-3	1,460	50	Matsue	JOEK	1,300	500
SHORT-WAVE STATION (UTILITY)				KUMAMOTO CENTRAL	JOGK	1170	10000
Sapporo	JOEF	3,220	300	LOCAL STATION			
	JOEC	6,005		Fukuoka	JOJK	630	500
	JOEH	9,535		SENDAI CENTRAL	JOHK	1140	10000
BRANCH OFFICES				SAPPORO CENTRAL	JOIK	1200	10000
Iwanisawa				MATSUYAMA CENTRAL	JOVG	750	500
Ogari				ARMED FORCES RADIO SERVICE			
MATSUYAMA CENTRAL	JOVG	1030	500	BROADCAST			
LOCAL STATIONS				Tokyo (Key Station)	WYER	870	50,000
Kochi	JOEK	840	500	Osaka	WYUQ	1,310	10,000
Takanashi	JOEP	1,280	50	Nagoya (Osaka Rebroadcast)		1,220	10,000
Tokushima	JOEK	980	50	Teuruga (Osaka Rebroadcast)		1,180	500
LOCAL STATIONS (REBROADCAST ONLY)				Kokura	WLEK	1,620	10,000
Imabari	JOVG-4	1,330	50	Kanoya	WLEA	1,450	400
Hakamura	JOVG-5	1,210	50	Sendai	WLEK	1,370	3,000
Mihama	JOVG-3	1,590	50	Sapporo	WLEK	1,420	7,000
Uwajima	JOVG-2	1,350	50	SHORT-WAVE STATIONS (PROGRAM RELAY)			
SHORT-WAVE STATION (UTILITY)				Nasaki (Tokyo)	JED	6,015	5,000
Matsuyama	JOEA	3,220	300	Yanata (Tokyo)	JKE	9,605	5,000
	JOEB	6,005			JKE-2	4,860	
	JOEC	9,535		SHORT-WAVE STATION (UTILITY)			
NETWORK NO.2, BCJ				Tokyo	JOEG	6,175	300
TOKYO CENTRAL	JOAK	1340	10000		JOEH	5,475	
LOCAL STATION					JOEK	9,550	
Niigata	JOQK	630	500	BCJF STATION			
SHORT-WAVE STATION (PROGRAM RELAY)				Kure	WYER	1,470	200
Funa (Tokyo)	JEA	7,285	5,000				

NOTE:

JAPANESE BROADCASTING IS CONTROLLED BY THE BROADCASTING CORPORATION OF JAPAN. THE CORPORATION OPERATES TWO NETWORKS, ONE PROVIDING NATIONAL COVERAGE FOR PROGRAMS OF DIVERSIFIED INTEREST, THE OTHER OFFERING ONLY METROPOLITAN COVERAGE FOR PROGRAMS ADAPTED TO URBAN TASTES. AN ADDITIONAL NETWORK, CONSISTING MAINLY OF JAPANESE FACILITIES, IS OPERATED FOR THE ARMED FORCES RADIO SERVICE OF THE OCCUPATION FORCES.

NATIONAL HEADQUARTERS OF THE CORPORATION ARE IN TOKYO WHERE MOST NETWORK BROADCASTS ORIGINATE. PROGRAMS ARE DISTRIBUTED BY LEASED WIRE FACILITIES OR BY SHORT-WAVE RELAY TO STATIONS THROUGHOUT JAPAN.

"CENTRAL" STATIONS ARE KEY STATIONS OF GEOGRAPHICAL REGIONS SERVING AS ADMINISTRATIVE SUB-HEADQUARTERS FOR THE CORPORATION. THEY MAY ORIGINATE PROGRAMS EITHER FOR NATIONAL OR REGIONAL DISTRIBUTION.

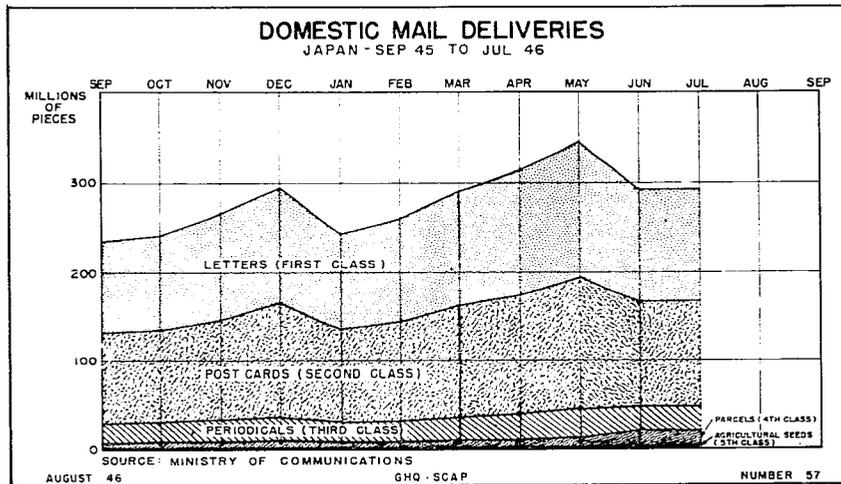
"LOCAL" STATIONS ARE LOW-POWERED STATIONS WHICH SERVE AS LOCAL OUTLETS FOR NATIONAL OR REGIONAL BROADCASTS. MANY OF THESE ARE EQUIPPED WITH STUDIOS TO ORIGINATE PROGRAMS FOR LOCAL CONSUMPTION OR FOR REGIONAL DISTRIBUTION BY THEIR RESPECTIVE CENTRALS. LOCAL STATIONS NOT SO EQUIPPED SERVE ONLY AS OUTLETS FOR SIMULTANEOUS REBROADCAST OF NETWORK PROGRAMS.

"SHORT-WAVE" STATIONS (OVERSEAS RELAY) AT KAWACHI (OSAKA) RELAY PROGRAMS OF NETWORK NO. 1 TO JAPANESE REPATRIATION CAMPS IN CHINA AND FORMOSA.

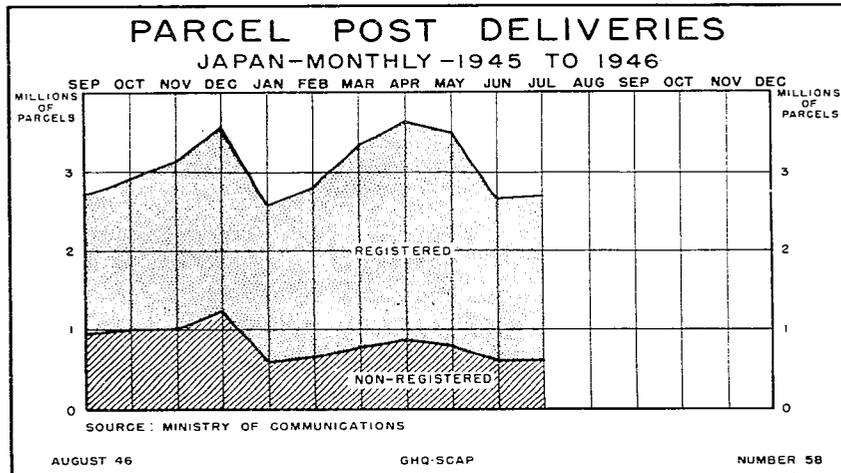
POSTAL SERVICES

Domestic Mail

24. The volume of domestic mail handled through July is shown on the following chart.

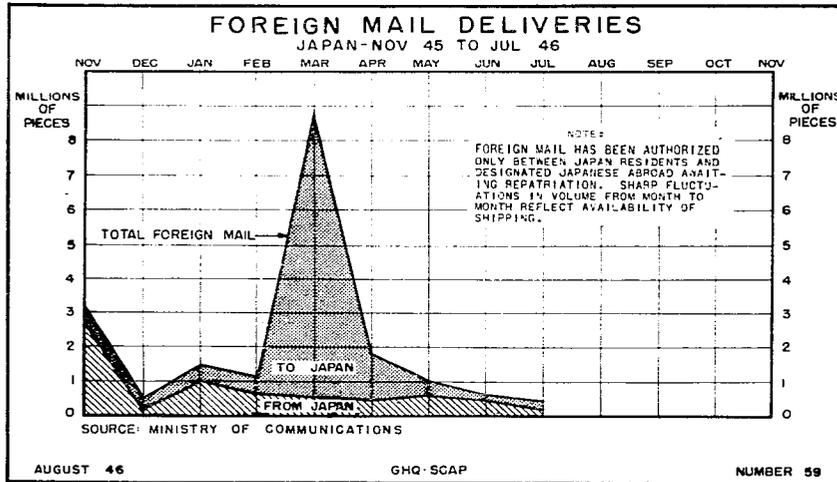


25. Parcel post deliveries are indicated by the accompanying chart.



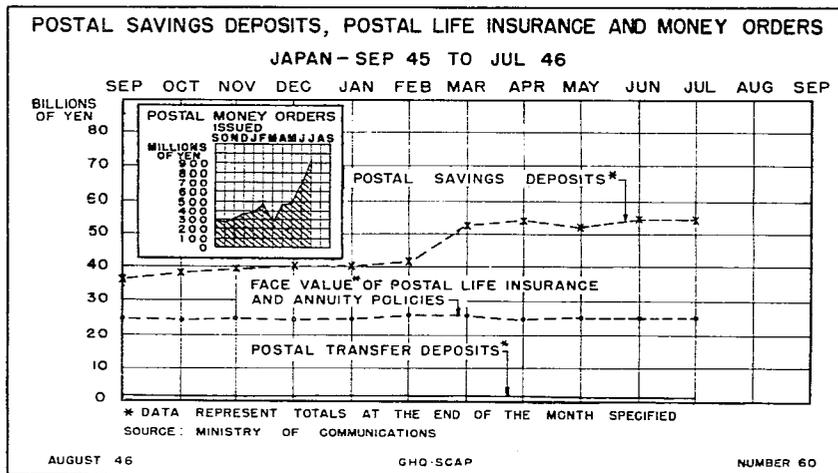
Foreign Mail

26. Foreign mail dispatched between persons in Japan and Japanese awaiting repatriation in former Japanese-occupied areas is shown in the following chart.



Financial Activities

27. The chart below shows the trend in postal deposits, postal insurance and money orders through July.



28. A branch office of the Postal Savings and Life Insurance Bureau of the Ministry of Communications employing 344 persons was established at Zentsuji, Kagawa Prefecture, on 1 August to handle life insurance accounts and records for the island of Shikoku.

29. Japanese military personnel repatriated from and those remaining in former occupied areas were permitted to make deposits in postal savings deposit accounts opened in those areas through 12 December 1945. Withdrawals were restricted to ¥ 1,000 per depositor effective 14 December 1945. This procedure for repatriated personnel differs slightly from that described last month which applies only to civilian repatriated personnel.

Postal savings transactions in accounts opened in former occupied areas for Japanese military personnel are handled in the Kumamoto and Otaru Branches of the Postal Savings and Life Insurance Bureau.

30. Through 31 May the Ministry of Communications had not received funds for the postal savings deposits made by Japanese military personnel outside the Home Islands and reported by the agencies involved as follows:

	<u>Millions of Yen</u>
Japanese Army	1,655
Japanese Navy	120
Bank of Japan (foreign branches)	<u>2,298</u>
Total	4,073

Post Offices

31. Post offices in operation increased by 14 in July. Of these one was ordinary and 13 were special post offices.

CONSTRUCTION AND REHABILITATION

General

32. The bulk of cash expenditures for construction since the beginning of the Occupation through 30 June 1946 was as follows:

CASH EXPENDITURES FOR CONSTRUCTION
September 1945 - June 1946
(thousands of yen)

<u>Agency</u>	<u>New Construction</u>	<u>Reconstruction</u>	<u>Total</u>
Ministry of Communications <u>a/</u>			
Telecommunications	80,066	98,371	178,437
Postal and others	<u>9,948</u>	<u>7,977</u>	<u>17,925</u>
Total	90,014	106,348	196,362
International Telecommuni- cations Company <u>b/</u>			
Cable	5,123	-	5,123
Radio	3,321	239	3,560
Manufacturing	<u>907</u>	<u>346</u>	<u>1,253</u>
Total	9,351	585	9,936
Broadcasting Corporation of Japan <u>b/</u>	-	-	<u>11,353</u>
Grand Total	-	-	217,651

a/ Period begins 1 October 1945.

b/ Period begins 1 September 1945.

SOURCE: Reports of agencies concerned.

33. Eighty-two nonserviceable vehicles of the Ministry of Communications were restored to operating condition in July.

The shortage of serviceable vehicles continues to be a major problem of the Ministry.

Telephone and Telegraph

34. During late July and August marked progress was made in the rehabilitation of toll telephone and telegraph office equipment in Tokyo.

- (1) Over 35,000 cross connections on the main distributing frame were soldered, which completes the soldering of all the cross connections.
- (2) Three hundred dead cross-connecting jumpers were removed.
- (3) Two hundred two broken connections on the telegraph test board were repaired.
- (4) One hundred forty patches on the test board which had been made on a semipermanent basis were removed by making permanent cross connections of circuits.
- (5) One thousand two hundred fifty fuses were placed on fuse boards to replace bare wire which had been used to connect mounting lugs.
- (6) Twelve loose connections were repaired on three frequency generators which supply carrier frequencies for all voice frequency telegraph systems terminating in Tokyo.

35. The conditions rectified by the above are typical of the rehabilitation necessary throughout Japan.

36. An inventory of vehicles for telephone and telegraph purposes made in August showed that approximately 280 serviceable vehicles are available, as compared with an over-all requirement of 600.

Postal

37. A shortage of mail bags is impeding transportation of mails, resulting in some localities in restrictions on parcel post. It is estimated that 948,000 additional bags are needed. The Ministry of Communications estimates that 658,000 will be produced by March 1947.

38. A program of renovating and re-equipping railway mail cars is under way but it is necessary meanwhile to use baggage cars and in some instances passenger cars to maintain mail service. As such cars lack adequate facilities there is a resultant delay in the delivery of mails.

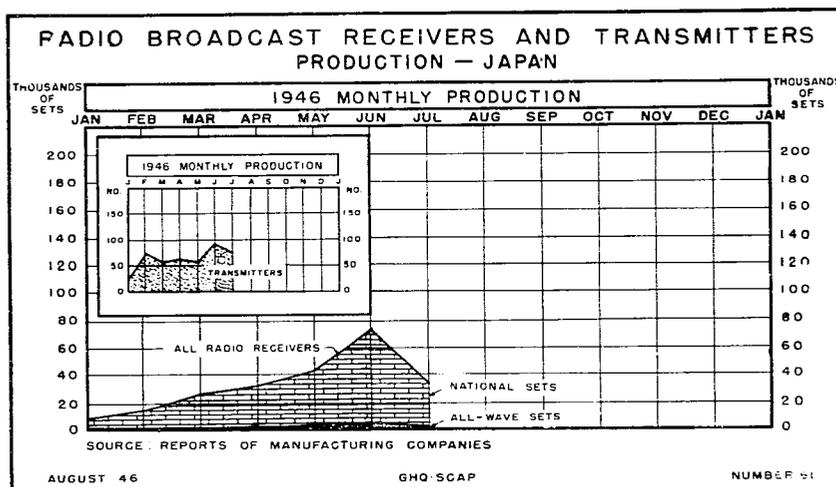
COMMUNICATIONS EQUIPMENT MANUFACTURING AND SUPPLY

Production

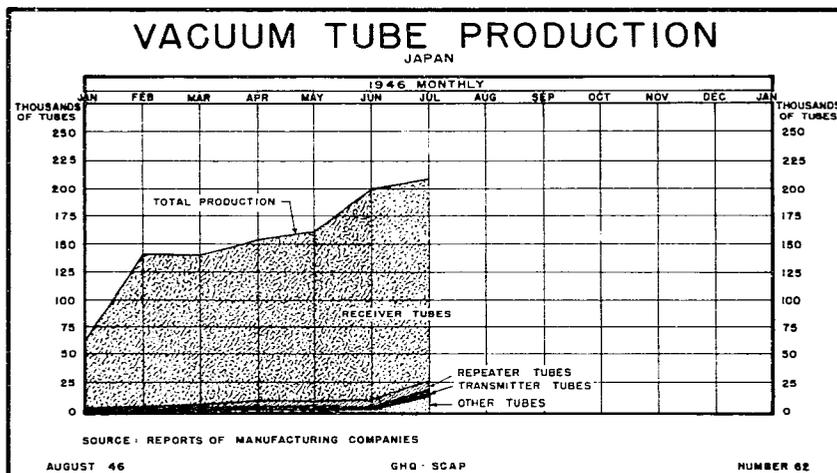
39. The unusually hot weather during July caused a decrease in workers' efficiency which was reflected in a general production decrease.

40. Total allocations of coal to the communications equipment manufacturers were 2,674 tons for August as compared with 3,754 tons for July. Of the coal allocated in July only 60 percent was actually delivered to the manufacturers.

41. The production of home and all-wave radio receivers is shown in the accompanying chart. Receiver set manufacturers cut back production in order to stay within the limitations fixed by the anticipated production of vacuum tubes. More receivers were produced in June than could be equipped with vacuum tubes.



42. The following chart shows the increase in the total production of vacuum tubes but a decline in the production of radio receiver tubes.



An expansion of vacuum tube manufacturing facilities recently instigated is expected to increase production sufficiently to enable the radio receiver set manufacturers to continue the production schedule established in April.

43. The production of wire communications equipment in June and July follows:

WIRE COMMUNICATIONS EQUIPMENT

<u>Product</u>	<u>Production</u>	
	<u>June</u>	<u>July</u>
Telephone sets	16,250	17,090
Manual switchboards	725	747
Automatic switchboards	3,770	3,930
Carrier equipment systems	132	157
Repeater systems	450	844
Telephone cable <u>a/</u>	402	401
Wire communications parts <u>b/</u>	9,740	6,870

a/ Production figures in kilometers.

b/ Production figures in thousands of yen.

SOURCE: Reports of manufacturing companies.

Continued shortages of proper quality paper caused a decrease in telephone cable production for the second consecutive month. Although action was taken to provide a proper quality insulating paper for wire and cable production it will be several months before it can be incorporated into finished production.

The increase in the production of wire communications equipment other than telephone cable and wire communications parts is attributed to the employment and training of additional personnel.

44. The production of radio component parts is sufficient to meet demands of the radio receiver set manufacturers.

COMPONENT PARTS

<u>Product</u>	<u>Production</u>	
	<u>June</u>	<u>July</u>
Condensers	1,290,000	1,180,000
Resistors	1,520,000	1,420,000
Transformers	37,000	33,000
Speakers	29,000	25,000
Other radio parts <u>a/</u>	6,680	5,800

a/ Production figures in thousands of yen.

SOURCE: Reports of manufacturing companies.

Japanese Army and Navy Communications Equipment

45. SCAP approved the export to China of certain Japanese Army and Navy communications equipment.

Distribution of stocks continues to be handled by the Ministry of Home Affairs. Substantial stocks of equipment, mainly dismantled transmitting stations, still are being turned over to the Ministry of Home Affairs.

PERSONNEL

Ministry of Communications

46. Absenteeism among workers of the Ministry of Communications which averaged 12 percent during August was caused primarily by trips to rural areas in search of food.

47. Since the establishment of the Ministry of Communications on 1 July directors of six bureaus have been appointed.

Broadcasting Corporation of Japan

48. The Broadcasting Corporation of Japan completed payment in August of an emergency food allowance of ¥ 500 per employee, plus ¥ 100 for each dependent.

49. The Broadcasting Branch of the All-Japan Newspaper and Radio Workers' Union in August began negotiations with the Broadcasting Corporation of Japan for an additional emergency food allowance to be paid in installments over the next seven months. The Union demanded an allowance ranging from ¥ 450 for unmarried employees to ¥ 650 for married persons, plus ¥ 100 for each additional dependent.

50. The Broadcasting Corporation reported that about 1,600 (over 70 percent) of its employees who served overseas during the war either in the military forces or as civilian technicians have been repatriated and reabsorbed into the Corporation.

Communications Equipment Manufacturing Companies

51. Communications equipment manufacturing companies reported a decline in absenteeism in August.

FINANCIAL OPERATIONS

General

52. Assets of the Ministry of Communications and communications operating companies in 1946 and a comparison of these with data for previous dates are shown in the following table:

COMMUNICATIONS ASSETS a/
(millions of yen)

	<u>Domestic</u>	<u>Foreign</u>	<u>Total</u>
Ministry of Communications			
31 March 1945	1,267	10	1,277
31 March 1946	1,182	10	1,192
International Telecommunications Company			
30 Sept 1945	157	78	235
30 June 1946	168	78	246
Broadcasting Corporation of Japan			
30 Sept 1945	60	7	67
30 June 1946	64	7	71

a/ The assets for 1946 reflect retirements including those for war damage.

SOURCE: Reports of agencies concerned.

Ministry of Communications

53. The Communications Special Account Budget for the fiscal year 1946-47 was introduced in the Diet but its approval by that body is still pending.

Although the budget provides for total expenditures of twice the actual expenditures for the previous fiscal year the increase is a reflection primarily of the sharp increase in costs.

International Telecommunications Company

54. SCAP disapproved the joint proposal of the Ministry of Communications and the International Telecommunications Company for the reorganization of the latter (see Monthly Summation No. 8, page 166). Under the proposed reorganization the company could not make a profit and thus would not be in a position to render satisfactory service.

55. SCAP instructed the Ministry of Communications to submit a new plan for the disposition of the International Telecommunications Company.

56. Because of financial difficulties and loss of overseas assets the International Telecommunications Company initiated action to effect a financial reorganization under the provisions of the "Emergency Measure for Corporation Accounts" and the "Emergency Measure for Financial Institutions," which were promulgated in August. The Company closed its books as of 11 August preparatory to establishing "old and new accounts" as provided by those laws to convert its financial structure to a sound basis. Two special supervisors were selected, one representing the company and the other the creditors.

RESEARCH

57. A survey of associated research and development projects scheduled by Japanese agencies provided support for the program of improvement in toll system performance. Initial steps were taken to co-ordinate the activities of these agencies toward direct assistance in the program.

58. Initial steps were taken to systematize the surveillance of Japanese research in the field of communications. A survey of Japanese communications research organizations, intended as a basis for surveillance, is under way.

SECTION 8

LABOR

C O N T E N T S

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LABOR LEGISLATION

Labor Relations Adjustment Bill

1. The Labor Relations Adjustment Bill, formerly known as Labor Disputes Adjustment Bill, establishing conciliation, mediation and arbitration machinery, was reported out of committee to the House of Representatives.

Intensive labor union opposition, primarily because of prohibition on strikes by Government employees, marked its discussion in the Diet committee. Unions also criticized the provision for a 30-day waiting period for strikes in public welfare enterprises. The Iron and Steel Workers' Union called a one-day national strike on 5 August in protest against the proposed legislation. Demonstrations by other unions were held in Tokyo subsequently.

Labor Standards Bill

2. The Ministry of Health and Welfare on 25 August made public the draft of a labor protection bill known as the Labor Standards Bill, prepared and passed by the Government Labor Legislation Committee representing employers, labor unions and the public.

LABOR AND EMPLOYER ORGANIZATIONS

Labor Union Federations

3. The organizational drives carried on by the two wings of the labor union movement for several months culminated in August in the formal inaugural conventions of both major national federations.

The National Federation of Labor Unions held its inauguration in Tokyo 1-3 August. Official delegates numbered 861 and represented 955,000 members.

Komakichi Matsuoka, veteran conservative prewar labor leader, currently Social Democratic Diet member and president of the National Textile Workers' Union, was elected president by a 7-1 margin over Kanju Kato, leader of the left-wing faction of the Federation.

The convention reaffirmed the Federation's support of the Social Democratic Party and adopted a brief three-point program calling for better working conditions, improvement of technology and industrial democracy.

4. From 19 through 21 August the National Congress of Industrial Unions held its inaugural convention. A total claimed membership of 1,631,584 was represented by 1,094 accredited delegates from 21 national industrial unions and 13 union preparatory committees.

In contrast to the Federation the Congress stressed its political independence. An 11-point program was accepted calling for, among other points, a 40-hour week, an extensive social insurance system and rehabilitation of the economy.

The Congress established a Economic Stabilization Board to demonstrate its capacity for economic planning.

5. The overwhelming passage of a resolution by the N.C.I.U. convention to create a joint committee with the Federation and the near passage of a resolution to merge with the Federation brightened the prospects for eventual unification of the two groups.

Labor Union Activities

6. During August a number of the labor unions took steps to assist in industrial reconstruction. On 27 July a conference of representatives of nine national unions in industries most dependent on coal met to devise methods of increasing coal production. The individuals representing the fertilizer, chemical, railway, coal mining, textile and iron and steel workers' unions set up a permanent committee to formulate plans.

7. Other similar activities were consolidated into programs offered by both major federations. The N.F.L.U. requested the formation of national and local industrial reconstruction conferences of employers, technicians and workers in key industries.

The N.C.I.U. stressed mechanization and reorganization but made no effort to enlist employer participation in its program.

8. The Coal Miners' Union in Hokkaido was split by political differences. Takashi Mizutani, the chief secretary of the union, resigned his post and his membership in the Communist Party, charging that political considerations of the Communists had resulted in involving the coal miners in issues extraneous to labor unionism.

International Labor Relations

9. Messages on 27 July from presidents William Green and Philip Murray of the American Federation of Labor and the Congress of Industrial Organizations, respectively, to the Japanese labor unions were received with great interest by Japanese union leaders and given wide publicity in the press.

10. Both national Japanese labor union federations adopted resolutions at their inaugural conventions seeking acceptance into the World Federation of Trade Unions as soon as the Japanese are permitted

to resume international relations. The National Congress of Industrial Unions resolved to work jointly with the National Federation of Labor Unions in preparation for the N.F.T.U. mission's scheduled arrival in October.

Employer Organizations

11. Organization of employers' associations continued, with some 25 established by the end of August on industrial, regional or prefectural bases. These organizations were active throughout the month in arranging conferences and forums on labor affairs. Their constitutions generally indicated that labor relations was to be one of their primary concerns.

The Joint Committee of Economic Organizations, which was renamed the Federation of Economic Organizations on 16 August and which includes a number of big business representatives, led the movement to affiliate into one group all important financial and industrial associations.

LABOR RELATIONS

Labor Relations Committees

12. Pending reorganization, the Labor Relations Committees were reluctant to consider major cases. In certain prefectures their members were hampered by inadequate knowledge of their powers and functions.

To assist these committees the decisions and opinions of the Central Labor Relations Committee and significant opinions of the principal prefectural committees are to be published and distributed to all committee members. The newly instituted Central Labor College undertook to carry out this project.

13. A significant decision in newspapers and related enterprises was handed down on 3 August when the Tokyo Prefectural Labor Relations Committee ruling in the Yomiuri-Hochi case (see Monthly Summation No. 10, page 173) affirmed the right of management to effect personnel changes necessary to retain control of editorial policy even though such changes violated a collective agreement.

The Committee pointed out, however, that other personnel changes might not be made in disregard of existing procedures and agreements with the union or in violation of Article 11 of the Trade Union Law protecting employees from discriminatory treatment because of union membership.

In the Yomiuri-Hochi case the Committee found that the dismissal of the six employees on 13 June was necessary for management to retain control of editorial policy, but that the further discharges and transfers were not necessary for that purpose. The management was directed to negotiate with the union to adjust the situation that resulted from management's discharge and transfer of some 50 other employees. After three weeks the All-Japan Newspaper, Press and Radio Workers' Union applied to the Committee for enforcement of this decision by court order, charging noncompliance by the management.

Negotiations and Agreements

14. The character of collective negotiations changed in August. The previous concern with wage adjustments was overshadowed by the problem of impending mass dismissals occasioned by the re-employment

of ex-servicemen and repatriates and the forthcoming business reorganization.

15. The decision of the Ministry of Transportation to discharge 130,000 railway workers in order to rehire demobilized service men and repatriates brought a response from the National Federation of Government Railway Workers' Unions in the form of a decision to call a general strike on 15 September.

In the meantime the Ministry of Transportation invited the union to participate in continuous negotiations regarding personnel reorganization. The union accepted this on condition that the entire question of discharge be reconsidered.

16. The Seamen's Union, after calling the seamen on five vessels in Yokohama to strike, succeeded in having the Maritime Bureau of the Ministry of Transportation and the Civilian Merchant Marine Committee retract their unilateral decision to effect a general discharge of seamen. Negotiations were initiated to develop plans less objectionable to the union.

17. Although a number of minor trade agreements were concluded in August the progress of major agreements was hampered by the impending cancellation of war indemnities, application of the capital industry levy, dissolution of the Zaibatsu holding companies and consequent business uncertainty.

The Mitsubishi Heavy Industry Company, heretofore receptive to collective negotiations with the All-Japan Machine Workers' Union, refused to negotiate any continuance of a trade agreement expiring 26 August and refused to make any commitments until after its reorganization. The union countered by calling a strike at the plants involved on the grounds that the workers were threatened with permanent loss of employment.

18. Most of the collective agreements concluded by August were general in nature. Rather than including specific terms of employment in the contract, labor-management councils were set up to establish such terms. Subsequent difficulty in reaching agreement on specific terms within the council manifested itself in a number of cases.

Overly broad provisions requiring union consultation or approval for the discharge of personnel were noted in agreements concluded. Few contracts specifically defined the conditions under which dismissal could take place. The formulation of detailed grievance procedure and other in-plant machinery was usually lacking.

Employers were reluctant in many cases to conclude a formal written contract, preferring oral agreements.

Labor Disputes

19. Disputes and strikes were few and of short duration. The only significant stoppages occurred in the Kyushu and Ibaraki coal mines (see below), in the strike of five vessels in the repatriation service and in the Kobe Steel Works.

"Production control" was not used in any important dispute in August. Instead it was superseded in the Kobe Steel Works strike by a new tactic whereby employees worked only for that portion of the working day for which they considered themselves justly compensated. The Kobe Steel strike ended in a compromise settlement.

Coal Mine Labor

20. August was the first month since the Occupation began during which no strikes occurred in the Hokkaido coal fields. The improvement was due to the release of food imports which helped alleviate the food shortage, and to the general acceptance of collective bargaining by both operators and unions, as trade agreements providing for joint labor-management councils were extended to more mines.

21. In the Ibaraki coal fields in the Joban area, sporadic strikes resulted from the refusal of operators to negotiate with the All-Japan Coal Miners' Union on a regional basis, insisting instead on separate negotiations with each mine's local union. The Coal Board of the Ministry of Commerce and Industry and the Ibaraki Labor Relations Committee both attempted, with little success, to conciliate the dispute.

22. In Kyushu inability to conclude an agreement after six weeks of collective negotiation and mounting tension over the failure to distribute food rations to coal miners resulted on 1 August in a walk-out which affected 12,000 coal miners and seven of the 11 Kyushu coal fields of the Mitsubishi Coal Mining Company.

In response to union demands for a special "antifamine allowance" of ¥ 1,000 per miner the management asserted that the company could not afford such payments.

The strike ended on 5 August after intercession by the prefectural governor to facilitate the release of food imports to miners. Negotiations were resumed as the Kyushu Labor Relations Committee succeeded in persuading both parties to mediate if negotiations broke down again.

LABOR EDUCATION

23. Two conferences held on 7 and 23 August with educational directors of some 25 national unions initiated a comprehensive program of labor education designed to provide information on labor matters in the United States and elsewhere. The first meetings dealt with the general principles of workers' education and correspondence courses.

24. The Central Labor College was formally established on 31 July following the dissolution of the Harmonization Society (see Monthly Summation No. 9, page 205). Several lecture courses enlisting the services of more than 20 government labor officials, labor union leaders and college professors were scheduled for September.

WAGES AND COST OF LIVING

25. The gradual rise in wage levels continued. Pressure for wage increases was translated in part to demand for relaxation of the extraordinary currency measures of March, as wage levels in certain industries reached the limit of permissible cash payments plus withdrawals. Related to these demands was a union campaign to raise the income tax exemptions and lower rates on the lower brackets.

26. Among the government workers more than 300,000 teachers of primary and young men's schools were granted an increase, effective 1 July, which nearly tripled their April income. Average income of school teachers was raised from ¥ 300 a month in April, of which ¥ 69 was base pay, to about ¥ 800 a month, of which ¥ 106 was base pay.