SECTION 5

MANUFACTURING

C O N T E N T S

FOOD PROCESSING

1. No major changes occurred in the processed food industry in March. Seasonal trends continue to cause fluctuations within the industry. The canning industry is now primarily concerned with the sardine pack and the sake industry is predicted to reach its highest seasonal production in March.

Newly created price ceilings on vegetables, fruit and fish have yet to show any marked stimulating effect on the industry. Shortages of raw food materials, fuel and transportation continue to retard desired production schedules.

CANNED FOODS INDUSTRY

	December	January	February
Production (metric tons)			
Actual	376	675	691
Capacity	---	25,395	19,285
Canneries			
Operating	32	37	36
Idle	278	273	274
Employees	7,412	10,861	9,002

SOURCE: Japan Canned Goods Control Company, Ltd.

Estimates of the annual pack of herring have been revised downward from 200,000 cases to 100,000. The excess tin plate allotted will be utilized in the sardine pack of July and August.

2. In March official ceiling prices were again placed on fresh fruits, fish and vegetables. A free market had existed on these items since the fall of 1945.

3. In an effort to establish a more democratic organization the president and managing directors of the Japan Canned Goods Control Company, who hold governmentally appointed positions, will resign at a meeting called for 31 March. At that time new officers will be elected from the canning industry.

4. Beet sugar refining in Hokkaido drew to a close on 8 March.

BEET SUGAR REFINING

	December	January	February	March
Production (metric tons)				
Actual	3,812	766	1,327	168 a/
Capacity	---	5,940	5,940	---
Employees	1,235	1,159	1,012	---
Raw beets on hand, end of month (metric tons)	---	6,508	840	---

a/ Estimate.

SOURCE: Ministry of Agriculture and Forestry.

FLOUR MILLING

	December	January	February
Production (metric tons)			
Actual	30,343	27,783	28,384
Capacity	---	---	106,174
Mills			
Operating	1,012	1,016	1,005 a/
Idle	---	833	759
Employees	7,046	6,664	7,198
Wheat in the hands of millers, end of month (metric tons)	34,940	42,479	49,943

a/ 716 operated 15 days or more, 289 less than 15 days.

SOURCE: Ministry of Agriculture and Forestry.

BEER INDUSTRY

	December	January	February
Production (hectoliters)			
Actual	63,803	70,744	76,226
Capacity	---	200,220	183,862
Plants			
Operating	13	13	13
Idle	0	0	0
Employees	3,854	3,968	3,995
Raw material and fuel on hand, end of month (metric tons)			
Rice	---	646	792
Barley	---	5,311	5,939
Malt	---	73,067	67,155
Coal	---	2,454	3,208

SOURCE: Ministry of Finance, Tax Bureau.

5. On 3 March the authorized retail price of beer was increased from ¥ 2.40 per bottle (2/3 quart) to ¥ 3.

The industry continues to report a scarcity of bottles, kegs and packing materials. Employee attendance is irregular due to food shortage.

LIQUOR AND WINE INDUSTRY

	January	February	March a/
Production (hectoliters)			
Sake	3,684	188,242	1,017,576
Imitation sake	25,490	16,216	31,384
Shochu	36,134	35,665	53,963
Others (whiskey and wine)	8,797	10,389	9,377
Total	74,105	250,512	1,112,300

	December	January	February
Factories in operation			
Sake	843	2,428	2,724
Imitation sake	33	36	29
Shochu	313	352	342
Others	253	278	258
Total	1,442	3,094	3,353
Employees			
Sake	11,757	24,009	26,971
Imitation sake	1,539	1,518	1,389
Shochu	2,971	3,391	3,413
Others	1,256	2,948	2,758
Total	17,523	31,866	34,531

	January	February
Raw material and fuel on hand, end of month (metric tons)		
Rice	50,900	19,747
Barley	685	554
Sweet potatoes, raw	3,534	2,520
Sweet potatoes, dried	15,338	15,059
Corn	9,929	8,823
Bran	---	1,033
Malt	258	871
Raw alcohol	33,593 a/	42,389 a/
Coal	58,088	54,976

a/ Estimate.

SOURCE: Ministry of Finance, Tax Bureau.

PRICE INCREASES
Effective 3 March 1946
(yen)

Liquor	Old Price	New Price
Sake (1 sho) a/		
Class I	17.00	23.00
Class II	9.50	15.00
Imitation sake (1 sho)	9.50	15.00
Shochu (1 sho)	10.50	16.00
Whiskey (720 c. c.)		
Class I (12 year)	85.00	110.00

a/ One sho equals 3.81 U. S. pints.

SOURCE: Ministry of Finance, Tax Bureau.

Primary shortages are corn raw and dried potatoes, fuel, food for employees, bottling, storage and packing materials, barrels, corks, cases and nails.

6. The confectionery industry continues to use the sweet potato as its chief ingredient. Principal material shortages are sugar and wheat flour.

CONFECTIONERY INDUSTRY

	January	February	March
Production (metric tons)			
Actual	1,110	2,433	1,156 a/
Capacity	32,154	43,807	---
Plants			
Operating	460	825	---

	January	February	March
Plants			
Idle	8,384	8,019	---
Employees	22,031	25,173	---
Raw materials on hand, end of month (metric tons)	2,809	4,461	---

a/ Estimate.

SOURCE: Ministry of Agriculture and Forestry.

7. Increases in ceiling prices of miso or bean paste are shown in the following table:

BEAN PASTE CEILING PRICE CHANGES
Effective 10 February 1946
(yen/kan) a/

Seller and Product	Old Price		New Price
	Common	Best	
Producer			
Rice or barley miso	13.50	14.50	36.50
Bean miso	12.50	13.50	36.50
Prefectural Miso Control Co.			
Rice or barley miso	14.65	15.65	40.00
Bean miso	13.65	14.65	40.00
Retailer			
Rice or barley miso	19.00	20.00	50.00
Bean miso	18.00	19.00	50.00

a/ One kan equals 8.27 pounds.

SOURCE: Ministry of Agriculture and Forestry

BEAN PASTE INDUSTRY

	January	February
Production (metric tons)		
Actual	22,874 a/	18,853
Capacity	62,813	62,813
Plants		
Operating	3,417	3,367
Idle	609	659
Employees	22,349	23,164
Bean paste in course of brewing, end of month (metric tons)	70,191 a/	68,240
Newly mixed raw materials, end of month (metric tons)	17,591	16,902

	January	February
Raw materials on hand, end of month (metric tons)		
Soy beans	24,457	20,358
Rice	3,968	4,182
Barley	6,003	5,587
Salt	13,752	13,984
Sweet potatoes	1,387	1,659

a/ Revised by Japanese.

SOURCE: Ministry of Agriculture and Forestry.

SOY SAUCE INDUSTRY

	January	February
Production (metric tons)		
Actual	29,630	27,678
Capacity	92,417	91,100
Factories		
Operating	5,865	5,644
Idle	222	443
Employees	17,081	20,497
Soy sauce in process, end of month (metric tons)	299,006 a/	295,450 a/
Raw materials on hand, end of month (metric tons)		
Soy beans	10,276	11,520
Wheat	6,637	5,865
Salt	4,673	3,820

a/ Estimate.

SOURCE: Ministry of Agriculture and Forestry.

SYNTHETIC SOY SAUCE INDUSTRY

	January	February
Production (metric tons)		
Actual	453	511
Capacity	23,722	23,722
Factories		
Operating	30	29
Idle	23	24
Employees	1,350	1,356
Raw materials in stock, end of month (metric tons)		
Soy bean meal and cake	2,664	2,758
Hydrochloric acid	657	781

	January	February
Raw materials in stock, end of month (metric tons)		
Soda ash	1,004	1,097
Caustic soda	451	500
Salt	846	789
Fish meal	209	205
Wheat flour	43	80

SOURCE: Ministry of Agriculture and Forestry.

MEAT INDUSTRY

	January	February
Production (metric tons)		
Actual	41.7	30
Capacity	109.5	109.5
Factories		
Operating	35	32
Idle	169	172
Employees	423	438

SOURCE: Ministry of Agriculture and Forestry.

VEGETABLE OIL AND FAT INDUSTRY

	January	February
Production (metric tons)		
Edible oil and fat	647	867
Drying oil	73	130
Other	32	137
Factories in operation	178	168
Employees	3,101	2,793
Raw materials on hand, end of month (metric tons)		
Soy beans	5,839	5,858
Rape seed	6,084	6,636
Other oil seed	7,193	6,990

SOURCE: Ministry of Agriculture and Forestry.

8. The critical shortage of cattle fodder is indirectly causing an increased slaughter of dairy cattle. The amount of milk reaching the plants is further reduced by the local demand for fresh milk in the areas of production.

MILK PROCESSING INDUSTRY

	January	February
Production (metric tons)		
Actual		
Condensed milk	86	128
Powdered milk	252	171
Butter	70	53
Capacity		
Condensed milk	1,895	1,895
Powdered milk	722	722
Butter	454	454
Plants		
Operating		
Condensed and powdered milk	51	51
Butter	97	97
Idle		
Condensed and powdered milk	10	10
Butter	11	11
Employees		
Condensed and powdered milk factories	1,500	1,611
Butter factories	409	435
Raw materials on hand, end of month (metric tons)		
Sugar	4,206	3,872
Salt	36	33

SOURCE: Ministry of Agriculture and Forestry.

9. Difficulties which restricted production of cans and containers included shortages of tin plates, packing case wood, foodstuffs for employees and a cessation of the gas supply which interfered with operation of lacquer drying ovens.

In January the Aomori Factory of Toyo Deikan K. K. (Oriental Can Co.) received authorization to resume its business of manufacture and repair of can-making factories and one factory devoted to the manufacture of can-making machines. Japan now has five operating can-making factories and the one factory devoted to the manufacture of can-making machines.

CAN-MAKING INDUSTRY

	January	February
Production (metric tons)		
Tin containers	199.8	238.3
Paper containers	22.6	---

	January	February
Employees, end of month		
Male	1,588	1,662
Female	430	427

SOURCE: Oriental Can Co., Tokyo.

PULP AND PAPER

10. February production of both pulp and paper showed an increase of 25 percent. This is partly due to a slight increase in coal allotment and the resumption of operations by the war-damaged Toyama mill. This larger total output resulted through large increases in certain styles of paper, specifically printing, newsprint, cigarette and Japanese machine-made. The other styles continued to show a decrease in production.

PULP AND PAPER PRODUCTION
(short tons)

Product	Dec	Jan	Feb	Oji Co. a/	Percent Produced by Oji Co. a/
Pulp					
Rayon	43	0	0	0	0.0
Chemical	5,075	2,277	3,551	1,553	43.7
Mechanical	8,659	6,835	7,836	6,129	78.2
Total	13,777	9,112	11,387	7,682	67.4
Paper (foreign)					
Printing	2,708	2,668	2,842	1,841	64.8
Newsprint	5,048	3,523	5,066	5,066	100.0
Writing and drawing	36	33	0	0	0.0
Coated	---	---	---	---	--
Wrapping	1,858	1,350	1,220	1,114	91.3
Board	2,340	2,623	1,606	650	40.4
Cigarette	200	205	238	155	65.1
Other	1,315	1,349	1,328	316	23.8
Total	13,505	11,751	12,300	9,142	74.3
Paper (Japanese)					
Machine-made	1,401	786	1,023	83	8.1
Hand-made	116	41	26	---	--
Total	1,517	827	1,049	83	7.9
GRAND TOTAL b/	15,022	12,578	13,349	9,225	69.1

a/ For February only.
b/ Paper only.

SOURCE: Paper Control and Distributing Corporation.

GLASS INDUSTRY

Sheet Glass

11. Production of sheet glass products increased about 150 percent. Although the coal supply delivered to sheet glass manufacturers was nearly doubled the shortage of coal continues to be a limiting factor in production.

WINDOW GLASS PRODUCTION
(cases of 100 sq ft 2 mm glass)

Period	Production	Plants in Operation	Monthly Capacity	Employees
Average monthly production 1945	23,590	-	---	---
January 1946	21,355	2	190,000	1,299
February 1946	54,140	3	190,000	1,346

SOURCE: Japan Sheet Glass Control Association.

POLISHED PLATE GLASS PRODUCTION
(cases of 100 sq ft 2 mm glass)

Period	Production	Plants in Operation	Monthly Capacity	Employees
Average monthly production 1945	887	-	---	---
January 1946	586	2	2,625	390
February 1946	895	2	2,625	402

SOURCE: Japan Sheet Glass Control Association.

Glassware

12. Actual production of glassware for January was 53 percent of the proposed production (1,500 metric tons). Shortage of coal continues to curtail production.

GLASSWARE PRODUCTION
January 1946
(metric tons)

Product	Production	Plants in Operation	Monthly Capacity	Employees
Beverage bottles	---	--	2,000	---
Beer bottles	50	1	4,000	646
Food product containers	---	--	100	---
Medical containers	148	26	1,500	2,846
Technical and scientific ware	103	14	107	1,750
Glass for electrical products	178	15	800	2,000
Table and kitchen ware	87	10	300	1,900
Thermos bottles	---	--	30	---
Glass blocks and bricks	---	--	30	---
Art and decorative ware	---	--	30	---
Signal light lenses	1	1	100	936
Light globes and shades	13	3	200	820
Thermometer tubing	11	4	15	640
Other products	203	18	1,000	650
Total	794	92	10,212	12,188
Total, less duplications		80		8,000

SOURCE: Japan Glass Industry Control Association.

Fiber Glass

13. Production of fiber glass continues at a low level due to shortage of coal, raw materials and plant repair. Of seven plants reporting production four were in operation during January and February. Present monthly capacity is 169,000 kilograms.

FIBER GLASS PRODUCTION
(kilograms)

Month	Production
Average monthly production for first nine months 1945	78,504
October 1945	4,780
November 1945	8,560
December 1945	17,530
January 1946	11,366
February 1946	11,741

SOURCE: Japan Inorganic Fiber Industry Control Union.

Optical Instruments

14. Optical instrument manufacturers have formed a new association known as the "Association of Optical and Precision Instrument Manufacturers" which is divided into six sections.

ASSOCIATION OF OPTICAL AND PRECISION INSTRUMENT MANUFACTURERS

Section	Members
Camera	16
Microscope	4
Precision instrument	13
Surveying instrument	14
Telescope	8
Motion picture apparatus	13
Total, less duplications	53

SOURCE: Ministry of Commerce and Industry.

Production of optical instruments for February increased 60 percent over January.

INSTRUMENT PRODUCTION

Instruments	November	December	January	February
Cameras	341	421	746	1,378
Projectors	23	30	---	---
Binoculars	199	544	779	1,485
Opera glasses a/	600	109	132	183
Microscopes	10	102	115	140
Transits	60	60	12	50
Levels	---	50	11	29
Sextants	48	73	48	55
Gas indicators	20	34	136	123
Refractometers	10	---	---	---
Optical flats	2	---	---	---
Photomeasuring microscopes	8	6	---	6
Reading microscopes	---	---	---	10
Spectroscopes	1	---	---	---
Spectrometers	3	6	10	2
Micro photometers	12	5	1	---
Tool-makers microscopes	---	---	5	---
Interferometers	---	---	350	300
Total b/	1,337	1,440	2,345	3,761
Companies operating	13	15	13	12

a/ Previously included under binoculars
b/ Revised by Japanese.

SOURCE: Ministry of Commerce and Industry.

REFRACTORY INDUSTRY

15. The proposed production of refractory brick for February was 12,000 metric tons. Production reports were received from 71 plants operating during the month but several small scale manufacturers did not report production for February.

REFRACTORY PRODUCTION
(metric tons)

Type of Refractory	Average Monthly Production, 4th Quarter 1945	January	February
Fire clay	9,806	10,660	7,084
Silica	2,045	2,079	2,398
Chrome	49	114	218
Magnesia	180	329	26
Corhart	13	13	49
Forsterite	0	0	8
High alumina	409	186	102
Total	12,502	13,381	9,885
Plants operating	---	75	71

SOURCE: Ministry of Commerce and Industry.

ABRASIVE INDUSTRY

16. The production of grinding wheels and stones was resumed in January by several manufacturers who began to consume stocks of coal held over from 1945. For the first quarter of 1946 the Japanese Government did not allocate a supply of coal for the manufacture of grinding wheels but it is expected that a limited amount will soon be made available.

GRINDING WHEEL AND STONE PRODUCTION
(metric tons)

Month	Production		Plants in Operation	
	Vitreous Bond	Elastic Bond	Vitreous Bond	Elastic Bond
January	138	3.1	21	4
February	197.6	2.5	25	4

SOURCE: The Grinding Wheel Manufacturers Association.

VITREOUS ENAMEL WARE

17. The production of enameled kitchen ware continues at a low level due to shortage of coal. Five of 29 plants were in operation during February making wash basins and cooking ware.

VITREOUS ENAMEL WARE PRODUCTION

Period	Production		Plants Operating
	(pieces)	(metric tons)	
Average monthly production 4th quarter 1945	---	5.5	---
January	23,050	25	3
February	41,500	24	5

SOURCE: Japan Union of Enameled Ware Manufacturers.

ALUMINUM HOUSEHOLD WARE

18. In recent years sheet aluminum and cast aluminum

household wares were manufactured mainly for domestic use, as shown in chart, page 123.

Shortage of coal and lack of transportation facilities for collecting scrap aluminum is now curtailing production.

SHEET ALUMINUM WARE PRODUCTION

	October	November	December	January	February
Production					
(pieces)	0	179,440	499,240	358,640	508,813
(metric tons)	0	47.4	137.9	73.4	131.0
Plants operating	0	4	10	11	13
Monthly capacity (metric tons)	---	---	---	---	618
Employees	---	---	---	---	3,583

SOURCE: Japan Aluminum Utensil Controlling Association.

CAST ALUMINUM WARE PRODUCTION

	October	November	December	January	February
Production					
(pieces)	0	0	43,900	39,900	40,560
(metric tons)	0	0	55	50	54.5
Plants operating	0	0	3	6	8
Monthly capacity (metric tons)	---	---	128	260	270
Employees	---	---	451	696	759

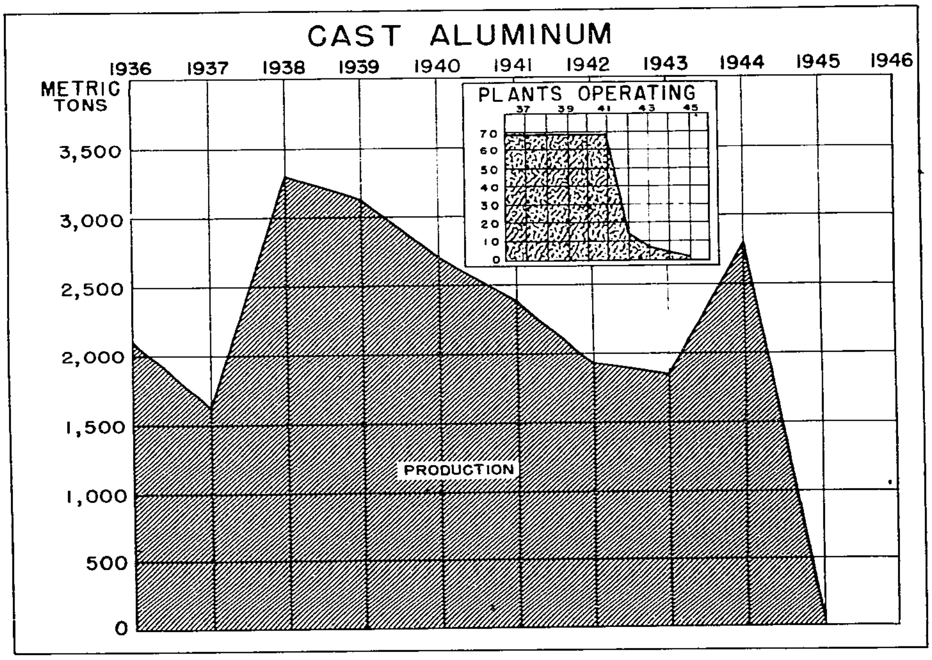
SOURCE: Japan Aluminum Utensil Controlling Association.

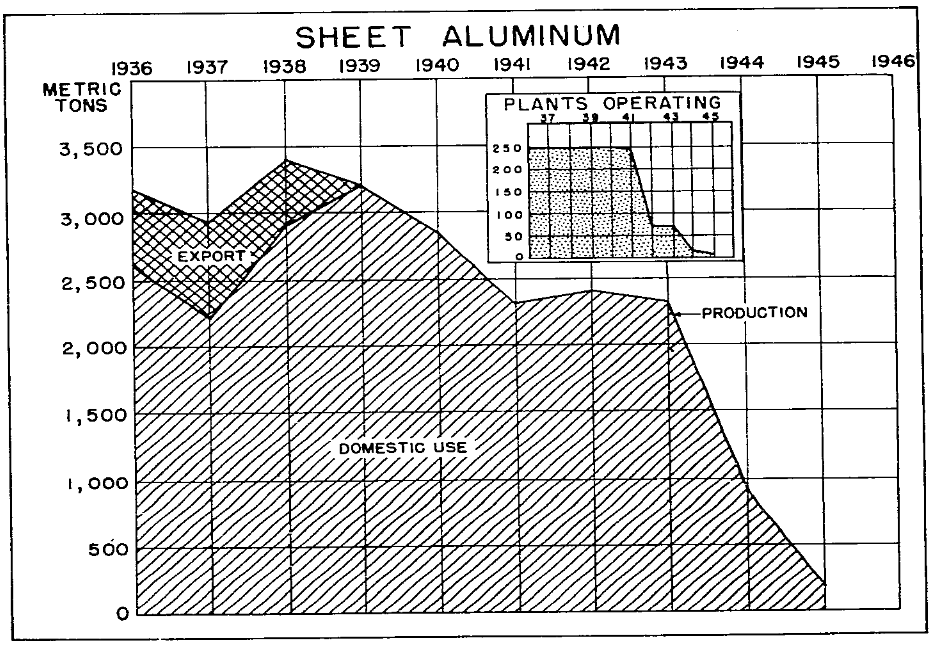
ELECTRIC MANUFACTURING

19. The principal problem confronting the manufacturers of electrical equipment is the shortage of raw materials which in most cases can be traced to lack of sufficient coal, inadequate transportation and general economic maladjustment.

The manufacture of such items as motors, generators and transformers is hampered by the scarcity of silicon steel, copper wire and coal for the baking ovens. Radio receiver production is handicapped by the shortage of small copper wire, tubes and small components. Lack of sufficient graphite, paper and chemicals retards dry cell manufacturing. The storage battery manufacturers need ebonite and glass vessels as well as antimony and sulfuric acid.

Electric fuse manufacturers require more coke and thin copper plate. Production of electric light bulbs is restricted by shortages of argon gas, base cement, glass and coal gas to operate the assembling machines. To improve the production of transmission line hardware, more coal and coke are needed to operate the forges. Greater amounts of porcelain are required for insulators. For measuring instruments bakelite powder and sheet steel are in short supply.





NOTE: NO CAST ALUMINUM UTENSILS WERE REPORTED EXPORTED

SOURCE: JAPAN ALUMINUM UTENSIL CONTROLLING ASSOCIATION

ALUMINUM UTENSILS

JAPAN, 1936–1945

MARCH 46 GHQ · SCAP NUMBER 14

EIGHTH U. S. ARMY PRINTING PLANT (800RJUDO)

Commodity demand is high and gradual improvement can be anticipated as the general economic conditions become more stabilized.

ELECTRICAL MANUFACTURING INDUSTRY
February 1946

Product	Quantity Produced	Distribution of Products: Occupation Forces	General Market	Stock
Motors				
Under 1 HP (AC and DC)	850	0	800	50
1 HP and over				
Standard induction motors under 100 HP	3,691	81	2,134	1,476
Other induction motors	1,000	0	900	100
Other DC motors	25	0	20	5
Gear motors	50	0	25	25
Special motors	15	0	12	3
Motor-driven tools	1,250	0	1,200	50
Generators, converters, and M-G sets, except Turbo-generators	250	0	230	20
Transformers				
Power	1,100	0	1,000	100
Standard distribution				
1 Kva-15 Kva	1,797	6	1,661	130
20 Kva-200 Kva	238	87	151	0
Rectifiers				
Steel tank	3	0	0	3
Mercury	5	0	5	0
Power condensers	20	0	18	2
Furnaces and related equipment	65	0	55	10
Welding apparatus				
Resistance welding	300	0	250	50
Control apparatus (except railway)				
Hand-control apparatus				
Starters	900	0	850	50
Controllers (reversing)	120	0	110	10
Control switches	86	0	80	6
Other hand-control apparatus	3,000	0	2,500	500
Remote-control apparatus	1,125	0	1,070	55
Resistors	86	0	80	6
Switch board apparatus				
For 1200 volts and under	269	0	255	14
Over 1200 volts	157	0	152	5

Product	Quantity Produced	Distribution of Products: Occupation Forces	General Market	Stock
Meters, instruments, and related equipment				
Indicating voltmeters, ammeters for switchboards	5,800	0	5,200	600
Portable indicating voltmeters and ammeters	1,200	0	1,150	50
Circuit testers	2,500	0	2,500	0
Insulation resistance meters	120	0	115	5
Oscillographs	5	0	5	0
Pyrometers	30	0	30	0
Compasses	2	0	2	0
Watt-hour meters	4,000	0	3,500	500
Other meters and instruments	95	0	85	10
Household apparatus and appliances				
Flat-irons	850	0	800	50
Toasters	373	90	170	113
Hotplates and heaters	75,000	0	70,000	5,000
Electrical supplies				
Fuses				
Wire fuses	5,000Kg	0	4,000Kg	1,000Kg
Tape fuses	5,000Kg	0	4,000Kg	1,000Kg
Other fuses	6,000	300	5,700	0
Cutouts	10,000	100	5,000	4,900
Key sockets	60,000	1,365	50,000	8,635
Receptacles	30,000	950	15,000	14,050
Plug-caps	100,000	1,072	90,000	8,928
Plug-bodies	50,000	640	40,000	9,360
Tumbler switches	5,000	250	4,000	750
Knife switches	2,500	0	500	2,000
Shade holders	10,000	600	5,000	4,400
Surface receptacles	10,000	950	5,000	4,050
Varnished cloth a/	145,000	1,000	100,000	44,000
Varnished tube a/	250,000	20,000	130,000	100,000
Black tape b/	230,000	5,000	150,000	75,000
Rubber tape b/	8,000	100	7,900	0
Illuminating equipment				
Fixtures and apparatus c/	280,000	15,850	158,490	105,660
Electric light bulbs				
General use d/	1,414,139	59,519	1,354,620	0
Special use e/	11,837	0	11,837	0
Flashlight	414,258	0	418,258	0

a/ Meters.
b/ Coils.

c/ Includes: chain or pipe pendants, brackets, desk and table stand lamps, floor lamps, ceiling light fixtures, street fixtures, brackets, floodlights and reflectors.
d/ Includes bulbs of 15 to 300 candle power.
e/ Includes bulbs over 300 candle power and special applications for automobiles, railroads, etc.

SOURCE: Various electrical manufacturers' associations.

MOTOR TRANSPORTATION EQUIPMENT

20. The production of truck chassis increased approximately 35 percent. The number of motor vehicles manufactured was but a small percentage of Japan's total vehicle production capacity.

Production for the first two months outstripped the allocation of raw materials and to meet the estimated production for the first quarter, additional allocations of raw materials for March were necessary.

ALLOCATION AND PRODUCTION OF TRUCKS

	Toyota	Nissan	Diesel	Total
Allocation for first quarter	120	550	102	772
Production				
January	210	175	30	415
February	251	237	73	561
March a/	400	300	100	800
Total	861	712	203	1,776

a/ Estimate.

SOURCE: Automobile Control Association.

21. The allocation of only 4,000 metric tons of steel for the period April through June 1946 (4.4 percent of the total estimated steel production for this period) will stop the production of new truck chassis and other vehicles in May if manufacturers are to make sufficient spare parts to keep vehicles now in use in condition and to repair the many thousands of vehicles now deadlined for lack of spare parts.

The Ministry of Commerce and Industry estimates that 6,000 standard chassis, 1,800 bantam chassis, 360 electric automobiles, 300 tractors and 300 special automobiles could be manufactured during the period April-June 1946 if approximately 75,000 metric tons of steel was allocated to the automobile industry.

22. Lack of transportation has been a bottleneck in moving finished chassis from manufacturer to dealer and consumer. A special meeting, called during February by the Ministry of Commerce and Industry, solved this problem with schedules set to move all backlog of vehicles during the month of March.

DISPOSITION OF DOMESTIC TRUCKS

	Toyota	Nissan	Diesel	Total
Stock on 31 Jan	217	158	119	494
Produced in February	251	237	73	561
Total available during February	468	395	192	1,055
Shipped during February	165	191	101	457
Stock at end of February	303	204	91	598

SOURCE: Automobile Control Association.

23. Three of the five plants producing three-wheel motor cars were in production during the month. Production increased by about 20 percent and should continue to rise during March and April.

PRODUCTION AND DISPOSITION OF DOMESTIC THREE-WHEEL MOTOR CARS

	Daihatsu	Matsuda	Total
Production in January	40	30	70
Carried forward from January	53	21	74
Production in February	50	34	84
Available in February	103	55	158
Shipped in February	30	37	67
Stock at end of February	73	18	91

SOURCE: Automobile Control Association.

24. Two of the four plants manufacturing electric automobiles were in operation during March. All vehicles are shipped to dealers upon completion.

PRODUCTION OF DOMESTIC ELECTRIC AUTOMOBILES

	Nihondenki	Nakajima	Total
Produced in January	13	2	15
Produced in February	16	6	22

SOURCE: Automobile Control Association.

25. Four of the ten plants manufacturing tractors were in operation during March.

PRODUCTION AND DISPOSITION OF TRACTORS

	Komatsu	Kato	Kongo	Ikegai	Total
Produced in January	12	23	5	5	45
Carried over from January	4	11	0	10	25
Produced in February	15	7	9	10	41
Available in February	19	18	9	20	66
Shipped in February	19	18	9	20	66
Stock at end of February	0	0	0	0	0

SOURCE: Automobile Control Association.

RUBBER MANUFACTURES

26. Production of rubber goods during February increased 24 percent and reached 37 percent of capacity as compared with 30 for January.

Shortages, in percent of factories reporting, were: sub-materials as chemicals, volatile oil, solvent and grease 28; fuel 26; factory equipment 15; materials including crude rubber, scrap rubber, carbon and textiles 14; reconstruction material for war damage 12; and labor 6.

RUBBER GOODS PRODUCTION
(kilograms of crude rubber)

Product	Total 4th Quarter a/	January	February	February Percent of Average b/
Auto tires and tubes	462,501	126,303	230,570	149.5
Bicycle tires and tubes	411,174	126,628	120,223	87.7
Rubber soled shoes	401,804	136,202	178,503	133.3
Rubber soled canvas shoes	399,802	89,952	44,668	33.5
Rubber shoes and boots	86,376	21,965	130,349	452.7
Rubber soles and heels	236,499	65,690	33,837	42.9
Belting	169,467	57,476	64,701	114.5
Hose	123,057	37,557	34,871	85.0
Rubber cloth	259,151	92,244	103,023	119.3
Repair sheet	86,755	19,564	6,129	21.2
Medical goods	77,197	32,992	38,554	149.8
Latex goods	12,090	4,062	5,270	130.7
Rice thrasher rolls	181,690	51,424	53,424	88.2
Mechanical goods, etc.	490,262	171,198	221,777	135.7
Total	3,397,819	1,033,257	1,265,899	111.7
Reclaimed rubber	158,250	30,850	56,950	

a/ 21 October 1945—20 January 1946. The amount allocated was 7,159,369 kilograms of crude rubber.
b/ February production divided by average monthly production for the fourth quarter, in percent.

SOURCE: Rubber Control Union.

RUBBER GOODS
STATUS OF FACTORIES

Extent of Operations	January	February
Full	123	133
Part	121	124
Idle	153	142
Total	399	399

SOURCE: Rubber Control Union.

Crude rubber, latex, reclaimed rubber, textile, benzole and gasoline stocks remain at about the 20 January level while coal stocks decreased from 10,645 metric tons to 6,228 tons on 20 February.

27. Japan will require 8,000,000 tires and tubes for the additional 4,000,000 bicycles estimated to eventually replace those lost during the war. There are at present 6,000,000 bicycles. If a set of tires is needed about once a year the total eventual yearly tire output must be at least 20,000,000. Present annual production is only 2,200,000 or 11 percent of this figure. The primary factor limiting production of bicycle tires at present is the quantity of textiles allocated for the production of bicycle tire cords.

PRODUCTION PROGRAM OF RUBBER GOODS
March - December 1946

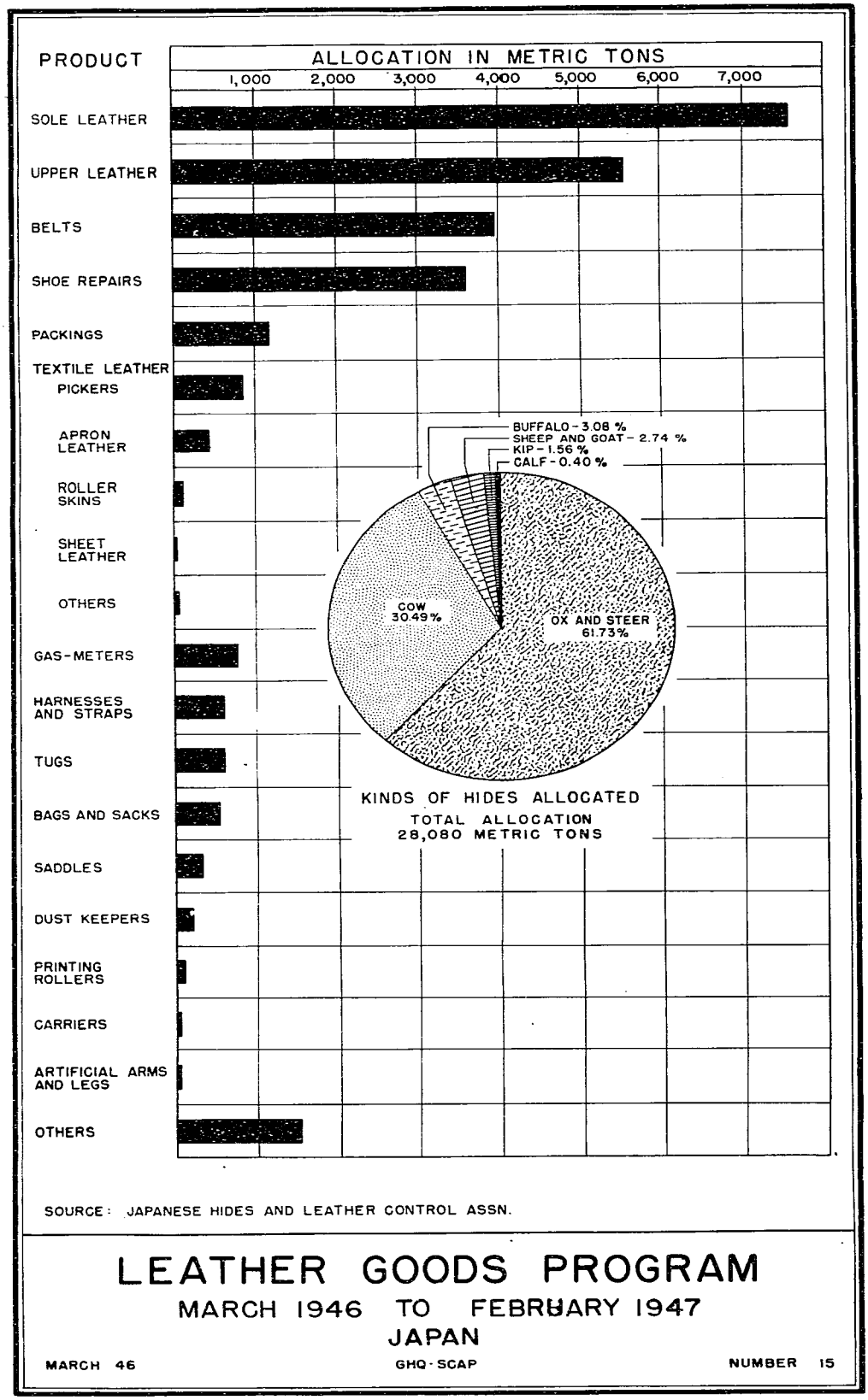
Article	Unit	Quantity
Auto tires and tubes	pieces	189,000
Bicycle tires and tubes	pieces	6,666,000
Rubber soled socks	pairs	28,980,000
Rubber shoes and boots	pairs	4,375,000
Rubber soles and heels	pairs	12,271,500
Conveyer belt	feet	992,000
Transmission belt	feet	10,416,500
Hose	feet	13,000,000
Rice thresher roll	pieces	396,000
Rubber cloth	pieces	1,587,600
Medical goods	dozens	275,000
Wire covering	kilometers	309,600

SOURCE: Rubber Control Union.

LEATHER

28. The general decline in leather goods production due to lack of raw materials, salt and coal was further aggravated by labor difficulties. Striking workers at the Nippon Machine Shoe Making Company were reported asking for a 500 percent increase in wages and a voice in management, according to the Hide and Leather Association of Japan.

The allocation of hides and leather for 1946 is shown in chart, page 130.



SOURCE: JAPANESE HIDES AND LEATHER CONTROL ASSN.

LEATHER GOODS PROGRAM

MARCH 1946 TO FEBRUARY 1947

JAPAN

MARCH 46 GHQ-SCAP NUMBER 15

LEATHER HIDES RECEIVED BY TANNERIES
(thousands of pounds)

Type	December a/	January a/	February
Cattle	381	261	43
Buffalo	---	---	103
Horse	135	26	4
Pig	50	1	0
Sheep and goat	50	---	0
Total	616	288	150

a/ Actually represents hides on hand which were not previously reported.

SOURCE: Hide and Leather Association of Japan.

TANNED LEATHER PRODUCTION
(thousands of pounds)

Type	December	January	February
Cattle			
Sole	250	253	318
Harness	30	39	46
Case	49	6	31
Upper	36	84	168
Belting	28	12	90
Horse			
Case	33	29	19
Upper	19	5	22
Pig			
Sole	---	---	13
Case	156	118	7
Upper	3	2	6
Kid	---	116	24
Buffalo			
Sole	---	---	45
Harness	---	---	10
Belting	---	---	25
Total	604	664	824

SOURCE: Hide and Leather Association of Japan.

LEATHER GOODS PRODUCTION
(thousands of pounds)

Item	December	January	February
Belting	101	114	95
Packing	4	7	54
Textile	13	13	7
Artificial limbs	---	1	1
Harness			
Riding	---	2	2
Drawing	---	10	14
Packing	---	2	3
Footwear (hand-made)			
Men's	20	30	1
Women's	2	3	---
Children's	---	100	120
Footwear (machine-made)			
Men's	---	130	116
Gloves	---	2	1
Bags			
Handbags	---	1	1
Purses	---	72	78
Dustkeeper	---	2	4
Total	140	489	497

SOURCE: Hide and Leather Association of Japan.

~~29. Estimated production for 1946 is shown on chart, page~~

SECTION 6

TEXTILE INDUSTRIES

C O N T E N T S

GENERAL

1. Production increased moderately in almost every textile field largely because of some improvement in the fuel, transportation and labor situations.

SPINNING PRODUCTION
(thousands of pounds)

Type of Yarn	December	January	February
Cotton and mixtures			
Pure cotton	1,595	1,885	2,393
Mixed (1/3 staple fiber)	238	134	54
Mixed (1/2 staple fiber)	---	3	1
Staple fiber	461	437	609
Other mixtures	660	610	924
Total	2,954	3,069	4,181
Silk and rayon			
Rayon pulp	84	0	0
Rayon	277	206	254
Staple fiber	1,063	967	1,401
Spun silk	57	68	103
Mixed (waste silk and staple fiber)	8	2	12
Noil	34	43	32
Total	1,523	1,286	1,802

Type of Yarn	December	January	February
Woolen and worsted			
Woolen	1,168	1,037	659
Worsted	252	255	87
Total	1,420	1,292	746 a/
Hard fibers			
Flax and china grass	461	311 b/	467
Ramie	---	17 b/	193
Jute	94	173	184
Rope	2,640	1,856	1,581
Cord	278	229	177
Fish net twine	15	100	140
Total	3,488	2,686	2,742

a/ Data incomplete.
b/ Revised by Japanese.

SOURCE: Japan Textile Association.

WEAVING PRODUCTION
(thousands of square yards)

Type of Yarn	December	January	February
Throstle spun a/	184	259	325
Woolen	348	199	327
Worsted	36	31	19
Flax and hemp	291	748 b/	836
Cotton	3,305	5,621 b/	6,444
Rayon	2,816	939 b/	2,193
Silk (spun and raw)	4,397	2,167	3,718
Staple fiber	6,054	1,267	1,960
Regenerated c/	284	142 b/	237
Total	17,715	11,373	16,059

a/ Made largely from waste flax, ramie and cotton.
b/ Revised by Japanese.
c/ Made from waste cotton, flax, ramie and wool fibers and used as a substitute for cotton yarn.

SOURCE: Japan Textile Association.

FABRIC STOCKS a/
(millions of square yards)

Type	Amount
Cotton	341
Rayon	33
Rayon staple	85
Silk	82
Short length silk	3
Wool	18
Hard fiber	17
Total	579

a/ Based on recent estimates of stocks under control of distributing companies, mills, clothing control companies, Koeki Eidan and the Ministry of Home Affairs.

MANUFACTURED GOODS PRODUCTION

Product	December	January	February
Knitted wear			
Underwear (dozen)	57,625	44,753	53,501
Stockings (dozen pair)	204,656	180,807	172,613
Gloves (dozen pair)	101,458	89,670	96,764
Sewing thread (pounds)			
Silk	27,729	32,667	25,040
Cotton	134,556	87,615 a/	254,476
Rayon	11,000	5,629	10,735
Ready-made clothing (pieces)			
Work	7,988,579	646,224	624,358
Street and house	245,449	35,422	187,934
Kimono	92,737	10,241	30,098
Underwear, shirts, etc.	2,945,998	769,164	1,432,926
Elementary school uniforms	---	86,786	119,141
Footwear (pair)			
Tabi	1,690,506	2,734,109	2,689,091
Fish netting (pounds)			
Cotton	89,312	33,643	45,488
Manila	---	1,835	11,970
Silk	370	0	0
Sundry goods (pounds)			
Lace, tape, etc.	2,015,752	754,183	750,683

a/ Revised by Japanese

SOURCE: Japan Textile Association.

FIBER STOCKS IN MILLS
(thousands of pounds)

Fiber	31 December	31 January	28 February
Pure cotton	10,861	9,491	7,959
Staple fiber	4,078	23,772 a/	19,817
Rayon	22,785	20,288	17,350
Spun silk	712	3,361	1,658
Woolen	---	14,822	14,335
Worsted	---	5,587	5,059
Camel and goat hair	---	2,197	2,233
Silk fiber	---	7,622	3,265
Short cut cocoon	---	3,548	3,684
Miscellaneous woolens	---	4,206	5,277
Jute	1,578	2,747	3,162
China grass	6,878	1,067 a/	2,427
Flax	5,388	4,189	7,543
Rope	800	5,907 a/	7,376
Other hard fibers	4,703	13,477 a/	5,389
Miscellaneous fibers	---	1,146	512
Total	57,783	123,427	107,046

a/ Revised by Japanese.

SOURCE: Japan Textile Association.

YARN STOCKS
31 January and 28 February
(thousands of pounds)

Type of Yarn	In Mill		On Market	
	January a/	February	January	February
Cotton and mixtures				
Pure cotton	11,666	14,461	3,043	3,250
Mixed (1/3 staple fiber)	873	943	697	699
Mixed (1/2 staple fiber)	135	239	2	1
Staple fiber	3,961	3,883	1	384
Throstle	2,265	2,508	---	---
Regenerated b/	201	456	---	---
Other mixtures	4,059	4,643	87	195
Total	23,162	27,133	3,830	4,529
Silk and rayon				
Silk	7,117	6,990	---	---
Rayon	15,294	13,817	---	---
Staple fiber (not spun)	9,050	9,580	---	---
Spun silk	1,036	660	---	---
Short cut cocoon	333	678	---	---
Mixed (waste silk and staple fiber)	176	81	---	---
Noil	225	323	---	---
Total	33,231	32,048		

Type of Yarn	In Mill		On Market	
	January a/	February	January	February
Woolen and worsted				
Woolen	1,169	674	---	---
Worsted	776	137	---	---
Total	1,945	811		
Hard fibers				
Flax	1,287	827	---	---
China grass and ramie	118	236	---	---
Jute	550	394	---	---
Rope	2,713	2,920	---	---
Others	831	420	---	---
Total	5,499	2,742		

a/ Revised by Japanese.
b/ Made from waste cotton, flax, ramie and wool fibers and used as a substitute for cotton yarn.

SOURCE: Japan Textile Association.

COTTON

2. Japanese textile authorities continued to make plans for the receipt of 50,000 short tons of raw cotton which is now being moved from the cotton warehouses in the United States to ports for shipment abroad.

Arrangements are being made whereby the Japanese will utilize cotton yarn and cotton stocks on hand to the greatest extent possible in order to put the maximum operable spindles to work before the new shipment arrives from the United States. All Japan's spinning companies and about 41 weaving factories will participate in manufacturing the cotton products.

In the 10 big cotton spinning companies 40 spinning mills were operating during February. Thirty-three weaving branches with 364,841 spindles and 5,123 looms were in operation. Additional machinery made operable during the month included 33,804 spindles, 1 picker, 21 cards, 9 drawing frames, 13 roving frames and 15 other machines.

Incomplete returns from independent cotton weavers showed an additional 1,294 spinning mills in operation. There were 28,317 looms in use while 97,163 were reported idle.

SILK

3. The Ministry of Agriculture and Forestry has introduced several measures designed to increase raw silk production. These include improving efficiency in the reeling plants and increasing the price of cocoons.

MONTHLY REPORT ON RAW SILK SITUATION

Item	Jan 46 a/	Feb 46 a/	Mar 46 b/	Apr 46 c/
Reeling basins in operation	15,827	19,600	22,000	23,000
Reeling plants in operation	102	161	165	170
Raw silk produced (bales)	2,957	4,386	5,500	8,500
Short fiber machines in operation	162	144	144	144
Short fiber plants in operation	15	15	15	15
Short fiber produced (thousands of pounds)	294	304	298	298
Cocoons on hand, end of month (thousands of pounds)	98,516	94,372	89,175	81,144
Raw silk inspected and rechecked for export (bales)	8,919	13,500	14,000	14,000

a/ Revised by Japanese.
b/ Estimates, revised by Japanese.
c/ Estimate.

SOURCE: Ministry of Commerce and Industry.

RAYON

4. Of 19 mills in operation, six were manufacturing pulp, four yarn and nine rayon staple.

Production of rayon pulp is almost at a standstill and existing stocks are limited.

RAYON YARN PRODUCTION
(thousands of pounds)

Yarn	January	February
Viscose	181	229
Bemberg	25	26
Rayon staple	967	1,401
Total	1,173	1,656

RAYON PULP CONSUMPTION AND STOCK

	January	February
Consumption	1,605	2,310
Stock (end of month)	20,288	17,978

RAYON FIBER STOCKS

Fiber	31 January	28 February
Viscose	7,892	7,001
Bemberg	1,562	1,338
Rayon staple	9,050	9,580
Total	18,504	17,919

SOURCE: Japan Textile Association.

WOOL

5. Wool industrialists are arranging to use former military stocks of raw wool in the manufacture of textiles for civilian consumption.

Sixty-nine spinning mills and 55 weaving mills were in operation in February. Operating machines included 14,475 spindles, 58 cards and 202 looms.

KNITTING AND HOSIERY

6. During the month 753 mills with a total of 9,562 machines were in operation.

KNITTING AND HOSIERY MACHINES IN OPERATION

Type of Knit	31 January	28 February
Warp	65	61
Circular	1,046	1,448
Flat	709	1,272
Flat for gloves	819	3,304
Hosiery	4,558	3,477
Total	7,197	9,562

SOURCE: Japan Textile Association.

DISPOSITION AND STOCK OF KNITTED GOODS
February 1946

	Delivered to Japan Knitted Goods Company	In Mills Ready for Delivery 28 February
Underwear (dozen)	4,704	135,250
Stockings (dozen pair)	35,267	447,258
Gloves (dozen pair)	81,037	610,190
Others (sweaters, etc)	3,784	---

SOURCE: Japan Textile Association.

CONSUMPTION AND STOCKS OF RAW MATERIALS
February 1946
(pounds)

Material	Consumed	On Hand 28 February
Cotton yarn including mixes	169,083	535,866
Spun rayon	197,712	301,729
Raw silk and spun silk yarn	139,936	428,351
Rayon	88,874	653,313
Woolen yarn	306,168	413,859
Other yarns	99,460	48,314
Total	1,001,233	2,381,432

SOURCE: Japan Textile Association.

SEWING GOODS MANUFACTURING

7. During February 70,187 sewing machines and 132,461 yarn twisting machines were in operation.

DISPOSITION AND STOCKS OF SEWING GOODS
February 1946

Product	Delivered to Distributing Association	In Mills Ready for Delivery 28 February
Sewing thread (pounds)		
Cotton	226,088	693,040
Silk	175	136,189
Rayon	441	49,590
Ready-made clothing (pieces)		
Work	865,811	9,640,561
Street and house	3,058	335,863
Kimono	7,582	120,521
Underwear, shirts, etc.	528,492	4,982,898
Elementary school uniforms	33,775	1,764,568
Footwear (pair)		
Tabi	4,347,130	401,220

SOURCE: Japan Textile Association.

CONSUMPTION AND STOCKS OF RAW MATERIALS
February 1946

Material	Consumed	In Mills 28 February
Yarn (pounds)		
Cotton	264,444	3,292,768
Raw silk	32,888	788,481
Rayon	12,834	154,400
Total	310,166	4,235,649

Material	Consumed	In Mills 28 February
Cloth (square yards)		
Cotton	3,330,737	24,393,042
Rayon	2,212,576	14,672,190
Rayon staple	1,440,189	4,188,001
Raw silk	1,737,532	1,252,767
Mixed silk fiber	2,325	1,274,404
Regenerated yarn a/	257,590	13,441,850
Woolen	75,666	3,166,272
Others	130,940	1,151,885
Total	9,187,555	63,540,411

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

SOURCE: Japan Textile Association.

HARD FIBERS

8. The production of hard fiber increased slightly.

HARD FIBER MILLS AND MACHINES
February 1946

Fiber	Mills	Spindles	Looms	Twine and Cord Machines (stands)
Operating				
Flax	7	28,108	4,574	---
Hemp	152	828	---	828
Ramie	7	28,148	---	---
Jute	3	13,030	472	---
Total	169	70,114	5,046	828
Idle				
Flax	---	23,990	8,865	---
Hemp	---	560	---	560
Ramie	3	65,544	---	---
Jute	---	4,586	158	---
Total	3	94,680	9,023	560
GRAND TOTAL	172	164,794	14,069	1,388

SOURCE: Japan Textile Association.

PRODUCTION OF HARD FIBER AND PRODUCTS

Item	January	February
Fiber (thousands of pounds)		
Flax	312	467
Ramie	17	193
Jute	173	184
Total	502	844

Item	January	February
Cloth (thousands of square yards)		
Flax	728	826
Hemp	20	11
Ramie	181	234
Jute	31	46
Total	960	1,117
Manufactured products (thousands of pounds)		
Rope	1,855	1,581
Fish net twine	100	140
Cord	229	177
Jute bags (pieces)	8,200	---

SOURCE: Japan Textile Association.

CONSUMPTION AND STOCKS OF RAW MATERIALS
(thousands of pounds)

Fiber	Consumed		On Hand at End of Month	
	January	February	January	February
Flax	713	653	4,189	7,543
Hemp	2,436	1,673	5,907	7,376
Rayon staple	---	15	0	209
China grass and ramie	108	167	1,067	2,427
Jute	222	285	2,747	3,162
Sisal	---	129	0	1,123
Others	---	3,690		
Moalan fiber	---	---	1,050	423
Bamboo	---	---	1,460	650
Kan-pon	---	---	3,413	1,187
Total	3,479	6,612	19,833	24,100

SOURCE: Japan Textile Association.

SUNDRY GOODS

9. There were 628 mills operating during February, an increase of 146 over the previous month, and 10,943 machines were in use. Also made operable were 1,654 narrow width and 94 lace machines.

PRODUCTION AND STOCKS OF SUNDRY GOODS
(pounds)

Item	January	February	On Hand 28 February
Braid	338,943	492,107	1,347,122
Fringe	39,156	36,387	97,628
Narrow width cloth	372,584	472,064	884,423
Lace	---	141,757	141,757
Total	750,683	1,142,315	2,470,930

SOURCE: Japan Textile Association.

CONSUMPTION AND STOCKS OF RAW MATERIALS
February 1946
(pounds)

Fiber	Consumed	On Hand 28 February
Cotton yarn	271,918	787,071
Raw silk yarn	173,144	577,996
Spun silk yarn	5,558	---
Rayon yarn	211,346	1,385,776
Spun rayon yarn	217,048	312,009
Others	274,423	371,798
Total	1,153,437	3,434,650

SOURCE: Japan Textile Association.

DYEING, FINISHING, BLEACHING AND PRINTING

10. During February 869 boilers, 157 tenters and 20 drying, 15 printing and 75 napping machines were in operation.

DYEING AND FINISHING
February 1946
(square yards)

Cloth	Dyed or Finished	Returned to Client	Remaining at Mill to be Returned 28 February
Cotton	7,149,000	6,335,012	9,487,776
Rayon staple	6,822,582	5,992,838	4,828,445
Raw silk	4,094,908	2,619,734	4,635,314
Rayon	6,166,228	4,540,266	5,384,987
Linen and china grass	1,035,200	1,022,946	1,863,132
Total	25,267,918	20,510,796	26,199,654

SOURCE: Japan Textile Association.

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SECTION 7

TRANSPORTATION AND PUBLIC UTILITIES

C O N T E N T S

1. Shortages of water and motor transport continue to cause demands on the Japanese railways which greatly overtax their capacity.

2. Movement of foodstuffs from warehouses to urban centers including rail transportation is supervised by the Nippon Tuun Company (Japan Express Company) through arrangements with the Ministry of Agriculture and Forestry. Animal and man-drawn vehicles are being used to overcome motor transport deficiencies in this operation. Most foodstuffs are being adequately transported under this arrangement.

MOTOR TRANSPORTATION

3. Motor vehicle operations continued to be impeded by shortages of fuel, replacement parts and new vehicles.

4. Trucks were used in inter-terminal transfers and movement of LCL (less than carload) shipments. Inter-city freight transport by motor vehicles is a minor factor in the over-all transportation picture.

5. Truck chassis production for January was 416 units, for February 561. Allocations were made on the basis of actual and estimated production:

TRUCK CHASSIS PRODUCTION ALLOCATIONS
(Last Quarter 1945-46 Fiscal Year)

Type of Use	Chassis
Passenger carriers	180
Freight carriers	280
Private truck owners	225
Contractors for Allied Forces (Tokyo--Yokohama area)	50
Mail	2
Government railways	90
Government offices	80
Coal transport	190
Railway forwarding agents	120
Automobile manufacturers	50
Food transportation	90
Total	1,357

SOURCE: Ministry of Transportation, Automobile Bureau.

6. Shortages of gasoline and gasoline substitutes rendered 60 percent of the available vehicles inoperative.

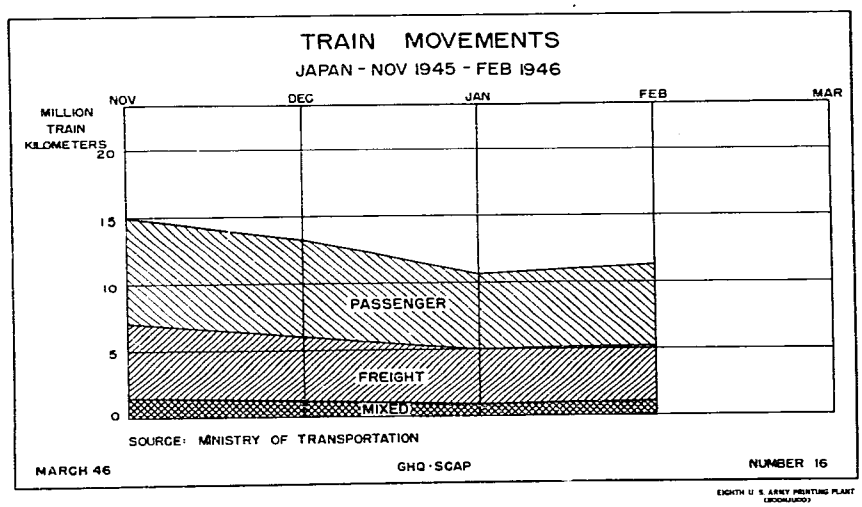
ESTIMATED FUEL REQUIREMENTS
AND EXPECTED ALLOTMENT

	Gasoline (kiloliter)	Charcoal (metric ton)	Wood (metric ton)	Semi-cokes (metric ton)
Requirement, 4th Quarter, Fiscal Year 1945-46	62,799	56,574	51,182	50,676
Expected allotment	9,910	50,000	45,000	3,000
Deficiency	52,889	6,574	6,182	47,676

SOURCE: Ministry of Transportation.

RAIL TRANSPORTATION

7. Rail transportation showed an increase in freight, passenger and mixed train kilometers during February despite cancellation of 106,211 kilometers of freight train operations. Several contributing factors were: (1) progress in repair and construction of rolling stock; (2) improvement of track and road bed; (3) easing of the coal shortage; and (4) improved labor conditions. The evidence of this first upward trend in four months is reflected in the following chart.



The actual figures indicating this increase follow:

TRAIN KILOMETERS OPERATED
November 1945 - February 1946

	Passenger train	Freight train	Mixed train
November	8,078,219	5,458,902	1,452,276
December	7,328,977	4,897,462	1,246,770
January	5,563,382	4,136.861	921,326
February	6,109,770	4,178,288	1,016,279

SOURCE: Ministry of Transportation.

8. After three months of progressive reduction an upward trend is also evident in:

PASSENGERS AND TOTAL TONNAGE HANDLED

	Passengers	Tonnage (metric tons)
November	223,143,784	6,329,031
December	217,335,954	6,222,308
January	175,193,810	5,737,831
February	176,468,866	6,090,008

SOURCE: Ministry of Transportation.

CLASSIFICATION OF TONNAGE HANDLED
(metric tons)

Commodity	November	December	January	February
Coal	809,264	1,153,562	1,446,429	1,407,053
Lumber	805,327	590,219	448,512	545,095
Fertilizer	50,973	50,953	64,378	74,291
Rice	144,701	181,562	216,884	173,869
Gravel	199,581	185,165	180,756	207,949
Ore	116,657	78,474	41,976	78,260
Cement	49,269	56,554	28,778	34,841
Iron and steel	97,375	92,218	68,897	125,160
Petroleum	74,316	77,216	87,496	83,943
Cotton goods	65,654	92,304	102,973	89,940
Flour	21,420	19,846	19,668	19,632
Sugar	1,097	2,986	2,346	2,018
Others	3,893,397	3,641,249	3,028,738	3,247,957
Total	6,329,031	6,222,308	5,737,831	6,090,008

SOURCE: Ministry of Transportation

9. Transportation requirements of the Occupation Forces are being adequately met and there is evidence of a progressive increase in military operations:

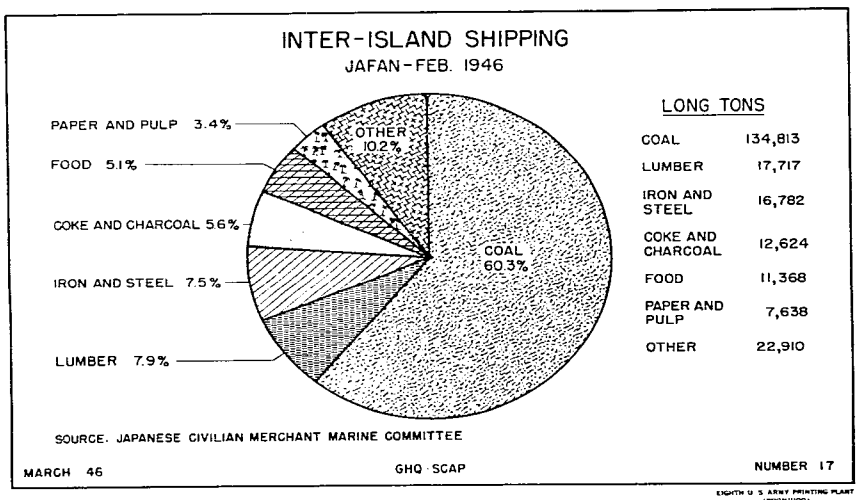
MILITARY TRAIN OPERATIONS
(kilometers)

November	195,922
December	255,608
January	342,736
February	393,119

SOURCE: Ministry of Transportation.

SHIPPING

10. The predominance of coal evident in Japanese shipping is illustrated by the following:



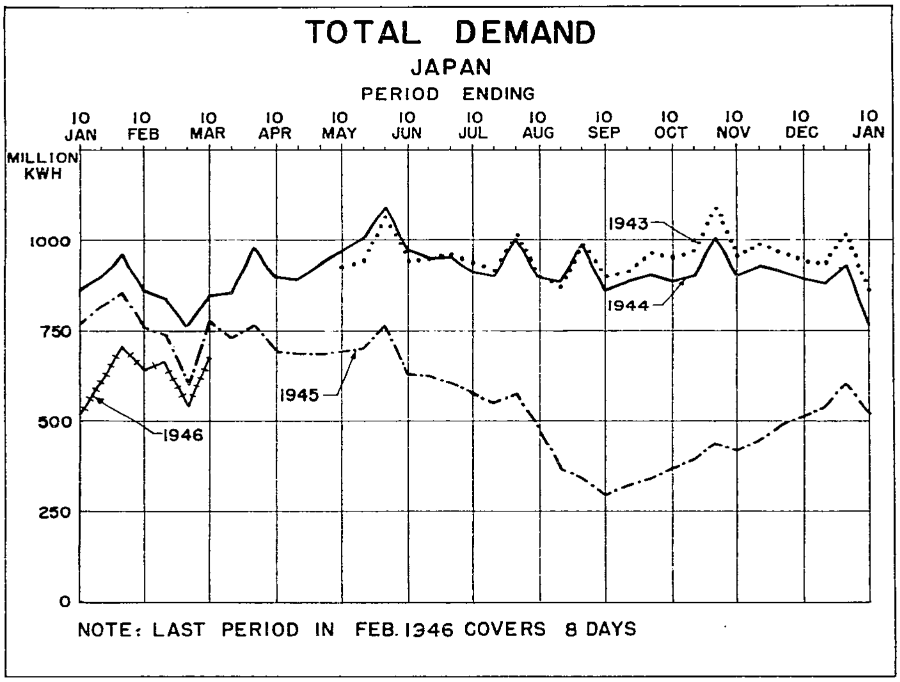
ELECTRIC POWER

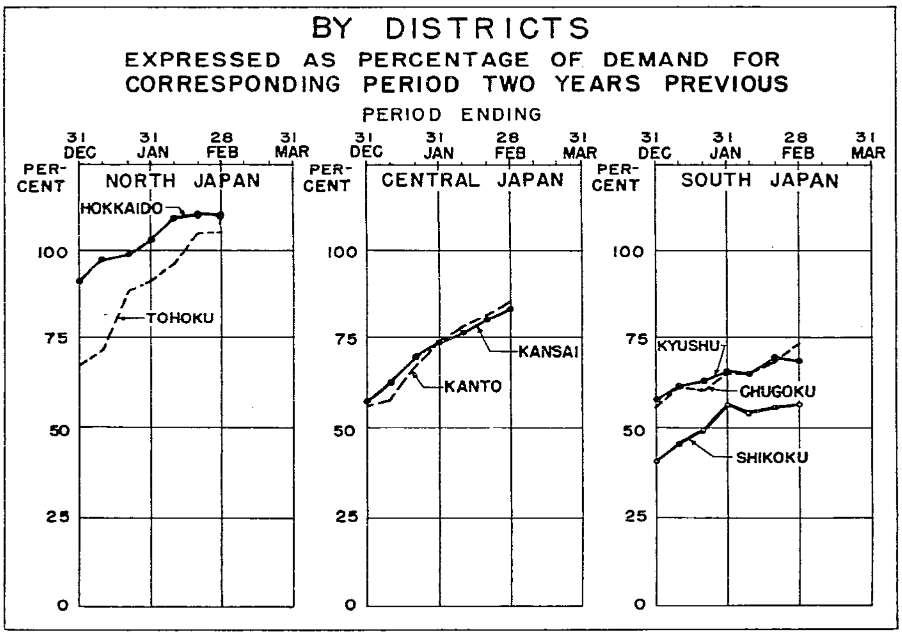
11. The power generated the first 10 days of March was 72 percent of the power generated during the same period in 1944. The trend of this load growth is shown in chart, page 149 by districts for 10-day periods, where a comparison of total power demand for December 1945 and January, February and March 1946 is made with the same months of 1943 and 1944.

12. Chart, page 149 compares the power demand of all Japan for three years ending 10 March 1946. The demand now approximates the 1945 demand. The drop during the last period of February is caused by the fact that eight days only are considered whereas other periods are 10 days.

13. Operation of thermal plants in Honshu was reduced as increased stream flow aided hydro-electric generation. By 20 March all thermal plants except those in Kyushu were idle.

The Kyushu plants averaged 366,000 kilowatt hours per day during the first 20 days with a peak load of 53,000 kilowatts on 1 March. These plants will continue to operate.





SOURCE: MINISTRY OF COMMERCE AND INDUSTRY-BUREAU OF ELECTRIC POWER

ELECTRIC POWER DEMAND

BY 10 DAY PERIODS 1 MAY 1943 - 10 MARCH 1946

JAPAN

MARCH 46 GHQ · SCAP NUMBER 18

14. The salt manufacturing section of Nippon Hassoden K.K. (Japan Electric Generation and Transmission Company, Ltd.) supervised the installation of equipment which produced 214 metric tons of salt by electrical means during February. The power consumed was 9,830,000 kilowatt hours at a cost of 1.2 sen per kilowatt hour. Final cost of the salt is ¥ 1,182 per ton of which about ¥ 550 is the power cost. The power required to make one ton of salt during February was 45,800 kilowatt hours.

The total prospective salt manufacture by Nippon Hassoden under the government subsidy is 102,462 tons per year with a power consumption of 2,560,000,000 kilowatt hours.

15. The Electric Power Frequency Unification Preliminary Survey Commission adopted a resolution for the unification of all power at 60 cycles. This recommendation has been submitted to the Ministry of Commerce and Industry. The cost of the changes is estimated at ¥ 1,300,000,000. It is proposed that preliminary work start in 1946 with the actual changeover requiring five years beginning in 1947.

16. The surplus of electric power existing since the occupation has been eliminated by increased heavy power consumption. The Japanese estimates of future load requirements do not consider the effect of removal of thermal power plants or power consuming industries for reparations and indicate that 147,000 kilowatts of thermal capacity should be added by the end of 1946:

ELECTRIC POWER DEMAND AND SUPPLY CAPACITY IN DRIEST PERIOD OF NEXT YEAR (FEBRUARY 1947)

	Tohoku	Kanto	Kansai	Chugoku	Shikoku	Kyushu	Hokkaido	Total
Power demand a/ per day	4,800	25,300	28,500	4,500	2,600	9,700	3,000	78,400
(1,000 KWH) b/	4,780	22,000	24,000	4,030	2,090	8,100	2,720	67,720
Maximum power demand (1,000 KW)	250	1,350	1,520	235	130	505	155	4,145
Power supplied by water power plant (1,000 KW)	225	1,240	965	165	85	220	135	3,035
Power transferred between districts (1,000 KW) c/	+25	-25	-60	-60	-	-20	-	-
	-	+60	+60	+20	-	-	-	-
Power to be supplied by steam power (1,000 KW)	-	75	555	150	45	265	20	1,110
Available capacity of steam power at present (1,000 KW)	-	34	449	148	85	263	36	1,015

	Toho-ku	Kanto	Kansai	Chu-goku	Shi-koku	Ky-ushu	Hok-kaido	Total
Amount of steam power required to be increased by the end of 1946 (1,000 KW)	41	106	-	-	-	-		147

a/ Expected demand in February 1947
b/ Actual demand last eight days of February 1946
c/ Plus and minus figures indicate power transmitted or received to or from other districts.

SOURCE: Ministry of Commerce and Industry, Electric Power Bureau, 19 March 1946.

17. The above estimate is exclusive of the power requirements for the U.S. dependency housing projects. The Electric Power Bureau considers these requirements beyond the capacities of existing facilities during the winter dry season when heating loads are highest:

DEPENDENCY HOUSING PROJECT
Power Required - Based on Electric Heating

	Hok-kaido	Tohoku	Kanto	Kan-sai	Chu-goku	Kyushu	Total
Number of houses	1,200	620	4,280	2,400	4,940	2,560	16,000
Maximum power required (1,000 KW)	24	12.4	85.6	48	99.8	51.2	321
Energy per day (1,000 KWH)	360	186	1,284	720	1,480	770	4,800
Power to be generated:							
Maximum capacity (1,000 KW)	32	16	115	64	132	68	427
Energy per day (1,000 KWH)	480	250	1,710	960	1,980	1,020	6,400

Note: Maximum power required in winter per house, 20 KW (installed capacity, 30 KW, including air heater capacity of 18 KW).

18. Map, page 153 shows the location and indicates the capacity classification of all thermal and hydro-electric plants of 2,000 kilowatt capacity and up.

Future Development

19. Of an available potential hydro-electric capacity of 2,780,420 kilowatts, 438,550 kilowatts are under investigation and surveys have been completed for 2,341,870 kilowatts.

20. Chart, page 155 shows the location and capacity of the hyro-electric power plants visualized as capable of development by the Japanese Government. In some cases two projects on the same river are included; these would not both be built as they interfere with

each other. This chart also indicates the plants for which plans are completed, those on which some construction has been completed and those under investigation.

21. Conditions in the distribution system are still poor by American standards with many complaints of low voltage and long interruptions of service. The cause is the extensive use of electric power for heating in residential districts and for salt manufacture and electric boilers. The power companies have tried to remedy the condition by:

(1) Installation of larger transformers and wire.

(2) Installation of correct size fuses on transformers.

(3) Making current measurements on transformers to determine loads with attendant redistribution of load.

(4) Placing fuse wire for customers' use on the market.

(5) Educational information in papers and by radio.

Customers in non-metered locations continue to add heaters and other equipment. Meter-rate users pay lighting rate on heaters rather than register them for the lower heating rate, since registration is refused by the company in overloaded districts.

22. Evidence of demands for food, tobacco or money from residents by electrical repair men for restoration of service have been investigated and reprimands given.

Administration

23. The electric power industry is under the jurisdiction of the Ministry of Commerce and Industry, which controls it on a national scale through the organization shown in the chart, page 156. Direct control is exercised by the Electric Power Bureau of the Ministry.

The generation and distribution of power from plant to ultimate consumer is shown by chart, page 156.

24. Provision for national control was established by Law No. 77 of 6 April 1938 governing the Japan Electric Generation and Transmission Company, Ltd., (Nippon Hassoden Kabushiki Kaisha), and Imperial Ordinance No. 832 of August 1941 which is known as the Electric Distribution Control Ordinance and established the basis for the nine region distribution companies (The nine Haidens).

25. The Nippon Hassoden and the nine Haidens are semi-government monopolies, the government possessing control over:

(1) Construction and alterations of facilities.

(2) Rates.

(3) Load dispatching.

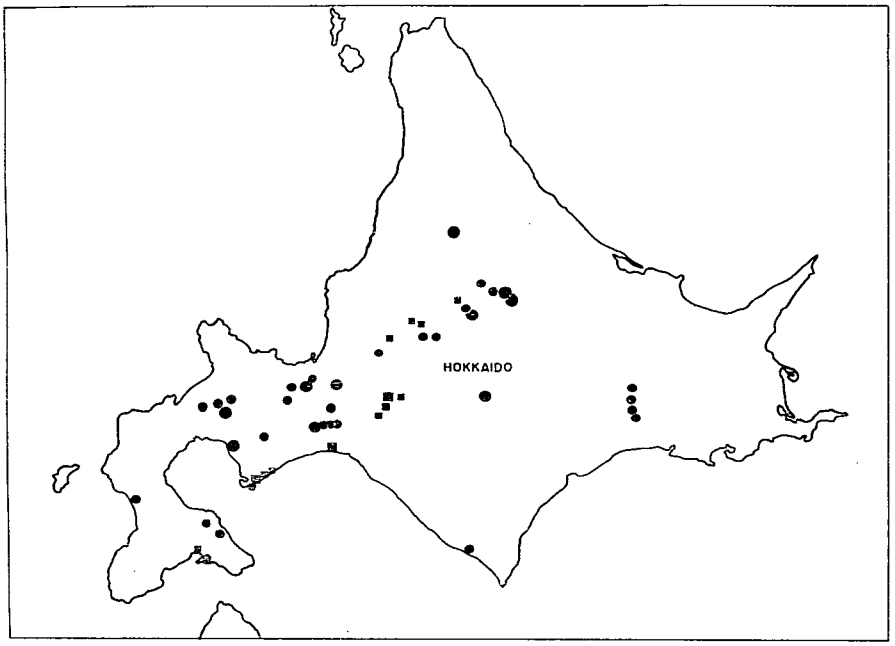
(4) Appointment of officials.

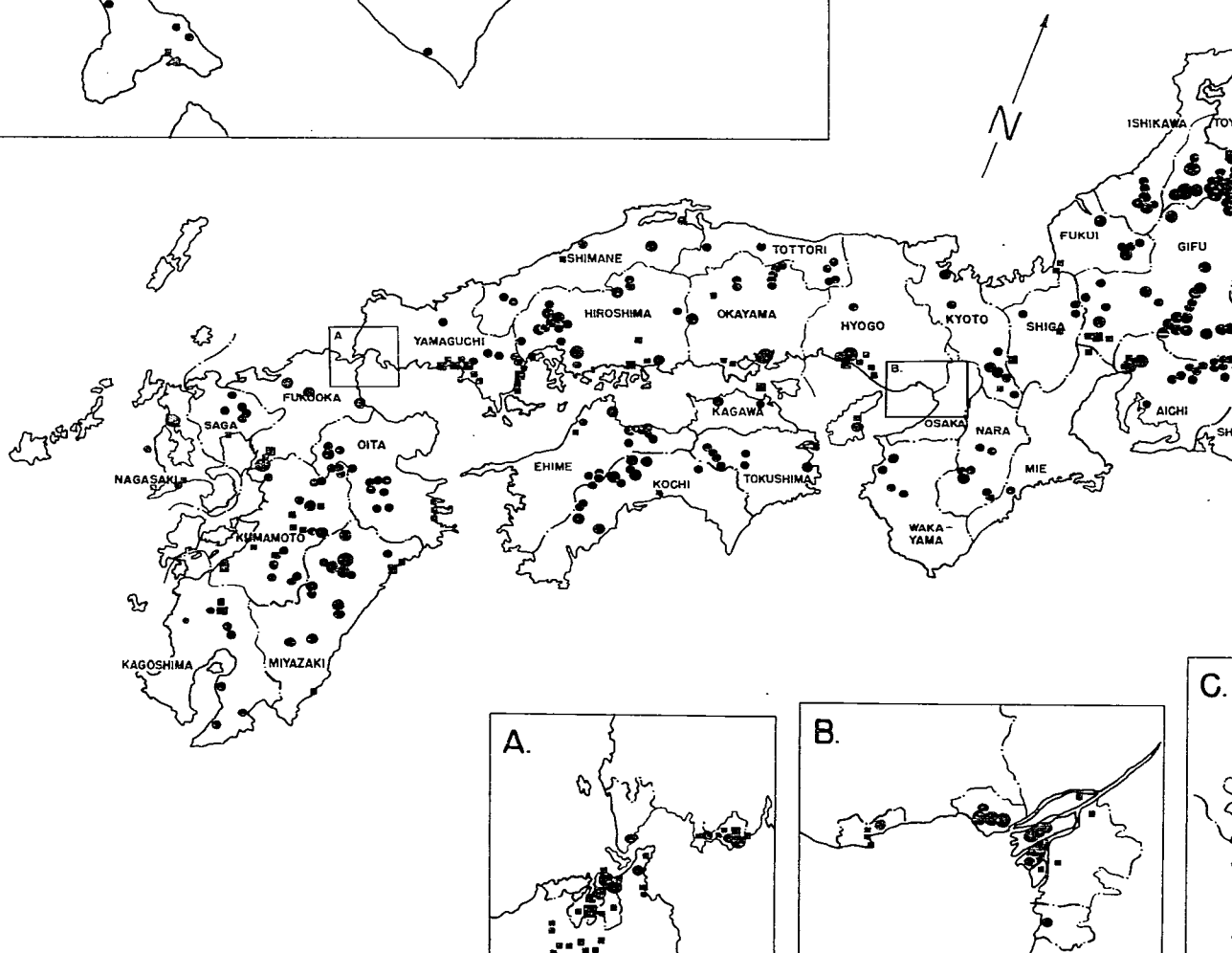
(5) Articles of association.

(6) Profit (dividends).

26. The Electric Power Investigating Committee (Denryoku Shingi Kai) is a subordinate unit of the Ministry of Commerce and Industry.

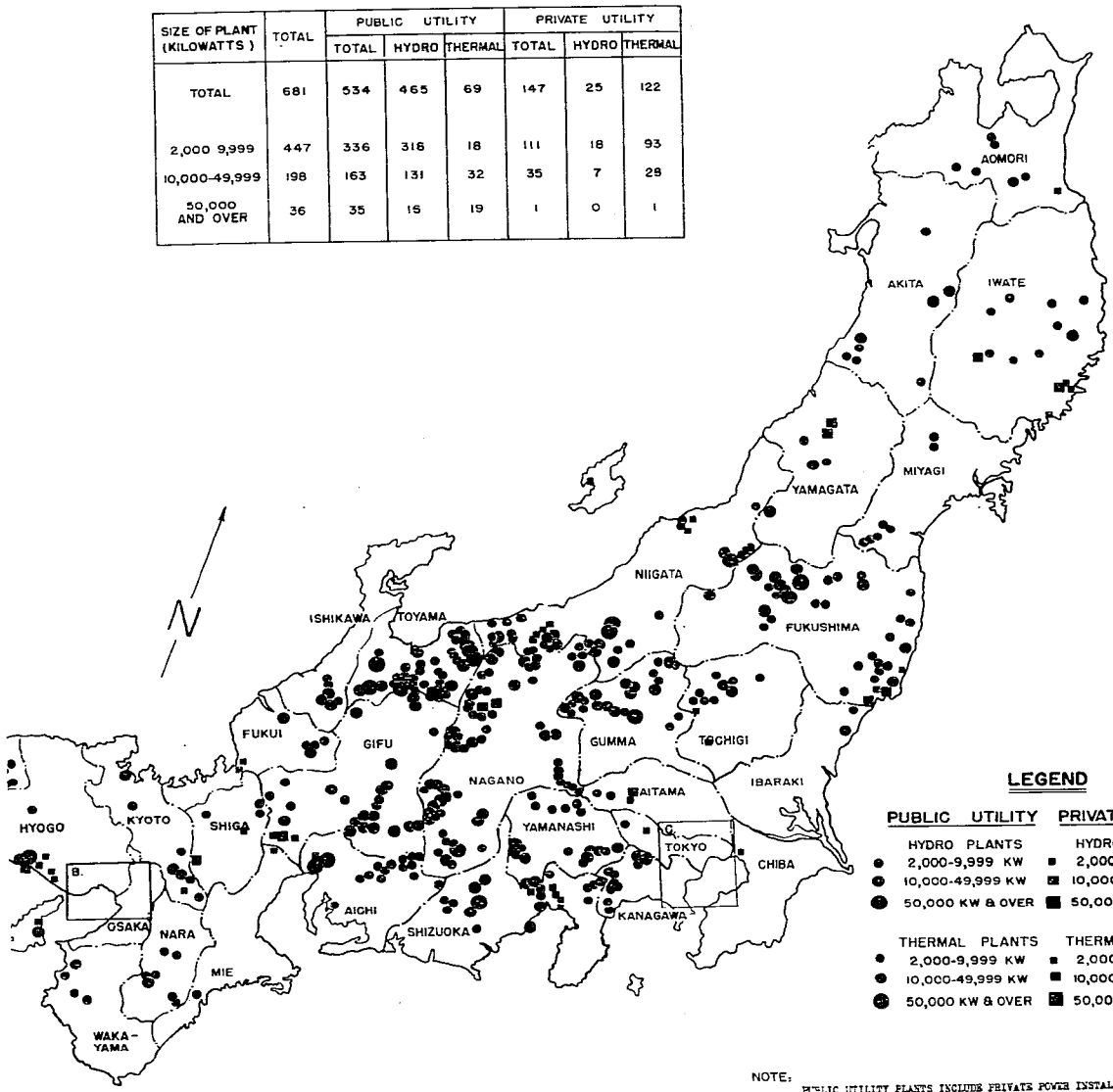
SIZE OF PLANT (KILOWATTS)	TOTAL	PUBLIC	
		TOTAL	H
TOTAL	681	534	4
2,000 9,999	447	336	3
10,000-49,999	198	163	1
50,000 AND OVER	36	35	





0145½

SIZE OF PLANT (KILOWATTS)	TOTAL	PUBLIC UTILITY			PRIVATE UTILITY		
		TOTAL	HYDRO	THERMAL	TOTAL	HYDRO	THERMAL
TOTAL	681	534	465	69	147	25	122
2,000 9,999	447	336	318	18	111	18	93
10,000-49,999	198	163	131	32	35	7	28
50,000 AND OVER	36	35	16	19	1	0	1

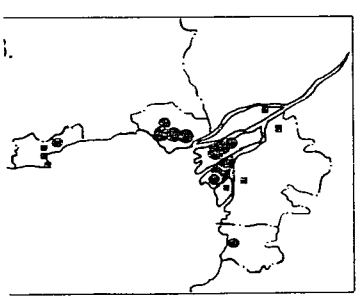


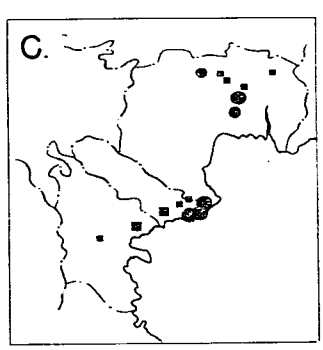
LEGEND

PUBLIC UTILITY		PRIVATE UTILITY	
HYDRO PLANTS		HYDRO PLANTS	
2,000-9,999 KW		2,000-9,999 KW	
10,000-49,999 KW		10,000-49,999 KW	
50,000 KW & OVER		50,000 KW & OVER	
THERMAL PLANTS		THERMAL PLANTS	
2,000-9,999 KW		2,000-9,999 KW	
10,000-49,999 KW		10,000-49,999 KW	
50,000 KW & OVER		50,000 KW & OVER	

NOTE: PUBLIC UTILITY PLANTS INCLUDE PRIVATE POWER INSTALLATIONS OF MANUFACTURING OR OTHER INDUSTRIES DELIVERING UNDER CONTRACT SURPLUS ENERGY FOR GENERAL SUPPLY. PRIVATE UTILITY PLANTS ARE LIMITED TO PRIVATE INDUSTRY POWER INSTALLATIONS PRODUCING ENERGY FOR OWN CONSUMPTION ONLY. PLANTS OF LESS THAN 2,000 KW CAPACITY ARE EXCLUDED.

SOURCE: MINISTRY OF COMMERCE AND INDUSTRY, BUREAU OF ELECTRIC POWER





ELECTRIC POWER PLANTS

LOCATION, TYPE AND CAPACITY

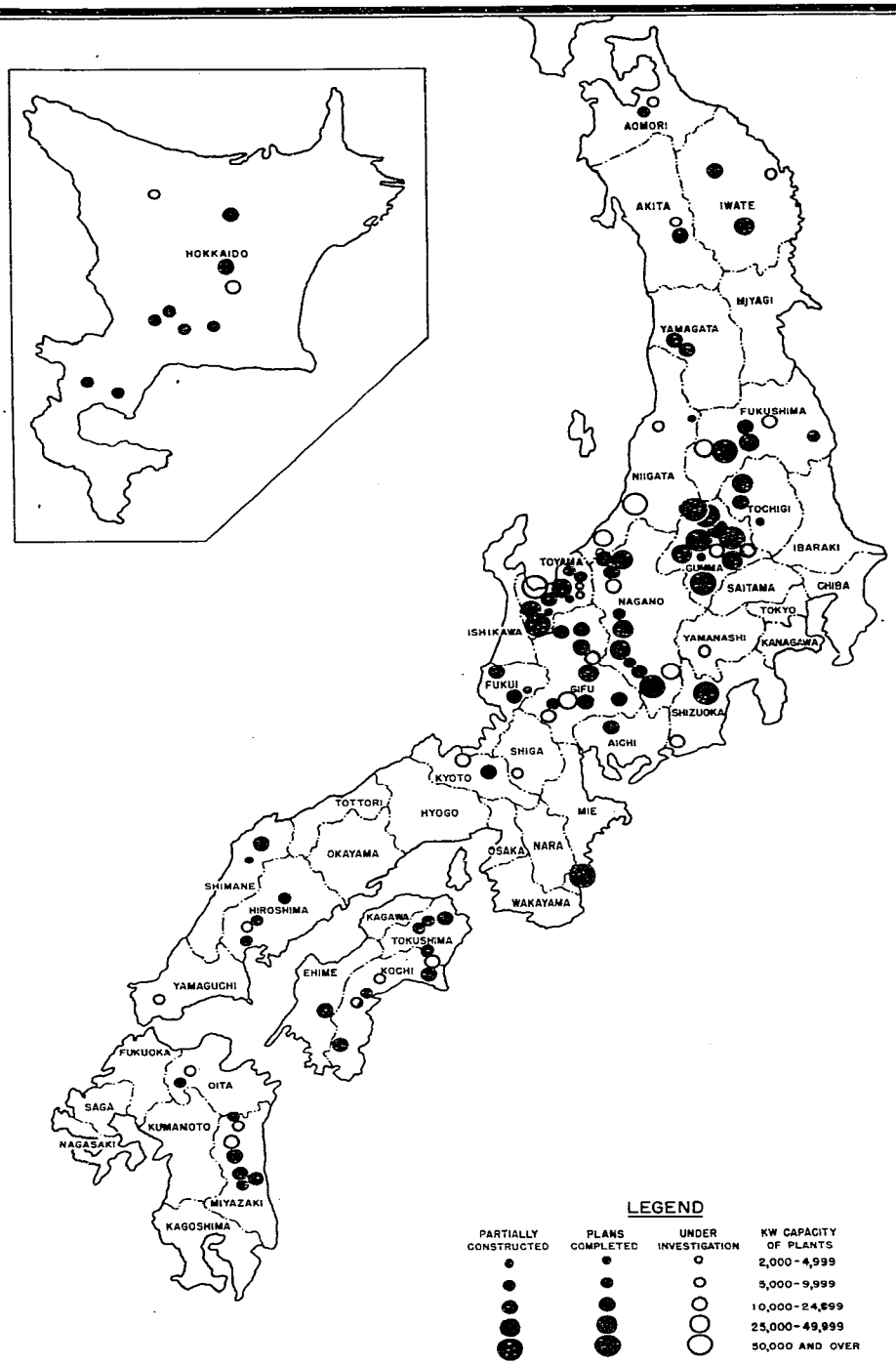
(EXCLUDING PLANTS OF LESS THAN 2000 KW)

JAPAN-OCTOBER 1945

MARCH 46 GHQ SCAP NUMBER 19

EIGHTH U. S. ARMY PRINTING PLANT (SOONJUDO)

0145 2/2



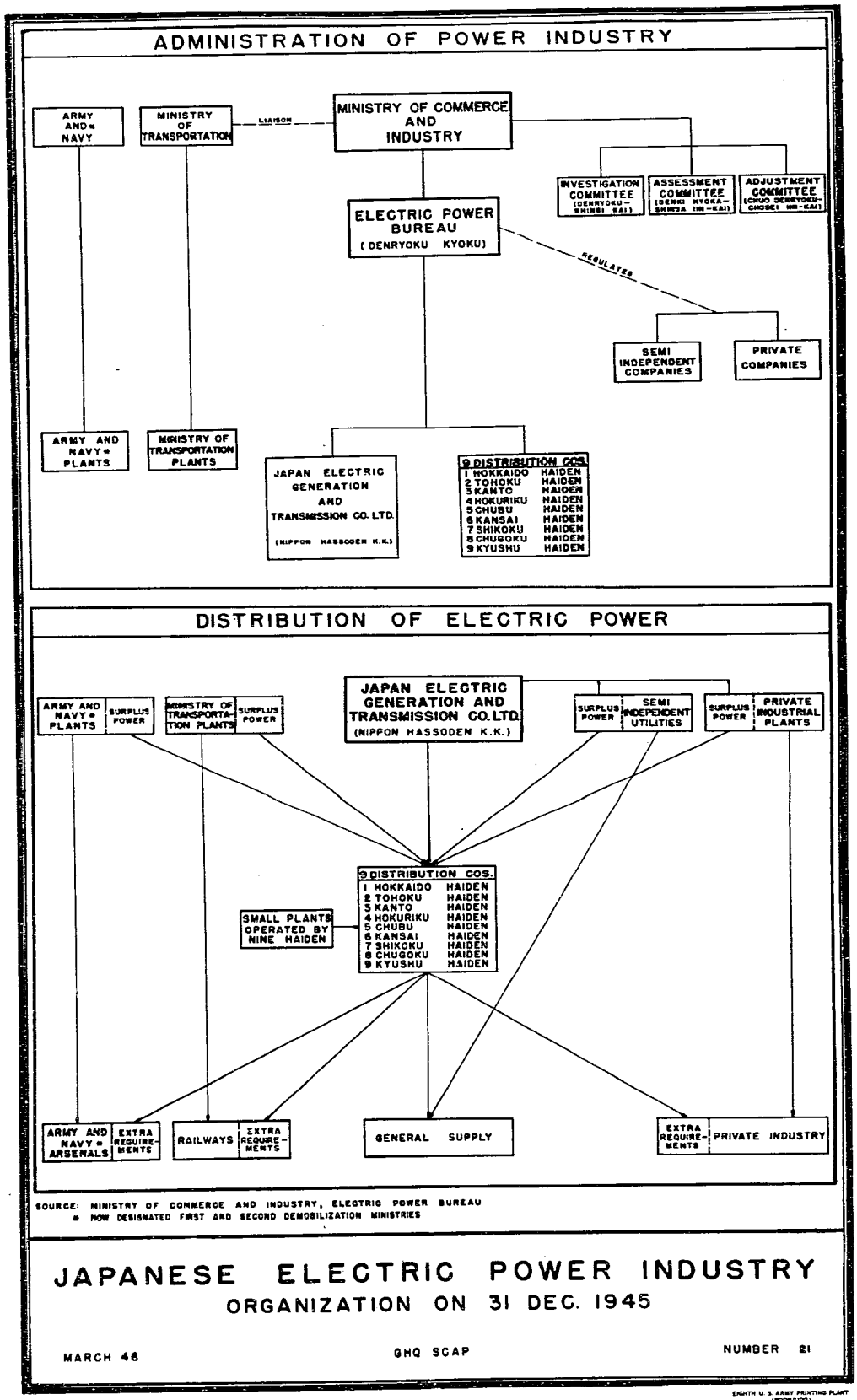
SOURCE: MINISTRY OF COMMERCE AND INDUSTRY, BUREAU OF ELECTRIC POWER

HYDRO-ELECTRIC POWER DEVELOPMENT PLAN

PROPOSED BY THE JAPANESE GOVERNMENT

1 NOVEMBER 1945

MARCH 46 GHQ-SCAP NUMBER 20


ADMINISTRATION OF POWER INDUSTRY
ARMY AND* NAVY
MINISTRY OF TRANSPORTATION
LIAISON
MINISTRY OF COMMERCE AND INDUSTRY
INVESTIGATION COMMITTEE (DENRYOKU-SHINSEI KAI)
ASSESSMENT COMMITTEE (DENKI KYOKA-SHINSA INE-KAI)
ADJUSTMENT COMMITTEE (DENRYOKU-CHOSEI IIN-KAI)
ELECTRIC POWER BUREAU (DENRYOKU KYOKU)
REGULATES
SEMI INDEPENDENT COMPANIES
PRIVATE COMPANIES
ARMY AND NAVY* PLANTS
MINISTRY OF TRANSPORTATION PLANTS
JAPAN ELECTRIC GENERATION AND TRANSMISSION CO. LTD. (NIPPON HASSODEN K.K.)
9 DISTRIBUTION COS.
1 HOKKAIDO HAIDEN
2 TOHOKU HAIDEN
3 KANTO HAIDEN
4 HOKURIKU HAIDEN
5 CHUBU HAIDEN
6 KANSAI HAIDEN
7 SHIKOKU HAIDEN
8 CHUGOKU HAIDEN
9 KYUSHU HAIDEN
DISTRIBUTION OF ELECTRIC POWER
ARMY AND NAVY* PLANTS
SURPLUS POWER
MINISTRY OF TRANSPORTATION PLANTS
SURPLUS POWER
JAPAN ELECTRIC GENERATION AND TRANSMISSION CO. LTD. (NIPPON HASSODEN K.K.)
SURPLUS POWER
SEMI INDEPENDENT UTILITIES
SURPLUS POWER
PRIVATE INDUSTRIAL PLANTS
9 DISTRIBUTION COS.
1 HOKKAIDO HAIDEN
2 TOHOKU HAIDEN
3 KANTO HAIDEN
4 HOKURIKU HAIDEN
5 CHUBU HAIDEN
6 KANSAI HAIDEN
7 SHIKOKU HAIDEN
8 CHUGOKU HAIDEN
9 KYUSHU HAIDEN
SMALL PLANTS OPERATED BY NINE HAIDEN
ARMY AND NAVY* ARSENALS
EXTRA REQUIREMENTS
RAILWAYS
EXTRA REQUIREMENTS
GENERAL SUPPLY
EXTRA REQUIREMENTS
PRIVATE INDUSTRY
SOURCE: MINISTRY OF COMMERCE AND INDUSTRY, ELECTRIC POWER BUREAU
* NOW DESIGNATED FIRST AND SECOND DEMOBILIZATION MINISTRIES
JAPANESE ELECTRIC POWER INDUSTRY
ORGANIZATION ON 31 DEC. 1945
MARCH 46
GHQ SCAP
NUMBER 21
EIGHTH U. S. ARMY PRINTING PLANT

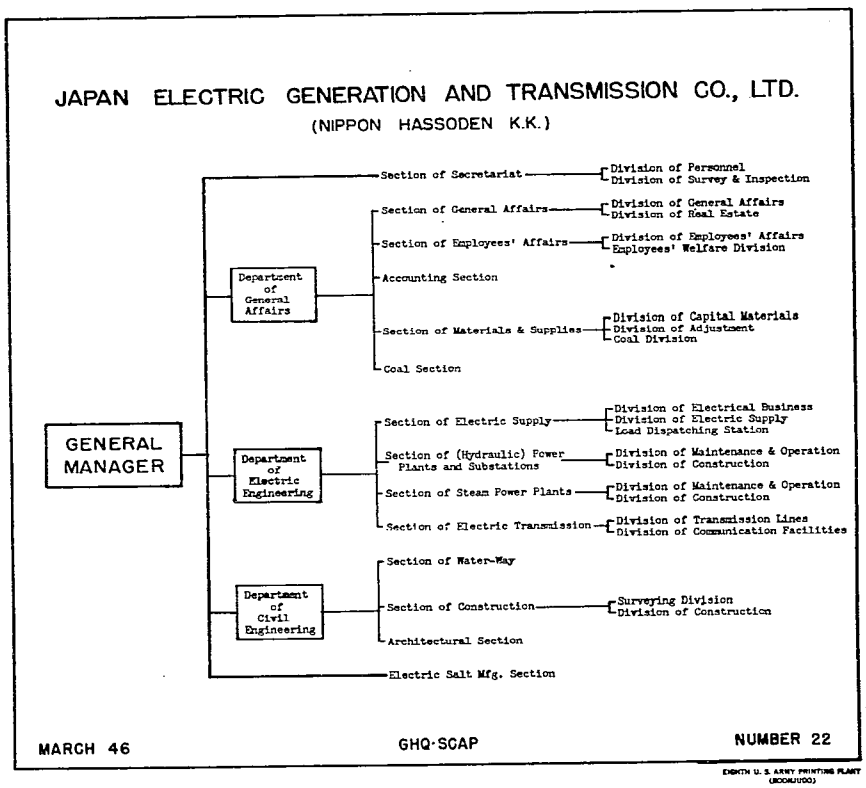
0147

This committee investigates construction plans of the industry and other matters relating to power.

27. The Electric Power Assessment Committee (Denki Hyoka Shinsa Iin-Kai) is charged with the investigation of appraisals of electric properties under the direction of the Ministry of Commerce and Industry.

28. The Electric Power Adjustment Committee (Chuo Denryoku Chosei Iin-Kai) investigates basic policy pertaining to power consumption control, operating as a sub-unit of the Ministry of Commerce and Industry. At present there is no consumption control.

29. Chart 22 shows the organization of Nippon Hassoden K.K.

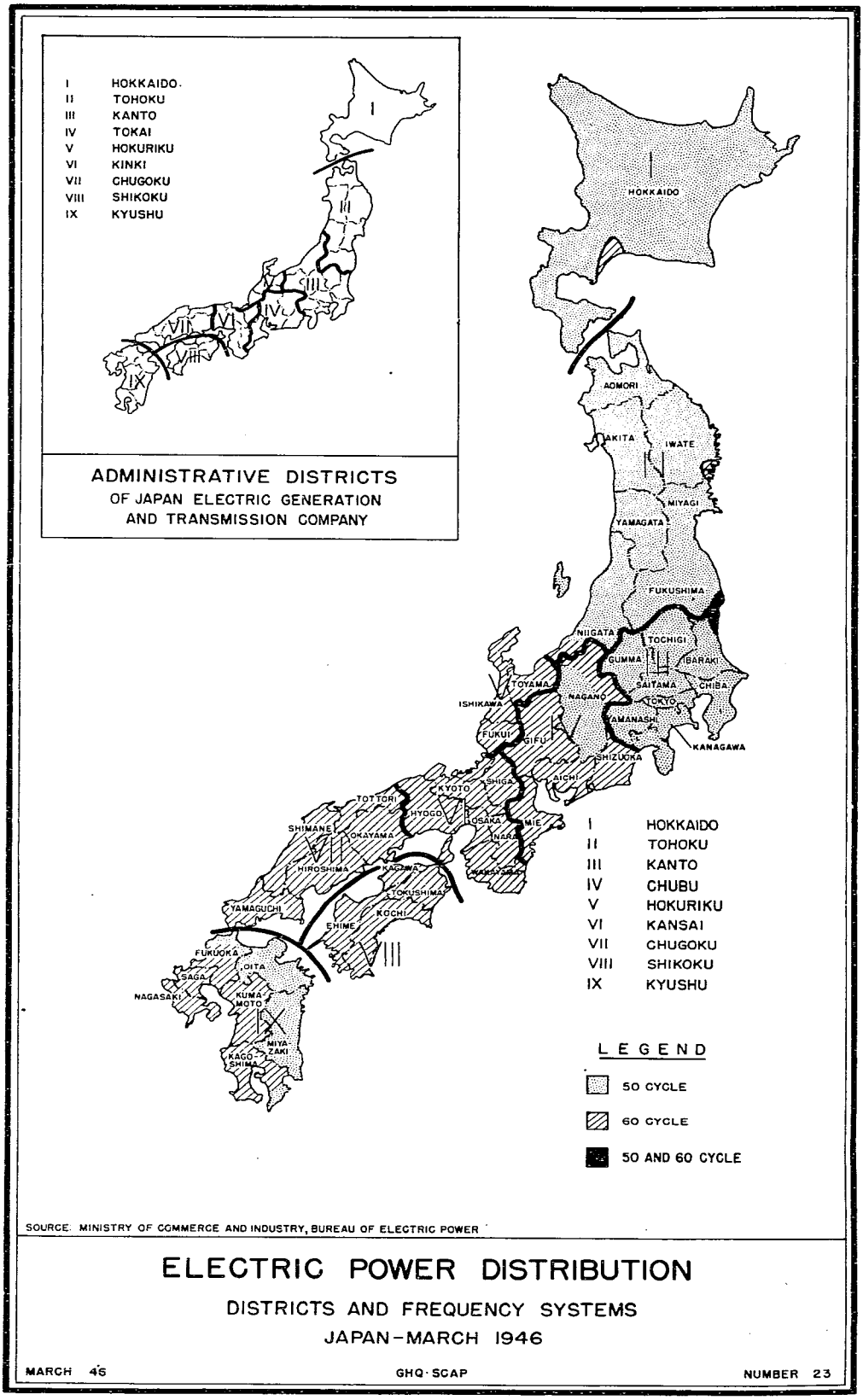


30. Chart 23 indicates location and border lines of the Nippon Hassoden administrative districts; distribution districts in which the nine Haidens operate; and the present frequency zones based on distribution frequencies. Generating and transmission frequencies are interlocked in such a way that they cannot be defined by boundaries and each line and power plant must be separately identified as to frequency.

GAS INDUSTRY

31. Coal allocations continue to limit the manufacture of gas by public utilities. The amount of coal allocated for March for gas manufacture was 55,400 metric tons and deliveries for April are expected to be 56,500 tons.

Deliveries of coal by steamer from Kyushu against the March allocation have been satisfactory in the Tokyo area. However, the



SOURCE: MINISTRY OF COMMERCE AND INDUSTRY, BUREAU OF ELECTRIC POWER

ELECTRIC POWER DISTRIBUTION

DISTRICTS AND FREQUENCY SYSTEMS

JAPAN-MARCH 1946

MARCH 45 GHQ·SCAP NUMBER 23

coal for the Osaka Gas Company is hauled by rail and has been delayed repeatedly.

32. The Coal Bureau of the Ministry of Commerce and Industry reports that the number of gas customers increased in March to 1,088,457, but gas-making capacity has not increased.

The average daily production during January was 399,545 cubic meters.

Present daily supply is from 0500 to 0800 with partial pressure during the afternoon.

0150-Z.

SECTION 8

COMMUNICATIONS

C O N T E N T S

BOARD OF COMMUNICATIONS

1. The Board of Communications submitted a request to SCAP and the Japanese Cabinet that it be elevated to a ministry. No action will be taken prior to the election of a new Diet.

WIRE COMMUNICATIONS

Occupational Services

2. The Japanese Government was directed to furnish two full-time teletypewriter circuits involving approximately 1,520 circuit miles to be used for the collection and distribution of hourly weather reports required by Army Airways. This service requires the establishment of one circuit between Tokyo and Sapporo with intermediate stations at Chitosi and Sendai and one circuit between Tokyo and Fukuoka with intermediate stations at Nagoya and Osaka.

3. Rearrangement of circuits formerly used by the X Corps for the use of the British Commonwealth Occupation Forces in the Kure-Hiroshima area has been practically completed. Since this force requires liaison contact with British agencies in Tokyo and points outside of Japan, total wire requirements were found to be higher than those of the X Corps. Provision for additional service has therefore been made.

4. Arrangements have been made for the establishment of long distance telephone service from Japanese exchanges for the Occupation Forces. These provide that the Japanese furnish an English-speaking toll operator to record call requests at the larger points in which Occupation Forces are located so that a call can be completed while the calling party waits on the line. This is an innovation in the Japanese system. Such calls are to be handled on a special urgent basis.

5. Long distance service using Japanese exchanges will be made available initially at Tokyo and Yokohama and extended to Osaka, Nagoya, Sendai, Kure, Yokosuka, Fukuoka and Sapporo as rapidly as necessary equipment changes can be made and operating practices taught. The initial plan calls for rearrangement and re-termination of 398 toll circuits and for equipment changes in approximately 75 exchanges.

6. Projects in connection with the use of Japanese wire communication facilities for Occupation Forces were:

(1) The change from the GHQ PBX to an 1800-line automatic exchange was completed. One thousand lines were placed in service.

(2) The Japanese Government was instructed to re-cable 200 existing lines, modify 600 restricted lines to furnish unrestricted service and add 200 lines to bring the office total to 2,000 lines.

(3) Initial installation of telephone and telegraph facilities for the International War Crimes Tribunal, Tokyo, was completed.

(4) Telephone service is now being provided into one Occupation Force dependent housing area. Arrangements were completed to furnish service to all other such housing areas.

Construction and Rehabilitation

7. Field inspection of the inside and outside toll plant in the Hiroshima-Kure area was made. This was damaged during the war and later by the typhoon of September 1945. Circuit troubles have continued despite repairs completed in January. These temporary repairs both of inside and outside plant are poor.

The Board of Communications has been instructed to revise its construction schedules and prepare a plan for service improvement, since these facilities carry all circuits to Korea and Kyushu.

8. The Board of Communications has presented a report of materials needed for proposed rehabilitation and new construction for government agencies operating communication facilities within Japan. These requirements are being analyzed. A list of new projects is being prepared by the Board of Communications in order that proper priorities may be established for the allocation of manufactured materials.

9. The Telecommunications Coordinating Committee representing all divisions of the Board of Communications and related agencies met. Purposes of the meeting were: (1) to discuss the supply situation; (2) to prepare recommendations for the allocation of critical items; (3) to define more clearly the future scope of activities of the committee; and (4) to study production schedules prepared by the Bureau of Supply of the Board of Communications. It was emphasized that requirements must be kept to a minimum and the use of manufactured materials restricted to purposes producing greatest improvement in service.

10. The allocation and installation of five very high frequency radio links to connect the islands of Honshu and Hokkaido have been completed, using United States Army equipment. The installation of four-channel carrier systems to be operated over these links is in progress. The additional 20 circuits thus to be provided will be used for emergency purposes; in addition they will eventually be used as a connecting link between land cables on Hokkaido and Honshu.

There are only 21 toll circuits connecting the two islands. Eleven of these were appropriated for use of the Occupation Forces; the remaining ten circuits are inadequate to meet present Japanese domestic needs.

The use of United States Army radio equipment was approved

because Japanese equipment was found to be unreliable for this purpose.

Cable Ships

11. Tsurushima Maru, 1,700 tons, is engaged in cable repairs on the submarine section of the Matsuyama-Kure carrier cables. Scheduled work was delayed for several days by a breakdown of cable-handling machinery. Upon completion of the present mission the ship will be placed in dry dock for repairs and replacement of some of its cable machinery.

Osei Maru, 600 tons, was ordered into Kure to lay submarine cable required by the British Commonwealth Force.

Estoku Maru, power cable barge, is assisting the Tsurushima Maru. Upon completion of the present cable repairs it will proceed to Kure to assist the Osei Maru.

Maintenance

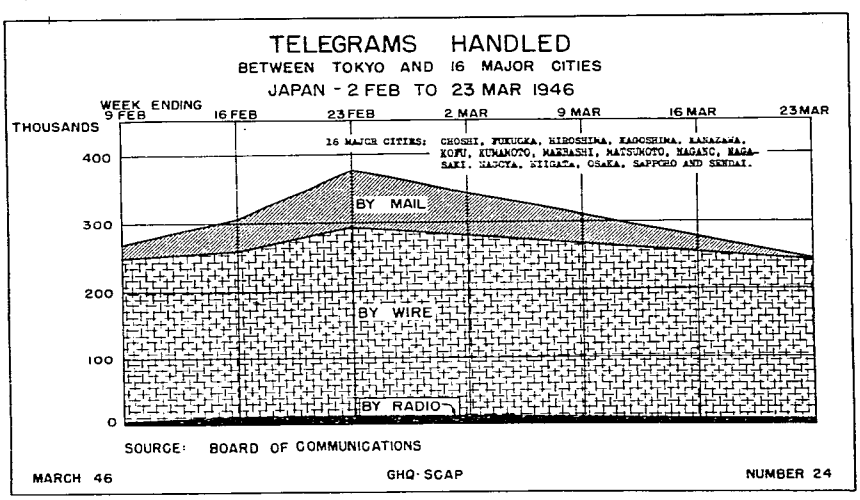
12. The Board of Communications has furnished its final estimate of maintenance requirements. This shows immediate supplies needed to re-establish station and exchange stocks, and monthly requirements for day-to-day maintenance from April 1946 to April 1947.

13. Tubes for repeater equipment remain among the more critical items. The one manufacturer had promised a total of 2,000 for March but none has been received. Arrangements were made for the Board of Communications to obtain weekly instead of monthly shipments and to maintain closer liaison between the Bureau of Supply and the manufacturer.

14. Japanese telephone engineers working on improvement of transmission and maintenance of toll circuits on the Tokyo-Nagoya-Osaka sections of the main toll routes have completed tests. They have furnished lists of repairs to be made by maintenance personnel. These engineers are inspecting and repairing equipment between Osaka and Fukuoka.

Operations

15. The marked improvement in telegraph service during March was reflected in a sharp decline in the number of telegrams handled by mail as the following chart indicates.



16. This improvement resulted largely from a traffic survey conducted by representatives of the Board of Communications and a check of operating and maintenance methods made by SCAP representatives. The former was based on a sampling of telegraph traffic during a three-day period over selected circuit groups from Tokyo and Osaka to major points throughout Japan; the latter was made in the Tokyo Central Telegraph Office.

The traffic survey revealed that a large proportion of telegrams was handled by mail and that delays in sending messages were averaging as high as 48 hours in certain main offices and less than one hour in others.

The SCAP check of operating and maintenance procedures showed that some operating time was lost because of circuit failures. The major causes proved to be improper reporting of failures and a certain lack of coordination between operating and plant personnel.

17. The Board of Communications has indicated that these surveys would be the basis of a general program to improve telegraph service throughout Japan. A close follow-up will be maintained.

Miscellaneous

18. Miscellaneous items in connection with the use of Japanese wire communication facilities follow:

(1) SCAP was furnished information covering Japanese communications personnel requirements by job and assignment.

(2) A survey of Board of Communications schools and training program was initiated.

(3) The Board of Communications received an allotment of 12,000 liters of gasoline for use in emergency power plants along the main toll route between Sapporo and Fukuoka.

(4) SCAP was furnished basic data regarding the status of emergency power at stations along the main toll routes.

RADIO COMMUNICATIONS

Broadcasting

19. Operations of the Broadcasting Corporation of Japan continued under the supervision of the three managing directors pending selection of a new president.

20. The facilities of the Broadcasting Corporation currently consist of two networks which provide 102 broadcasting outlets. Efforts toward increased coverage are continuing by maximum utilization of available facilities.

In addition there are now 16 stations in Japan and Korea operating under the supervision of Armed Forces Radio Service personnel to provide program distribution for the Occupation Forces.

21. Recent operations of the Corporation are summarized below:

SELECTED DATA RELATING TO
BROADCASTING CORPORATION OF JAPAN
1945-1946

	Total Receiver Licenses (thousands)	Listener's Fees Paid (thousands of yen)	Employees	Program Hours Network No. 1	Program Hours Network No. 2
August	5,513	3,358	5,250	202	0
September	5,504	4,818	5,450	248	98
October	5,388	4,764	5,430	285	66
November	5,388	4,764	5,100	453	118
December	5,302	5,647	5,200	475	160
January	5,241	6,803	5,125	446	153
February	-	-	5,025	488	165

SOURCE: Broadcasting Corporation of Japan.

The Corporation has continued to carry on its books licenses for some receivers destroyed, lost or sold during the war. As a result of current investigations licenses for these are being canceled and the records corrected, which accounts for the evident decline in receiver licenses.

The monthly totals of program hours reflect temporary stabilization of the broadcasting day at approximately 16 hours on Network Number 1 and 6 hours on Network Number 2.

Domestic Radio Communications

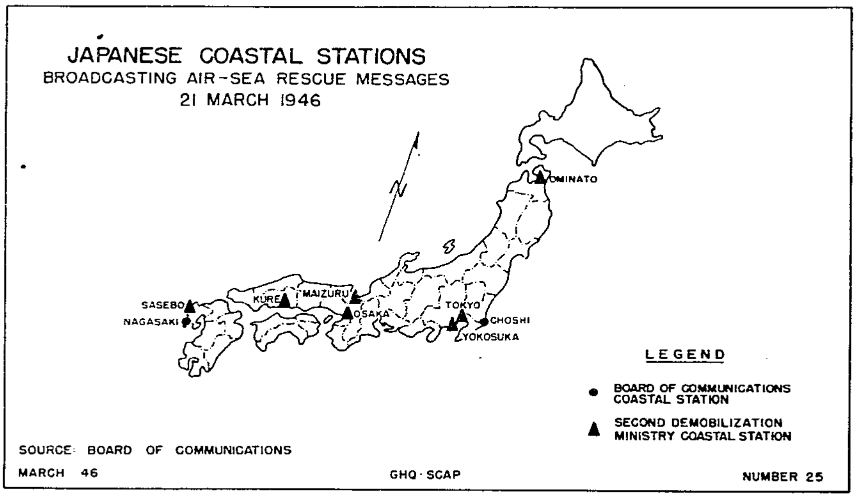
22. The three circuits operated by the First Demobilization Ministry between Tokyo and Peiping, Tokyo and Nanking, and Fukuoka and Nanking continued to carry messages regarding the repatriation of Japanese troops from North China.

23. A new list of frequencies for use by the General Central Meteorological Observatory was cleared by SCAP and sent to the Board of Communications for assignment to the observatory. Weather broadcasts on stations JGA, JGA-2 and JGA-3 will be transmitted on new frequencies beginning 0001, 3 April 1946; all other radio stations used for the weather service will change to new frequencies effective 0001, 10 April 1946.

24. In accordance with a SCAP directive of 4 December 1945 the Lighthouse Bureau has restored to operation the radio beacon and radio direction finder at Esanzaki, Hokkaido, which was damaged during the war. This station provides radio navigational aids for shipping.

25. Arrangements were made for the Japanese communications system to assist in handling messages concerning air-sea rescue work in the coastal waters. The coastal radio stations of the Second Demobilization Ministry and the Board of Communications are used for relaying this type of message to and from Japanese ships. The nine radio stations selected for this purpose, located at Sasebo, Maizuru, Kure, Osaka, Yokosuka, Tokyo, Ominato, Choshi and Nagasaki, are shown on map, page 166.

26. Messages concerning planes forced down at sea will originate at the United States Army Air Forces control center in Tokyo and be relayed to the nine stations for broadcast every two hours during the following 24-hour period. Messages from Japanese ships at sea reporting rescues or sightings will be transmitted to the nearest coastal station and then to the Air Forces officials in Tokyo.



<u>International Circuits</u>

27. During the first 21 days of March the Overseas Radio Telephone circuit handled an average of 50 completed calls per day while approved applications for calls averaged 60 per day. During the last 10 days call completions averaged almost 60 per day; approvals averaged 75 per day. Currently there is approximately a one-week backlog of calls to be handled.

In order that extremely urgent calls might be expedited, action was taken on 22 March to classify applications Priority A and Priority B. Priority A is granted only to extremely urgent calls requiring immediate service. Priority B is assigned to all emergency calls, no matter how important, which may be delayed for a few days.

28. A resume of this service for the first three weeks of March is:

Backlog unhandled applications, 1 March	111
New applications, 1 March to 21 March, inclusive	1,299
Total demand, 1 March to 21 March, inclusive	1,410
Backlog remaining, 22 March	363
Calls completed 1 March to 21 March, inclusive	1,047

29. A comparison of the service for February and the first three weeks of March is presented below:

MESSAGES HANDLED

Circuit	February	March a/
Tokyo-Geneva	781	469
Tokyo-Moscow	543	244
Tokyo-Stockholm	350	152
Osaka-London	316	261
Tokyo-San Francisco	40,390	30,579

a/ First three weeks.

POSTAL COMMUNICATIONS

30. Reports from the Postal Bureau in the Board of Communications and a private agency indicate that the time for mail transmission between various arbitrarily selected cities is below pre-war standards. Letters transmitted from Tokyo to Sapporo, a distance of 1,135 kilometers or 710 miles, required 5 to 6 days. Letters dispatched from Sapporo to Tokyo required 7 to 13 days. Similar distances in the United States would require a maximum of two days for delivery. In addition to inadequate transportation facilities, such conditions as inexperienced personnel, unheated buildings and insufficient food contribute to the delay.

31. The preliminary budget for the fiscal year 1946-1947 submitted by the Japanese provides for some expenditures for mail bicycles and trucks, which should help in reducing transmission time.

32. Absenteeism among personnel engaged in postal service is high compared with pre-war standards. This is attributed to the shortage of food, for which workers frequently are required to search in rural areas, and to unsatisfactory working conditions.

COMMUNICATIONS MANUFACTURING AND SUPPLY

Production

33. The communications equipment manufacturing industry continues to show progress in the rehabilitation and reinstallation of evacuated equipment. Production of most items remains considerably below requirements with only the production of telephone cable keeping pace with minimum needs. Actual figures for January and February and estimates for March and April covering production by principal companies of major components are presented below.

PRODUCTION OF MAJOR COMPONENTS
OF COMMUNICATIONS EQUIPMENT - 1946

	January	February	March c/	April c/
Repeater tubes	500	2,500	2,000	9,500
Transmitter tubes a/	-	6,421	7,000	7,500
Receiver tubes	52,000	175,000	185,000	200,000
Telephone sets a/	-	4,700	7,500	9,000
Radio receivers	7,500	10,000	10,000	20,000
Telephone cable (km) b/	174	250 c/	483	582

a/ Data not available for January.
b/ Includes city cable, toll cable and carrier cable.
c/ Estimate.

SOURCE: Ministry of Commerce and Industry.

34. Transmitter tubes, particularly the large water-cooled type, are critically needed. Some relief may be expected from the efforts of the Japanese Government to redistribute returned Japanese Army and Navy tubes. The steps being taken to reduce transmitter power output and to substitute multiples of smaller, less critical tubes for the large types may also improve the situation.

35. Production continues to be hampered by shortages of labor, materials, parts and industrial gas and coal.

36. Radio receiver set manufacturers are organized as a subsection of the Nippon Communications Equipment Manufacturers Association. This association tends to be dominated by the large communications equipment firms which are entering the receiver set field for the first time. Therefore, the smaller manufacturers who have previously manufactured receivers are sponsoring a separate association.

Use of Japanese Army and Navy Equipment

37. The redistribution of Japanese Army and Navy signal equipment continues to lag behind receipts:

RECEIPTS AND DISTRIBUTION OF JAPANESE ARMY AND NAVY COMMUNICATIONS EQUIPMENT
23 March 1946

	Unit	Received	Distributed	Percentage Distributed
Wire				
Switchboards, misc.	each	310	97	32
Telephones	each	9,420	1,093	12
Telegraph sets	sets	142	63	44
Cable, lead covered	reels	1,110	511	46
Cable, lead covered	meter	453,129	367,675	81
Radio				
Transmitters (over 250 watts)	each	261	31	12
Receivers	each	531	121	23
Tubes, assorted	each	206,236	22,974	11
Tubes, assorted	box	1,049	35	3
Power				
Generators	each	431	0	0

SOURCE: Ministry of Home Affairs.

38. Under the sponsorship of the Board of Communications a committee was formed to assist in the redistribution of Japanese Army and Navy equipment. It is composed of representatives of major agencies and companies requiring equipment. This committee will assist the Board of Communications in working out allocations for individual organizations based on total requirements and total equipment available. The final authority for determination of allocations will be the Board of Communications.

Research

39. Reports in connection with the survey of communications research facilities and activities were obtained from 46 additional agencies. This brings the total number of surveys received to 74 and accounts for practically all research activities in the communications and allied electronics fields.

Arrangements were made through the Ministry of Education to obtain reports from the educational and other non-manufacturing agencies.

40. Recent coordination of over-all SCAP policy relative to research was effected so that research may now proceed in all fields of communications.

41. A survey is being made of the communications equipment manufacturing resources of Japan. Questionnaires requesting detailed information have been submitted to all companies concerned.

FINANCIAL ASPECTS OF COMMUNICATIONS

Communications Equipment Manufacturing Companies

42. A survey of Japanese-owned properties and certain other assets involved in communications operations and the manufacture of communications equipment in China, Manchuria, Korea, Sakhalin and Formosa was initiated. Extensive data as to book value and certain other aspects of these assets have been collected.

43. This survey showed that seven major Japanese communications equipment manufacturers have nine subsidiaries with total book value of capital stock as follows:

Area	Number of Subsidiaries	Capital Stock (millions of yen)
China	2	17
Manchuria	6	41
Korea	1	5
Total	9	63

In addition two of the seven Japanese companies have branch factories in these areas which repair some communications equipment.

44. A SCAP directive of 14 March placed the three remaining communications equipment manufacturers on the Schedule of Restricted Concerns. The list now includes all nine of the largest manufacturers.

Board of Communications

45. In accordance with the Japanese Constitution the budget of the Board of Communications for the fiscal year 1945-46 has been carried over for the fiscal year 1946-47, inasmuch as a final budget for the new year has not been submitted. Preliminary budget proposals previously received or future proposals for 1946-47, if adopted, will become in effect revisions to this budget.

46. The Board of Communications submitted a second tentative budget which provides for total expenditures of slightly more than ¥ 4,000,000,000 of which about Y 2,900,000,000 is for operations and approximately Y 1,100,000,000 is for construction. Salaries and wages account for approximately 80 percent of budgeted business expenditures. Proposed expenditures for construction represent about one third of the estimated total required for war damage rehabilitation.

47. This budget reflects contemplated increases in telephone, telegraph and postal service rates. The proposed increases vary widely by type of service, but it is estimated that they would average about 300 percent.

48. A comparison of gross income from the two major sources of communications revenue for the first 11 months of the 1945-46 fiscal year with that for the entire 1944-45 fiscal year is presented below:

COMMUNICATIONS' GROSS INCOME
(millions of yen)

	1944-1945 Fiscal Year	1945-1946 Fiscal Year a/
Telecommunications	420	249
Postal Service	332	244
Total	752	493

a/ First 11 months.

SOURCE: Board of Communications.

SECTION 9

LABOR

C O N T E N T S

LABOR LEGISLATION

1. The Ministry of Health and Welfare on 13 March completed the reinstatement of legal protective labor standards, not enforced since 1937, by issuing an ordinance nullifying all wartime exceptions to the pre-war protective regulations in mines and further extending miners' protection to conform with International Labor Organization conventions. The ordinance specifically provided for:

(1) Repeal of all Wartime Exception Regulations which suspended provisions in the Miners Employment and Compensation Regulations of 1928 relating to maximum hours for all underground workers, and maximum hours, holidays, rest periods, night work, underground work and hazardous occupations for females and children.

(2) Withdrawal of the original exemptions in Miners Employment and Compensation Regulations of 1928 which permitted underground work for females and children in certain mines.

The effective date of the ordinance is 1 April 1946 except that underground work by females and children in coal mines will become illegal 31 August 1946 for most mines and 28 February 1947 for specified thin-seam mines in Kyushu.

2. This measure extended special protection to 43,000 women and 20,000 children. As a result of its promulgation approximately 5,000 women working above ground are to be transferred from night shifts to day shifts immediately. An additional 5,000 women are to leave the coal pits within five months and 3,500 others within 11 months.

3. The postponements of effective dates were arranged to prevent adverse effect in coal production while replacements are being obtained. In return for the postponement, coal mine operators have agreed to grant women remaining in coal pits after 1 April 1946, 60 days maternity leave and three days per month menstrual leave, both with full pay.

LABOR UNIONS

Membership

4. The progress of unionization of workers continued unabated. While labor unions officially reported to the Ministry of Health and Welfare by the end of February comprised 600,000 members, estimates of actual union membership at the end of March ran as high as 2,000,000. The officially reported membership was estimated by Jiji Press to be 11 percent of non-agricultural employment but the non-official estimate amounted to one third of all employed non-agricultural workers.

5. According to the Jiji Press survey of 1 March the degree of unionization was highest in metallurgy and machine manufacturing, second in metals and coal mining and third in transportation and communications.

Union organization has been most successful in medium sized establishments employing 100 to 500 workers. The large plants were less active and the organization of workers in small establishments was slow.

The Jiji survey also revealed that Tokyo, Kanagawa and Kyoto Prefectures and the Kyushu, Hokkaido and Joban coal mining areas were the centers of the labor union movement.

6. Frequent characteristics of the new labor unions are: (1) looseness of permanent organizational structure; (2) lack of understanding among the new members of the functions of labor unions; and (3) occasional company domination. A tendency to federate on an industrial or regional basis has been gradually displacing the earlier large number of small independent organizations.

7. The Jiji survey further estimated that on 1 March less than 10 percent of the membership belonged to unions which were influenced by communists; the remainder were under the leadership of the General Federation of Labor Unions which supports the Social Democratic Party. Communist labor leaders claim to influence more than 800,000 workers with special predominance among coal miners.

New Spheres

8. Following the earlier lead of the All Japan News and Radio Workers Union, the second and third post-war national labor union organizations were established in March.

On 19 March a convention of 500 representatives formally inaugurated the National Federation of Government Railway Labor Unions after a decision had been reached to abandon the idea of a single national union.

All grades of employees in the Japanese moving picture industry were included in the Union of Movie Industry Employees established in March. Public support on the part of movie fans has been effectively utilized in the organizational campaign of this union.

9. Labor unions spread to the headquarters of the Zaibatsu when the central office employees of several of the giant combines organized

associations. These groups supplement active parallel organizations in the combines' industrial establishments and offer the possibility of concerted action in future negotiations.

Several of Tokyo's larger financial institutions, including the Hypothec Bank of Japan, the Industrial Bank of Japan and the Yasuda Bank, were also scenes of organizing drives.

10. The first post-war labor union newspaper, Shimbun Rodo (Newspaper Worker), made its appearance in mid-March as the weekly organ of the All Japan News and Radio Workers' Union.

LABOR RELATIONS COMMITTEES

11. The first segments of the democratic labor relations structure began functioning when the Labor Union Law and a supplementing ordinance became effective on 1 March. Supplanting the interim mediation boards, the tripartite Central Labor Relations Committee and Labor Relations Committees in most of the prefectures have been established.

12. The Central Labor Relations Committee was officially appointed on 1 March and held its inaugural meeting the next day. This committee, charged largely with setting the pattern for the prefectural bodies, includes representative top-notch industrial and labor leaders as well as two outstanding labor relations authorities who were instrumental in drafting the Labor Union Law.

13. The selection of these members by the Ministry of Health and Welfare conformed to recommendations submitted by certain economic and labor organizations. Since time had not been available for a thorough canvass of labor and employer opinion the committee voted to reorganize its membership later when employer associations and trade unions will have been sufficiently regularized to represent opinion adequately.

14. The 2 March and the 8 March meetings of the committee were primarily procedural. Most important of the decisions was that committee meetings would be public. Substantive discussions centered in the further definition of "company unions" which do not have status under the Labor Union Law.

The committee appointed a subcommittee of six to investigate the request brought by the Preparatory Committee for a single union of Government railway employees to order the rehiring of three union members suspended for a year by the Government Railway Bureau for leading the recent "safety drive" go-slow strike.

LABOR RELATIONS

15. Labor disputes continued to be widespread but were not serious in character. In only two cases were production of goods or maintenance of services seriously affected.

16. Transportation in the metropolitan area was hampered when on 28 February the employees of the government-owned elevated electric railway running between Tokyo and Yokohama instituted a "go-slow strike" in the guise of a "safety program". This was adopted to influence the Tokyo Regional Office of the Government Railway Bureau to grant an emergency allowance necessitated by the inflated cost of living.

The resulting traffic congestion and inconvenience antagonized the public and brought about such strong pressure that the strikers were forced to abandon their tactics and resume normal operations in a few days.

Assuming responsibility for the inconvenience caused the public and his failure to control employees under his jurisdiction, the Director of the Regional Office resigned after suspending three of the strike leaders.

The union has appealed this decision to the Central Labor Relations Committee. The Tokyo Council of Railroad Workers' Unions expelled the union responsible for the strike but later readmitted it to membership.

17. The first sizable work stoppage since the surrender occurred in the Miike Coal Mines of the Mitsui Mining Company in Fukuoka Prefecture, Kyushu. The strike broke out on 9 March in one of the mines after six weeks of company refusal to negotiate with the union and then spread rapidly until 18,000 miners were idle. It ended on 13 March when the company suddenly granted a compromise settlement of union demands for a special emergency allowance. The company also agreed to defray the expenses of the strike.

18. The practice of presenting a large list of demands by labor unions in the course of negotiations continued; in coal miners' negotiations at Sunagawa in Hokkaido the union presented 64 demands in all.

Further difficulties in negotiations have been caused by the inexperience of labor union members in representative government, and their insistence on bargaining in large numbers with the employers.

WAGES

19. Wages and cost of living were temporarily stabilized by the emergency financial measures instituted by the government at the beginning of March. There were no signs of the decrease in cost of living which had been anticipated in some quarters. Toward the end of the month pressure was renewed for increases of 300 to 500 percent among workers who had not already received wage raises. Additional increases were asked by coal miners and others who had received wage raises in previous months.

20. The limitations and restrictions placed on payment of wages to Japanese nationals by the emergency financial measures were automatically applied to Japanese and foreign nationals working for the Occupation Forces by SCAP memorandum to the Japanese Government dated 18 March. By this memorandum the payment of all Japanese and foreign nationals working in occupation projects will be paid by the Japanese Government through the Bank of Japan or its branches or agencies. Specialized technicians earning more than ¥ 1,000 per month will be hardest hit by this regulation.

EMPLOYMENT AND UNEMPLOYMENT MEASURES

21. Unemployment continued to increase. The Ministry of Health and Welfare estimates for the end of March for the four key prefectures of Tokyo, Aichi, Hyogo and Kyoto amount to 1,100,000 compared with 730,000 for the same prefectures on 1 December 1945 which was 23 percent of all unemployed then registered.

The situation was aggravated by the first repatriation of substantial numbers of Japanese from overseas areas. The emergency financial measures also contributed to the unemployment problem somewhat by compelling black marketeers to seek honest employment.

22. Liaison was established by SCAP with the Ministry of Health and Welfare regarding the maintenance of the labor forces in plants designated for reparations until the actual removal of facilities.

To accomplish this the Ministry of Health and Welfare was instructed to protect separation allowance rights and future employment opportunities of workers now employed in such plants.

23. In February and March the retrenchment program of the government was extended to the railways and communications systems. In all 138,512 government employees were to be discharged, including 50,525 railway employees and 29,330 communications employees. By the middle of March some 70,000 had already been discharged including most of the railroad workers, telephone and telegraph operators and postal carriers scheduled for release.

Employment Exchanges

24. Employment exchange activities continued to be spotty, but in certain areas outside Tokyo were quite active and the exchanges were being used by many of the principal employers in procuring labor.

A special field survey of their structure and operations made by the Advisory Committee on Labor revealed a lack of adequate supervision and leadership by the central and prefectural governments. A need for simplification and adaptation of pre-war placement and reporting procedures to the present unsettled labor market was als evident.

Vocational Training Program

25. A vocational training and guidance program was administered through the fiscal year April 1945 - March 1946 by the Ministry of Health and Welfare operating through the prefectural government offices. The program affected 142,000 persons and cost ¥ 60,000,000. Activities included the training of construction workers, joiners, carpenters, handicrafts workers, fishermen and fishing boat workers, transport workers and machine and tool repairmen.

26. In order to retrain ex-servicemen and war workers, the Ministry of Health and Welfare has announced a plan to expand the vocational program to train 250,000 persons annually for the next three years. The plan also provides for the employment of 375,000 persons annually on sewing and other handicraft projects which combine training with work relief, the products to be distributed free or at nominal cost to consumers. Total projected cost of this plan has been estimated by the Ministry of Health and Welfare at ¥ 245,000,000.

LABOR USED BY OCCUPATION FORCES

27. For the first time in March the supply of workers for many occupation projects exceeded the number required. In part this was caused by the deactivation of labor-using military units or by the completion of specific occupation projects. Japanese labor furnished to the Occupation Forces and wages paid during the first two months of 1946 as reported by the Central Liaison Office were:

	January	February
Average number of workers per day	171,727	232,195
Total wages in money	¥ 75,638,698.14	¥ 95,802,369.74
Amount of wages in kind	¥ 247,890.17	¥ 122,912.04

28. On many occupation projects the casual laborers organized unions in March, particularly in the Tokyo, Yokohama, Nagasaki and Sapporo areas. Contractors were generally favorable to such unionization.

29. Instructions issued to local liaison offices by the Central Liaison Office affirmed the right of workers on occupation projects to organize and bargain collectively. Japanese contractors, foremen or work leaders were forbidden to interfere with that right or to follow militaristic practices in their supervision. The local liaison offices or the contractor through whom workers may be hired were defined as the employer in employer-employee negotiations.

Stoppage or hampering of work on occupation projects in connection with a labor dispute was forbidden, with the responsible persons, whether contractor, liaison office officials or workers, subject to discharge.

COAL MINE LABOR

30. Employment in coal mines reached its peak within present limits of available housing facilities and mining equipment. The goal set for recruitment of coal miners was met with an average of 236,007 coal miners working as of 28 February 1946. This level was maintained through the first 20 days of March with 237,388 working on 10 March and 237,948 on 20 March.

31. Inadequate food rations below the amount scheduled by the operators have begun to impair miners' attendance and efficiency in some coal mines particularly in Hokkaido. Plans to overcome this as well as the expected departure of a number of miners who are normally farmers in the spring and summer months are under consideration in the Ministry of Health and Welfare.

32. As an inducement to regular attendance in mines, the Ministry of Commerce and Industry on 16 March raised average maximum wage levels for coal miners by ¥ 5 to ¥ 6 per day, that is: ¥ 17 for surface workers and ¥ 24 for underground workers, retroactive to 1 March.

RECRUITMENT OF SEAMEN

33. The Japanese Civilian Merchant Marine Commission announced on 12 March that the entire program to recruit and train seamen for the repatriation service had been successfully completed.

As a result of the coordinated publicity campaign and the improvements in wages, food rations and working conditions, 11,050 seamen in all have been recruited. All 209 LST's, Liberty Ships and C1-MAV-1's which were transferred to the commission for the purpose of repatriating overseas Japanese have been manned by trained crews. Only 282 seamen have left the service since 25 January and no interruptions in the service have occurred.

The recruitment and training of reserve seamen is to be accomplished under a separate program.

LABOR ADMINISTRATION

34. A new Research Section was established in the Labor Policy Bureau of the Ministry of Health and Welfare under the direction of Soichi Togashi. On 13 March part of the functions and staff of the Labor Policy Section of the Labor Policy Bureau was assigned to the new section whose responsibilities are: collection and analysis of labor statistics, study of domestic and foreign labor conditions, general advance planning of labor legislation and training of government labor officials.

PRISON LABOR

35. On 31 January about 4,000 prison convicts were working in private enterprises under a contract system which had been in effect in Japan for more than 40 years. Rates charged private enterprises for convict labor averaged one third to one half of prevailing earnings of comparable free labor in the same area. Only about one tenth of the money paid by the contractor reached the convicts, the remainder going to the Bureau of Prisons for prison maintenance.

36. In view of the unemployment situation and the exhaustion of workers' savings cut-rate prison labor was beginning to exert a depressing influence on wage rates for free laborers in the neighborhood of the private enterprises employing convict labor. Consequently the Japanese Director of Prison Affairs on 7 March issued the following instructions effective 1 April 1946 to wardens of all prisons and houses of detention:

(1) Private concerns contracting for prison labor are to pay the prisoners at the same rate as free labor for comparable work, including in the computation all regular bonuses and allowances paid free laborers.

(2) All special services hitherto performed by the contractors which partly justified the former differential are to be assumed by the prison.

MISCELLANEOUS

37. On 23 March the Japan Reconstruction Cooperative Movement, a non-agricultural producers' cooperative league, was formally inaugurated. This group, which emulates the Chinese Industrial Cooperative Movement (Indusco), made public a six-month plan to establish 76 units with a total of 2,305 members including the following cooperatives: 25 in public works; 25 in building; 5 in transportation; 5 in lumber milling; 5 in woodworking; 3 in the manufacture of farm implements.

The total budget for April to September 1946 has been tentatively estimated at ¥ 32,000,000.

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SECTION 10

IMPORTS AND EXPORTS

C O N T E N T S

1. The outstanding foreign trade development in March was the departure of the first two transoceanic export shipments from Japan since termination of hostilities. Raw silk, which was available to the United Nations in only very limited quantities during the war, was shipped from Yokohama to Seattle and San Francisco for the New York market. This exportation was the first major step completed by Japan towards meeting its problem of paying for minimum necessary imports.

TRADE PROCEDURE

2. Export procedure was set forth in a directive of 14 March to the Japanese Government and the details were widely reported in the press. This procedure concerns the offer and delivery of goods for export from Japan.

Applications for permission to export will be submitted to SCAP through the Japanese Government or its official agency. The applications will be processed and approved or denied on the basis of the availability of markets. Stipulations are made that SCAP assumes no responsibility or liability in the processing of these applications, but every reasonable effort will be made to dispose of commodities accepted for export.

The Japanese Government will be responsible for certifying the quantity and quality of the goods and insuring their delivery at the time of shipment. It will obtain clear title to the goods and pay the exporter from a ¥ 50,000,000 pool which it is required to maintain.

The U.S. Commercial Co., acting as agent for SCAP, will take title to goods destined for markets in the United States from the Japanese Government upon delivery at the dock. The goods will be sold and a dollar pool established in the United States from which the U.S. Commercial Co. will purchase imports for Japan. Exports to other countries will be handled similarly with their respective governments.

Japan will build up a commodity credit against which will be balanced those import items which SCAP determines to be necessary for the maintenance of a minimum standard of living for the Japanese people and the rehabilitation of certain industries.

INTERIM TRADE

3. The following trade has been consummated from 1 March to 25 March (subject to adjustment as later returns are received):

IMPORTS

Commodity	Country	Quantity	
Salt	China	20,125.5	m. tons
Fuel oil	U.S. Army	a/	
Kerosene	U.S. Army	a/	
Wheat flour	U.S. Army	7,000,000	lbs

EXPORTS

Mining timbers	China	131,119	pcs.
Mulberry seedlings	China	1,200,000	pcs.
Railway sleepers	China	20,000	pcs.
Silkworm eggs	China	300,000	sheets
Coal	Hongkong	9,148	m. tons
Coal	Korea	68,000	m. tons
Pitch	Korea	2,214	m. tons
Raw silk	United States	2,600	bales
Silk cloth b/	U.S. Army Exchange	1,208,420	yds.
Raw silk b/	U.S. Army Exchange	24	bales

a/ Quantities delivered in March not yet reported.

b/ Numerous purchases are made from Japanese sources by the U.S. Army Exchange for sale to members of the Occupation Forces. Items reported here are only certain types having export significance.

4. Procedure was set up for delivery to the Japanese Government of scrap, waste and subsistence items from the United States Army in Japan.

EXPORT AND IMPORT COMMODITIES

Export

5. The first public evidence of the operation of the raw silk program which has been developing since mid-October 1945 was two shipments of raw silk for the New York market, one of 1,100 bales (1 bale equals 132 pounds) via San Francisco and another of 1,500 cases (each of the same content as a bale) through Seattle.

The principal objectives of the silk program are to assure a steady flow of raw silk to world markets and to promote reasonable price stability. The current goal calls for shipping at least 10,000 bales a month for the rest of 1946. With the carry-over of 85,000 bales from the 1945 stock, there is a potential production for 1946 of 205,000 bales.

On the basis of grades acceptable before the war approximately 70 percent or 140,000 bales will be exportable. The overall goal for the year was set at only 130,000 bales because of the custom of spreading the reeling of the heavy production months of October, November and December into the slack period of January, February and March.

The 18,086 bales of raw silk produced during the fourth quarter of 1945 was the basis of a prediction by the Japanese Government experts and silk producers of an expansion to 43,323 bales for the corresponding period of 1946.

6. The mulberry acreage of Japan was reduced to 175,000 chō (one chō = 2.45 acres) during the war, according to a recent survey

conducted by the Japanese Government under SCAP direction. It is planned to increase this acreage to more than 200,000 chō by 1951 at the rate of 5,000 chō annually.

7. Sundry releases of both silk textiles and raw silk from frozen stocks have been authorized for Japanese civilian relief and for fabrication and sale in the U.S. Army Exchange in Japan.

8. An exhibit has been prepared, showing reproductions of Eighth Century textiles, for possible shipment to the United States and circulation among public museums. Duplicate reproductions can be made available.

9. Estimates of 1946 exportable tonnage of pyrethrum flowers for insecticides have been raised from 263 to 374 metric tons.

10. Explosives, steel, mechanical goods and equipment are being prepared for China and Korea while shipments under established programs continue. Spare parts for textile looms in other Far Eastern countries can be made available in limited quantities in the near future.

Imports

11. Arrangements were made with agencies of the Japanese Government, The Textile Association and other representatives of the cotton textile industry for the manufacture of the raw cotton shipped from Commodity Credit Corporation stocks in the United States. Further details are under negotiation. It will be necessary to import waterproofed paper, starch, talc, tallow and zinc chloride to be used in the processing.

12. A Food Survey Board from the United States, representing the President's and Cabinet's Food Committee, arrived in Tokyo 11 March and reviewed the data used in computing food import requirements of Japan. The Board also made a field survey of food conditions in major surplus and deficit areas of Japan.

13. Salt imports from China still moved slowly in March, although future prospects are better. Production of salt in Japan is below earlier estimates, and industrial needs are likely to be greater.

14. The lack of dock facilities on Angaur in the Palaus where there are large phosphate deposits and the flooding of certain mines in China have so far defeated efforts to obtain large quantities of phosphate rock for use in the manufacture of fertilizer. Small shipments of this critical item in the present Japanese economy were received from Kita Daito Shima.

15. An appreciable quantity of glue is required to meet the plywood needs of the program for housing occupational personnel. Imports of casein or industrial soy beans will be required.

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SECTION 11

RATIONING AND PRICE CONTROL

C O N T E N T S

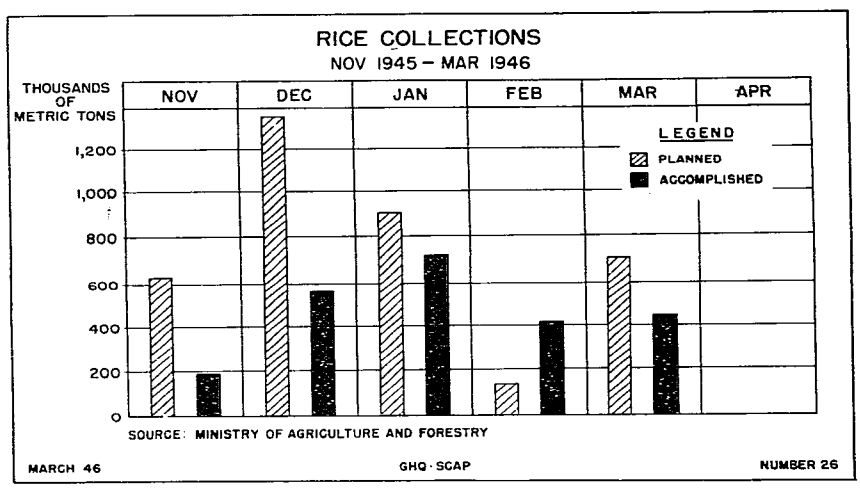
1. Enforcement of the Emergency Food Ordinance uncovered hoarded supplies and increased the amount of food brought under government control. New price ceilings were established on food and are being enforced by the police, who are closing shops violating price regulations.

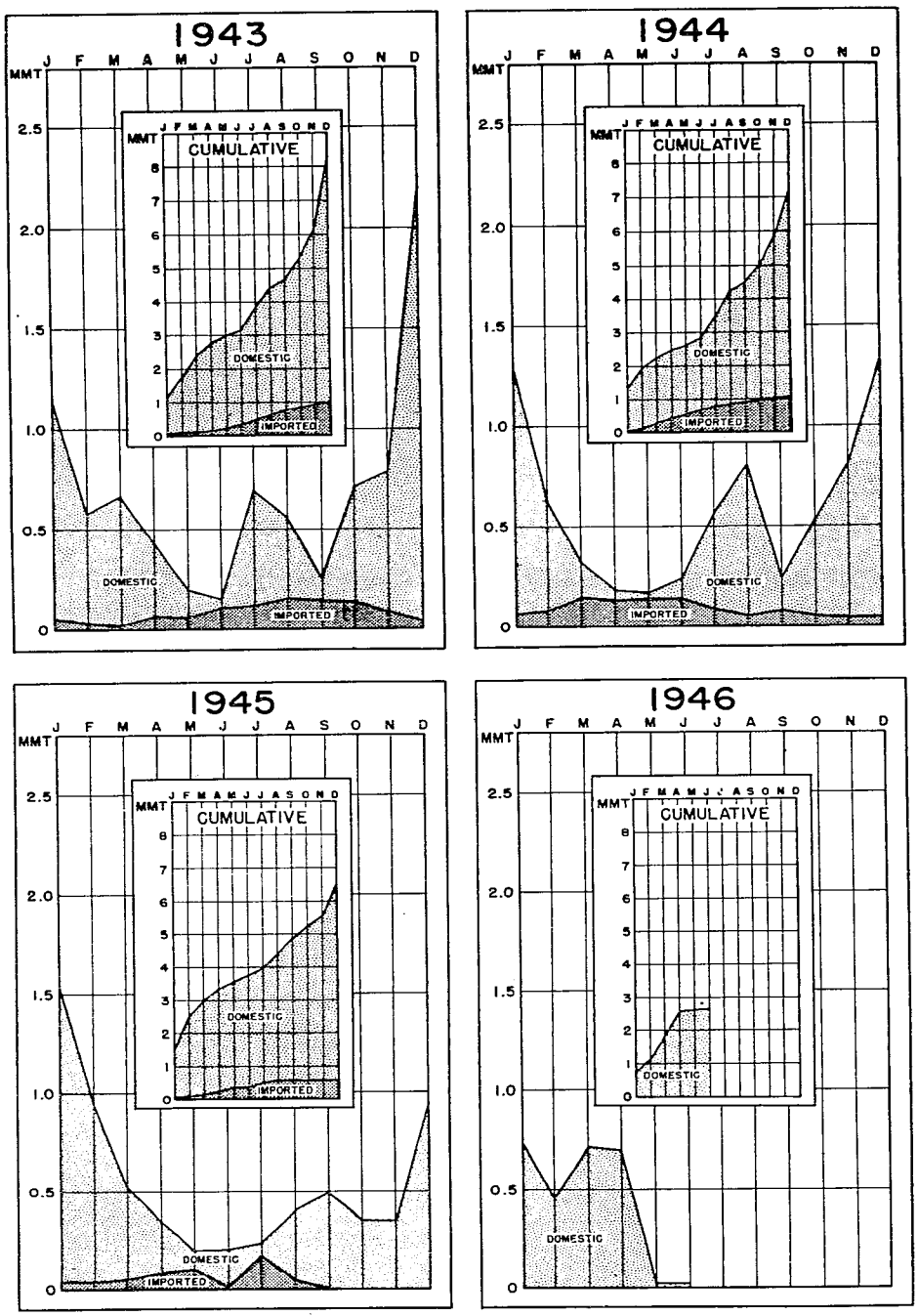
2. Food imports will be distributed through rationing channels by the Japanese Government after authorization by SCAP. Quantities received and distributed will be reported to SCAP.

FOOD RATIONING

Staple Foods

3. Rice collections were considerably above planned quantities during the first 10 days of March. Total rice collections since November 1945 equaled only 65.9 percent of planned amounts as shown in the following chart. Staple food purchases since 1943 are shown in chart, page 184.





MMT = MILLION METRIC TONS

MAR–JUNE 1946 DATA ARE ESTIMATES

NOTE: ALL QUANTITIES HAVE BEEN EXPRESSED IN TERMS OF RICE. COMPARABLE FIGURES FOR CEREALS OTHER THAN RICE HAVE BEEN OBTAINED BY COMPUTING THEIR NUTRITIONAL EQUIVALENT IN METRIC TONS OF RICE.

SOURCE: MINISTRY OF AGRICULTURE AND FORESTRY

STAPLE FOOD

PURCHASES BY THE JAPANESE GOVERNMENT

MONTHLY 1943–1946

MARCH 46 GHQ·SCAP NUMBER 27

EIGHTH U. S. ARMY PRINTING PLANT (800/11/00)

4. Current estimates of crop collections from March through June are substantially greater than those made at the beginning of the crop year. This increase is accounted for by the more vigorous crop collection program and errors in previous estimates.

RICE COLLECTION ESTIMATES
(metric tons)

Month	Original Plan	Latest Estimate	Planned Distribution
March	49,500	706,242	595,500
April	15,000	693,939	621,000
May	19,500	24,090	661,500
June	19,500	24,394	702,000

SOURCE: Ministry of Agriculture and Forestry.

Legal measures implementing the crop collection program were adopted by most prefectural governments.

5. Total stocks of staple foods owned by the Government and by Prefectural Foodstuffs Corporations on 28 February equaled 69.7 days' supply. Prefectural stocks varied from 3.1 days' supply in Hokkaido to 218 days' supply in Saga. A breakdown of foodstocks by prefecture is presented in chart, page 186.

Imports

6. The following procedures will govern the distribution of food imports:

(1) SCAP will direct the Japanese Government to take title to the food at the ship, store it in appropriate warehouses under adequate guard and report to SCAP the location and quantities of all foodstuffs.

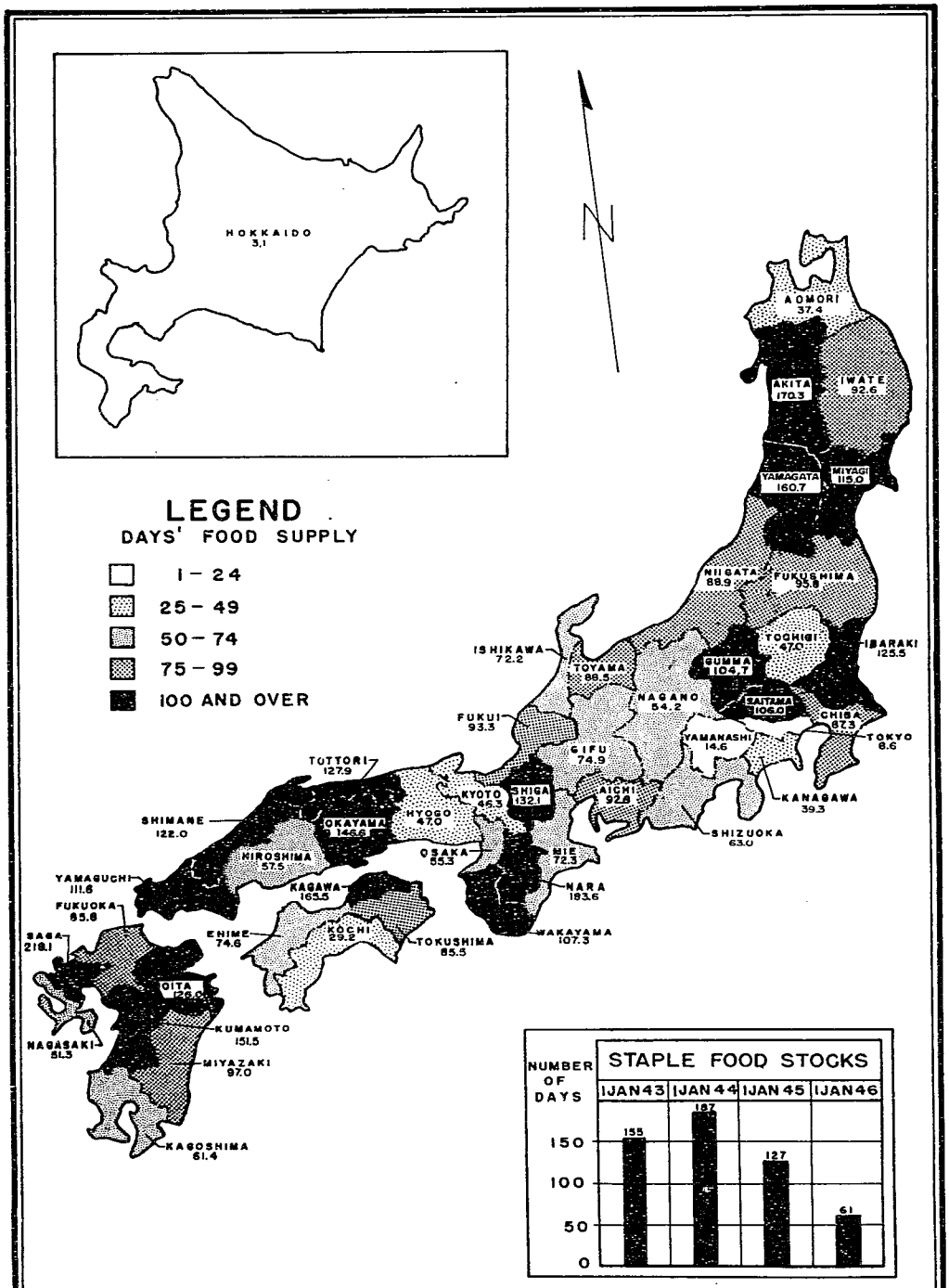
(2) SCAP will authorize the release of the foodstuffs for distribution through rationing channels when there is insufficient food in given areas to maintain the official staple food ration.

(3) The Japanese Government will report to SCAP the actual distribution.

Shipments of food imports to Japanese ports will be governed by the location of the port in relation to critical areas and its physical facilities.

7. Seven million pounds of wheat flour imported from Manila for civilian reserve were released on 15 March for distribution in the Tokyo-Yokohama area. Baking facilities of the metropolitan areas received the flour from the Food Management Board of the Ministry of Agriculture and Forestry during the last week of March. An estimated 4,728,000 persons were given a ration of bread, supplanting an equivalent amount of rice.

8. In conjunction with the import program a survey was initiated to determine excess U. S. Army foodstocks in this area which might be used for civilian feeding. These excess foodstocks will be processed as part of the import program.



SOURCE: MINISTRY OF AGRICULTURE AND FORESTRY.

GOVERNMENT CONTROLLED STAPLE FOOD STOCKS

DAYS' SUPPLY BY PREFECTURES (28 FEBRUARY 1946)

JAPAN

MARCH 46 GHQ·SCAP NUMBER 28

EIGHTH U. S. ARMY PRINTING PLANT (ZOSHIGAYA)

Prices

9. Effective 3 March prices of all staple foods were increased to induce farmers to sell more of their crops and to adjust food prices with the general price level.

PRICE SCHEDULE OF STAPLE FOODS
3 March 1946
(yen)

Commodity	Unit	Producer's Price	Subsidy	Price to Prefectural Foods Corp.	Retail Price
Rice	koku a/				
New price		300.00	50.00	250.00	286.25
Old price		150.00	75.00	75.00	87.91
Barley	koku				
New price		161.57	25.00	135.68	
Old price		49.71	25.00	23.20	
Naked barley	koku				
New price		235.88	33.00	202.11	
Old price		72.84	38.00	34.34	
Wheat	koku				
New price		235.88	33.00	202.11	
Old price		72.84	38.00	34.34	
Wheat flour	10 kg.				
New price				18.59	20.50
Old price				3.68	4.15
Corn flour	10 kg.				
New price				6.81	20.50
Old price				1.35	4.15
Bread	1 kg.				
New price					2.26
Old price					.76

a/ One koku = 5.12 bushels (U.S.)

SOURCE: Ministry of Agriculture and Forestry.

Perishable Foodstuffs

10. The quantity of vegetables distributed in major cities in February decreased about 25 percent from January totals. February vegetable prices rose to approximately 150 to 200 percent of January prices.

11. The Japanese Government adopted measures to reduce retail prices of vegetables to conform to the reduced purchasing power of consumers. Because this is a period of relatively short supply of vegetables the Government intends to reduce prices to producers gradually to try to insure an adequate quantity for distribution.

12. The "bargain sale system" of vegetables went into effect in major cities on 1 March. A government subsidy is paid to the vegetable distributing companies to enable them to resell to consumers at lower prices. Vegetables are divided into three categories which sell for 5, 7 or 10 yen per kan (8.27 pounds) depending upon the type of vegetable.

13. In Tokyo the quantity distributed under the new system was small at first but increased satisfactorily up to 20 March. The first decrease in producers' prices went into effect on 21 March. It was followed immediately by a drastic reduction in the quantity of vegetables distributed.

Fish

14. The quantity of fish distributed in major cities during February was approximately the same as January distribution. The present distribution allowances of fish are 75 grams for cut fish, 112.5 grams of fish in the round or 187.5 grams of shell fish per distribution. In most districts of Tokyo each family received two distributions during March.

15. February retail prices of fish not included in the link system increased over January prices. On 10 March official prices of fresh fish were re-established at virtually the same levels as previous link prices.

The official retail prices for the more important types of fresh fish are shown below:

RETAIL FISH PRICES
March 1946
(yen/375 grams)

Sardines	1.56
Horse mackerel	2.40
Mackerel	2.40
Flatfish	2.50
Shark	3.50
Yellowtail	7.00
Tunny	8.00

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

CLOTHING

16. The February distribution of clothing and textile goods, particularly yard goods, blankets, bedding and footwear, to consumers and industrial users increased.

Chart, page 189 shows the distribution of clothing and textile goods by prefectures.

Poor transportation continues to retard distribution.

17. Production of clothing and textile goods rose slightly due to the increased availability of raw materials through normal production channels.

FUEL

Coal

18. All sales of coal to consumers and all purchases from mines are made by the Japan Coal Company. The average sales price

FEBRUARY 1946
CLOTHING DISTRIBUTION BY PREFECTURES
JAPAN

Prefectures	CLOTH						CLOTHING GOODS				
	Cotton (sq yd)	Staple Fiber (sq yd)	Worsted & Woolen (sq yd)	Blanket (sheet)	Hempen (sq yd)	Rayon (sq yd)	El. School Uniform (pc)	Ready-Made (pc)	Japanese (pc)	Working Dress (pc)	Cloth (pc)
Hokkaido	826,511	299,675	11,631							46,413	8,252
Aomori	1,443,691	1,848	3,424							7,718	3,951
Iwate		6,750	6,153							130	19,931
Miyagi		23,891	10,768							2,426	24,145
Akita		7,074	5,845							668	20,222
Yamagata	420,000	1,378	6,326							7,260	21,335
Fukushima	781,345	1,242	4,258							23,000	3,425
Ibaraki	8,706	19,070	7,834							4,300	26,272
Tochigi	544,184		3,324	5,689						13,740	
Gunma	200,190	25,700	4,878	7,498						40,000	
Saitama	12,304	20,009	3,013							16,940	14,508
Chiba	2,237		4,857		2,015					14,122	24,610
Tokyo	255,089	129,201	58,946	292,511	43,468	24,800					17,178
Kanagawa	5,441	27,133	16,423	28,240		37,200	3,175			57,830	42,458
Yamanashi	1,141	1,733	5,363	9,192						2,863	372
Niigata	7,028		7,433							33,568	128,658
Toyama	7,275		5,145								144
Nagano			6,989							130,254	372
Ishikawa	890,400	1,710	7,939								296
Gifu	33,666	20,000	5,742	1,750							5,256
Shizuoka	200	38,900	8,918					2,024		1,780	266
Aichi	66,933	34,581	18,890								18,815
Mie	67,000	38,190	4,809								28,435
Fukui	367,200		4,445	17,054							612
Shiga	166,800	51,070	2,552								
Kyoto		30,810	4,989				1,000			20,000	13,300
Osaka	1,721,045	217,260	9,752						3,340	113,285	4,755
Hyogo	1,998,683	59,760	3,554						1,253	6,880	70,020
Nara	85,873	115	5,984						1,441	6,906	
Wakayama	583,955	80,180	3,479						200	13,000	
Tottori		9,836	3,860								
Shimane		7,176	3,424							26,140	
Okayama	66,666	115,600	6,162					362			
Hiroshima	68,900	428,601	12,009					672			
Yamaguchi	41,538	20,510	8,522							22,290	
Tokushima		36,000	4,911				24,500			35,620	26,081
Kagawa	4,422	58,090	2,599				3,900			58,359	
Ehime		9,000	7,218								
Kochi		40,800	3,960								
Fukuoka	795,817	45,703	15,636				400		1,348	750	
Saga	567,041	14,985	3,500	16,420						120	
Nagasaki	1,488,337	31,500	6,163				400			560	
Kumamoto	916,800	32,000	9,471							220	
Oita	14,608	43,600	2,876							180	
Miyazaki	212,400	4,044	3,813							120	
Kagoshima	808,012	32,632	7,846				400			680	4,824
Total	15,511,438	2,077,357	355,573	378,354	45,483	62,000	33,775	3,058	7,582	708,152	528,492

Prefectures	KNITTED WEAR			BEDDING	YARN	FIBER SUNDRIES		NETTING	THREAD	HATS	TABI
	Under-Shirts (doz)	Hosiery (doz)	Gloves (pr)	Cloth (set)	Knitting Yarn (lb)	Twines & Tapes (1000 yd)	Lace (sq yd)	Mosquito Netting (pc)	Cotton (Sewing) (lb)	Hats (pc)	Tabi (pr)
Hokkaido			3,455		4,770				567		
Aomori		2,432	15,556	1,554	1,000				833	5,760	
Iwate		1,441	2,229		2,000				833	3,840	
Miyagi	2,619	360	983	3,998					623	4,560	100,000
Akita	58		9,623	450					5,338	4,440	
Yamagata	106	5,531	10,565						623	4,560	97,750
Fukushima			3,192		5,000				833	2,919	93,590
Ibaraki					2,000				416		209,750
Tochigi									416		165,500
Gunma					2,000				416		180,750
Saitama				433	12,000				1,416		263,200
Chiba	2,404	9,000							416	5,760	245,860
Tokyo	6	11		947	2,000				2,691	12	614,750
Kanagawa		4,104		150					1,833		230,080
Yamanashi									416		54,250
Niigata	210	2,061	15,966						416		
Toyama				2,300					416		141,500
Nagano									416		294,500
Ishikawa									816		130,000
Gifu			3,280						416		
Shizuoka			58	4,333	7,000				416		64,130
Aichi	255		1,683						1,191		175,000
Mie									416		115,863
Fukui		2,831			2,000				533		
Shiga			5,000						708		
Kyoto									11,476	3,600	260,000
Osaka			21,386	605	600				11,992	837	
Hyogo				9,197	2,000				833	1,500	188,137
Nara									1,500	3,600	
Wakayama				25,380					2,416		
Tottori									733		
Shimane									700	3,600	
Okayama		6,000			2,000				4,000	3,600	
Hiroshima	1,139	14,858			5,000				38,170		
Yamaguchi			1,750		5,000				3,086		
Tokushima									833		
Kagawa									11,054		
Ehime		6,000	11,308						833		
Kochi			13,416						833		
Fukuoka			15,825		3,000				11,923	10,800	221,070
Saga									1,624		
Nagasaki			1,375						4,414		108,100
Kumamoto									5,201		106,250
Oita									7,716		75,300
Miyazaki									2,382		127,550
Kagoshima									3,382		84,250
Total	6,797	54,632	136,650	49,347	57,370				148,515	59,388	4,347,130

NOTE: NO REPORTED DISTRIBUTION DURING FEBRUARY OF THE FOLLOWING ITEMS: SILK CLOTH, SECONDARY SCHOOL UNIFORM, SILK SEWING THREAD, TWINES AND TAPES, LACE AND MOSQUITO NETTING.

SOURCE: MINISTRY OF COMMERCE AND INDUSTRY.

EIGHTH U.S. ARMY PRINTING PLANT

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to consumers is ¥ 150 per metric ton including freight, although there are numerous specific prices covering a wide range of values. Major factors causing price differentials are the district in which the coal is mined, freight zones and the kind, quality and size of coal.

19. Current prices paid to each producer have not been determined and under the existing price policy will remain indefinite until data on the current cost of mining are available. The Coal Board of the Ministry of Commerce and Industry has made estimates to determine the level of prices for sales to consumers and the amount of government subsidy needed to offset the difference between selling prices and costs.

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

COAL ALLOCATION PLAN
April 1946
(1,000 metric tons)

Railroads	605.5
Mine use	216.9
Chemical industry	
Fertilizer	105.2
Others	51.2
Iron and steel	125.5
Non-industrial heating and cooking (Hokkaido)	60.0
Export	88.0
Gas and coke	77.0
Allied Forces	34.5
Ship bunkering	79.8
Foodstuffs	19.2
Salt.	21.2
Ceramics, including cement	48.6
Fiber and textiles	45.5
Electric generation	15.6
Liquid fuel	22.2
Lime and briquettes	34.0
Machinery	15.1
Ship building	6.5
Metal industry	7.5
Metal mining and refining	5.0
Others	64.0
Supplement for stock	59.0
Total	1,807.0

SOURCE: Ministry of Commerce and Industry, Coal Board.

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

Source	Hokkaido	Honshu	Kyushu	Total
Production	450	300	900	1,650
Shipment from stock	45	12	100	157
Total	495	312	1,000	1,807

SOURCE: Ministry of Commerce and Industry, Coal Board.

Petroleum

21. To prevent owners of inoperable vehicles from obtaining fuel, all vehicles in Japan which use gasoline or substitute fuels are being registered.

22. The allocation of petroleum products for April 1946 is indicated in the following table:

PETROLEUM PRODUCTS ALLOCATION
April 1946
(kiloliters)

	Gasoline	Kerosene	Gas Oil	Diesel	Fuel Oil	Lube Oil	Grease a/
Agriculture and forestry	380	1,700	800	200	-	430	10
Automobiles	5,160	-	-	-	-	510	5
Diplomats	10	-	-	-	-	1	-
Fishing	70	300	2,300	10,000	-	870	10
Govt offices	700	60	103	(	60	590	33
				(350			
Public offices	350	27	15	(	-	83	9
Insect control	-	-	1,000	-	-	-	-
Mining and industry	400	300	300	1,550	270	1,600	340
Occupation requirements	200	13	-	-	-	12	-
Shipping	30	100	200	7,200	-	650	7
Total	7,300	2,500	4,718	19,300	330	4,746	414

a/ Metric tons.

SOURCE: Ministry of Commerce and Industry, Mining Bureau.

FERTILIZER

Supply

23. Since December 1945 the production of commercial fertilizer has increased, but supplies remain below requirements. Estimates of production and requirements for the fiscal year 1946-47 are shown in chart, page 103.

24. In January and February production of nitrogenous fertilizer was approximately 62,000 metric tons.

25. The supply of phosphates is low. Following the importation of 3,250 metric tons of phosphate rock in February, production in March increased to 8,100 metric tons, doubling the combined January and February output.

26. The supply of potassic fertilizers is virtually exhausted. In the past almost all of Japan's potassic fertilizers have been imported.

Prices

27. From 1940 through 1945 the retail price of fertilizer was kept constant despite rising production prices by means of subsidy payments to the control company which bought all commercial fertilizer.

After the removal of subsidies on 1 January 1946, prices increased. A summary of fertilizer prices from 1940 to 1946 is presented in the following tables:

AMMONIUM SULFATE PRICES a/
1940-1946
(yen/metric ton)

Date	Producer's Price	Control Co. Price	Subsidy	Wholesale	Retail	Producer Price Index
1940						
Jan-Jul	116.41	100.80	16.94	102.40	105.40	117
Aug-Dec	116.58	100.80	17.11	102.40	105.07	119
1941						
Jan-Jul	120.98	100.80	21.51	102.40	105.07	122
Aug-Dec	120.98	100.80	21.74	102.40	105.07	122
1942						
Jan-Jul	121.06	100.80	28.59	102.40	105.07	122
Aug-Dec	130.14	100.80	30.67	102.40	105.07	131
1943						
Jan-Jul	140.62	100.80	41.15	102.40	105.07	141
Aug-Dec	163.46	100.80	63.99	102.40	105.07	165
1944						
Jan-Jul	205.12	100.80	105.65	102.40	105.07	206
Aug-Dec	205.12	100.80	105.65	102.40	105.07	206
1945						
Jan-Jul	303.95	100.80	204.08	102.40	105.07	306
Aug-Dec	303.95	100.80	204.08	102.40	105.07	306
1946						
Jan-Feb	1,011.48	1,033.87	0	1,052.54	1,079.20	1,017

a/ Ammonium sulfate contains 20 percent nitrogen.

SOURCE: Ministry of Agriculture and Forestry.

CALCIUM CYANAMIDE PRICES a/
1940-1946
(yen/metric ton)

Date	Producer's Price	Control Co. Price	Subsidy	Wholesale	Retail	Producer Price Index
1940						
Jan-Jul	90.28	83.11	8.06	84.76	87.11	105
Aug-Dec	90.28	83.11	8.06	84.76	87.11	105
1941						
Jan-Jul	99.54	83.11	17.32	84.76	87.11	116
Aug-Dec	99.54	83.11	17.32	84.76	87.11	116
1942						
Jan-Jul	110.39	83.11	28.16	84.76	87.11	129
Aug-Dec	115.28	83.11	33.06	84.76	87.11	134
1943						
Jan-Jul	122.52	83.11	40.30	84.76	87.11	143
Aug-Dec	138.12	83.11	55.90	84.76	87.11	161
1944						
Jan-Jul	147.71	83.11	65.49	84.76	87.11	172
Aug-Dec	203.51	83.11	121.29	84.76	87.11	237
1945						
Jan-Jul	253.33	83.11	171.11	84.76	87.11	295
Aug-Dec	253.33	83.11	171.11	84.76	87.11	295
1946						
Jan-Feb	1134.67	1150.67	0	1169.34	1196.01	1321

a/ Calcium cyanamide contains 20 percent nitrogen.

SUPERPHOSPHATE PRICES a/
1940-1946
(yen/metric ton)

Date	Producer's Price	Control Co. Price	Subsidy	Wholesale	Retail	Producer Price Index
1940						
Jan-Jul	57.92	58.59	4.46	60.21	62.37	108
Aug-Dec	71.25	58.59	17.79	60.21	62.37	133
1941						
Jan-Jul	67.04	58.59	13.58	60.21	62.37	125
Aug-Dec	68.93	58.59	15.47	60.21	62.37	129
1942						
Jan-Jul	72.87	58.59	19.41	60.21	62.37	136
Aug-Dec	70.01	58.59	16.55	60.21	62.37	131
1943						
Jan-Jul	75.01	58.59	21.55	60.21	62.37	140
Aug-Dec	86.35	58.59	32.89	60.21	62.37	161
1944						
Jan-Jul	115.97	58.59	62.51	60.21	62.37	217
Aug-Dec	115.97	58.59	62.51	60.21	62.37	217

Date	Producer's Price	Control Co. Price	Subsidy	Wholesale	Retail	Producer Price Index
1945						
Jan-Jul	269.73	58.59	216.27	60.21	62.37	505
Aug-Dec	269.73	58.59	216.27	60.21	62.37	505
1946						
Jan-Feb	456.52	509.52	none	528.19	554.85	854

a/ Superphosphate contains 16 percent phosphate salt.

28. Establishment of prices of raw materials and control over the production of fertilizers are functions of the Ministry of Commerce and Industry. Prices of fertilizer products are established by the Ministry of Agriculture and Forestry on the basis of cost of production plus five percent of paid-up capital. The work of both ministries is coordinated by the Food Policy Investigating Committee of the Japanese Government.

Fertilizer producers assert that prices established on 1 January do not allow them a fair profit. Farmers state that prices are too high.

Rationing

29. All fertilizers produced are sold to the Nippon Fertilizer Corporation, ownership of which is divided equally between the Government and private interests. The latter consist of manufacturers, representatives of agricultural societies and importers of raw materials.

Fertilizers are sold by the Nippon Fertilizer Corporation to prefectural agricultural societies according to quotas established by the Ministry of Agriculture and Forestry. Further distribution is made to local agricultural societies on the basis of quotas set by prefectural governments.

30. A ration of fertilizer based on the acreage devoted to each crop is sold to farmers by local societies. The ration of nitrogenous fertilizer according to crops cultivated is presented in the following table.

RATION OF FERTILIZER

Crop	Rations a/	Effective Date
Rice	2.0	Jan 1946
Wheat and barley	1.0	Aug 1945
Rye	1.0	Aug 1945
Mulberry	2.0	Aug 1945
White potato	0.8	Aug 1945
Sweet potato	0.5	Aug 1945
Other vegetables	1.5	Aug 1945

a/ One ration equals one kan (3.75 kg.) of fertilizer for each tan (395 sq. yds.) of land cultivated.

SOURCE: Ministry of Agriculture and Forestry.

In addition to the above ration the farmer may obtain a bonus allotment by selling his quota of grain to authorized dealers. This bonus amounts to one kan (3.75 kilograms) of nitrogenous fertilizer for each hyo (72 liters) of grain in excess of 70 percent and up to 100 percent of his quota. For each hyo beyond that amount the

farmer receives a bonus of three kan of nitrogenous fertilizer.

31. In December and January there were 221 and 130 cases, respectively, of black-market transactions involving fertilizer. This was less than one percent of violations in rice for the same period.

LEATHER

Supply

32. Stocks of hides and leather amounting to 20,000 metric tons were taken over from the Japanese Army and Navy. Of this amount 10,000 tons was released by SCAP for domestic consumption and the remainder was frozen for export. Annual requirements were estimated by the Japanese Government at 28,000 metric tons.

33. According to the Hide and Leather Control Union, of 39 tanning concerns now in operable condition 35 are working at half their capacity and the others are idle. Because present production is slow the tanners cannot pay expenses.

34. Domestic production of hides and skins since 1940 is shown below:

DOMESTIC PRODUCTION OF HIDES AND SKINS
(metric tons)

Year	Amount
1940	16,710
1941	13,208
1942	9,624
1943	10,464
1944	6,886
1945	unknown
1946	10,000 a/

a/ Estimate.

SOURCE: Hide and Leather Control Union.

Prices

35. Prices of leather goods are shown in the following table:

PRICE LIST OF LEATHER GOODS
February 1946
(yen)

Article	Unit	Manufacturers' Price	Wholesale Price	Black-Market Price
Sole leather, heavy	100 kg.	1,732.50	1,992.38	8,750
Sole leather, light	100 kg.	1,687.50	1,940.63	-
Harness leather	100 kg.	2,001.00	2,301.15	7,600
Case leather	sq. ft.	4.95	5.69	40
Upper leather	sq. ft.	4.88	5.61	36

Article	Unit	Manufacturers' Price	Wholesale Price	Black-Market Price
Shoes (men and women)	pair	46.70	47.70	500
Shoes (children)	pair	25.09	38.16	200
Machine belting	foot	2.30	2.70	20
Gloves, workers	pair	21.36	35.12	150

SOURCE: Hide and Leather Control Union.

Rationing

36. General control over the production of leather goods is exercised by the Ministry of Commerce and Industry through the Leather Control Union which allocates materials and hides to the tanneries. The finished leather is returned to the Union which allots it to makers of leather goods. Finished products are distributed to prefectures in amounts specified by the Leather Control Union. Each prefecture established its own method of distributing leather goods to its inhabitants.

RUBBER

Supply

37. From 15 August 1945 to 20 February 1946 the Rubber Control Union purchased through the Home Ministry 16,200 metric tons of military-owned crude rubber. The annual minimum need for domestic consumption has been estimated by the Japanese Government at 40,000 metric tons.

38. On 20 October 1945 planned production was initiated. The output of finished goods has not equaled production capacity because of reduced allocations of coal and a shortage of fiber.

CRUDE RUBBER CONSUMPTION
(metric tons)

Month	For Rubber Goods	For Wire Coverings	Total
November 1945	1,132	120	1,252
December 1945	1,233	120	1,353
January 1946	1,033	140	1,173
February 1946	1,284	166	1,450

SOURCE: Rubber Control Union.

39. The amount of crude rubber holdings in Japan on 20 February, excluding factory stocks of 6,053 metric tons, is shown below:

CRUDE RUBBER HOLDINGS IN JAPAN a/
20 February 1946

Grade	Quantity (metric tons)	Value (yen/metric ton)
No. 1	2,000	2,100.00
No. 2	4,000	2,000.00
No. 3	8,500	1,700.00
No. 4	8,500	1,500.00
No. 5	1,248	1,350.00
Total	24,248 b/	

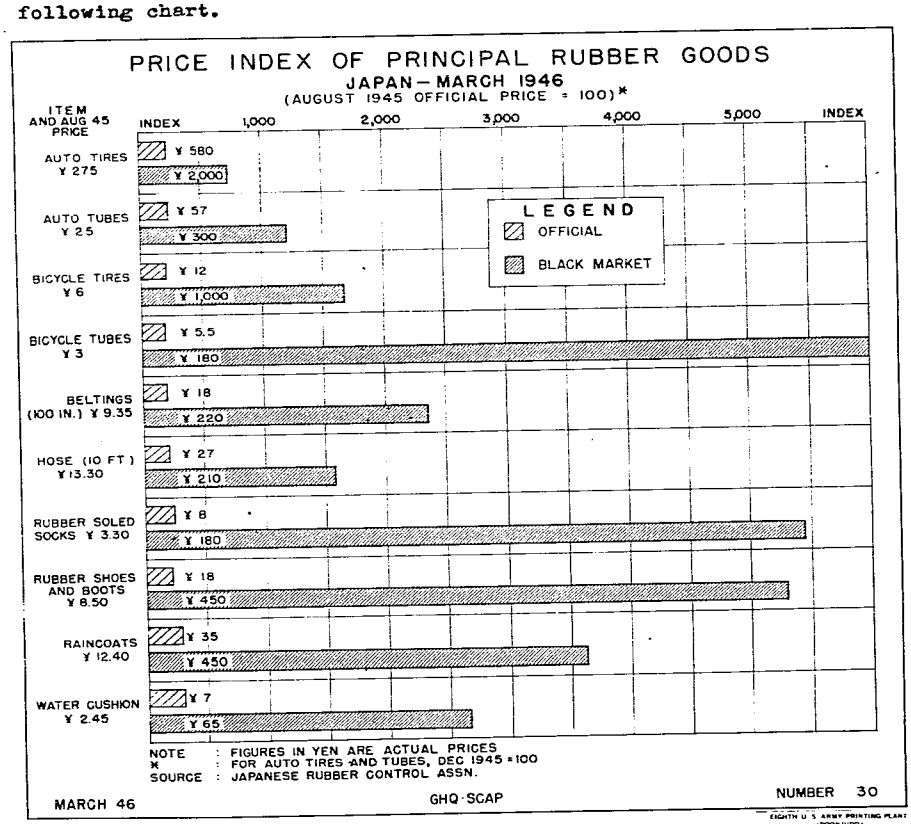
a/ Excluding factory stock.

b/ Of this amount 10,000 metric tons were frozen by SCAP for export.

SOURCE: Rubber Control Union.

Prices

40. Prices of principal rubber goods are indicated in the following chart.



A breakdown by usage and quantity of products to be distributed is outlined in the following chart.

PLANNED DISTRIBUTION OF RUBBER PRODUCTS

JAPAN — MARCH-DECEMBER 1946

ARTICLE	UNIT	AGRICULTURAL AND FISHING INDUSTRY & WORKERS	COAL MINING INDUSTRY & EMPLOYEES	TRANSPORTATION INDUSTRY & EMPLOYEES	OTHER INDUSTRIES & EMPLOYEES	TOTAL AMOUNT
Auto tires	pc.	9,450	9,450	160,650	9,450	189,000
Bicycle tires	pc.	1,333,200	333,300	4,666,200	333,300	6,666,000
Rubber-soled socks	pr.	17,478,000	2,988,000	4,347,000	4,347,000	29,160,000
Rubber shoes and boots	pr.	1,593,750	375,000	437,500	1,968,000	4,374,250
Rubber soles and heels	pr.	3,681,450	1,227,150	3,681,450	3,681,450	12,271,500
Transmission belts	ft.	6,249,900	1,041,650	520,825	2,604,125	10,416,500
Conveyor belts	ft.		496,000		496,000	992,000
Hose	ft.	2,780,000	3,475,000	2,780,000	4,865,000	13,900,000
Rubber cloths	pc.	635,040	317,520	476,280	158,760	1,587,600
Medical goods	doz.				275,000	275,000
Rice-thresher rolls	pc.	396,000				396,000
Wire-coverings	km.	15,480	30,960	92,880	170,280	309,600
Others	yen	6,710,400	2,796,000	11,184,000	35,229,600	55,920,000

SOURCE: Japanese Rubber Control Union

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EIGHTH U S ARMY PRINTING PLANT (BOOKJUDD)

Rationing

41. The Ministry of Commerce and Industry instructs the Rubber Control Union as to the number and kinds of rubber products to be manufactured. The latter supplies the required amount of rubber to producers, inspects the finished products and allocates them to the prefectures. Prefectural governments distribute the rubber products to consumers.

MISCELLANEOUS GOODS

42. Official retail ceiling prices of selected commodities are shown below:

OFFICIAL PRICES OF CONSUMER COMMODITIES
March 1946
(yen)

Item	Retail Price
Basket (Komeagezaru) large	17.00
Bath tub	207.10
Battery, dry cell	1.50
Bed	347.50
Broom	28.00
Bucket, lead plated, 13 liter	24.20
Can opener	.90

Item	Retail Price
Chair with arms	209.00
Chisel	20.00
Cream, cold cream foundation	10.00
Crowbar, hammer	6.35
Dust pan for room	1.15
Knife, kitchen, heavy with handmade handle	25.25
Lipstick (kuchibeni)	5.00
Mop	2.60
Sandle, worker's (gemu ura)	10.00
Sink	122.50
Table, business (ko-type)	433.00
Toothbrush bone or resin	2.50
Tooth paste	.50
Washboard, solid wood	8.60

SOURCE: Ministry of Commerce and Industry.

SECTION 12

MONEY AND BANKING

C O N T E N T S

GENERAL

1. The currency conversion program caused a sharp decline in the amount of Bank of Japan notes in circulation. Savings deposits increased and the amount of loans owed to the Bank of Japan by other banks was reduced by the use of blocked deposits.

FINANCIAL INSTITUTIONS

Currency

2. The note issue of the Bank of Japan decreased from a high of ¥ 61,820,000,000 on 18 February to a low of ¥ 15,160,000,000 on 9 March. On 20 March note issues had risen to ¥ 17,950,000,000.

Bank of Japan

3. The condensed statement of the Bank of Japan follows:

BANK OF JAPAN
Condensed Statement
(millions of yen)

Assets	20 February 1946	20 March 1946
Cash and bullion	532	639
Govt bonds and securities	7,529	3,637
Advances to Government	14,677	10,523
Loans	44,400	27,013
Agencies accounts	23,865	23,783
Miscellaneous accounts	870	1,544
Inter-office account	143	0
Inter-office items on Govt account	0	6,713
Total	92,016	73,852

Liabilities	20 February 1946	20 March 1946
Notes issued	61,450	17,959
Government deposits	24,168	39,207
Other deposits	4,612	8,043
Miscellaneous accounts	892	1,022
Net profit for current period	491	626
Capital and reserves	212	212
Inter-office account	0	6,783
Inter-office items on Govt account	191	0
Total	92,016	73,852

SOURCE: Bank of Japan.

The decrease in notes issued and the increase in deposits and inter-office accounts were caused by the currency conversion program. Final tabulation of statistics and the charging-off of appropriate items will reduce total assets and liabilities. Use of currency blocked in banks decreased loans from the Bank of Japan to other banks by ¥ 17,390,000,000.

Deposit Funds Management Bureau

4. Postal savings deposits continued to increase and at the end of February amounted to ¥ 43,277,000,000 as compared with ¥ 42,389,000,000 the previous month and ¥ 26,923,000,000 at the end of December 1944.

The investment of these deposits is being supervised by SCAP. The Deposit Funds Management Bureau was directed to submit an estimate of anticipated investable funds and a proposed investment program for the fiscal year 1946-47.

Ordinary Banks

5. The enforced deposit of old currency resulted in a large increase in deposits. Estimates by the Ministry of Finance and the Bank of Japan anticipate an expansion of approximately ¥ 22,700,000,000 of which about ¥ 10,000,000,000 is expected to occur within the "big five" ordinary banks.

Loans from the Bank of Japan to ordinary banks amounted to approximately ¥ 25,100,000,000 before the currency conversion, of which ¥ 21,700,000,000 was owed by the "big five." These loans are being reduced.

Savings Banks

6. Because of the currency conversion program deposits in savings banks increased about ¥ 2,500,000,000. Loans from the Bank of Japan total approximately the same amount and it is expected that savings banks will be able to liquidate their entire borrowings from the Bank of Japan.

Yokohama Specie Bank

7. To locate any undisclosed operations or any secret funds

not reported, an investigation of correspondence from 1 July 1943 through 31 December 1945 of the Yokohama Specie Bank with its foreign representatives and banks is being conducted by SCAP.

A check was made of the bank's foreign and legation accounts. The figures in its ledgers agreed with the latest corrected reports submitted by the bank.

FOREIGN EXCHANGE

Imports and Exports of Currency and Financial Instruments

8. To expedite processing of Korean repatriates the Japanese Government was directed to exchange Bank of Japan currency for Korean currency at repatriation ports in Japan. Exchanges up to ¥ 1,000 per person are permitted.

9. Japanese repatriates returning from Australia, New Zealand, Southeast Asia and certain island areas under the control of the United States are given receipts for all moneys taken from them or balances due them at time of embarkation for Japan. These receipts are expressed in Australian, New Zealand, United States and other currencies in use in these areas.

The Japanese Government was authorized to take up these receipts, to hold them in safe custody and to make payments to the repatriates in yen within the prescribed limitations of ¥ 1,000 per person, plus additional amounts for former prisoners of war up to their total earnings while interned.

Controls over Financial Transactions

10. The Japanese Government was instructed to open a "Custody Account for SCAP" in the Bank of Japan. All funds seized from former enemy nationals, from Japanese Army and Navy installations and from illegal organizations of various kinds are being deposited in this account.

Bank of Japan currency exchanged for Korean repatriates and other funds in Japan belonging to public and private persons in Korea are being deposited in this account and detailed records maintained.

11. The Japanese Government was authorized to purchase precious metals from producers, processors and other sources through the Bank of Japan. Further transfers and transactions in precious metals so acquired will be subject to approval by SCAP.

12. Certain transfers of funds blocked as property of former enemy governments and their nationals were authorized. The Japanese Government was granted permission to pay the Swedish Legation approximately ¥ 20,000 for the account of the Italian Government. These funds were paid by the Italian Social Republic to the Japanese Government to defray anticipated expenses of the latter while acting as protecting power for Italian interests in Russia. These expenses were not incurred by the Japanese Embassy in Moscow.

Permission was granted for the release of blocked funds of a German national to resume operations of his business in Japan. The operation of this small enterprise was considered desirable for purposes of the occupation. This property is not subject to the vesting decree of the Allied Council in Germany because of the owner's long residence in Japan.

13. The Bank of Japan is liquidating agent for the Deutsche Bank fuer Ostasien. Liquidation proceedings include payments into

accounts of German nationals in Japan whose funds were blocked on instructions from SCAP. The Japanese Government was directed to permit the Bank fuer Ostasien to place the funds in banks designated by the depositors. These funds will remain subject to blocking directives of SCAP.

Reports on External Assets

14. Checks and summaries of reports obtained by the Japanese Government on holdings by persons in Japan of foreign exchange and other external assets are being made independently by SCAP and the Bank of Japan.

About 200,000 reports from the Japanese Government, financial institutions, other corporations and individuals have been received. Except for persons repatriated to Japan from oversea areas reporting is practically complete.

LIQUIDATION

15. Ordinances promulgated by the Japanese Government establishing the Committee of Conservators for Closed Institutions and appointing committee members were approved by SCAP.

16. The Bank of Japan, as liquidator, was ordered to commence payment of depositors' claims against the Chosen Colonization Bank.

17. The Bank of Japan was directed to return items of safekeeping held for the accounts of customers of the Bank of Chosen, Chosen Colonization Bank, Bank of Taiwan, Banque de l'Indo-Chine and the Banque Franco-Japonaise.

18. Radio broadcasts were used by the Bank of Japan, as liquidator, to urge depositors in the Bank of Chosen to present claims for payment. Although payment was authorized to commence 15 February, 54.5 percent of deposits remain unclaimed.

19. The Bank of Japan created within its organization a "Department for Management of Affairs of Closed Institutions". This reorganization will permit a more active liquidation program with respect to closed institutions.

INSURANCE

20. The Post Office Life Insurance Department reported as of 31 December 1945:

(1) Number of policies outstanding: 89,319,956

(2) Number of policies per 1,000 inhabitants: 1,105

(3) Insurance in force: ¥ 24,512,044,872

(4) Average amount of policy: ¥ 275

(5) Total insurance fund: ¥ 4,502,327,944

(6) Surplus in excess of legal reserve: ¥ 12,180,724

21. The Post Office Life Annuity Department reported, as of 31 October 1945, a total fund of ¥ 1,632,104,807, including a surplus of ¥ 36,987,480.

22. Annual meetings of stockholders and directors of insurance companies produced many changes in executive personnel. Positions

formerly held by non-active officials were abolished and the number of directors was reduced.

23. The decrease in non-life insurance premiums after August 1945 was much less than anticipated primarily, because of increased valuation of small properties.

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SECTION 13

PUBLIC FINANCE

C O N T E N T S

1. Proposed expenditures for local government to be made by the Ministry of Home Affairs during the fiscal year 1946-47 are being analyzed by SCAP.

Exemptions and rates in ordinary tax laws were changed.

2. Additional companies and their subsidiaries were added to the Schedule of Restricted Concerns.

NATIONAL GOVERNMENT BUDGET, EXPENDITURES AND BORROWING

3. Action on the original budget was suspended until the submission of the supplementary budget so that the two may be considered together as a unified program for the fiscal year 1946-47.

4. Under the proposed draft of the new Japanese Constitution the powers of the Diet over the budget have been greatly increased by bringing all categories of expenditures, including those of the Imperial Household, under legislative control and by eliminating the authority for emergency budgetary action by the executive branch of the Government.

5. Permission was granted for expenditures from the current budget totaling ¥ 10,138,658,346 from 1 January through 31 March 1946. This amount, which is considerably in excess of normal, was necessitated by the increase in wages and prices and by the delay in government payments. More than half the revised total expenditures for the year remained to be paid after 1 January 1946.

6. Four emergency financial measures totaling more than ¥ 4,000,000,000 were approved by SCAP for expenses of repatriation and demobilization, price adjustment subsidies, shipping costs, maintenance of properties to be used for reparation and several other purposes not provided in the current budget.

7. Government bond issues in excess of ¥ 7,000,000,000 were authorized to cover the deficit between current revenues and authorized current expenditures. To minimize the inflationary effect of this deficit financing, the bonds are to be sold chiefly to savings institutions.

In addition a bond issue of ¥ 5,000,000,000 was authorized to retire approximately half the Government's debt to the Bank of Japan. This debt was frozen in January when the Government was directed to discontinue deficit financing through overdraft on its account with the bank of Japan.

SPECIAL ACCOUNTS

8. The Original Special Account Budget for the fiscal year 1946-47 and data concerning the functions and holdings of special accounts under the Ministry of Finance were received. Anticipated expenditures were estimated at ¥ 31,000,000,000. Revenues and expenditures are expected to increase substantially over the 1945-46 fiscal year.

9. General price increases and reduced revenues caused the Imperial Railways and the Communications Board to request approval of SCAP of additional loans amounting to approximately ¥ 500,000,000 and ¥ 98,000,000 respectively to meet budgetary deficits for the 1945-46 fiscal year. Because the extent of these loans is contingent upon final decisions on retirement allowances and year-end bonuses to government employees, final approval is being withheld.

10. The Exchange and Trade Special Account borrowed ¥ 150,000,000 and the Printing Bureau ¥ 55,000,000 to provide working capital.

TAXATION AND REVENUE

11. The effect of war indemnity claims of Japanese industry on the tax program is being studied. The amounts of war indemnities paid will affect the Government's need for revenue.

Because of changes in the price and wage structure, exemptions and rates in the ordinary tax laws were amended.

NATIONAL DEBT

12. A statement of the national debt of the Japanese Government follows:

NATIONAL DEBT
28 February 1946
(millions of yen)

Government bonds (domestic)		129,858
Government bonds (external)		886
Bank loans		58,325
Expenditures in occupied areas	43,834	
Overdraft on Bank of Japan	10,200	
Special debt certificates a/	3,933	
Navy arsenal loan (short-term)	40	
Other short-term loans	318	
Rice bills and food certificates		2,513
Treasury bills		500
Total		192,082

a/ Issued in payment for wartime enterprise adjustment.

SOURCE: Ministry of Finance.

Bonds issued from April 1945 through February 1946 totaled ¥ 23,502,000,000.

LOCAL GOVERNMENT FINANCE

13. A detailed analysis of proposed expenditures for local government from the general account of the Ministry of Home Affairs was completed. Budget estimates for the fiscal year 1946-47 are compared with the actual budget of the fiscal year 1945-46 and illustrative deviations are explained below:

EXPENDITURES FOR LOCAL GOVERNMENT
(yen)

Item	Budget 1945-46	Estimate 1946-47	Reason for Increase
Salaries	26,525,544	41,677,112	Salaries of local officials many of whom are wholly or partly on the payroll of the National Government were raised.
Pensions	2,597,912	3,643,890	Higher salaries increased the government's share of pension costs.
Expenses of local personnel	102,531,064	119,146,000	Family allowances of local employees were raised.
Development of Hokkaido	46,869,638	49,029,655	Small population and semi-colonial status of this area make improvements a responsibility of the National Government.
Local public works	26,161,740	49,785,000	Expenses resulting from war damage necessitated government subsidies.
Extraordinary miscellaneous subsidies	69,482,550	81,747,140	Occupational expenses of local governments and reconstruction of public buildings increased.

SOURCE: Ministry of Home Affairs.

IMPERIAL HOUSEHOLD

14. On 16 March money grants totaling ¥ 160,000 were authorized to the following:

(1) Imperial Academy: ¥ 10,000

(2) Association for the Prevention of Tuberculosis: ¥ 50,000

(3) Prince Ri: ¥ 100,000

A loan of ¥ 420,000 to Prince Ri to defray the cost of abolishing the Prince Ri Household as a part of the Imperial Household was approved.

ZAIBATSU

Holding Companies

15. Directives of 14, 20 and 22 March added the following to the Schedule of Restricted Concerns:

Holding Company	Number Restricted
Fuji Industrial Company a/	39
Japan Iron and Steel Company, Ltd.	33
Japan Radio Company, Ltd.	22
Matsushita Electric Industries Co., Ltd.	33
Mitsui Honsha a/	1
Oki Communications Instrument Co., Ltd.	1
Oki Electric Company, Ltd	4
Oki Securities Company, Ltd.	17
Sumitomo Honsha a/	1
Tokyo-Shibaura Electric Company, Ltd.	29
Total	180

a/ Additional subsidiaries of holding companies already on Schedule of Restricted Concerns.

The Japan Iron and Steel Company with assets totaling ¥ 3,000,000,000 is the largest steel concern in the nation. It was founded in 1934 by a merger of the main iron and steel producers of the country. Fifty-six percent of its capital stock is held by the Ministry of Finance.

The Japan Radio Company with assets of ¥ 400,000,000 is the second most important manufacturer of communications equipment in Japan. More than 50 percent of the company is owned by the Okura Produce Company, also a restricted concern.

The Matsushita Electric Industries Company with assets of ¥ 245,000,000 is the ninth largest manufacturer of communications equipment in Japan and is the only company of the top nine which is not linked with the Zaibatsu. It was placed on the restricted list because of its dominating position in certain fields of the electrical industry.

Mitsui Honsha and Sumitomo Honsha failed to report the Riken Metal Manufacturing Company and Onoda Cement Company, respectively, as subsidiaries.

The Oki Communications Instrument Company and the Oki Securities Company serve in the capacity of holding companies. They are controlled 100 percent by the Oki Electric Company which, with assets of ¥ 300,000,000, is the second largest manufacturer of telephone equipment in Japan and the fourth most important company manufacturing communications equipment. It is controlled by the Yasuda Hozensha.

The Tokyo-Shibaura Electric Company with listed assets of more than ¥ 2,000,000,000 is the largest communications equipment firm in Japan. Mitsui interests hold 18.4 percent of the stock and the Teikoku Bank, also controlled by Mitsui, holds notes of the firm totaling more than ¥ 800,000,000.

16. On the Schedule of Restricted Concerns there are now 26 holding companies controlling 555 concerns of which 26 are foreign subsidiaries located outside Japan.

17. Companies on the Schedule of Restricted Concerns are prohibited from disposing of capital assets or other property without prior approval by SCAP. Expenditures are permitted only for activities in the normal course of business.

Zaibatsu Expansion

18. The war expansion of the "big four" Zaibatsu, Mitsui, Mitsubishi, Sumitomo and Yasuda, is reflected in Charts, pages 212 and 213 , covering assets, liabilities and capitalization of the primary holding companies.

These Zaibatsu emerged from the war with assets aggregating more than ¥ 3,000,000,000 as compared with ¥ 875,000,000 in 1930. They accomplished this by obtaining preferential government subsidies, loans, grants and forced mergers of small business concerns without materially increasing their capital investment.

Claims of Restricted Concerns

19. The accompanying table, pages 214 and 215 indicates the status of war damage and government indemnity claims of 245 holding companies and subsidiaries on the Schedule of Restricted Concerns. Solvency of many of these concerns is dependent upon the payment of these claims.

Holding Company Liquidation Commission

20. Proposed ordinances to establish and regulate the Holding Company Liquidation Commission are being studied by SCAP.

Candidates for membership on this commission were interviewed and several were tentatively agreed upon by SCAP and Japanese officials. Their backgrounds are being investigated thoroughly.

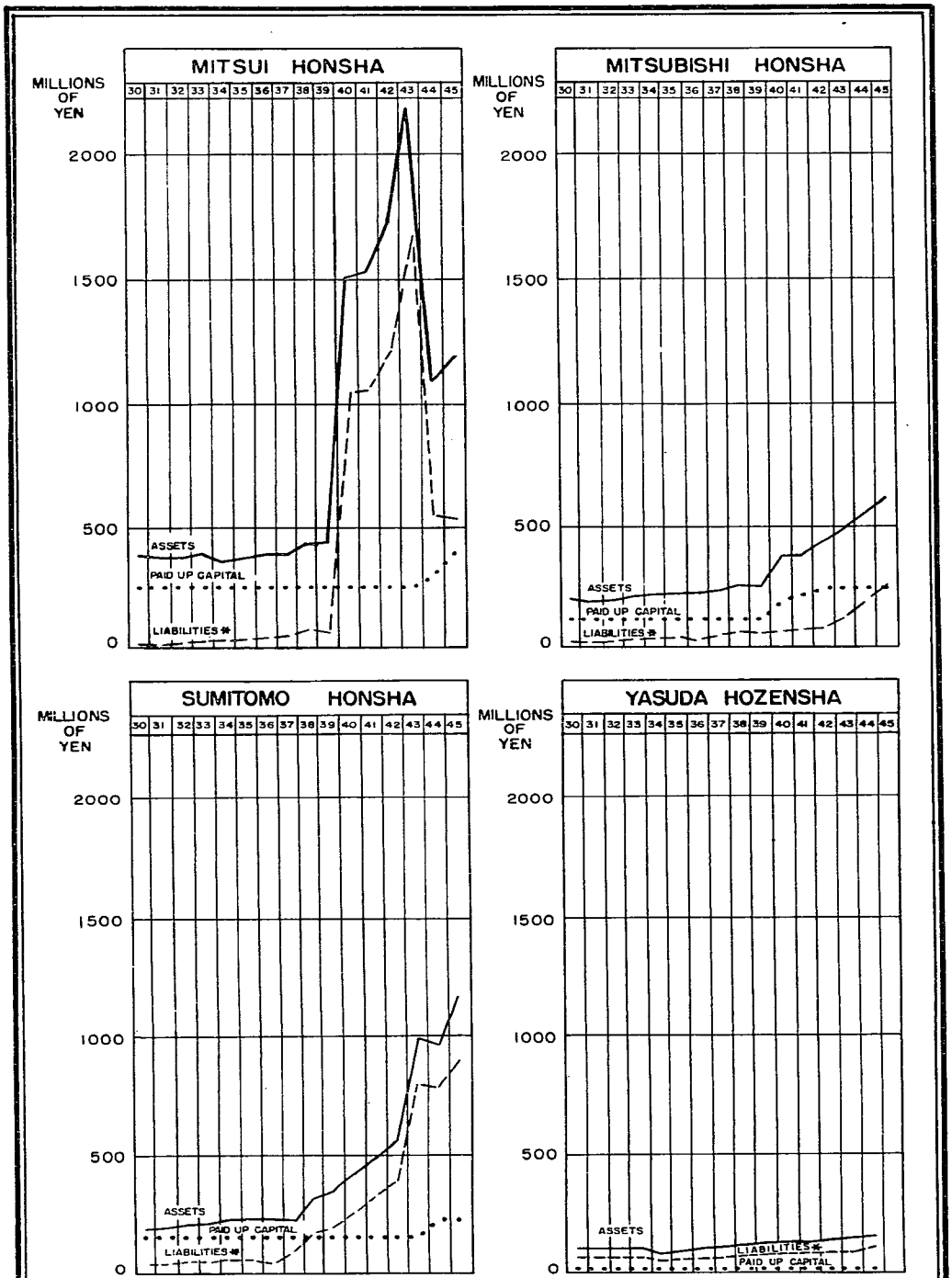
Control Associations

21. On 14 March the Japanese Government was directed to liquidate the National Trade Corporation and its subsidiary organization, the Japan Miscellaneous Goods Trade Encouragement Company, a government-controlled organization for the import-export trade. The Japan Board of Trade, a new Japanese Government public agency, has been established to handle minimum import and export shipments essential to the internal economy of Japan.

22. In compliance with a directive of 11 October 1945 the Japanese Government reported on 27 March that dissolution of the Japan Silk Controlling Company, Japan Raw Silk Manufacturing Company and the All Japan Mutually Prosperous Silk Reeling Company had been completed.

Legislation for the establishment of a Raw Materials Control Board was received from the Japanese Government.

23. Conferences were held between SCAP officials and manufacturers of chemicals, communications equipment, radios, gas, leather and rubber goods concerning responsibilities and duties of their associations in serving the national interest and preventing diversion of their products into unessential and illegal channels.



*EXCLUDES CAPITAL

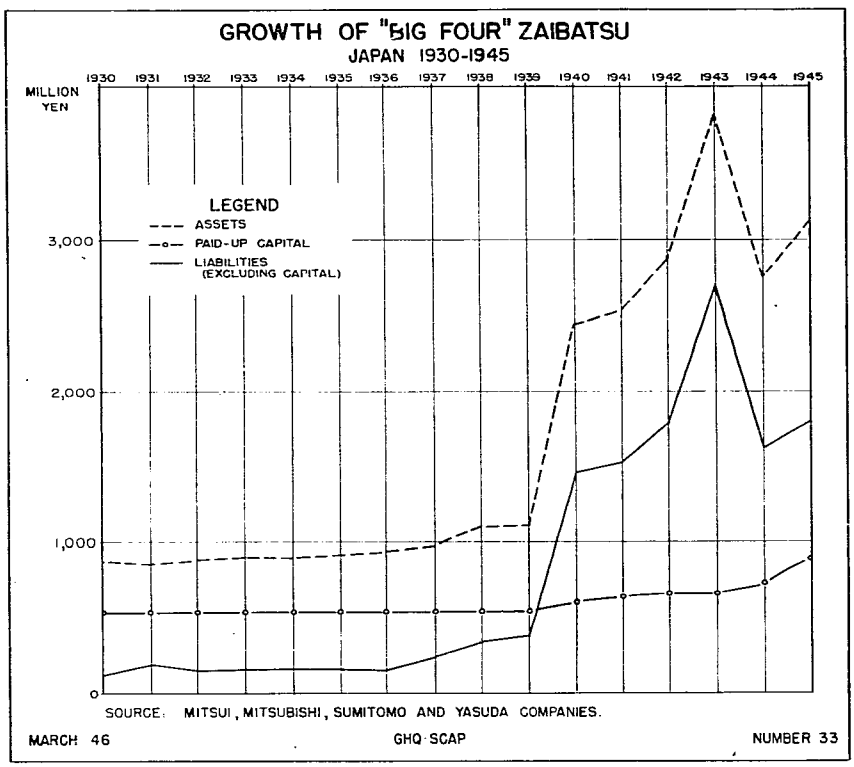
SOURCE: MITSUI, MITSUBISHI, SUMITOMO AND YASUDA COMPANIES

LEADING ZAIBATSU

PAID-UP CAPITAL, LIABILITIES, AND ASSETS

JAPAN 1930-1946

MARCH 46 GHQ·SCAP NUMBER 32


GROWTH OF "BIG FOUR" ZAIBATSU
JAPAN 1930-1945
1930 1931 1932 1933 1934 1935 1936 1937 1938 1939 1940 1941 1942 1943 1944 1945
MILLION YEN
LEGEND
ASSETS
PAID-UP CAPITAL
LIABILITIES (EXCLUDING CAPITAL)
3,000
2,000
1,000
0
SOURCE: MITSUI, MITSUBISHI, SUMITOMO AND YASUDA COMPANIES.
MARCH 46
GHQ SCAP
NUMBER 33

WAR DAMAGE AND GOVERNMENT INDEMNITY CLAIMS
(thousands of yen)

Holding Companies	a/	b/	c/
Mitsui Honsha	34	182,318	172,035
Mitsubishi Honsha	26	202,349	1,009,478
Sumitomo Honsha	19	116,268	468,894
Yasuda Hozensha	20	65,172	36,800
Kawasaki Heavy Industries	9	199,775	461,159
Nissan	5	2,878	30
Asano Honsha	6	18,192	36,931
Fuji Industrial	28	1,616	293,804
Shibusawa Dozoku	1	4,610	333
Furukawa Mining	4	6,949	4,133
Okura Mining	15	28,645	16,108
Nomura Gomei	10	11,994	5,556
Riken Industry	17	20,976	4,678
Nippon Soda	4	14,058	4,415
Nippon Nitrogenous Fertilizer	5	2,103	36,935
Hitachi	14	277,891	891,797
Nichiden Industrial	8	19,415	5,740
Manchuria Investment Securities	7	36,311	140,318
Oji Paper Manufacturing	13	10,856	25,148
Total	245	1,222,376	3,614,292

a/ Number of companies on the Schedule of Restricted Concerns which have reported claims.

b/ Total amount of war damage claims paid by the Japanese Government since 1 July 1945.

c/ Total amount of war damage claims filed and not paid.

SOURCE: Reports of respective companies.

WAR DAMAGE AND GOVERNMENT INDEMNITY CLAIMS
(thousands of yen)

d/	e/	f/	g/
9,439	6,870	356,017	99,516
25,445	32,714	3,340,623	8,177
594	5,654	1,627,152	3,912,516
21,414	307	3,875	4,844
10,900	23,226	1,017,694	2,422
5	0	0	32,833
65,390	1,194	448,966	0
200	27,589	692,346	3,212
0	0	0	4,943
7,800	0	234,611	0
1,391	4,073	27,846	0
215	14	3,280	0
20,580	751	108,635	0
0	16,088	223,993	0
36,000	0	99,852	0
10,560	62,273	569,317	0
1,541	32,524	84,368	0
0	21,973	135,780	0
280	0	23,299	0
211,754	235,250	8,997,654	4,068,463

d/ Estimate by the company of the total amount of war damage claims not yet filed, which it expects to file or is in process of filing.

e/ Total amount of any other form of government indemnity resulting from war contracts paid since 1 July 1945.

f/ Total amount of any other form of government indemnity claims resulting from war contracts filed and not paid.

g/ Estimate by the company of the total amount of any other form of government indemnity claims resulting from war contracts not yet filed, which it expects to file or is in process of filing.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

SUMMATION
of
NON-MILITARY ACTIVITIES
in
JAPAN

Number 6 March 1946

PART IV
SOCIAL

T A B L E O F C O N T E N T S

0202-2

SECTION 1

PUBLIC HEALTH AND WELFARE

C O N T E N T S

PUBLIC WELFARE

Urban Population

1. SCAP issued a memorandum to the Japanese Government which approved the Government's plan for controlling population movements into cities of 100,000 or more population. The plan will remain in effect until 31 May 1946. During that time only persons whose services are required to re-establish the minimum economy of Japan, such as government officials, technically skilled employees and students and teachers, will be allowed to return to urban centers. A permit to change residence will be issued only after an investigation has been made of each case. Restrictions on population movements are designed to prevent serious breakdowns in food distribution, housing, welfare, employment, sanitation and public utility services in urban centers.

Welfare Administration

2. Technical instructions and advice were given the Japanese Government concerning the temporary welfare and relief plan now in operation pending revision of relief laws at the forthcoming Diet session.

Relief

3. A spot-check was made in Tokyo of the distribution of Japanese Army and Navy blankets and winter clothing to relief recipients. Distribution is through large department stores to individuals who have been investigated and given clothing withdrawal authorizations by the local welfare committeemen. The inspection indicated complete compliance with SCAP directives.

4. Tokyo City welfare officials reported the number of relief recipients and amounts of aid granted in Tokyo under the various relief laws for the week ending 9 March 1946. Information is shown in chart on following page.

PUBLIC ASSISTANCE IN TOKYO PREFECTURE UNDER NATIONAL RELIEF LAWS
FOR WEEK ENDING 9 MARCH 1946

LAW	RECIPIENTS						TOTAL AMOUNT (yen)
	BY SEX		BY AGE GROUPS				
	Male	Female	Under 14	14 - 65	Over 65	Total	
Relief Law	747	645	431	529	432	1,392	4,376
Mother and Child Law	897	1,486	1,720	644	19	2,383	7,670
Vagrant Patient	59	16	6	59	10	75	3,456
Relief Law for Insane	323	390	13	676	24	713	9,631
Child Protection Law	257	24	231	50	0	281	1,180
Law of Prevention of Cruelty to Children	85	56	101	40	0	141	592
Relief Law for Orphans	880	530	1,153	257	0	1,410	5,922
Military Dependants Relief Law	8,831	15,727	12,853	10,487	1,218	24,558	137,194
War Sufferers Relief Law	617	720	453	777	107	1,337	14,005
Other Relief	2,084	1,003	415	2,582	90	3,087	34,574
Sub-Total	14,780	20,597	17,376	16,101	1,900	35,377	218,602
Medical Relief Law	194	146	50	226	64	340	a/
Relief in Kind Issued	a/	a/	a/	a/	a/	16,207	a/
Total							51,924

a/ Unknown

SOURCE: Tokyo Prefecture, Social Affairs Office.

MARCH 46 GHQ·SCAP NUMBER 34

EIGHTH U. S. ARMY PRINTING PLANT (RICHARDS)

Private Relief Agencies

5. Foreign private charitable organizations may participate in relief functions in Japan and Korea under arrangements whereby a single agency in the United States will coordinate the activities of organizations who wish to send aid. Commercial shipping will be used to transport 2,000 tons of supplies a month to Japan and 500 tons to Korea. Distribution of supplies in Japan will be made by the Japanese Government under the supervision of SCAP and in Korea by the Military Government. Relief distribution channels already established in both countries will be utilized.

6. Private Japanese relief activities were seriously curtailed by recent governmental orders limiting bank deposit withdrawals. The Ministry of Finance has now authorized relief agencies to make larger withdrawals in order to meet operating expenses and to resume activities.

Housing

7. The Japanese Reconstruction Bureau and the Housing Corporation reported that by 1 March they had provided permanent housing for 75,035 people and emergency billeting space accommodating 37,750 persons in the Tokyo Area.

The emergency space was divided between converted barracks and similar buildings totaling 105,000 square meters for 17,500 people and repaired concrete buildings of 121,500 square meters accommodating 20,250 people.

Foreign Nationals

8. The International Relief Committee, composed of representatives of each of the foreign groups in Japan except enemy nationals, commenced the distribution of supplies to needy foreigners throughout Japan. Using recovered air-dropped POW supplies and American Red Cross clothing, it established distribution centers in Yokohama, Kobe, Hakodate, Sendai, Fukuoka and Karuizawa. The distribution is supervised by Occupation Forces.

9. SCAP had directed the Japanese Government to provide daily necessities for enemy foreign nationals who because of blocked accounts or other financial incapacity could not provide for themselves. In March the Japanese Government proposed releasing ¥ 900,000 to a group of Nazi Germans who were to pay ¥ 150 a month for three months to each of 2,000 Germans. SCAP prohibited this release of funds and directed that in each of the five enemy national communities a non-Nazi be appointed welfare representative to distribute under Occupation Forces supervision relief made available by the Japanese Government.

Repatriation

10. Registration of all Koreans, Chinese, Ryukyuans and Formosans took place 18 March in accordance with SCAP directive. Consolidated reports on the registration are being compiled by the Japanese and will be forwarded to SCAP.

11. On 24 March a total of 831,387 Koreans; 24,079 Formosans; 30,847 Chinese; and 17,224 Ryukyuans had been repatriated to their homelands. By the same date 1,934,805 Japanese ex-servicemen and civilians had been returned to Japan.

ADMINISTRATION OF HOSPITALS

12. There has been a small but steady increase in the number of hospital beds occupied in Japan. Outpatients treated in hospitals show a similar rise.

13. Inspections of former Japanese Army and Navy hospitals have been increased to assure that directives requiring equalization of these hospitals with civilian hospitals are properly obeyed.

During the war civilian hospitals were impoverished for equipment and drugs and were short of professional and non-professional personnel, so that treatment of patients and maintenance deteriorated.

Japanese national hospitals, most of which were formerly army and navy hospitals, are preparing to receive repatriates who require hospitalization.

14. Hospitals that use occidental methods of administration and accommodation are being listed as they are rehabilitated. The list is widely disseminated in order that foreign nationals who prefer occidental hospitalization methods may know of their availability.

15. Permission was denied the Japanese Government to continue the operation of the Dojin-kai Tokyo Hospital under the Foreign Ministry. The Dojin-kai Hospital was operated for the treatment of Chinese, Formosans and Koreans. Since these people are rapidly being repatriated there is no necessity for a special hospital for them. It was directed that administrative control of the Dojin-kai Tokyo Hospital be transferred to the Ministry of Health and Welfare.

VETERINARY AFFAIRS

General

16. A committee of Japanese veterinary educators was organized to evaluate veterinary education and make recommendations to SCAP concerning an adequate veterinary curriculum.

17. Japanese veterinary conditions in Chiba Prefecture were surveyed during the month. The local government, which employs 52 veterinarians, was found to be functioning in a satisfactory manner. A similar survey is in progress in southern Kyushu.

Meat and Dairy Inspection

18. The Veterinary Hygiene Section, Sanitary Bureau, Ministry of Health and Welfare has submitted the following meat and dairy inspection reports:

MILK INSPECTION REPORT
28 Prefectures
December 1945

Milk samples examined	4,866
Over bacterial maximum (2,000,000 per cc)	86
Under butterfat minimum (3%)	293
Dairy farm inspections	2,805

MEAT INSPECTION REPORT
44 Prefectures
January 1946

	Cattle	Calves	Sheep	Swine	Horses
Slaughtered	17,657	451	46	2,265	5,177
Totally condemned	8	0	0	0	11
Partially condemned	164	8	0	38	290
Viscera condemned	2,125	44	0	485	523

The number of prefectures reporting is gradually increasing as the meat and dairy inspection systems are restored.

Animal Disease Control

19. The Ministry of Agriculture and Forestry Veterinary Laboratory reported that diagnostic services for specimens from the field in 1945 included:

Disease	Specimen	Positive	Negative
Abortion, horse	Blood serum	13	109
Abortion, cattle	Blood serum	—	32
	Fetus	1	33
Parasites, cattle			
Dictyocaulus viviparus	Lung	8	
Ascariasis	Feces	31	
Strongylosis	Feces	37	
Trichotrachelidae	Feces	4	
Parasites, fowl			
Ascariasis	Feces	12	
Cestodes	Feces	5	2
Pullorum, fowl	Cadaver	23	
	Blood serum	25	5

20. The Ministry of Agriculture and Forestry's summary of animal diseases for February is:

Disease	Number of cases
Anthrax (bovine)	5
Anthrax (equine)	3
Infectious abortion (bovine)	130
Texas fever	2
Scabies (equine)	3
Infectious anemia (equine)	6
Strangles	1,074
Rabies	1
Pullorum (chicks)	2,565

Control measures appear to be effective.

DENTAL AFFAIRS

21. There has been an increase of 30 percent in the manufacture of artificial porcelain and plastic teeth since December 1945. Production of other dental supplies has been proportional.

Eighty-seven dentists were re-established in practice in March.

NURSING AFFAIRS

National Associations

22. The Ministry of Health and Welfare has officially recognized the right of public health nurses to conduct their organization under their own leadership.

The Midwifery Association of Japan with membership of 35,000 is applying for similar government recognition.

SUPPLY

Distribution of New Production

23. The distribution of medical supplies from Japanese producers in February showed a marked increase in all categories except home remedies. A substantial increase was registered in the important selected medicine list used by physicians and hospitals. Purchases from manufacturers and sales to prefectural wholesalers by the

national control companies are shown in charts, pages 226 and 227.

24. The distribution of medical supplies to the ultimate consumer has been expedited. By direction of SCAP prefectural health bureaus no longer control distribution. Prefectural wholesalers upon receipt of supplies release them immediately to consumers. Under the former practice distribution awaited authorization by the health bureaus, and occurred four times a year.

25. Distribution of smallpox vaccine from Japanese laboratories continued at a high rate. It was planned to distribute 10,000,000 doses in March. Actually more than 15,000,000 doses were furnished to prefectural health officers for vaccination of Japanese civilians, and approximately 2,000,000 doses were sent to Chinese ports for the medical processing of repatriates to the Home Islands.

26. The distribution of cholera vaccine proceeded as planned. Japanese sources and facilities produced and delivered over 1,000,000 cubic centimeters of vaccine, sufficient to process repatriates to and from the Asiatic mainland during April.

27. Medicines valued at ¥ 53,000,000 packed for export during the war were found in warehouses of a Japanese trading corporation. By SCAP directive the stock was assigned to civilian channels in Japan.

Distribution of Japanese Military Medical Supplies

28. Japanese military medical supplies valued at ¥ 5,600,000 were inventoried and received by the Ministry of Health and Welfare from military supply dumps during February. Releases by the Ministry to civilian distribution agencies amounted to ¥ 5,800,000.

Authority was given by the Ministry to the prefectures to release additional military supplies valued at ¥ 60,000,000.

This program has materially reduced any need for using United States supplies to maintain Japanese civilian health.

Narcotics

29. Records of nine former narcotic manufacturing plants in Japan are being tabulated and analyzed. Results now available for one of the plants, the Takeda Pharmaceutical Industries, Ltd., Takeda plant, Tokyo, show that from 1930 to 1945 this plant processed 26 tons of opium from which the average yield of narcopon was 16 percent.

30. SCAP directed that a powder commonly used for coughs and containing codeine be classified as a narcotic.

31. Through information obtained by SCAP Headquarters 7.5 tons of opium was seized in Osaki Port, Wakayama, and is now stored in the custody of Occupation Forces.

32. Inventory of former Japanese military narcotic stocks now in custody of Occupation Forces at Yokohama has been completed. Medicinal stocks are being released to wholesale drug houses designated by the Japanese Government and inspected by SCAP representatives.

Production

33. Production of medical supplies continues to improve. February reports submitted by the Ministry of Health and Welfare show a total increase of 32 percent over January. Chart, pages 228, shows production for six classes of supplies.

Allotment of coal is still the prime limiting factor in increasing production. A satisfactory increase for April has been guaranteed.

34. Continued acceleration of the production of smallpox vaccine has assured an adequate supply to meet all needs. Sufficient cholera vaccine was manufactured to fill requirements of the repatriation program.

Production of typhus vaccine remains in the developmental stage with expansion retarded by a scarcity of qualified technicians. Men are being trained as technicians.

PREVENTIVE MEDICINE

35. Rates of incidence for eight communicable diseases are shown in charts, pages 229 and 230.

Typhus

36. Typhus fever increased and reached epidemic or near epidemic proportions at Osaka, Tokyo and Aomori. The largest incidence has been reported from Osaka where the disease first showed a large increase. Typhus has been seeded throughout Japan by repatriates and spread by the constant shift of population.

37. Prefectural organizations divide the responsibility for public health measures among the bureaus of sanitation, transportation, public health and police. To organize effective antityphus procedures SCAP officials instructed representatives of prefectural public health bureaus in organizing typhus control teams. Two types of teams were organized, one for area control and the other a case-finding team for focal control.

38. Case-finding teams consist of a physician, a nurse, a policeman and three DDT dusters. Policemen used on the teams are under control of public health officials instead of the police department.

When a case of typhus is reported, a team visits the patient's home. If the diagnosis is confirmed by the physician, all members of the household and approximately 100 neighbors are inoculated with typhus vaccine, and about 500 of the neighbors are dusted with DDT.

39. Area teams, composed of five dusters and one policeman, dust all people in a given area with DDT. Area teams are allocated one to about 5,000 population, and have received instruction in dusting methods from representatives of SCAP.

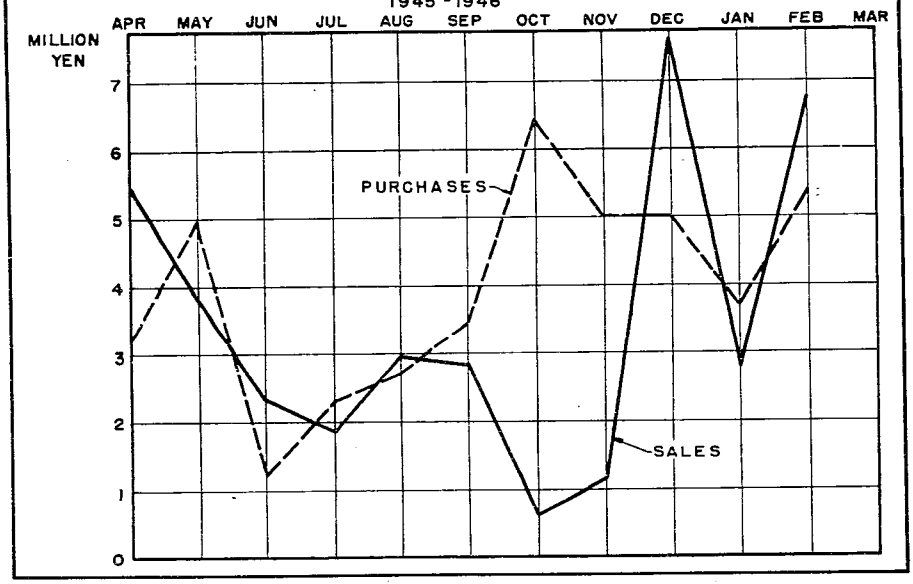
40. Area dusting was tried first at Osaka, but it was found that many individuals, particularly workers and school children, were missed and the technique of dusting was often unsatisfactory. Many cases were traced to contacts made on public transportation facilities. To correct these deficiencies, 600 troops were assigned to supervise the dusting.

By the middle of March 300 area and focal teams were in operation and the daily reported incidence of typhus dropped from 300 cases a day to less than 100.

41. The typhus rate in Aomori did not rise as greatly as it did at Osaka. Occupation Forces in Aomori organized area and focal antityphus teams of Japanese and kept the disease localized to certain areas of the city.

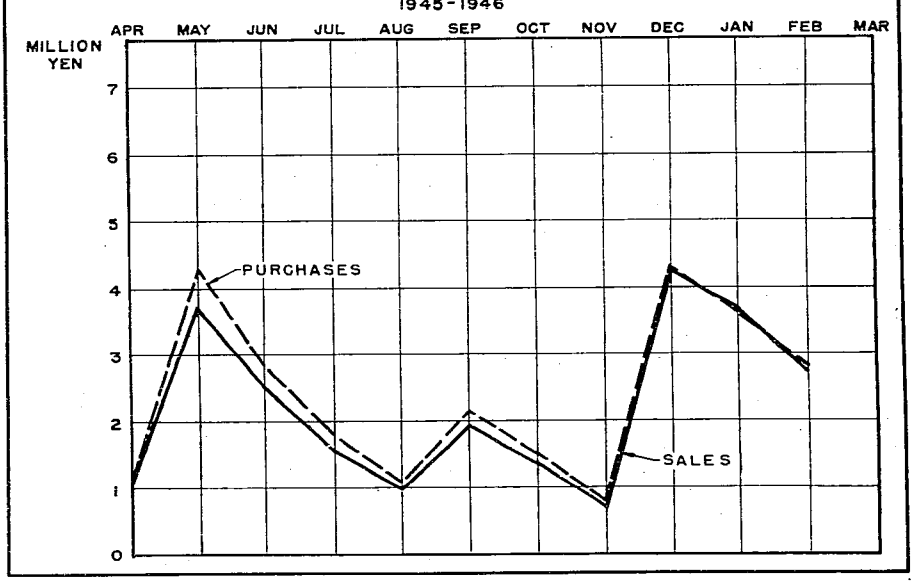
SELECTED MEDICINES

1945 - 1946



HOME REMEDIES

1945 - 1946



SOURCE: MINISTRY OF HEALTH AND WELFARE

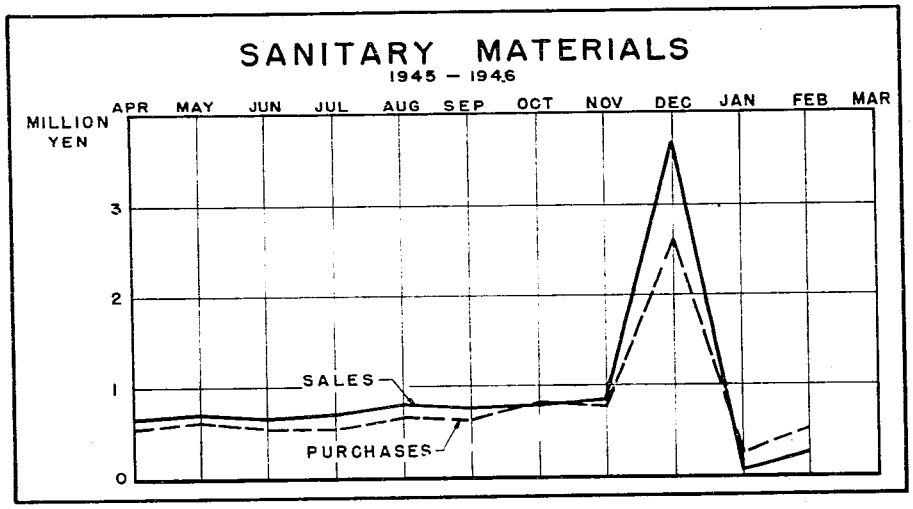
MEDICAL SUPPLIES

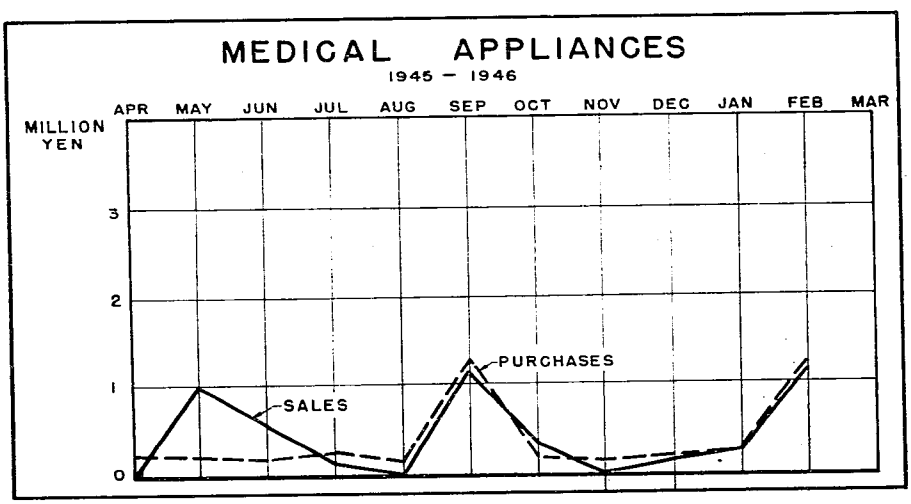
COST VALUE OF PURCHASES AND SALES
BY NATIONAL CONTROL COMPANIES
JAPAN - APR 1945 - FEB 1946

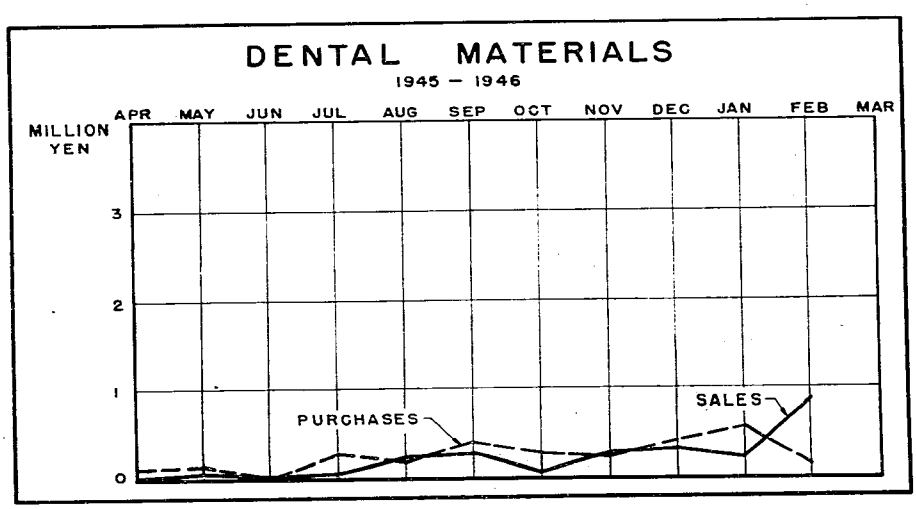
MARCH 46 GHQ · SCAP NUMBER 35A

EIGHTH U. S. ARMY PRINTING PLANT
(BOOK/LOOC)

0210



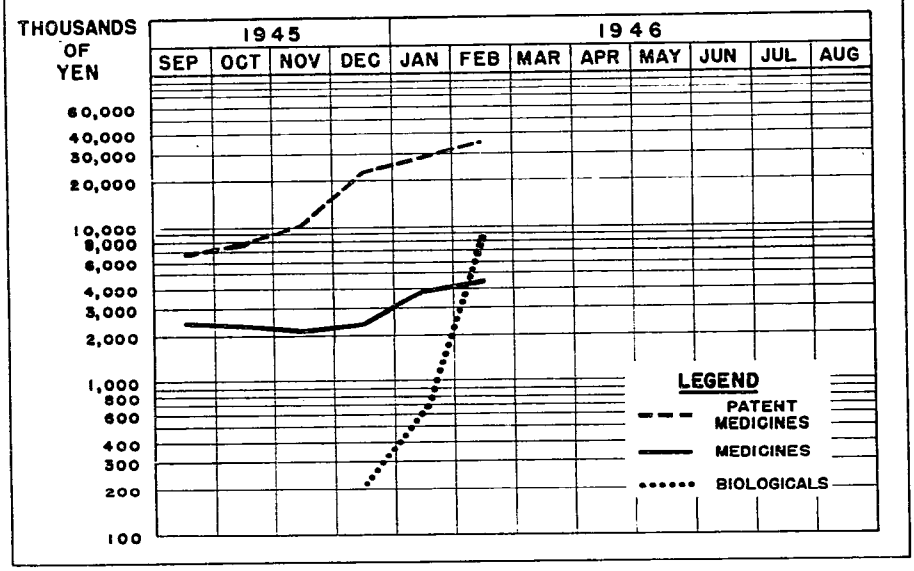




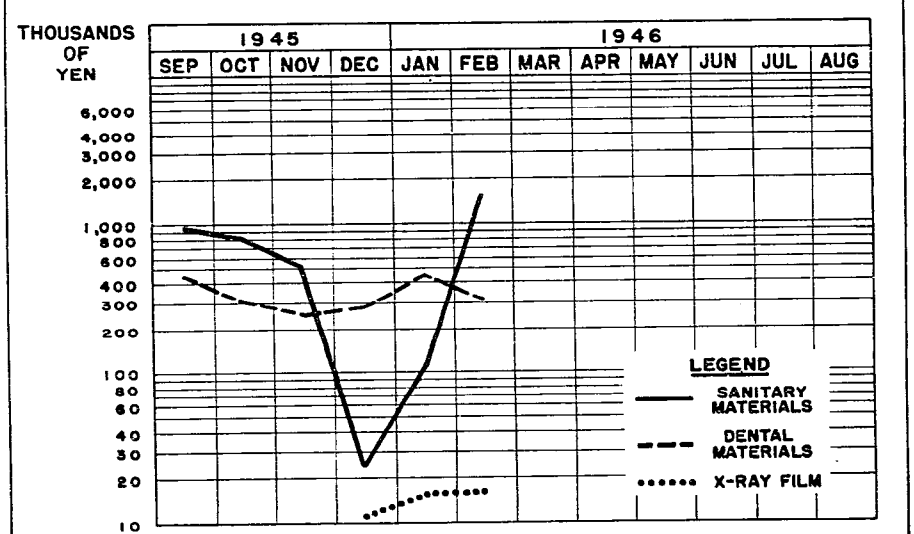
MARCH 46 GHQ· SCAP NUMBER 358

EIGHTH U. S. ARMY PRINTING PLANT (RICHMOND)

MEDICINES AND BIOLOGICALS



SANITARY, DENTAL AND X-RAY MATERIALS



NOTE: ON THESE LOGARITHMIC CHARTS, EQUAL RISES OR FALLS INDICATE EQUAL PERCENTAGE CHANGES AND EQUAL SLOPES DENOTE EQUAL RATES OF CHANGE.

SOURCE: MINISTRY OF HEALTH AND WELFARE; MINISTRY OF COMMERCE AND INDUSTRY.

MEDICAL SUPPLIES

VALUE OF MONTHLY PRODUCTION

JAPAN

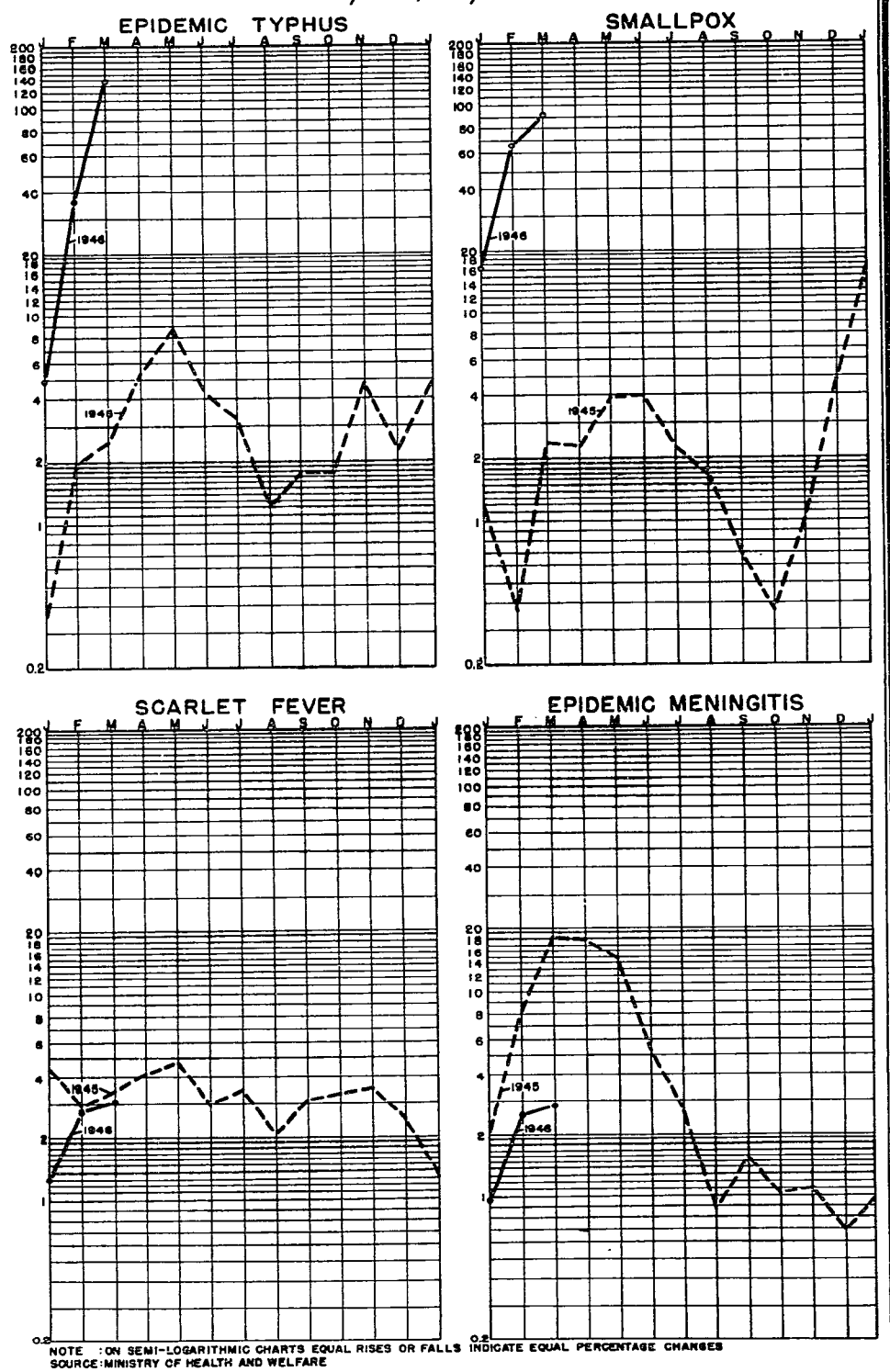
MARCH 46 GHQ·SCAP NUMBER 36

EIGHTH U. S. ARMY PRINTING PLANT (8008/1000)

0212

COMMUNICABLE DISEASES – JAPAN

RATE / 100,000 / ANNUM



NOTE : ON SEMI-LOGARITHMIC CHARTS EQUAL RISES OR FALLS INDICATE EQUAL PERCENTAGE CHANGES

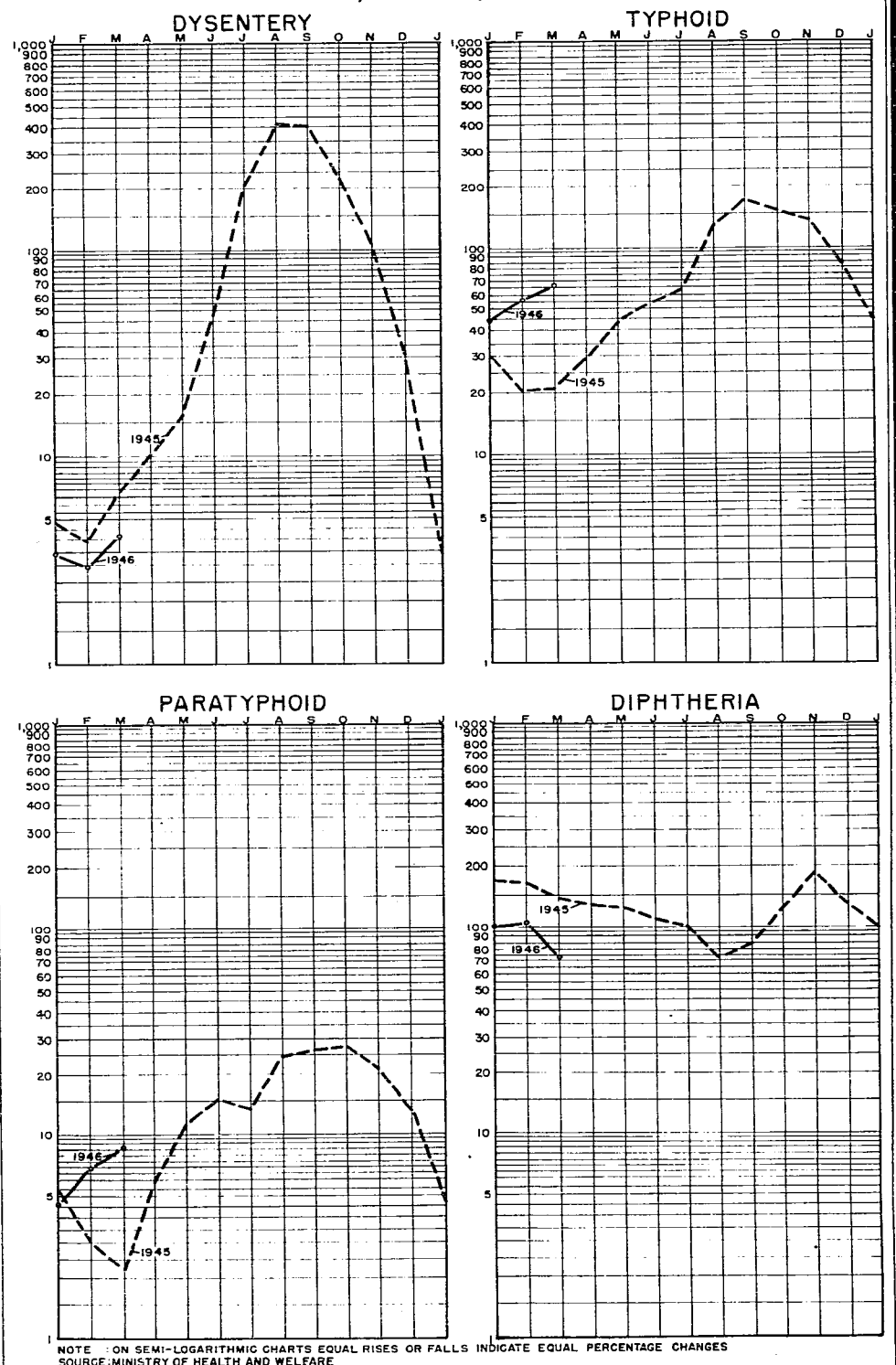
SOURCE: MINISTRY OF HEALTH AND WELFARE

MARCH 46 GHQ·SCAP NUMBER 37

EIGHTH U. S. ARMY PRINTING PLANT (ADVANCE)

COMMUNICABLE DISEASES - JAPAN

RATE / 100,000 / ANNUM



NOTE : ON SEMI-LOGARITHMIC CHARTS EQUAL RISES OR FALLS INDICATE EQUAL PERCENTAGE CHANGES

SOURCE: MINISTRY OF HEALTH AND WELFARE

MARCH 46 GHQ·SCAP NUMBER 38

EIGHTH U S ARMY PRINTING PLANT (800MJU30)

0214

In Tokyo 260 area and focal teams have been organized and 300 Occupation Troops will supervise them.

Smallpox

42. The incidence of smallpox throughout Japan has increased steadily but has nowhere attained epidemic proportions. The disease has fairly even distribution. Japanese public health officials are progressing rapidly in the vaccination program.

Japanese B Encephalitis

43. Specialists in the control of neurotropic virus disease are present to study Japanese B encephalitis and recommend to SCAP methods of control during the coming summer.

The consistency of appearance of Japanese B encephalitis in Japan is shown in chart, page 232. The annual average rate per 100,000 as depicted in chart, page 233 shows that the disease does not occur in significant amounts north of the Tokyo plain. Charts 41 to 43, page 234, show August as the month of highest incidence and that the mortality rate of reported cases is over 50 percent and generally increases with the patient's age.

A virus laboratory has been established by SCAP.

Sanitary Engineering

44. During conferences dealing with fertilizers recommendations were made for the treatment of night soil necessary for the protection of health.

45. The Ministry of Health and Welfare has prepared general orders to prefectural governors and police chiefs requiring immediate enforcement of all sanitary laws, especially those concerning the collection and disposal of waste, and the institution of measures for the control of mosquitoes.

Nutrition

46. There has been no concrete evidence of starvation by any large number of the Japanese people. A few cases, diagnosed by autopsy, have been reported from metropolitan areas of Tokyo, Yokohama and Osaka.

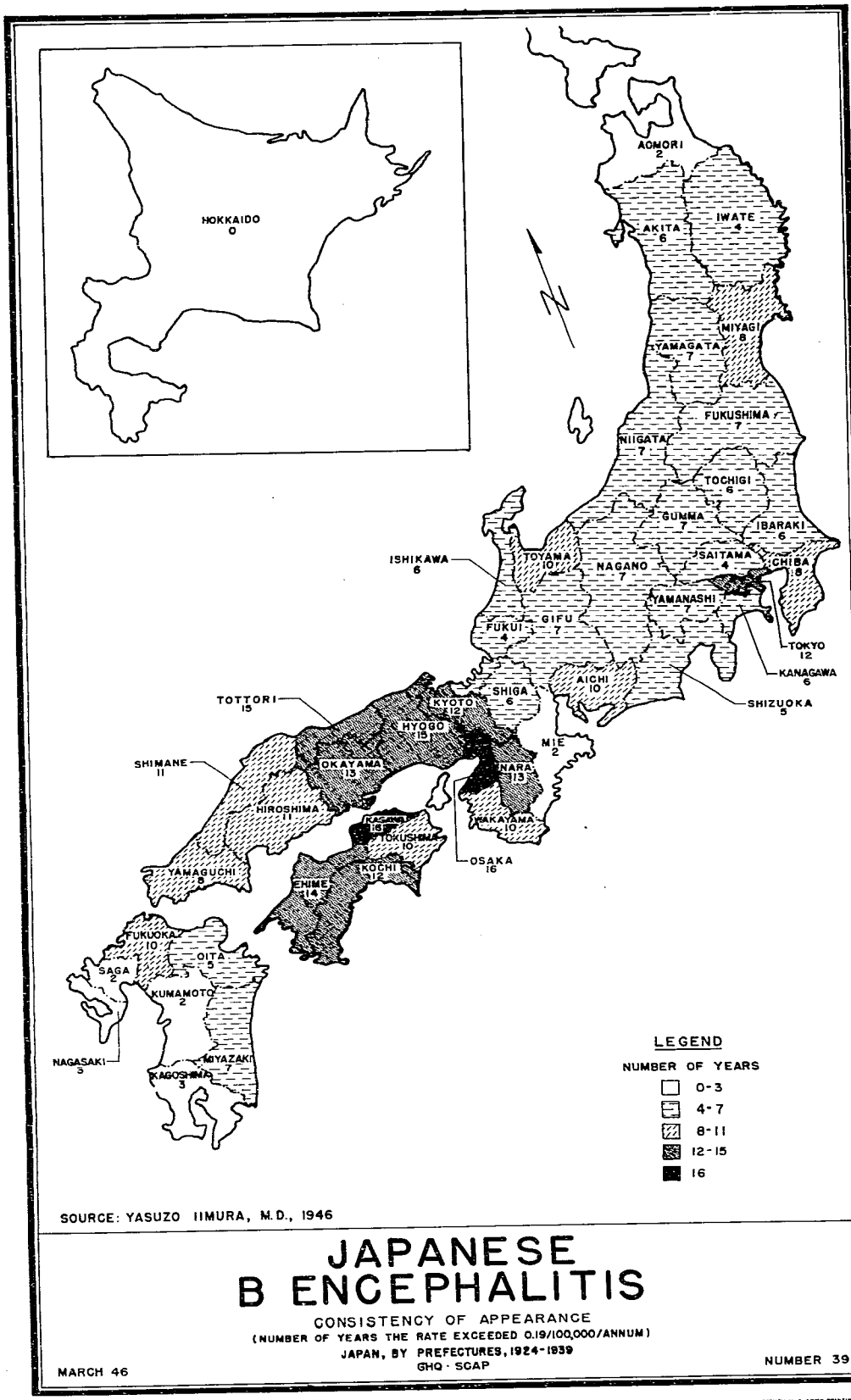
Nutrition surveys continue. Final data have not yet been tabulated.

Medical Examiner System

47. Plans were completed for a new medical examiner system which will be put into effect in Tokyo on 1 April, using 16 provisionally appointed assistant medical examiners. Shortly thereafter, the plan will be instituted in five other large cities.

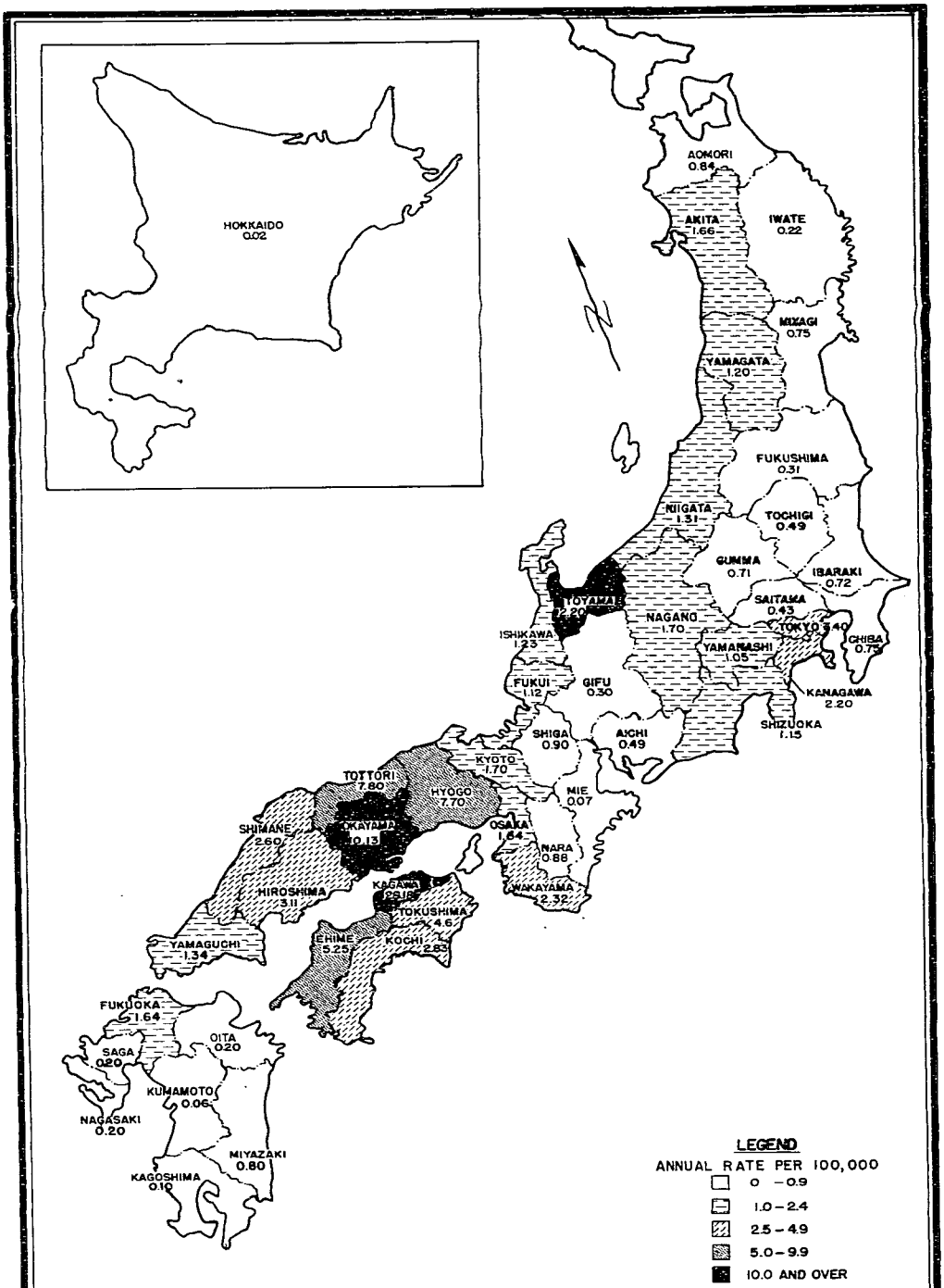
The program envisages the eventual development of a permanent staff highly expert in the field of forensic medicine and pathology and under civil service type appointment. Particular stress is laid on public health.

The old system of a police doctor trained in criminal investigation is inadequate and emphasis must be placed on the public health rather than the criminal aspect.



EIGHTH U. S. ARMY PRINTING PLANT (BOONTUDO)

0216



SOURCE: YASUZO IIMURA, M.D., 1946.

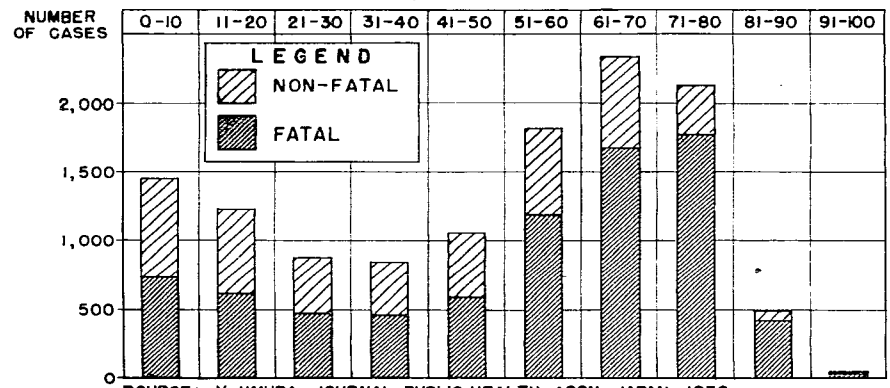
JAPANESE B ENCEPHALITIS

AVERAGE ANNUAL RATE PER 100,000
BY PREFECTURES 1924—1939
JAPAN
GHQ SCAP

MARCH 46

NUMBER 40

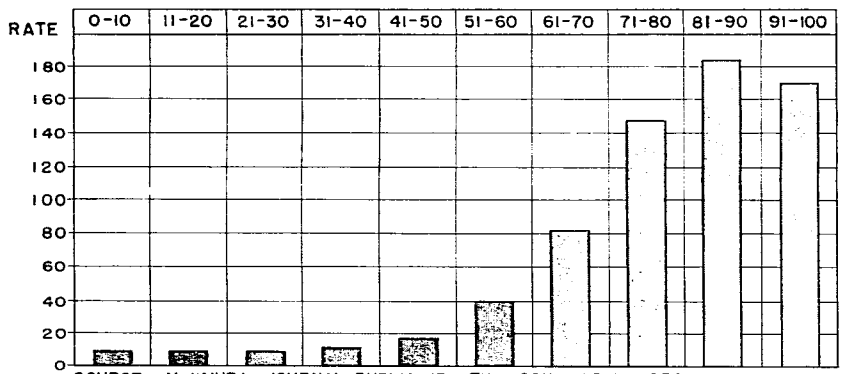
JAPANESE B ENCEPHALITIS
CASES BY AGE GROUPS
JAPAN, 1924-1933



SOURCE: Y. IIMURA, JOURNAL PUBLIC HEALTH ASSN. JAPAN, 1936

MARCH 46 GHQ · SCAP NUMBER 41

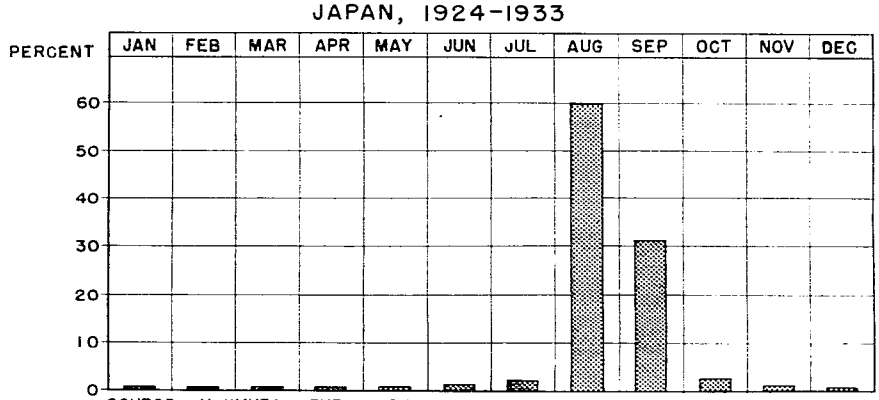
JAPANESE B ENCEPHALITIS
RATE/100,000/ANNUM BY AGE GROUPS
JAPAN, 1924-1933



SOURCE: Y. IIMURA, JOURNAL PUBLIC HEALTH ASSN. JAPAN, 1936

MARCH 46 GHQ · SCAP NUMBER 42

JAPANESE B ENCEPHALITIS
PERCENT OF CASES BY MONTHS
JAPAN, 1924-1933



SOURCE: Y. IIMURA, JOURNAL PUBLIC HEALTH ASSN. JAPAN, 1936

MARCH 46 GHQ · SCAP NUMBER 43

Poisonous Adulterants

48. The Ministry of Health and Welfare was directed to revise the laws dealing with sale of poisonous and powerful drugs to include severe penalties for the sale of poisonous adulterants. The program submitted by the Ministry was approved and will be inaugurated as soon as necessary arrangements are made with the budget officials.

The Government Hygienic Institute will include in its scope the improvement and standardization of technical methods for detection of poisonous substances in foods and beverages. Methods developed will be employed in prefectural, municipal and other local laboratories now handling the problem throughout the country.

Reform of Medical Education

49. A Japanese Council on Medical Education consisting of physicians and medical educators has been organized. It has recommended a four-year medical course followed by a one-year internship before admission to a national licensure examination, the exclusion of non-medical subjects from the medical curriculum in order to permit improved medical teaching, and higher pre-medical standards.

Representatives of the Ministry of Education agreed that a minimum of one year of pre-medical training would be required for admission to any medical school after 1 April 1947 and two years of such training after April 1948.

The Council of Medical Education will serve as a consultative body and as coordinator between the Ministry of Health and Welfare and the Ministry of Education.

Port Quarantine

50. By the end of March, an average of 55,000 incoming and 16,000 outgoing repatriates were being processed each week.

0219-2

SECTION 2

EDUCATION, RELIGION AND MEDIA OF EXPRESSION

C O N T E N T S

EDUCATION

Education Mission

1. The American Education Mission requested by SCAP arrived in Japan on 6 March.

It included 27 distinguished educators under the chairmanship of Dr. George D. Stoddard, president-elect of the University of Illinois. The Mission worked in four specialized groups: curriculum and textbooks, teacher education and methodology, administrative organization of the Ministry of Education and elementary and secondary schools, and administration of institutions of higher learning. It was assisted in its investigations by representatives of SCAP and parallel committees composed of Japanese educators.

During the first week the group was addressed by Dr. Y. Abe, the Minister of Education, and met the Japanese education committee which had been appointed to serve as a consulting body. The major portion of its time was devoted to a detailed analysis of the Japanese educational system.

During the second week the four specialized subcommittees began to function. Orientation sessions, special conferences and interviews were held and the work of educational institutions in the Tokyo area was observed. The Mission spent four days visiting schools and conferring with Japanese educators in the Kyoto-Nara area.

During the last week of its stay the Mission heard special reports by Japanese educators on the problems of elementary school education, characteristics of the youth schools, religious education, traditional handicrafts in Japan and Japanese arts.

New School Year

2. The 1945-46 school year ended on 23 March. Elementary schools reopen 5 April, the middle schools on 8 April and colleges on 12 April.

Civic Education Course

3. The Ministry of Education organized a new civic education course for secondary schools which combines civics and acceptable elements of the morals course suspended by SCAP last December. The

new course will be introduced upon the reopening of schools.

Instructions of the Ministry of Education to secondary school teachers state that the object of the new course will be to train citizens who will be able to understand the role of the individual in local, national and world life; to develop character and a sense of responsibility through living and practices in the community; and to equip the student to contribute to the betterment of society.

Textbooks

4. A survey of school textbooks showed that 484 are used in Japanese elementary, secondary and normal schools. Two hundred thirty-three are published by the Ministry of Education. SCAP has surveyed and approved 159 revised texts. The Ministry of Education sanctions the use of 251 additional books and of these 198 revised texts have been approved by SCAP.

RELIGION

Shinto

5. On 15 March the Japanese Government reported to SCAP that it had taken the following actions in compliance with the Directive separating Shinto from the State:

(1) Laws, ordinances and orders have been abrogated or revised so as to eliminate the connection between Shinto and the State.

(2) In order to explain the provisions of the Directive, notifications and instructions have been sent to local governmental units and conferences have been held with local officials and with Shinto leaders.

(3) Items for the support of Shinto shrines have been eliminated from the budget.

(4) The Shrine Board in the Ministry of Home Affairs has been abolished.

(5) The Shinto University at Ise has been abolished.

(6) The Chair of Shinto has been eliminated from Tokyo Imperial University.

(7) Passages in textbooks concerning Shinto doctrines have been deleted and their teaching prohibited.

(8) Official circulation of Shinto literature has been prohibited.

(9) The use in official writings of terms inextricably connected with Shinto has been ordered discontinued.

(10) Shinto god-shelves and other Shinto symbols have been ordered removed from public buildings.

6. The Japanese Government was informed that a prince of the Imperial Family might act as Grand Master of Rituals at the Ise Grand Shrine. It was emphasized that he must serve as a private individual and not as a representative of the Imperial Family and must receive no income from public or Imperial Household funds during his incumbency.