

	<u>July</u>	<u>August</u>
Mixed 1/3 staple fiber		
Spinners	413	332
Independent cotton weavers	456	470
Knit goods manufacturers	131	138
Thread manufacturers	220	205
Sundry goods manufacturers	7	7
Net and rope manufacturers	1	0
In dealers' hands	<u>410</u>	<u>326</u>
Total	1,638	1,478
Mixed 1/2 staple fiber		
Spinners	296	168
Independent weavers	23	23
In dealers' hands	<u>1</u>	<u>1</u>
Total	320	192
Other mixtures (cotton and other fibers)		
Spinners	755	777
Independent weavers	5	16
Hosiery manufacturers	0	0
Thread manufacturers	0	0
Sundry goods manufacturers	0	0
In dealers' hands	<u>46</u>	<u>46</u>
Total	816	839
Grand total	17,336	22,996

SOURCE: Japan Textile Association.

CLOTH PRODUCTION  
(thousands of square yards)

	<u>July</u>	<u>August</u>
Cotton <u>a/</u>	12,957	17,482

a/ Includes small quantity of mixtures with rayon staple.

SOURCE: Japan Textile Association.

CLOTH STOCKS  
(thousands of square yards)

	<u>July</u>	<u>August</u>
Cotton and mixtures with rayon staple		
Weavers <u>a/</u>	35,897 <u>b/</u>	41,442
Independent weavers	16,869	19,724
Cloth Control Company		
Receipts	1,954	10,532
Disposition	13,254	12,327
Month-end stocks	44,737	42,942

a/ Weaving subsidiaries of spinning companies.

b/ Revised by Japanese.

SOURCE: Japan Textile Association.

## MACHINERY

	<u>July</u>	<u>August</u>
Spindles installed	2,488,043	2,537,136
Spindles operable	2,476,233	2,509,086
Spindles operating <u>a/</u>	824,388	1,144,415
Looms installed	129,946	128,333
Looms operable	115,386	117,656
Looms operating <u>b/</u>	40,016	43,051

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

b/ Spinning companies, two-shift basis. Independent weavers, one shift of approximately 10 hours.

SOURCE: Japan Textile Association.

## SILK

### Raw Silk

11. The normal seasonal upswing in raw silk production was broken by a decrease of 187 bales in August output. The industry and the Raw Silk Bureau had expected an increase of approximately 1,500 bales. Chart, page 106, compares monthly trends with 1926-45 production.

The principal cause for the slackening, the Raw Silk Bureau reported, was a shift from production of 20/22 silk to 13/15. Preliminary reports from the filatures indicated that the production of 13/15 silk increased 4.7 percent over July, while production of 20/22 dropped five percent.

The Bureau said some filatures intentionally slowed operations pending an anticipated increase in cocoon and raw silk prices.

A religious holiday caused work stoppage of at least one day in all filatures which was responsible for a production loss of at least 300 bales.

12. At the end of August 33,362 reelers were employed by the filatures compared with 29,808 on 31 July. The industry expects to maintain its present high level of production efficiency through such recruitment.

### Mills and Machinery

13. During August 1,665 new basins were installed and were operating at an annual rate of 4 bales per basin, or very close to the industry's normal rate of 4.2 bales. Installation of new basins was about three months behind schedule.

14. Three more filatures were converted to electric power during August, making a total of 40. The effectiveness of the shift was reduced by restrictions of power supply.

15. The coal supply deteriorated further as mills received 8,820 metric tons and consumed 9,579 tons.

### Cocoons

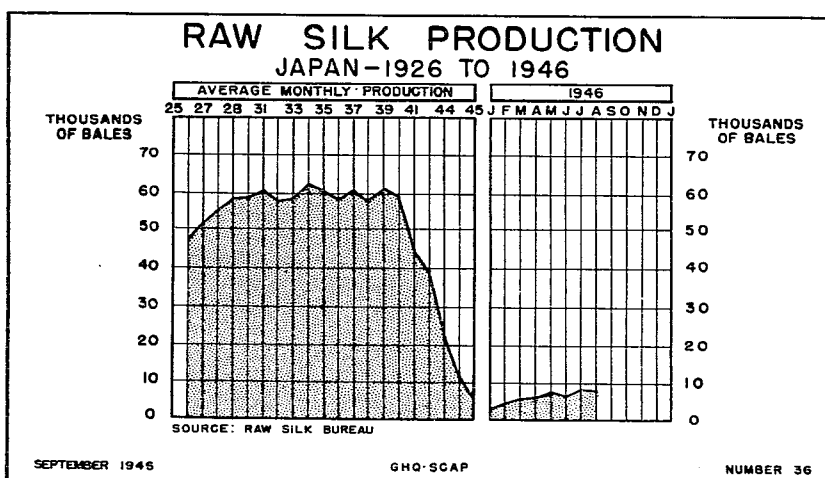
16. August estimates by the industry raised the expected summer and autumn cocoon crop yield from 55,409,000 pounds to 66,000,000 pounds.

Silk Weaving

17. The number of operating looms decreased. Some mills have already exhausted their allocations of silk for weaving export fabrics and others are near the end of their stocks.

Silk Spinning

18. Production of spun silk yarns was lower as cotton spindles which had been spinning silk were shifted to imported cotton. Plants spinning silk exclusively put almost 4,000 more spindles to work, increasing their production from 144,000 pounds in July to 193,000 pounds in August.



RAW SILK

	<u>July</u>	<u>August</u>
Cocoons on hand at end of month (thousands of pounds)		
In filatures	104,637	125,743
In other hands <u>a/</u>	<u>7,846</u>	<u>9,582</u>
Total	112,483	135,325
Raw silk produced (bales)	8,548	8,361
Short fiber production (thousands of pounds)	0	0
Tested for export (bales)	15,277	12,524

a/ Largely waste and doupion cocoons; excludes stocks for farmers' home use.

SOURCE: Raw Silk Bureau.

RAW MATERIAL CONSUMPTION  
(thousands of pounds) a/

	<u>July</u>	<u>August</u>
Waste silk	444	306
Short-cut lap } Short-cut cocoon }	903	564

a/ Computed at boiling stage, before spinning.

SOURCE: Japan Textile Association.

FIBER STOCKS IN MILLS  
(thousands of pounds) a/

	<u>July</u>	<u>August</u>
Waste silk	1,489	1,366
Short-cut lap } Short-cut cocoon }	12,576	13,561

a/ Weight "in gum."

SOURCE: Japan Textile Association.

SPUN SILK YARN PRODUCTION  
(thousands of pounds)

	<u>July</u>	<u>August</u>
Spun waste silk	30	28
Mixed waste silk and rayon staple fiber	9	67
Silk noils	64	67
Short-cut lap } Short-cut cocoon <u>a/</u> }	545	395

a/ Includes mixtures.

SOURCE: Japan Textile Association.

YARN STOCKS  
(thousands of pounds)

	<u>July</u>	<u>August</u>
In mills		
Raw silk	4,746 <u>a/</u>	4,227
Spun silk	642	632
Mixed waste silk and staple fiber	148	173
Silk noils	349	402
Short-cut cocoon	2,221	1,817
In dealers' hands		
Mixed waste silk and staple fiber	5	0
Cut cocoon	30	30

a/ Revised by Japanese.

SOURCE: Japan Textile Association.

CLOTH PRODUCTION  
(thousands of square yards)

	<u>July</u>	<u>August</u>
Silk	3,020	2,832
Fuji silk	293	206
All others	504	1,015

SOURCE: Japan Textile Association.

CLOTH STOCKS  
(thousands of square yards)

	<u>July</u>	<u>August</u>
Silk	23,365	24,062
Silk staple and fuji silk	2,989 <sup>a/</sup>	2,805
Silk (Cloth Control Company)		
Receipts	0	1,819
Disposition	27	0
Month-end stock	15,195	17,014

<sup>a/</sup> Revised by Japanese.

SOURCE: Japan Textile Association.

MACHINERY

	<u>July</u>	<u>August</u>
Silk reeling basins operable	24,392	26,057
Silk reeling plants in operation	196	206
Short fiber machines operable	0	0
Silk short fiber plants in operation	0	0
Silk staple spindles operating	71,904	75,806
Silk noil spindles		
Installed	29,568	29,568
Operable	29,568	29,568
Operating	17,039	19,656

SOURCE: Raw Silk Bureau and Japan Textile Association.

RAYON

Yarn

19. Although the output of rayon yarn crossed the million-pound mark in August production was short of that planned due to shortages of coal and caustic soda.

Receipts of coal by rayon plants were 9,235 metric tons compared with 11,391 in July. Due to transportation difficulties the second largest rayon plant in Japan received no coal during the month. Receipts of caustic soda were 878 metric tons compared with 1,165 in July. August allotments were 5,000 tons of coal and 1,100 tons of soda.

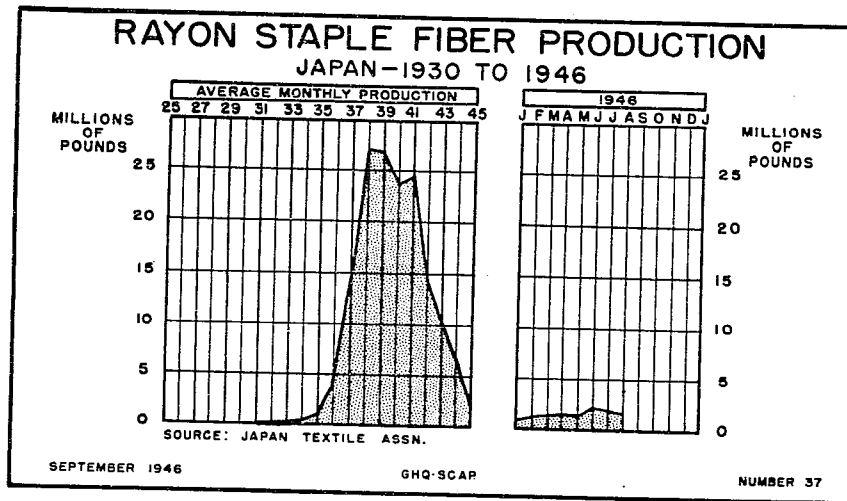
The rayon yarn industry has made fair progress in rehabilitating productive capacity. Repaired capacity was rated at 43 tons a day at the end of August, approximately twice that at the beginning of the year. The potential capacity of the industry remained approximately 153 tons a day. The principal hindrance to the industry's efforts to reach the potential operating level is a scarcity of small parts and accessories.

Spun Yarn

20. Output of spun rayon yarns has declined from the post-war peak level of more than 2,260,000 pounds reached in June to 896,000 pounds in August. Rayon spinning plants are being rehabilitated to take up the slack caused by cotton spinners, who had been processing rayon staple, converting their spindles to imported cotton.

Staple

21. Rayon production for August dropped 250,000 pounds because one mill ran short of caustic soda. The following chart compares actual monthly production of rayon staple fiber with average 1930-45 monthly production.



RAYON STAPLE  
(thousands of pounds)

	July	August
Production	2,030	1,780
Consumption	2,145	2,363
Month-end mill stocks	24,713	23,857

SOURCE: Japan Textile Association.

Pulp

22. Rayon pulp production dropped to approximately 1,000 metric tons in August due to a shortage of chlorine and other chemicals. Production was ordered held at this level through September to allow diversion of materials to kraft pulp to provide packing materials. Mill stocks of rayon pulp are sufficient to carry mills through a few months of temporary short production.

Weaving

23. Rayon cloth production in August gained slightly as mills were given allocations of yarn for weaving goods for export.



	<u>July</u>	<u>August</u>
Spun rayon yarn		
Spinners	4,924	4,726
Independent cotton weavers	642	662
Knit goods manufacturers	132	94
Sundry goods manufacturers	51	50
Net and rope manufacturers	0	0
In dealers' hands	<u>483</u>	<u>109</u>
Total	6,232	5,641

SOURCE: Japan Textile Association.

CLOTH PRODUCTION  
(thousands of square yards)

	<u>July</u>	<u>August</u>
Rayon	3,640	3,714
Spun rayon	2,344	2,920

SOURCE: Japan Textile Association.

CLOTH STOCKS  
(thousands of square yards)

	<u>July</u>	<u>August</u>
Mills		
Rayon	14,906	14,505
Spun rayon	10,369 <sup>a/</sup>	10,110
Cloth Control Company		
Rayon		
Receipts	4,340	1,098
Distribution	3,388	11
Month-end stocks	10,099	11,186
Spun rayon		
Receipts	3,830	5,644
Distribution	6,590	6,646
Month-end stocks	27,419	26,417

<sup>a/</sup> Revised by Japanese.

SOURCE: Japan Textile Association.

WOOL

Yarn

24. Woolen yarn production expanded to new post-war peak in August after a two-month decline. Worsted yarn production continued to fall off despite an increase in the number of operable spindles. Charts, pages 112 and 113, compare actual monthly production with average 1930-45 monthly production.

25. Improved transportation in August permitted freer movement of woolen and worsted yarns from spinners to independent weavers.

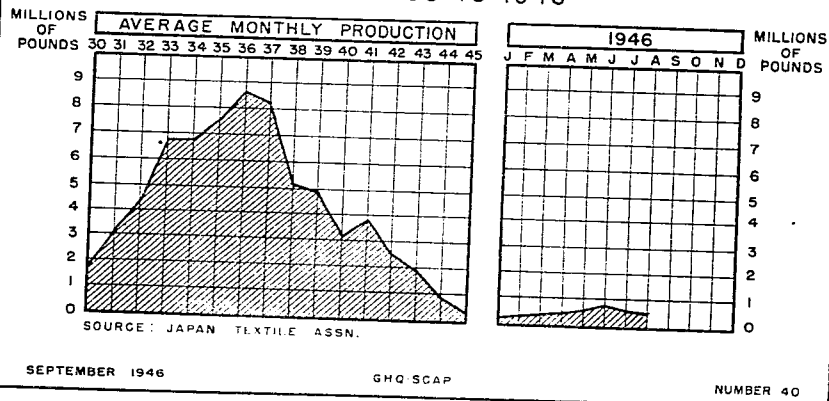
26. Improved food supply made it possible for the woolen mills to recover some of the labor lost in July and increased the number of wool cards operating.





# WORSTED YARN PRODUCTION

JAPAN-1930 TO 1946



## YARN STOCKS IN MILLS (thousands of pounds)

	<u>July</u>	<u>August</u>
Woolen		
Spinners	2,939	2,744
Weavers	742	1,184
Worsted		
Spinners	2,212	1,933
Weavers	279	330
Knitters	740	612

SOURCE: Japan Textile Association.

## CLOTH PRODUCTION (thousands of square yards)

	<u>July</u>	<u>August</u>
Woolen	1,319	1,200
Worsted	399	559

SOURCE: Japan Textile Association.

## CLOTH STOCKS (thousands of square yards)

	<u>July</u>	<u>August</u>
Woolen	4,033	3,521
Worsted	1,603	1,238
Cloth Control Company		
Receipts	79	363
Distribution	355	774
Month-end stocks	2,157	1,746

SOURCE: Japan Textile Association.

MACHINERY

	<u>July</u>	<u>August</u>
Wool		
Cards installed	430	460
Cards operable	375	380
Cards operating	201	243
Worsted		
Spindles installed	422,272	429,218
Spindles operable	260,358	266,395
Spindles operating <u>a/</u>	89,728	88,733
Looms		
Installed	10,869 <u>b/</u>	11,137
Operable	9,859	9,967
Operating	2,572	2,879

a/ Converted to two-shift basis.

b/ Revised by Japanese.

SOURCE: Japan Textile Association.

HARD AND BAST FIBERS

28. Receipts of hard and bast fibers by domestic mills fell off sharply in August except for soft hemp and miscellaneous indigenous fibers. Spinning of flax, ramie and jute yarns continued to decline.

Jute yarn output fell off despite an increase in the number of operating spindles. The jute spinners processed approximately 23,000 pounds of hemp and other fibers for specialized industrial uses, temporarily lowering production efficiency.

29. Manufacture of gunny sacks ceased as the one mill which produces them used up its allocation of yarns for the third quarter. The jute spinners' stocks of raw materials, accumulated largely from former military supplies, have dwindled to a new low.

30. Forty-seven new rope mills were added to the reporting membership of the Textile Association in August after dissolution of the Japan Hemp Rope and Cordage Control Union. A total of 199 rope and cordage mills are now reporting to the Textile Association.

The addition of this group so changed the reports of receipts, consumption and stock that these data were not comparable to the July data and hence were omitted from the August reports.

SPINNING PRODUCTION  
(thousands of pounds)

	<u>July</u>	<u>August</u>
Flax	931	888
China grass and ramie	437	283
Jute	241	223 <u>a/</u>
Rope	1,693	1,829
Cord	11	5
Fish net twine	<u>190</u>	<u>344</u>
Total	3,503	3,572

a/ Includes 22,800 pounds of substitute fibers.

SOURCE: Japan Textile Association.

YARN STOCKS IN MILLS  
(thousands of pounds)

	<u>July</u>	<u>August</u>
Flax	2,560	2,172
China grass and ramie	1,356	1,314
Jute	531	520
Rope	1,567	2,135
Cord	20	3
Fish net twine	<u>51</u>	<u>150</u>
Total	6,085	6,294

SOURCE: Japan Textile Association.

CLOTH PRODUCTION  
(thousands of square yards)

	<u>July</u>	<u>August</u>
Flax	1,148	1,061
Ramie and hemp	1,223	875
Jute	<u>27</u>	<u>58</u>
Total	2,398	1,994
Jute bags (pieces)	8,800	0

SOURCE: Japan Textile Association.

CLOTH STOCKS IN MILLS  
(thousands of square yards)

	<u>July</u>	<u>August</u>
Flax	3,780	3,498
Ramie and hemp	1,690	1,689
Jute	<u>78</u>	<u>47</u>
Total	5,548	6,234

SOURCE: Japan Textile Association.

OAKUM  
(thousands of pounds)

	<u>July</u>	<u>August</u>
Production	21	12
Month-end stock	45	33

SOURCE: Japan Textile Association.

MACHINES OPERATING

	<u>Spindles</u>		<u>Looms</u>	
	<u>July</u>	<u>August</u>	<u>July</u>	<u>August</u>
Flax	28,628	27,987	4,551 a/	3,629 g/
Ramie and hemp	22,598	22,065	-	-
Jute	3,944	4,270	40	38

a/ Includes flax, hemp and ramie looms.

SOURCE: Japan Textile Association.

MISCELLANEOUS

31. Spinners of throstle yarns were notified that an allocation of 165,000 pounds of waste is to be made to them from the first lot of cotton released by SCAP for processing.

Small quantities of waste fibers received from old stocks of prefectural authorities accounted for a moderate increase in yarn production.

YARN PRODUCTION  
(thousands of pounds)

	<u>July</u>	<u>August</u>
Throstle <u>a/</u>	437	501
Reprocessed <u>b/</u>	120	42

a/ Waste flax, ramie and cotton.

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

SOURCE: Japan Textile Association.

YARN STOCKS IN MILLS  
(thousands of pounds)

	<u>July</u>	<u>August</u>
Throstle-spun		
Independent weavers	862 <u>a/</u>	784
Sundry goods manufacturers	35	34
Reprocessed		
Independent weavers	439	371
Cotton spinners	-	208
Spun rayon spinners	-	32
Sundry goods manufacturers	5	5
In dealers' hands	0	8
Others		
Spinners	1,285	1,098
Independent weavers	335	1,055
Sundry goods manufacturers and others	22	21
In dealers' hands	0	0

a/ Revised by Japanese.

SOURCE: Japan Textile Association.

CLOTH PRODUCTION  
(thousands of square yards)

	<u>July</u>	<u>August</u>
Throstle	244	234
Reprocessed	283	282
Others	661	1,528

SOURCE: Japan Textile Association.

CLOTH STOCKS IN MILLS  
(thousands of square yards)

	<u>July</u>	<u>August</u>
Throstle	794	802
Reprocessed	278 <u>a/</u>	360
Others (mixed fabrics)	3,930 <u>a/</u>	4,740

a/ Revised by Japanese.

SOURCE: Japan Textile Association.

MACHINERY

	<u>July</u>	<u>August</u>
Throstle spindles		
Installed	1,007,542	1,007,542
Operable	895,417	919,930
Operating	722,106	760,075

SOURCE: Japan Textile Association.

KNIT GOODS

32. Although August is usually a slack month for the knit goods industry the mills increased their production slightly.

Major production items were underwear for winter distribution, industrial gloves and stockings for sale to Occupation Forces personnel and for export.

33. The knitters reported that deliveries of yarn were irregular during the month.

YARN CONSUMPTION AND STOCKS  
(thousands of pounds)

	<u>On Hand 31 July</u>	<u>Receipts</u>	<u>Consumed</u>	<u>On Hand 31 August</u>
Cotton	331	52	170	213
Mixed cotton	130	33	25	138
Rayon	454	226	219	461
Spun rayon	132	18	56	94
Raw silk	652	59	96	615
Woolen	741	254	383	612
Others	<u>39</u>	<u>17</u>	<u>10</u>	<u>46</u>
Total	2,479	659	959	2,179

SOURCE: Japan Textile Association.

KNIT GOODS PRODUCTION

	<u>July</u>	<u>August</u>
Underwear (dozen)	147,820	149,690
Stockings (dozen pair)	204,361	210,059
Gloves (dozen pair)	<u>30,943</u>	<u>35,643</u>
Total	383,124	395,392

SOURCE: Japan Textile Association.

DISPOSITION AND STOCKS  
August

	<u>Delivered to Japan Knit Goods Company</u>	<u>In Mills Ready for Delivery 31 August</u>
Underwear (dozen)	97,000	250,001
Stockings (dozen pair)	116,805	607,089
Gloves (dozen pair)	<u>37,991</u>	<u>128,424</u>
Total	251,796	985,514

SOURCE: Japan Textile Association.

KNITTING MACHINES IN OPERATION

	<u>July</u>	<u>August</u>
Warp	99	106
Circular	2,795	2,812
Flat	2,157	2,248
Flat for gloves	1,808	1,964
Hosiery	<u>3,676</u>	<u>4,285</u>
Total	10,535	11,415

SOURCE: Japan Textile Association.

SEWING GOODS

34. Production of work clothing, underwear and ready-made street and house clothes more than doubled in August as the labor supply improved.

Output of secondary school uniforms ceased because of a shortage of the types of cloth customarily used for winter uniforms. The Cloth Control Company was directed to allocate heavy spun rayon fabrics for this purpose.

CLOTH STOCKS AND MOVEMENT  
(thousands of square yards)

	<u>In Mills 31 July</u>	<u>Receipts</u>	<u>Consumed</u>	<u>In Mills 31 August</u>
Cotton	32,274	4,403	12,485	24,192
Rayon	4,858	769	1,152	4,475
Spun rayon	9,680	3,051	4,306	8,425
Silk	3,754	769	770	3,753
Mixed silk fiber	0	0	0	0
Reprocessed	785	185	175	795
Woolen and worsted	3,143	6,657	1,115	8,685
Others	<u>2,920</u>	<u>1,226</u>	<u>1,460</u>	<u>2,686</u>
Total	57,414	17,060	21,463	53,011

SOURCE: Japan Textile Association.

PRODUCTION  
(pieces)

	<u>July</u>	<u>August</u>
Ready-made clothing		
Work	740,980	1,763,330
Street and house garments	639,954	1,361,363
Kimonos	257,549	139,783
Underwear, shirts, etc	2,410,903	4,985,222
Elementary school uniforms	436,141	525,551
Secondary school uniforms	244,589	0
Tabi (pair)	3,272,261	3,821,693
Mattress ticking (sets of 3)	34,858	3,123
Mosquito nets	122,971	179,501
Hats	218,879	185,868

SOURCE: Japan Textile Association.

DISPOSITION AND STOCKS  
(pieces)

	<u>Delivered in August to Distribution Association</u>	<u>In Mills Ready for Delivery 31 August</u>
Ready-made clothing		
Work	3,483,313	4,424,071
Street and house garments	1,458,217	2,049,601
Kimonos	426,950	1,080,830
Underwear, shirts, etc	6,450,700	4,853,633
Elementary school uniforms	1,028,011	1,006,957
Secondary school uniforms	137,659	21,680
Tabi (pair)	3,817,767	4,176,346
Mattress ticking (sets of 3)	17,552	142,954
Mosquito nets	182,590	166,291
Hats	263,780	637,393

SOURCE: Japan Textile Association.



SUNDRY GOODS

35. Production of sewing thread increased and movement of stocks into consuming channels was accelerated during August.

The cotton thread manufacturers drew on their backlogs of raw materials in anticipation of allocations from the newly arrived stocks of American SXP and Egyptian cottons.

Manufacturers of silk thread used old stocks of twisted yarns since no new raw silk was being used for this purpose. A large part of the silk thread is earmarked for sale to Occupation Forces personnel.

36. Production of insulating tapes continued to increase in August and stocks were moved on to consumers for various industrial purposes.

37. August output of fishing nets showed a further increase to levels more than double June's production. There was a drop in output of silk netting as the mills approached the end of a supply of silk released for this purpose by SCAP in May.

38. All of August's limited production of manila and silk netting, and most of the cotton netting, were moved to distributing and consuming associations.

YARN CONSUMPTION AND STOCKS  
(thousands of pounds)

	In Mills 31 July	Receipts	Consumption	In Mills 31 August
Cotton				
Pure	2,585	1,290	1,098	2,777
Mixed	229	16	32	213
Raw silk	758 <sup>a/</sup>	28	58	728
Spun silk	1	0	0	1
Rayon	451	59	95	415
Spun rayon	51	1	2	50
Reprocessed	4	0	0	4
Throstle	35	0	1	34
Manila hemp	21	0	4	17
Others	<u>22</u>	<u>0</u>	<u>0</u>	<u>22</u>
Total	4,157	1,394	1,290	4,261

<sup>a/</sup> Revised by Japanese.

SOURCE: Japan Textile Association.

SEWING THREAD PRODUCTION  
(pounds)

	<u>July</u>	<u>August</u>
Silk		
Cotton	22,089	26,388
Pure		
Mixed	219,917	1,029,038
Rayon	42,680	30,000
	<u>30,169</u>	<u>63,259</u>
Total	314,855	1,148,685

SOURCE: Japan Textile Association.

OTHER PRODUCTION  
(pounds)

	<u>July</u>	<u>August</u>
Braid	109,371	66,138
Fringe	6,604	2,500
Tape	81,937	87,364
Twine and net	19,219	50,820
Lace	23,805	6,556
Fish netting		
Cotton	429,716	621,224
Manila	2,200	4,091
Silk	16,198	12,377

SOURCE: Japan Textile Association.

DISPOSITION AND STOCKS  
(pounds)

	<u>In Mills 31 July</u>	<u>Delivered to Distributing Association</u>	<u>In Mills 31 August</u>
Sewing thread			
Cotton			
Pure	1,068,346	467,263	1,630,121
Mixed	63,000	63,000	30,000
Silk	374,805	1,551	399,642
Rayon	93,616	80,524	76,351
Other products			
Braid	1,308,231	240,336	1,634,033
Fringe	148,253 <sup>a/</sup>	2,767	139,986
Tape	417,644	208,482	296,526
Twine and net	17,525	53,452	14,693
Lace	103,066	6,408	103,214
Fish netting			
Cotton	10,730	623,874	8,080
Manila	0	4,091	0
Silk	1,830	12,377	1,880

<sup>a/</sup> Revised by Japanese.

SOURCE: Japan Textile Association.

DYEING AND FINISHING

39. A decrease in the quantity of rayon fabrics dyed and finished during August more than offset increases in the processing of cotton and silk cloth. Processors of rayon fabrics neared the end of the quantity planned for the third quarter. A new program will go into effect in October for the fourth quarter of the year.

The increase in the quantity of cotton fabrics finished and dyed resulted from the release of former stocks of the Koeki Eidan (Trading Corporation) for domestic consumption.

40. Seven more mills were made operable during August and two more were put into operation. Rehabilitation is being pressed to prepare for handling fabrics for export.

CLOTH DYED AND FINISHED  
(thousands of square yards)

	<u>Dyed or Finished</u>	<u>Returned to Client</u>	<u>In Mills 31 August</u>
Cotton	7,150	6,085	8,705
Spun rayon	4,479	4,516	5,300
Silk	6,179	5,381	7,415
Rayon	4,765	4,894	6,661
Linen and China grass	<u>1,227</u>	<u>1,242</u>	<u>1,190</u>
Total	23,900	21,918	29,271

SOURCE: Japan Textile Association.

MACHINERY

	<u>July</u>	<u>August</u>
Mills reporting	157	164
Mills operating	119	121
Machines operating		
Boilers	216	222
Tenters	227	225
Driers	322	341
Printers	25	24
Napping machines	180	154

SOURCE: Japan Textile Association.

SECTION 6

TRANSPORTATION AND PUBLIC UTILITIES

C O N T E N T S

	Paragraph
Motor Transportation . . . . .	1
Rail Transportation . . . . .	2
Water Transportation . . . . .	5
Electric Power . . . . .	7
Gas Industry . . . . .	15

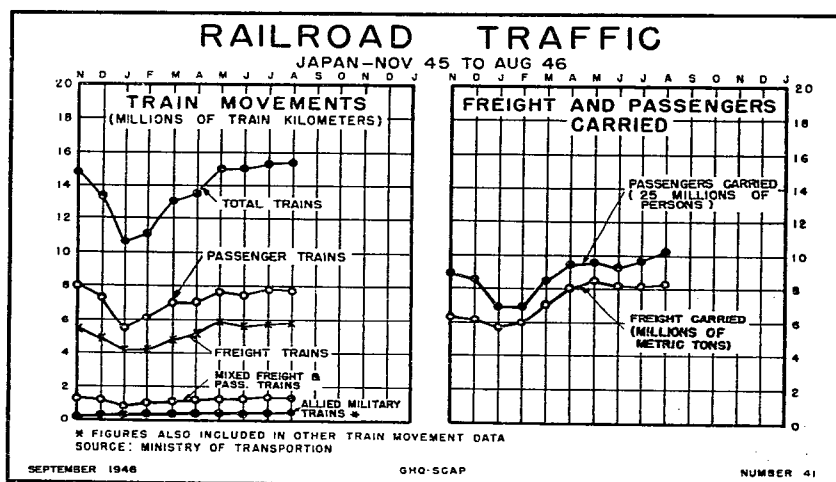
MOTOR TRANSPORTATION

1. The number of vehicles increased from 105,553 in July to 107,315 at the end of August; 58 percent are in actual service.

RAIL TRANSPORTATION

2. Cancellation of scheduled train operations decreased from 147,953 kilometers in July to 129,626 in August. Total train kilometers operated increased from 15,404,848 to 15,458,646.

3. Total freight tonnage handled in August increased slightly as shown in the following chart. The chart also shows the trend in total train movements, Allied military train movements and passengers carried.



The breakdown by classification of freight tonnage follows:

CLASSIFICATION OF TONNAGE HANDLED  
(metric tons)

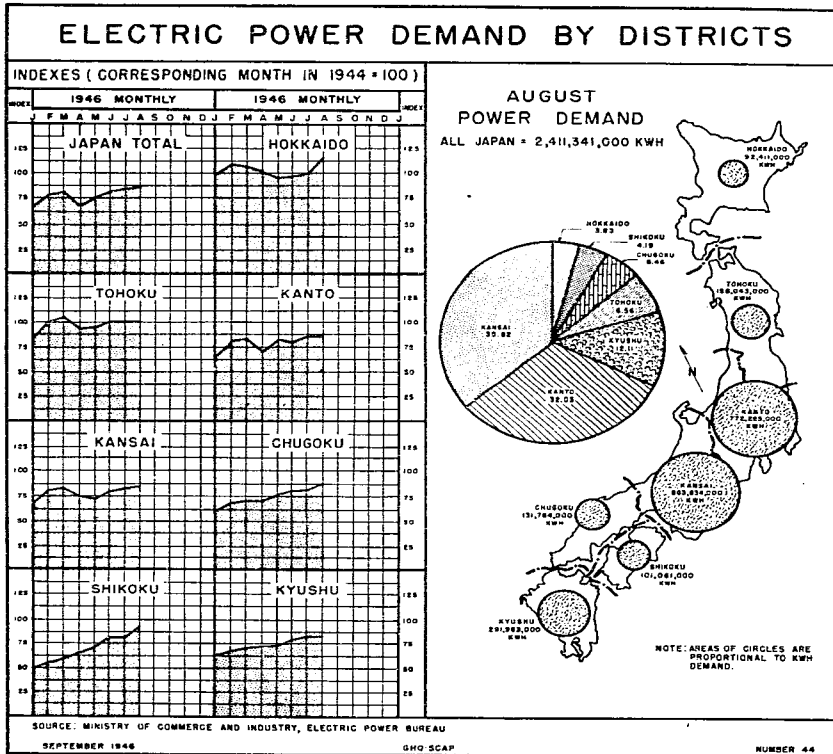
	<u>July</u>	<u>August</u>
Coal	1,532,700	1,496,300
Iron and steel	173,100	155,600
Scrap metal	91,400	88,200
Petroleum and alcohol	94,500	90,900
Rice	57,600	29,200
Wheat and barley	186,000	161,000
Salt	37,400	59,700
Fertilizer	127,800	116,300
Industrial chemicals	58,800	59,700
Limestone	103,900	99,800
Lime	90,000	78,900
Machinery (including vehicles)	241,800	230,400
Cement	103,100	98,800
Coke	115,700	97,200
Lumber	1,286,800	1,361,400
Charcoal	79,700	68,600
Flour (wheat)	81,900	106,500
Soy beans	10,300	7,300
Potatoes	36,000	35,200
Fresh vegetables	22,000	21,000
Sea food	73,800	56,600
Grease (including cooking oils)	20,200	19,000
Soy products	27,800	27,200
Sugar	1,900	2,200
Straw manufactures	49,400	50,300
Cattle	84,100	79,800
Livestock feed	21,300	31,500
Minerals	206,400	222,400
Paper and pulp	61,700	60,400
Wine and liquor	17,300	17,100
Tobacco	33,900	35,100
Fresh fruits	6,600	5,300
Gravel	447,100	503,000
Stone (building)	67,700	78,600
Firewood	179,900	176,100
Fiber manufactures	144,700	165,000
Brown coal (lignite)	94,400	113,500
Others	<u>2,000,200</u>	<u>2,131,900</u>
Total	8,069,900	8,237,000

4. New rolling stock placed in operation in August consisted of two electric and 19 steam locomotives, 52 electric cars, 26 passenger cars and 193 freight cars.

WATER TRANSPORTATION

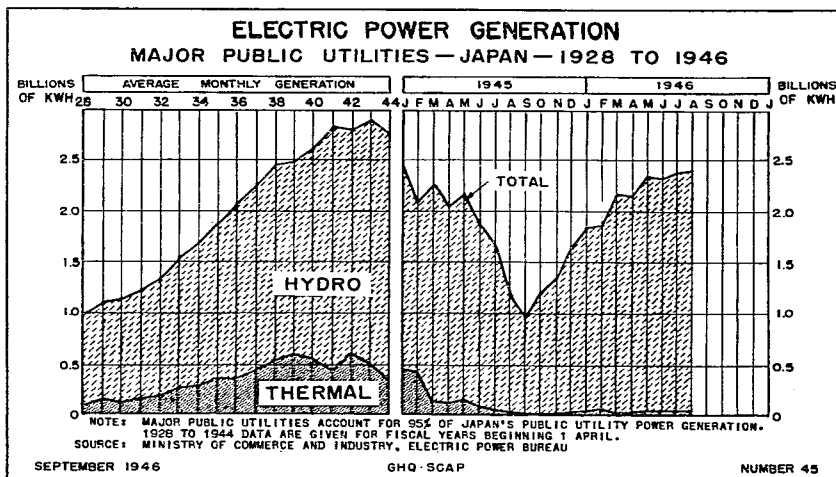
5. Coastwise merchant shipping showed a slight increase in August. The following chart shows both the total tonnage handled and the breakdown by classification.



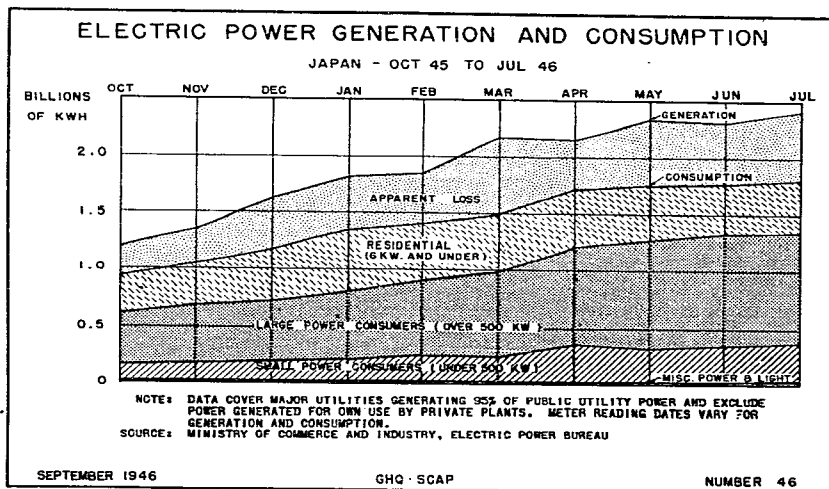


9. Hydroelectric power plants were the source of all power generated except in Chugoku and Kyushu where steam generating plants accounted for 6.8 and 12 percent respectively of the total. During August these plants generated 47,021,000 kilowatt hours.

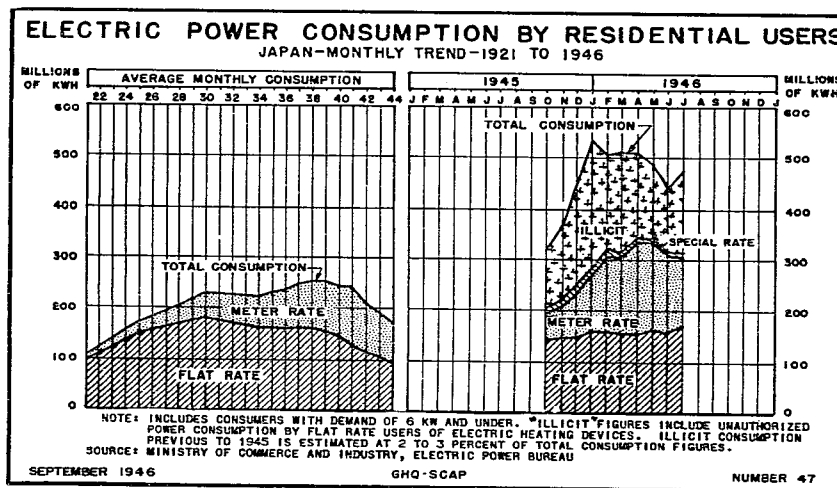
10. The monthly trend of hydro and thermal electric power generation from 1928 to 1946 is shown in the accompanying chart.



11. The accompanying chart shows electric power generation and consumption by major classes of consumers. Heavy industries are included in the "large power" classification.

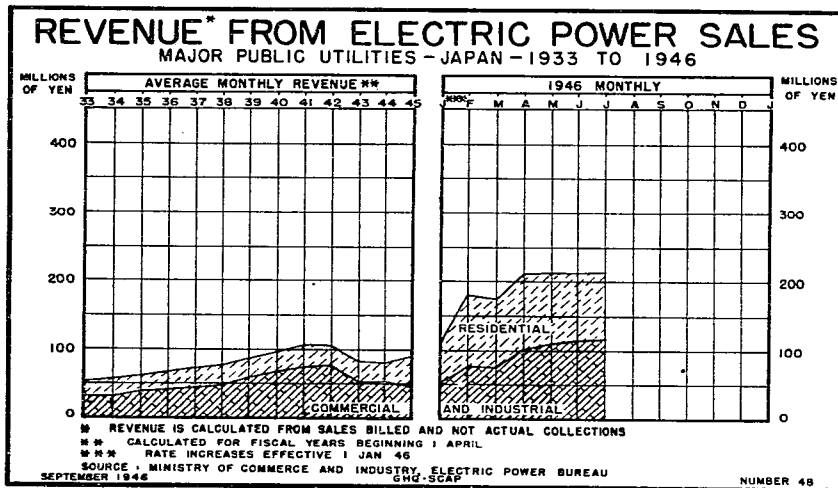


12. The following chart shows the monthly trend of electric power consumption for residential service.



13. Electric power revenue of the major public utilities classified by residential and commercial-industrial consumption is shown in the following chart.





#### Plant Maintenance

14. During August six hydroelectric plants, with a total generation capacity of 35,290 kilowatts, were repaired.

#### GAS INDUSTRY

15. The coal shortage rendered 73.9 percent of gas production capacity idle. The supply of gas to the consumer remained irregular and undependable.

#### Production

16. August production averaged 964,614 cubic meters per day compared with the daily average of 940,805 cubic meters in July. Apparent losses were high, with the daily average supply of gas 685,282 cubic meters.

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

REPORT ON GAS FOR AUGUST  
(cubic meters/day)

Prefecture	Plant Capacity	Average Production	Average Consumption		
			Domestic	Industrial	Gas Works
Hokkaido	45,000	23,897	15,208	2,654	910
Iwate	2,520	0	0	0	0
Akita a/	2,700	6,025	4,544	1,344	41
Yamagata	7,070	3,059	1,732	892	68
Miyagi	10,800	3,379	1,858	699	12
Fukushima	8,190	2,858	1,692	771	10
Ibaraki	30,400	1,734	548	974	14
Tochigi	12,600	2,677	1,777	246	38
Gunma	9,300	3,692	2,121	1,207	58
Saitama	11,630	3,704	2,437	480	47
Chiba b/	13,750	10,520	4,557	5,182	137
Tokyo	738,530	365,679	178,146	12,777	342
Kanagawa	621,650	47,750	19,067	20,421	212
Yamanashi	2,930	689	344	282	7
Niigata c/	23,660	16,426	10,115	5,939	215
Nagano d/	11,660	6,094	3,178	2,218	49
Shizuoka	30,440	7,328	4,292	1,726	59
Aichi	181,410	45,372	33,015	2,918	1,103
Gifu	10,750	2,327	1,438	544	21
Mie	18,170	3,994	2,609	1,224	19
Toyama	6,080	1,490	1,024	106	7
Ishikawa	16,700	5,138	4,354	313	11
Kyoto	195,300	52,573	41,560	3,625	509
Osaka	1,130,640	174,590	79,481	54,595	710
Hyogo	254,330	44,556	21,151	9,513	210
Nara	5,450	4,181	3,677	65	30
Wakayama	7,600	5,212	3,548	393	31
Shiga	3,380	3,216	2,892	113	16
Fukui	5,400	589	434	73	5
Tottori	4,950	1,336	939	282	32
Shimane	3,240	1,555	1,056	216	3
Okayama	50,690	7,522	3,863	2,878	153
Hiroshima	52,350	14,099	2,769	293	10,234
Yamaguchi	8,330	3,230	2,407	153	95
Tokushima	2,250	236	0	198	3
Kagawa	5,040	1,265	507	462	51
Ehime	11,260	2,471	1,007	878	48
Kochi	5,200	1,039	342	52	11
Fukuoka	86,250	53,162	40,961	9,729	112
Saga	4,950	2,625	2,290	199	9
Nagasaki	19,200	12,826	8,914	768	35
Kumamoto	8,650	9,027	5,511	223	29
Oita	7,190	806	435	15	142
Miyazaki	4,060	3,200	2,404	244	46
Kagoshima	5,000	1,160	920	0	16
Total	3,696,650	964,614	521,524	147,857	15,901

a/ 79.6 percent natural gas.  
b/ 71.0 percent natural gas.  
c/ 78.1 percent natural gas.  
d/ 35.8 percent natural gas.

SOURCE: Gas Industry Association.



SECTION 7  
COMMUNICATIONS

C O N T E N T S

	Paragraph
Administration . . . . .	1
Wire Services . . . . .	6
Radio Services . . . . .	11
Postal Services . . . . .	18
Construction and Rehabilitation . . . . .	25
Communications Equipment Manufacturing and Supply . . . . .	34
Personnel . . . . .	41
Financial Operations . . . . .	47
Research . . . . .	50

ADMINISTRATION

1. Japanese government and private agencies owning or operating communications facilities are shown in chart, page 132. The Ministry of Communications exercises technical supervision over the communications services of all the agencies.

2. The Ministry of Communications controls and supervises the International Telecommunications Company and holds most of the Government's 50 percent stock interest in the Company. It is empowered to approve the appointment and dismissal of officials and to supervise major business operations of the Company.

3. The Ministry of Communications approves the content of the Broadcasting Corporation of Japan's listening contract including the amount and collection period of listening fees. It is also empowered to require the use of the Broadcasting Corporation's facilities for public broadcasts in the event of public emergency.

4. The Broadcasting Advisory Committee, established in January 1946 independent of the Broadcasting Corporation of Japan, completed and submitted to SCAP for review the draft of a broadcasting code of ethics.

5. On 25 September the Special Rehabilitation Headquarters of the Ministry of Communications opened a branch in Osaka. It will expedite the rehabilitation and reconstruction of telephone and telegraph equipment.

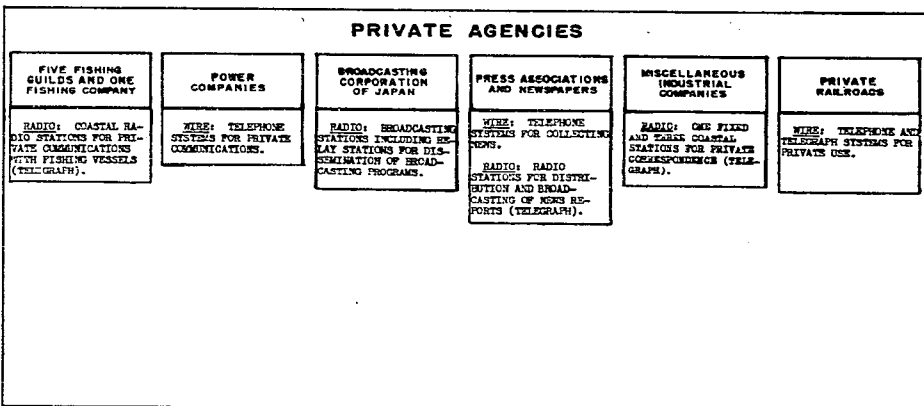
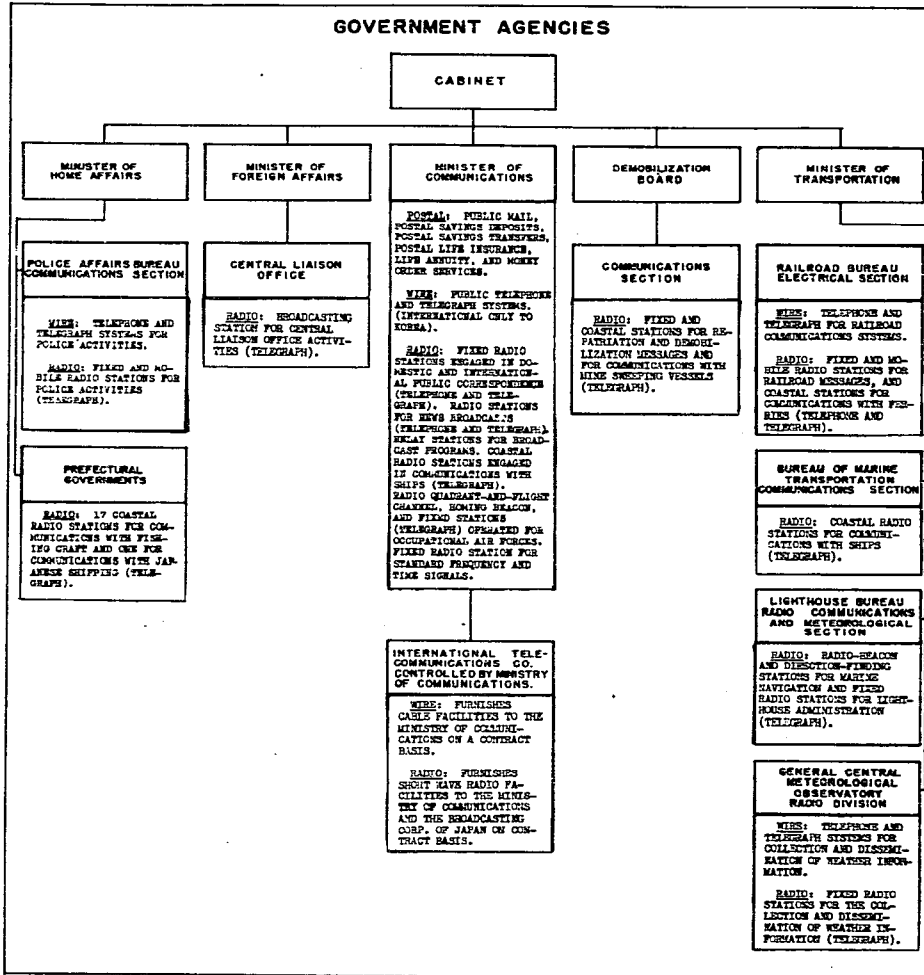
WIRE SERVICES

Domestic Telephone

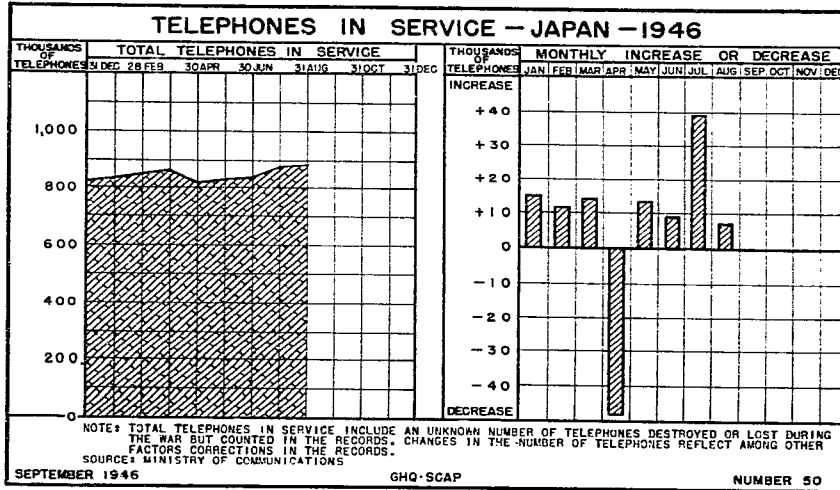
6. The number of telephones in service in Japan continued to increase in August as shown in the chart, page 133.

# AGENCIES CONCERNED WITH THE OPERATIONS OF COMMUNICATIONS

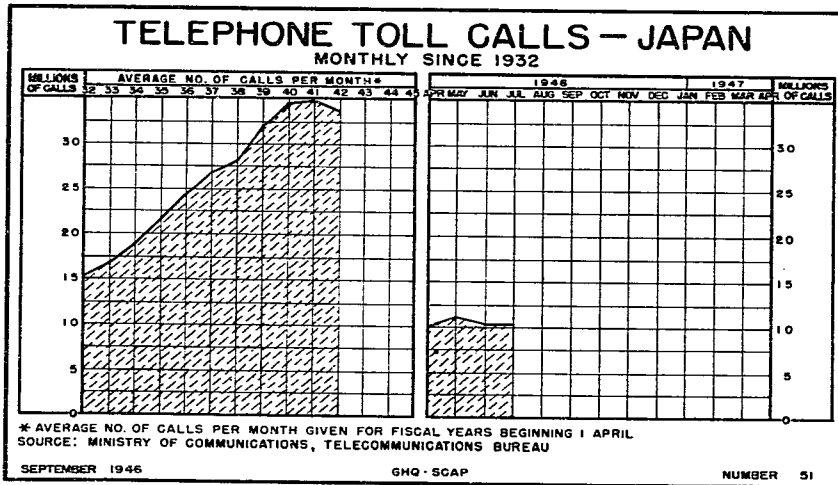
JAPAN - 30 SEPTEMBER 1946



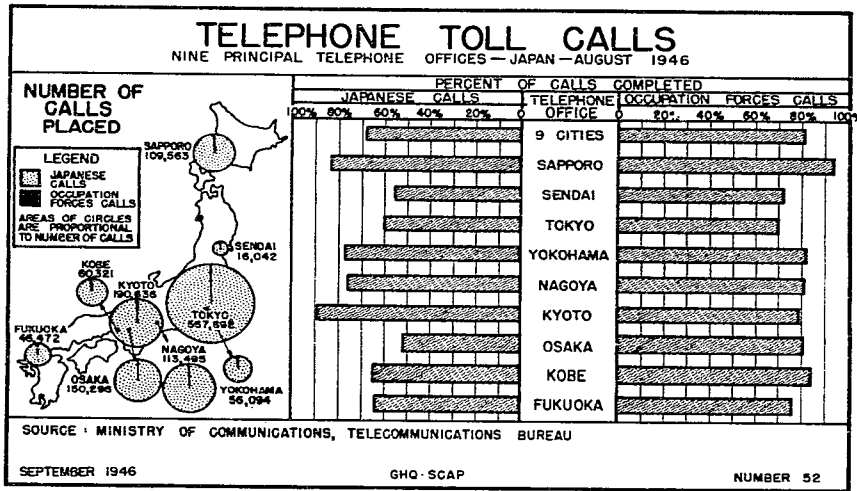
SOURCE: MINISTRY OF COMMUNICATIONS.



7. The present monthly toll traffic in Japan is approximately one third of the monthly average for the years 1938 to 1943 as shown in the following chart.

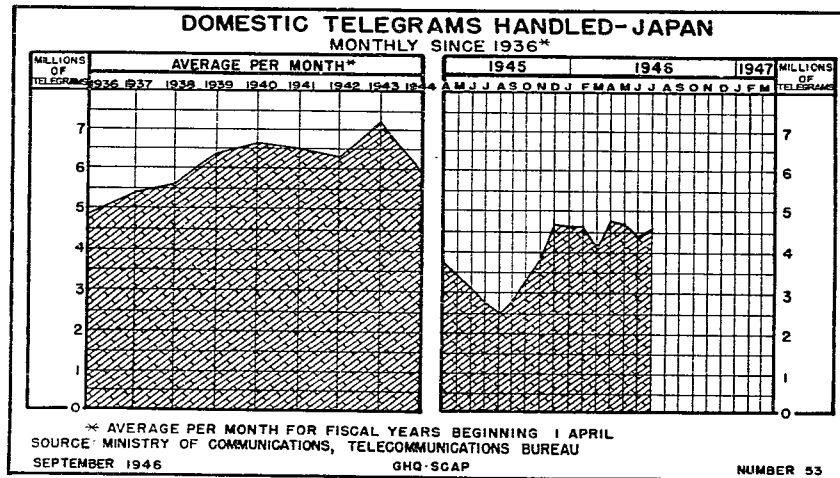


8. The status of toll calls of nine major offices for August is shown in the following chart.



Domestic Telegraph

9. Domestic telegraph traffic in Japan from the fiscal year 1936-37 through July 1946 is shown in the following chart.



Since the Occupation telegraph traffic has been relatively higher than telephone toll traffic in comparison with prewar and war levels. This reflects the extensive use of telegraph service throughout the rural areas which suffered less war damage than the urban areas.

10. In September the Occupation Forces issued a telegraph directory for improving SCM and EFM service. The Ministry of Communications now can deliver messages, in many cases by domestic telegraph, direct to the unit in which the addressee is located rather than through the Army Post Office.









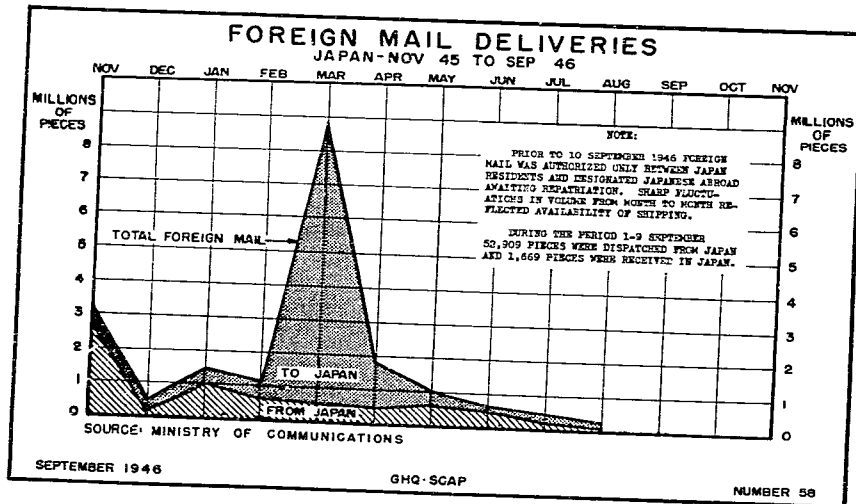
INTERNATIONAL POSTAL RATES BETWEEN JAPAN  
AND ALL COUNTRIES OTHER THAN CHINA AND KOREA a/  
(sen)

<u>Classification</u>	<u>Weight</u>	<u>Former Rate</u>	<u>Current Rate</u>
Letters	20 grams or less	30	100
	Additional 20 grams	15	50
Postcards	Single	15	50
	Reply-paid	30	100
Printed papers	Per 50 grams	5	20
Literature for the blind	Per kilogram	3	10
Commercial papers	250 grams or less	30	100
	Additional 50 grams	5	20
Merchandise samples	100 grams or less	10	40
	Additional 50 grams	5	20
Small packets	250 grams or less	50	200
	Additional 50 grams	10	40

a/ No service to Germany.

SOURCE: Ministry of Communications.

22. Foreign mail between persons in Japan and Japanese awaiting repatriation in former Japanese occupied areas is shown in the following chart. The special repatriation mail service was discontinued 10 September with the restoration of the regular international mail service.



Postal Savings, Insurance and Money Orders

23. The chart below indicates the trend in postal savings, postal savings transfers, postal life insurance and life annuities and money orders from September 1945 through August 1946.



### Radio

30. Construction of a new Armed Forces Radio Service broadcasting station on Kyushu was initiated in September. Studios are located in Kokura, near Saga. This station will provide adequate service for Occupation Forces troops in northern Kyushu replacing four small stations now in operation.

31. SCAP approved the government railways' installation of equipment by which a multi-channel ultra-high-frequency radio circuit is to be opened across the Tsugaru Strait. This equipment designed by Japanese radio engineers provides three telephone and telegraph channels in each direction. It is modern in design and makes use of frequency modulation and will replace equipment now operating on five medium-wave channels.

32. The former Japanese naval radio station at Sasebo was ordered dismantled by SCAP on 6 September.

### Postal

33. Replacement of disabled vehicles as well as repair and renovation of equipment in use are essential to the restoration of adequate postal service.

#### TRANSPORTATION REQUIREMENTS OF POSTAL SYSTEM

	<u>Railway Cars</u>		<u>Motor Trucks</u>		<u>Bicycles</u>	
	<u>1 May</u>	<u>31 Jul</u>	<u>1 May</u>	<u>31 Jul</u>	<u>1 May</u>	<u>31 Jul</u>
Carried on record	678	700 <u>a/</u>	1,059	862 <u>b/</u>	30,759	30,759
Unserviceable or otherwise assigned	<u>293</u>	<u>299</u>	<u>573</u>	<u>210</u>	<u>14,413</u>	<u>11,237</u>
In use	385	401	486	652 <u>c/</u>	16,346	19,522
Additional requirements	<u>93</u>	<u>77</u>	<u>182</u>	<u>168</u>	<u>12,185</u>	<u>9,009</u>
Total required	478	478	668	820 <u>d/</u>	28,531	28,531

a/ Increase due to recovery of cars charged off as lost in war.

b/ Decrease reflects scrapping of trucks beyond repair.

c/ Increase result of receipt of 35 new vehicles and progress in repair work.

d/ Increase to cover desired extensions.

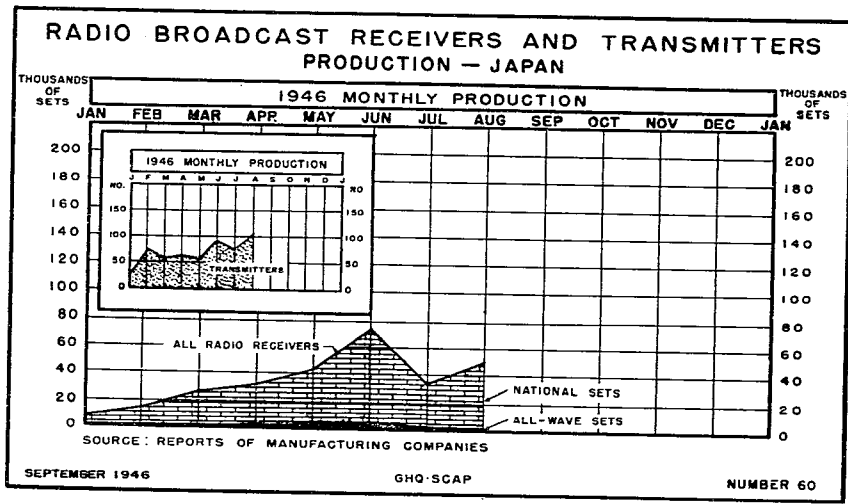
SOURCE: Ministry of Communications.

#### COMMUNICATIONS EQUIPMENT MANUFACTURING AND SUPPLY

### Production

34. Production of communications equipment in August was hampered by the failure of the coal companies to deliver the full quantities of coal allocated.

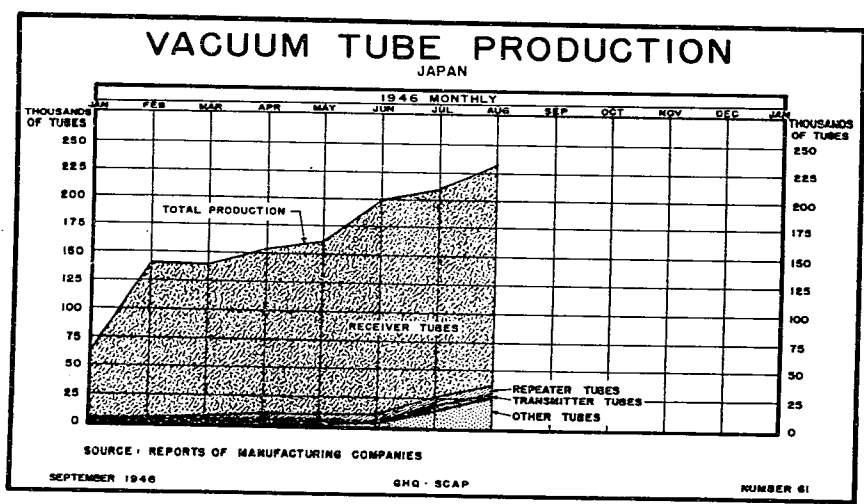
35. Radio receiver and transmitter production is shown in the accompanying chart. Although the production of home receivers increased in August further increases will be kept small until the production of vacuum tubes increases.



The majority of the transmitters being produced are for use in fishing craft.

36. Steps are being taken to improve the quality of radio sets. Engineers of the Broadcasting Corporation of Japan, the Ministry of Communications, the Ministry of Commerce and Industry and the leading manufacturers are devising minimum standards. The Japan Communications Equipment Manufacturers' Association is establishing testing facilities and sets will be required to conform to minimum standards before being distributed. All plants are establishing quality control systems to insure higher quality production.

37. The production of vacuum tubes is shown in the following chart.



Vacuum tube manufacture during August was limited by the shortage of coal and inadequate supplies of gas in those plants served by public gas companies. Although tube manufacturing facilities are being expanded production depends ultimately on the availability of coal and gas.

38. The following table shows the production of wire communications equipment in July and August.

WIRE COMMUNICATIONS EQUIPMENT

	Production	
	July	August
Telephone sets	17,090	20,690
Manual switchboards	747	852
Automatic switchboards	3,930	6,110
Carrier equipment systems	157	133
Repeater systems	844	626
Telephone cable <u>a/</u>	401	591
Wire communications parts <u>b/</u>	6,870	7,770

a/ Kilometers.

b/ Thousands of yen.

SOURCE: Reports of manufacturing companies.

The shortage of proper quality insulating paper which resulted in a decrease in the production of telephone cable in July was temporarily overcome in August by the procurement of a limited amount of hemp.

39. Production of component parts is moving far enough ahead of receiver set production to permit the channeling of a substantial amount of parts into the retail distribution field.

COMPONENT PARTS

Product	Production	
	July	August
Condensers	1,180,000	1,780,000
Resistors	1,420,000	1,350,000
Transformers	33,000	66,000
Speakers	25,000	77,000
Other radio parts <u>a/</u>	5,800	10,040

a/ Thousands of yen.

SOURCE: Reports of manufacturing companies.

Japanese Army and Navy Communication

40. The dismantling of transmitting stations previously used in the Japanese repatriation program was directed by SCAP in late July. This will provide additional equipment for distribution by the Ministry of Home Affairs. The Ministry of Communications has provided storage space so that these stations may be kept intact and maintained until disposal can be effected. Some of this equipment will be used by the Ministry of Communications as spare equipment for stations under the control of the Occupation Forces.

Distribution of remaining stocks of Japanese Army and Navy equipment is continuing slowly. A shortage of qualified personnel to classify this equipment continues to retard distribution.

## PERSONNEL

### Ministry of Communications

41. Absenteeism among workers of the Ministry of Communications, which averaged 11.2 percent during August and early September, was caused primarily by travel to rural areas in search of food.

42. The Ministry of Communications and the All-Japan Communications Workers' Union, organized by employees of the Ministry, are negotiating on a collective bargaining agreement. The Ministry in September agreed to:

- (1) Recognition of the union and cooperation in developing the union.
- (2) Establishment of a management committee and a labor committee to promote understanding between the management and the union, accelerate democratization, improve working conditions and increase efficiency.

Negotiations are continuing on adoption of a closed shop and union participation in controlling the employment, dismissal and transfer of personnel.

### Broadcasting Corporation of Japan

43. The Broadcasting Corporation of Japan granted the demand of the Broadcasting Branch of the All-Japan Newspaper and Radio Workers' Union for a special living allowance and bonus as follows:

- (1) Allowance to be paid both in September and October ranging from ¥ 400 for unmarried employees living with parents to ¥ 450 for employees with dependents, plus ¥ 150 for a wife and ¥ 100 for each additional dependent.
- (2) A bonus amounting to five months' basic salary to be paid in three installments ending in March 1947.

44. The management of the Corporation entered into negotiations with the Broadcasting Branch of the union for signing a labor contract.

45. The Radio Broadcasting Branch of the All-Japan Newspaper and Radio Workers' Union participated in discussions of its parent union concerning general demands to be made by the latter under threat of a strike.

### International Telecommunications Company

46. The International Telecommunications Company and the Federated Association of the Employees' Unions of the Company on 12 September jointly established a management council to implement the labor contract signed on 27 June. The purpose of the council is to provide joint discussions and joint action by the management and the union concerning business and labor matters. The council is composed of approximately the same number of representatives of management and labor.





RESEARCH

50. The research and development program directed toward improvement of toll system performance is now well organized. Initial steps have been taken to introduce a development program on high-speed telegraphy.

51. A survey of communications research organizations continued, 58 organizations presently being listed for supervision.



SECTION 8

LABOR

C O N T E N T S

	Paragraph
Labor Legislation . . . . .	1
Labor and Employer Organizations. . . . .	6
Labor Relations . . . . .	17
Labor Education . . . . .	35
Wages . . . . .	38
Employment and Unemployment . . . . .	40
Labor for the Occupation Forces . . . . .	44

LABOR LEGISLATION

Labor Relations Adjustment Bill

1. On 20 September the original draft of the Labor Relations Adjustment Law passed the Diet without change. The Act provides:

- (1) The primary responsibility for settling disputes lies with the parties involved, the Government's role being to assist them. On occurrence of an act of dispute hampering the normal course of an enterprise the parties are immediately to report to the appropriate Labor Relations Committee.
- (2) Each Labor Relations Committee is to maintain a panel of conciliators to be available to assist the parties in cases of disputes, and withdrawing if no prospects of agreement exist.
- (3) Under certain conditions, particularly in disputes affecting the public welfare, mediation is to be attempted by a sub-committee of the Labor Relations Committee concerned plus outsiders. Acceptance of any settlement is to be voluntary, but public opinion is to be mobilized by the Mediation Committee for its support.
- (4) Where both parties agree in advance or in accordance with a collective bargaining agreement Labor Relations Committees are empowered to arbitrate disputes. In this event acceptance of the award is to be compulsory.
- (5) Certain restrictions are placed on acts of dispute. Police, firemen, prison guards and those governmental employees engaged in administrative or judiciary work are forbidden the right to strike. Employees of government-owned enterprises are exempted from this restriction. Both sides in public welfare works are forbidden to commit acts of dis-

pute within 30 days after application for mediation of the dispute has been made. Employers are forbidden to discharge or discriminate against workers for participation in acts of dispute or for testifying before a Mediation or Arbitration Committee.

2. Attached to the Bill were riders calling for presentation of a Labor Standards Bill to the next Diet; creation of a cabinet committee to study the problem of improving employment conditions of government officials; and special consideration of the rights of those government workers prohibited from striking.

3. In anticipation of the Bill's passage the Ministry of Health and Welfare initiated a broad program to educate unions, employers, Labor Relations Committees and the public concerning the measure.

#### Labor Standards Bill

4. Twelve days of public hearings on the draft Labor Standards Bill were held from 5 to 17 September, in the second submission of Japanese labor legislation to labor, employers and the public for expression of views.

Testifying at the hearings were representatives of the National Federation of Labor Unions, National Congress of Industrial Unions and 13 major industrial unions; members of the Japan Commerce and Industry Association, Kanto Employers' Federation and 20 other employer organizations; a number of individual workers and employers; four leaders of women's organizations; and several students and local officials.

The Bill is scheduled to be introduced into the next session of the Diet.

#### Unemployment Insurance Bill

5. General principles for a national unemployment insurance system were announced by the Social Insurance Investigating Committee of the Ministry of Health and Welfare which is preparing a bill to provide such a system.

### LABOR AND EMPLOYER ORGANIZATIONS

#### Labor Union Statistics

6. Membership in registered trade-unions increased from 2,691,552 members in 7,357 unions on 1 May to 3,745,642 workers in 12,324 unions on 1 July. The July figures did not include the All-Japan Seamen's Union, representing 61,393 workers, and certain other small unions.

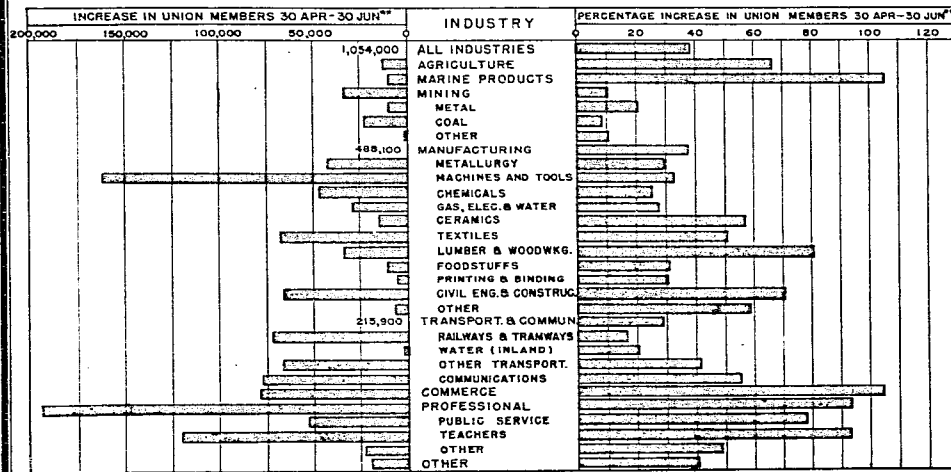
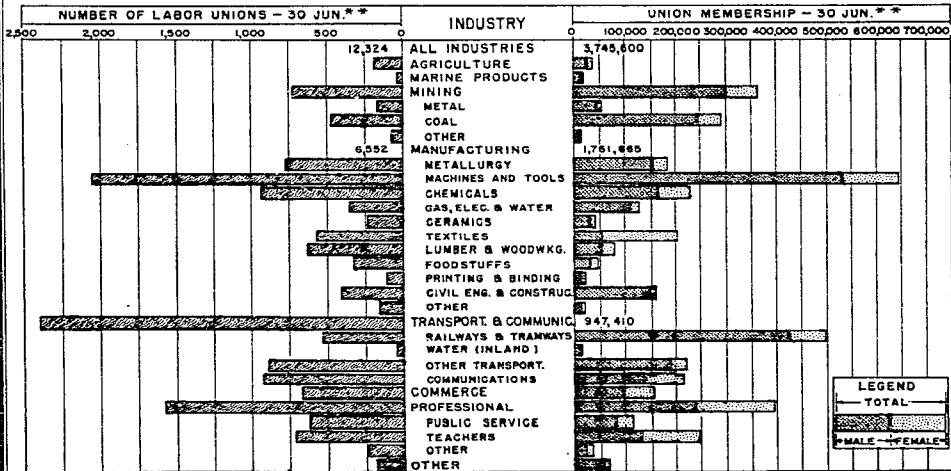
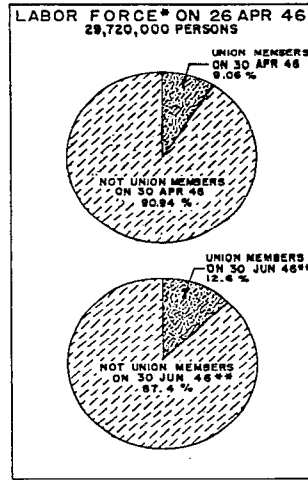
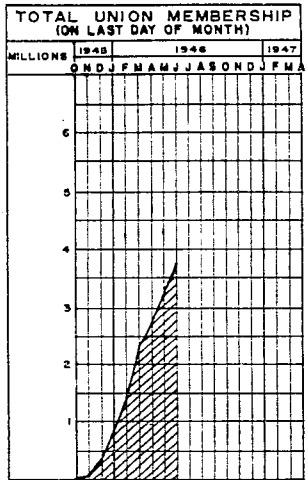
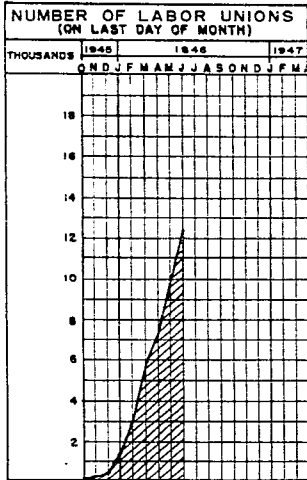
7. Proportion of women members remained about 24 percent of the total.

8. Manufacturing, transportation and communications and mining continued to be the most highly unionized industries as shown in the accompanying chart.

#### Labor Unions and Federations

9. Problems of over-all union organization and major differences of opinion on essential issues in several important national labor bodies became apparent during September.

# LABOR UNIONS - JAPAN



\* LABOR FORCE = PERSONS AGE 13-61 (JAPANESE AGE RECKONING) ABLE AND WILLING TO WORK AS REPORTED IN THE NATIONAL CENSUS OF 26 APRIL 1946.  
 \*\* BASED ON DATA RECEIVED UP TO 20 AUGUST 1946.  
 SOURCE: MINISTRY OF HEALTH AND WELFARE.  
 SEPTEMBER 1946

10. In the General Federation of Government Railway Workers' Unions difference in opinion over the proposed railway strike threatened to split the organization.

A substantial section of the Federation's membership, chiefly the regional federations in western Japan, rejected the decision of the Federation's central executive committee to strike on 15 September and demanded reorganization of the committee. A general policy meeting beginning 5 September ended in disruption when representatives of dissenting unions walked out and prepared to form a separate council.

The final settlement concluded by the Federation's national leaders with the government railways covered the dissident unions which the Federation had continued to regard as members, and they returned to the Federation.

11. The long-standing dissatisfaction of a considerable portion of "rank and file" membership with the All-Japan Seamen's Union leadership erupted into internal dissension on the issue of the maritime strike.

Previous criticism of union officials appointed by the chairman had resulted in May in the establishment of a central disputes committee of elected representatives.

With the simultaneous issuance to local affiliates in September of strike instructions by the central disputes committee and of orders by the union chairman not to strike, the various locals divided into striking and nonstriking groups. The majority supported the disputes committee.

During negotiations with the employer a temporary arrangement was made whereby the union was represented by five negotiators, including the union chairman, chairman of the central disputes committee and three members of the pro-strike faction.

After settlement of the strike the union chairman and all department and chapter chiefs of the union resigned. Their successors are to be elected at the national convention of the Seamen's Union scheduled for 5 October.

12. Efforts of the National Congress of Industrial Unions to form a joint front with the National Federation of Labor Unions took the form of an invitation to support the September disputes of railway workers and seamen.

The Federation, although supporting the railway workers' opposition to mass discharges, opposed the general strike favored by the Congress. No stand was taken on the seamen's strike.

13. The first prefectural chapter of the National Congress of Industrial Unions was inaugurated in Nagano on 5 September. One hundred ninety delegates represented 50,000 members in 12 industrial unions.

14. Another major national union was established on 2 September when 40 unions comprising 32,000 workers employed by the Occupation Forces organized the Federation of Occupation Forces Workers' Unions and voted to affiliate with the National Federation of Labor Unions.

Policy of the new organization as outlined at the September inauguration called for abolition of the labor contract system and formation of a joint front with the All-Japan Federation of

Occupation Forces Workers' Unions, a smaller Tokyo-area organization affiliated with the National Congress of Industrial Unions.

#### Employer Organizations

15. During September the Federation of Economic Organizations, Japan Federation of Industries, Japan Iron and Steel Council and a number of other employer organizations were active in disseminating to their members publications which stressed labor matters currently confronting industrialists in Japan and reproduced materials on U. S. labor developments, such as sample collective agreements.

16. In an attempt to ascertain and guide employers' attitudes on labor education, the Kanto Employers' Federation in late September sent questionnaires to its 260 members for details of education programs currently being conducted by individual employers and the extent to which they felt responsible for education of their personnel.

### LABOR RELATIONS

#### Labor Relations Committees

17. The projected reorganization of the Labor Relations Committees along more representative lines began late in August when elections were held to replace the original five labor members of the Osaka Prefecture Labor Relations Committee.

Two National Federation of Labor Unions members, one National Congress of Industrial Unions representative and two independents were selected. This, together with the fact that another Federation member was nearly elected, demonstrated the Federation's strength in Osaka Prefecture and the Kansai District.

18. After this initial reorganization the Central Labor Relations Committee early in September issued rules to guide the reorganization of the Central Committee itself and the remaining prefectural Committees.

Under these regulations, which supplement the Trade Union Effectuating Ordinance all federations or joint councils of independent unions representing a total membership of over 100,000 persons were to recommend candidates for workers' representatives on the Central Labor Relations Committee for selection by the Ministry of Health and Welfare. Provision for checking membership claims was specifically included. Employer members were to be selected from candidates designated by the Federation of Economic Organizations.

Regulations for election of labor members of prefectural Committees were similar except that the minimum membership required of trade-union organizations was to be designated by the prefectural governor, the number to be at least 10 percent of the total union membership within the prefecture. Employer members would be chosen from candidates of the prefectural Chamber of Commerce and Industry.

Neutral members for both Central and prefectural Committees were to be chosen from persons designated as candidates by the Ministry of Health and Welfare and agreed on by both labor and employer members.

19. An increasing number of labor disputes was processed by Labor Relations Committees but the total remained small, numbering only 69 for all Japan during the first six months of the Committees'



existence. In addition 11 cases of alleged discrimination against workers in respect to their right to organize were brought before the Committee.

Important mediatory activity was carried on by the Labor Relations Committees in September in both the railway workers' and seamen's disputes. In the latter instance their action was instrumental in achieving an agreement.

20. The first case of union charges of employer domination was heard by the Tokyo Prefecture Labor Relations Committee in August when the Shibaura Casual Laborers' Union, made up of harbor workers employed for the Occupation Forces, asserted that the Tokyo Harbor Wharfmen's Union was under the control of labor "bosses" and asked that the Committee refuse it status as a bona fide trade-union. Before a decision was issued the Wharfmen's Union was reorganized.

21. First issue of the proceedings of the Central Labor Relations Committee which included significant opinions of the prefectural Committees was published on 18 September. This guide to Labor Relations Committees was prepared by the Central Labor College in collaboration with the Central Labor Relations Committee staff. This publication was widely disseminated to union and employer organizations.

Supplementing its earlier support for labor-management councils the Central Labor Relations Committee issued as a part of the proceedings a set of principles to be followed in organizing such councils and in carrying out their functions.

#### Negotiations and Agreements

22. Preliminary reports of the Ministry of Health and Welfare indicated that 452,968 workers were covered by collective bargaining agreements concluded up to 1 September and registered under the Trade Union Law. This number represented only one eighth of the workers in trade-unions and, while more than three times the pre-war high point, emphasized the great task of negotiation before the trade-unions.

FORMAL TRADE AGREEMENTS <sup>a/</sup>  
1 September

<u>Industry</u>	<u>Number of Agreements</u>	<u>Number of Workers Covered</u>
Mining	81	84,241
Manufacturing		
Metallurgy	90	37,360
Machines and tools	247	106,860
Chemicals	90	33,110
Gas, electricity and water supply	15	60,239
Ceramics	-	-
Textiles	37	25,403
Lumber and woodworking	-	-
Foodstuffs	19	8,399
Printing and binding	-	-
Civil engineering and construction	15	2,933
Other	<u>94</u>	<u>22,964</u>
Total manufacturing	607	297,268
Transportation and communication	80	58,204
Commerce	-	-
Teaching and liberal professions	-	-
Other	<u>53</u>	<u>13,255</u>
Total	821	452,968

<sup>a/</sup> Based on preliminary data.

SOURCE: Ministry of Health and Welfare.

23. Agreements were usually on a plant-by-plant basis. The first industry-wide collective agreement was concluded on 16 September following a two-day strike of the All-Japan Print Shop Workers' Union. The agreement included provision for a closed shop.

24. Revision of union demands to take into consideration the employer's financial condition resulted in an amicable settlement on 2 September of the month-old negotiations between the Radio Tokyo Chapter of the All-Japan Newspaper and Radio Workers' Union and the Broadcasting Corporation of Japan.

After the Corporation's initial rejection of demands for anti-famine allowances the union revised the amounts requested, basing them on estimates of personnel expenditures and company revenues. Revised demands were accepted by the Corporation.

Labor Disputes

25. From August 1945 through July 1946 labor disputes throughout Japan totaled 1,411 involving 1,152,000 workers, according to preliminary estimates of the Ministry of Health and Welfare.

26. Of disputes on which information as to type of tactics used is available, only 297 disputes with 102,630 workers culminated in work stoppages, including 272 walkouts with 97,896 strikers participating and 25 lockouts affecting 4,734 workers. In addition 133 cases of "production control" occurred, involving 100,205 workers, while slow-downs numbered 61 with 39,408 workers involved. Statistics did not include the total man-days of work lost, but estimates indicated a figure of less than a tenth of one percent.

Approximately 45 percent of all disputes occurred in manufacturing industries during the first six months of 1946. Disputes in mining followed, representing 10 percent of the total.

Details of the disputes statistics are given in the following tables.

LABOR DISPUTES BY INDUSTRY <sup>a/</sup>

<u>Industry</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Total</u>
Mining								
Metal	-	-	-	-	5	1	2	8
Coal	18	10	28	15	16	14	10	111
Other	-	-	-	-	-	1	1	2
Total	18	10	28	15	21	16	13	121
Manufacturing								
Metallurgy	18	10	4	4	4	9	10	59
Machines and tools	45	39	24	18	42	22	18	208
Chemicals	4	12	6	6	15	6	9	58
Gas, electricity and water supply	13	-	-	2	15	-	2	32
Textiles	-	7	3	4	8	4	5	31
Foodstuffs	2	2	2	5	-	3	3	17
Printing and binding	-	-	-	-	2	4	1	7
Civil engineering and construction	1	-	2	-	1	-	-	4
Other	16	10	6	18	22	24	21	117
Total	99	80	47	57	109	72	69	533
Transportation and communication								
Railway and tramways	-	-	-	-	6	1	3	10
Water (inland)	19	34	10	15	8	4	1	91
Total	19	34	10	15	14	5	4	101
Teaching and liberal professions								
Public service	-	-	-	-	4	6	3	13
Teachers	-	-	-	-	4	2	1	7
Other	-	-	-	-	1	3	2	6
Total	-	-	-	-	9	11	6	26
Other	3	8	6	16	8	8	4	53
Unclassified	87	63	46	30	55	30	0	311
Grand Total	226	195	137	133	216	142	96	1,145

<sup>a/</sup> Preliminary data received up to 20 August.

SOURCE: Ministry of Health and Welfare.

LABOR DISPUTES BY TACTICS  
August 2/

	STRIKE		SLOW-DOWN		LOCK-OUT		PRODUCTION CONTROL		UNKNOWN		TOTAL	
	Disputes	Workers Involved	Disputes	Workers Involved	Disputes	Workers Involved	Disputes	Workers Involved	Disputes	Workers Involved	Disputes	Workers Involved
<b>1945</b>												
August	-	-	-	-	-	-	-	-	1	192	1	192
September	2	813	-	-	-	-	-	-	1	100	3	913
October	16	9,406	3	328	-	-	1	2,000	12	5,558	32	17,292
November	21	11,558	2	2,327	2	3,045	-	-	41	19,433	66	36,363
December	33	9,595	3	1,261	2	389	4	6,674	99	91,587	141	109,506
<b>1946</b>												
January	34	886	17	18,967	2/	156	13	20,331	162	188,764	226	229,104
February	15	8,050	7	2,142	4	323	20	19,196	149	93,108	195	122,819
March	26	25,534	6	3,996	5	307	23	20,259	77	66,960	137	117,056
April	29	11,165	-	-	2	68	29	23,961	74	78,716	134	113,910
May	38	9,398	7	2,124	2	129	25	5,617	148	158,424	220	175,692
June	23	4,021	6	3,328	4	129	10	639	112	147,573	155	155,690
July	35	7,470	10	4,935	4	168	8	1,328	44	59,374	101	71,295
Total	272	97,896	61	39,408	25	4,734	133	100,205	920	909,769	1,411	1,152,032

a/ Preliminary data received up to 20 August.

b/ Not available

SOURCE: Ministry of Health and Welfare.

27. The number of labor disputes and labor stoppages increased sharply during September, representing labor's reaction to the August announcement of programs to dismiss workers.

28. Negotiations between the General Federation of National Railway Workers' Unions and government railway officials continued under tense circumstances in early September. Settlement was not reached until 13 September, two days before the date set for a general railway strike, and not until a public appeal had been made by the Premier.

The settlement provided for immediate withdrawal of the program for discharging 75,000 workers and cancelling of strike plans. A joint labor-management council was to discuss rationalization of the management of government railway services with the Government having the right to discharge "workers of vicious records and others" after consultation with unions.

29. Negotiations of the All-Japan Seamen's Union with the Civilian Merchant Marine Committee (see Monthly Summation No. 11, page 172) broke down and a national convention of seamen on 3 September decided in favor of a general strike. On 10 September a stoppage began which lasted for 10 days.

After a hearing before the Seamen's Labor Relations Committee and assistance of the Committee's chairman in settling the disagreement over negotiating rights, negotiations were completed on 20 September and the strike was terminated.

Final agreement included: (1) acceptance of the principle of full employment, with no discharge and establishment of a labor-management council to make detailed arrangements; (2) provision for establishment of a committee representing both parties to determine disposition of crew members aboard ships; (3) increase in salaries and wages of workers receiving less than ¥ 500 monthly, with details to be determined by the labor-management council; and (4) granting of specified allowances.

30. In both the railway workers' and seamen's disputes care

was taken to avoid actions in any way "inimical to the objectives of the military occupation," both unions issuing orders that transportation for the Occupation Forces would run as scheduled.

31. Active support was given both the railway workers and seamen by other organized labor groups, chiefly the National Congress of Industrial Unions and its affiliates.

On general orders by the Congress to its members to organize sympathy strikes five major federations, the All-Japan Machine Workers' Union, the All-Japan Coal Miners' Union, the All-Japan Iron and Steel Workers' Union, the All-Japan Chemical Workers' Union and the All-Japan Print Shop Workers' Union, involving 700,000 workers, as well as several smaller unions, scheduled stoppages.

Immediate objective of the Congress action was formation of a joint front against mass discharge and for improvement of working conditions. Ultimate aim was the ousting of the current Government, with its policy of considering discharge of workers a prerequisite for rationalization of industry.

Although the railway dispute was settled scheduled sympathy strikes were generally carried out. Most of these strikes had specified additional objectives of the individual unions.

32. As a culmination to the many protests against the Labor Relations Adjustment Bill the National Council of Government and Public Office Workers' Unions called a 24-hour general strike of government employees to take place 31 August.

Only 10 of the Council's 18 member unions participated and each did so independently, some actually striking for only a few minutes and others approving the strike in principle but not taking part.

33. On 28 August "production control" undertaken by a union after the employer shut down operations as unprofitable was terminated when the Toyo Gosei Company acknowledged that the union had demonstrated the practicability of profitable operation by conversion to a different product. After mediation by the prefectural Labor Relations Committee the company resumed the enterprise under an agreement providing a joint management-labor council.

34. In September demands for wage increases in the coal industry were renewed and in Hokkaido a movement was initiated for negotiation on an area basis instead of employer negotiation with each local union.

The situation was further complicated by a strike from 13 to 16 September of the employees of the head office of the Japan Coal Company, which does all buying and selling of coal throughout the country, after a month's unsuccessful negotiations. The final agreement gave the union power to veto "unjustifiable" dismissal or any other matters related to personnel administration.

#### LABOR EDUCATION

35. Special conferences on U. S. labor affairs and practices were held with a number of groups, including union and employer organizations and the Central and Tokyo Prefecture Labor Relations Committees. From 16 to 20 September meetings were held in Kyoto, Osaka and Fukuoka with union representatives from 10 prefectures.

36. The demand among workers for courses in labor affairs

increased while the inadequate number of courses available became increasingly apparent.

The first of a series of such courses scheduled by the Central Labor College was conducted during September. Three-hour classes were held daily for 165 students, including 107 trade-union members. More than 270 persons applied for admission to the courses.

37. Publication of information on labor questions advanced rapidly, both in original Japanese works and in translations of American material.

Notable were the first original book by a Japanese on labor affairs published since the end of the war and the initiation of a labor yearbook by the Central Labor College.

Chapter 1 of the Labor Advisory Committee's Report together with the draft Labor Standards Bill were reproduced in Japanese in 10,000 copies and distributed throughout the country. Union pamphlets and U. S. Labor Department publications were also translated and widely disseminated.

#### WAGES

38. Increased unemployment and preoccupation of unions with action to prevent mass discharges tended to slow the gradual rise in wages, although scattered increases occurred.

39. A plan for comprehensive revision and simplification of the government workers' wage structure met with no objection from SCAF on 28 August.

Under the scheme all allowances, including temporary allowances authorized in May and June because of increased cost of living, were to be retained permanently and incorporated into the regular monthly wage scale, with the single exception of the dependency allowance. This allowance was to be continued as an addition to basic wages and increased to total ¥ 100 per dependent monthly in big cities, ¥ 80 in small cities and ¥ 60 in rural areas, representing a 30 percent rise on the average.

The increase in the dependency allowance was the result of the Government's 22 July agreement with the Federation of Government Employees' Unions.

#### EMPLOYMENT AND UNEMPLOYMENT

##### Unemployment Measures

40. In spite of intensive union pressure for anti-unemployment measures government officials accepted the "adjustment" of labor as an inevitable consequence of rationalization of industry without presenting any comprehensive program to alleviate unemployment.

41. The public works program got under way when regulations governing the public works projects received final approval by the Cabinet on 3 September and the Budget was passed by the Diet on 10 September.

According to the regulations each Ministry would make application for specific projects to the Economic Stabilization Board which would rate them on a priority scale giving high priority to projects which would increase or facilitate production and distribution of essential goods and to projects important in ful-

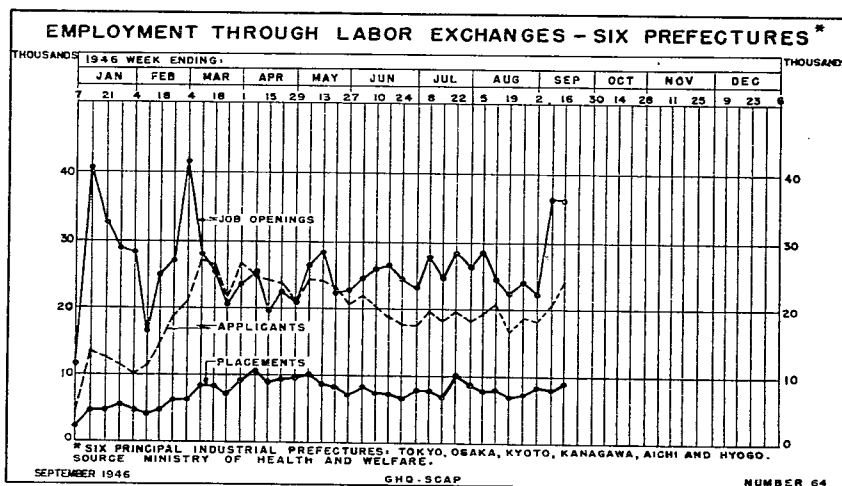
filling minimum requirements for the people's livelihood. After certification by the Economic Stabilization Board necessary funds for a three-month period would be allotted by the Ministry of Finance.

A fair labor code was included in the regulations, providing for prompt payment of wages at prevailing rates, prohibition of wage deductions other than those legally required, employment exclusively through public labor exchanges and extension of the 4 January Purge Directive to supervisory positions on the projects.

On 19 September the Economic Stabilization Board certified projects having an "A" priority or already in operation. All projects falling in the first three priority categories were expected to be certified within four weeks.

#### Employment Exchange Activities

42. Public employment exchanges continued to operate at a low level with placements still at about 40 percent of applicants, as shown in the accompanying chart.



43. Disinterest on the part of workers as well as operational inefficiency of the employment exchanges were reflected in a Ministry of Health and Welfare analysis of applicants referred by exchanges in six major prefectures during the week of 19 to 24 August.

Forty-seven percent of workers referred were not hired. Of this group, 24 percent did not report to the prospective employer while 42 percent found on reporting that they did not meet the job requirements and 8 percent found that jobs had already been filled. The remaining 26 percent refused jobs for various reasons.

#### LABOR FOR THE OCCUPATION FORCES

44. Requirements for workers for the Occupation Forces continued to be met satisfactorily.

45. At the end of July orders prohibiting use of the labor

"boss" systems in procurement of casual workers for the Occupation Forces were sent by the Ministry of Health and Welfare to all prefectures.

Of the 13 prefectures utilizing such bosses at that time 12 stated during September that all such employment had been turned over to the casual labor exchanges, with commissions no longer paid to the bosses who were no longer recognized as agents supplying workers for the Occupation Forces. In the remaining prefecture the transition was to have been completed by 1 October.





SECTION 9  
IMPORTS AND EXPORTS

C O N T E N T S

	Paragraph
Trade Policy and Planning . . . . .	2
Exports . . . . .	3
Imports . . . . .	8

1. Export shipments to the United States increased in late August and early September. Included in these shipments was the first shipment of refined camphor and menthol crystals.

TRADE POLICY AND PLANNING

2. A Canadian trade representative arrived in Japan to make preliminary arrangements for trade with Japan. Arrangements are well under way for expansion of exports to Australia, United Kingdom and the U. S. S. R.

EXPORTS

3. The following table of exports from Japan shows revised January-June totals, July and August shipments and cumulative totals for the first eight months of 1946. These data are undergoing audit and are subject to further correction.

EXPORTS

<u>Country and Commodity</u>	<u>Unit</u>	<u>January- June</u>	<u>July</u>	<u>August</u>	<u>January- August</u>
<u>Australia</u>					
Silk, raw	bale	-	-	300	300
<u>China</u>					
Eggs, silkworm	sheet	300,000	-	-	300,000
Seedlings, mulberry	piece	2,000,000	-	-	2,000,000
Ties, railroad	piece	144,852	-	-	144,852
Timber, mining	cu ft	2,353,540	346,410	512,840	3,212,790
Detonators, electric	piece	546,000	360,000	-	906,000
Dynamite	case	4,100	3,000	-	7,100
Locomotives, mining	each	15	-	7	22
Motors, electric (for mining locomotive)	each	10	-	-	10
Yarn, rayon	lb	-	-	630,000	630,000

<u>Country and Commodity</u>	<u>Unit</u>	<u>January- June</u>	<u>July</u>	<u>August</u>	<u>January- August</u>
<u>Hongkong</u>					
Coal	MT	106,789	9,972	9,167	125,028
<u>United Kingdom</u>					
Seeds, larch	lb	100	-	-	100
<u>U. S. S. R.</u>					
Eggs, silk-worm	sheet	50,400	-	-	50,400
<u>United States</u>					
Agar-agar	lb	47,610	13,225	-	60,835
Antimony	lb	530,048	1,156,696	-	1,686,744
Lead	lb	6,614,074	14,331,786	2,759,273	23,705,113
Rubber	lb	2,633,185	11,503,798	5,985,526	20,122,509
Tin	lb	2,204,664	4,145,400	5,540,023	11,890,087
Rabbit hair, Angora	lb	-	5,600	-	5,600
Silk, raw	bale	41,015	6,523	9,924	57,462
Tea	lb	-	-	1,500,000	1,500,000
Heaters, electric a/	each	2,000	-	-	2,000
Samples, handicraft	case	-	44	11	55
<u>Korea</u>					
Alcohol, industrial	gal	528	-	-	528
Aluminum sulfate	MT	718	189	445	1,352
Asphalt pitch	MT	-	-	10	10
Butyl acetate	lb	-	2,205	-	2,205
Calcium carbonate	MT	131	123	175	429
Chlorine, liquid	lb	26,460	-	-	26,460
Cholera vaccine	cc	-	10,500,000	-	10,500,000
Gypsum	MT	-	579	-	579
Hydrochloric acid	MT	-	12	.3	12.3
Ink, printing	lb	800	-	-	800
Magnesium carbonate	MT	-	30	-	30
Mercury	MT	-	-	5	5
Oil, peppermint	gal	-	-	45	45
Phosphorus pentachloride	MT	-	1	-	1
Pyrethrum flowers	lb	187,425	-	-	187,425
Sodium sulfate	MT	3	-	-	3
Sodium amide	kg.	100	-	-	100

<u>Country and Commodity</u>	<u>Unit</u>	<u>January- June</u>	<u>July</u>	<u>August</u>	<u>January- August</u>
<u>Korea (continued)</u>					
Sodium bicarbonate	MT	5	-	-	5
Sodium carbonate	MT	75	-	-	75
Sulfur	MT	548	-	1,928	2,476
Apparatus, electric	MT	-	10	-	10
Automotive parts	pkg	-	-	6,499	6,499
Bicycle parts	case	-	938	-	938
Cars, motor	each	2	-	-	2
Communications equipment	b/	-	-	-	-
Cutter, cloth	each	3	-	-	3
Filaments, tungsten	piece	-	-	2,084	2,084
Film, X-ray	sheet	8,016	-	-	8,016
Fuse, blasting	km	-	2,000	-	2,000
Instruments, meteorological	kg	4,341	-	-	4,341
Knife blades, paper cutting	each	-	-	10	10
Needles, record cutting	piece	500	-	-	500
Photographic goods	pkg	-	12	-	12
Tools, hand and machine	lb	3,440	-	189	3,629
Bamboo	lb	1,684,620	0	3,296,475	4,981,095
Coal	MT	364,630	38,830	57,951	461,411
Iron pyrites	MT	-	-	4,608	4,608
Pitch, coal tar	MT	8,426	-	-	8,426
Poles, telephone	each	-	3,000	-	3,000
Salt	MT	4,000	-	-	4,000
Seedlings, mulberry	piece	910,000	-	-	910,000
Seeds, mulberry	lb	-	3,000	-	3,000
Seeds, vegetable	kg	32,750	-	-	32,750
Clothing, navy uniform and accessories	set/pc	-	71,100	8,460	79,560
Cloth, cotton	sq yd	-	981,796	-	981,796
Cloth, silk	sq yd	-	148,716	-	148,716
Serge, wool	sq yd	-	190,854	59,473	250,327
Yarn, cotton	lb	-	-	20,000	20,000
Paper, cigarette	lb	396,879	-	195,200	592,079
Locomotive, electric	each	1	-	1	2
Locomotive, gasoline	each	5	-	-	5
Locomotive, steam	each	3	-	-	3
Locomotive, tender	each	2	-	-	2

<u>Country and Commodity</u>	<u>Unit</u>	<u>January-June</u>	<u>July</u>	<u>August</u>	<u>January-August</u>
<u>Korea (continued)</u>					
Locomotive parts					
Accessories	sets	-	-	2	2
Boilers	MT	-	-	347	347
Brakes, air	piece	-	-	268	268
Frame	each	1	-	-	1
Motor, electric and accessories	set of 5	1	-	-	1
Tender truck	sets	2	-	-	2
Tender frame	sets	2	-	-	2
Water tank	sets	1	-	-	1
Tires, locomotive	pair	292	-	-	292
Truck, leading	each	1	-	-	1
Truck, trailing	each	1	-	-	1
Tubes, boiler	lb	19,019	-	10,461	29,480
Valves	piece	-	-	15	15
Wheels, driving	set	1	-	-	1
Wheel and axle	pair	80	-	-	80

a/ To U. S. Armed Forces in China.

b/ Includes batteries, headlights, electric lamps, line lamps, pilot lamps, switch system parts, shown separately in previous reports but not subject to combination into a single unit measurement.

4. September shipments to Korea included five rubber blankets urgently needed for government printing presses and recording blanks for the Korean Broadcasting System needed to record speeches and other current events for local broadcast.

5. The first post-war antimony shipment went forward to the United Kingdom in early September.

6. Holiday novelties were offered to the U. S. Commercial Company as possible exports to the United States.

7. The Board of Trade has submitted inventories covering approximately 77,000,000 yards of cotton fabrics. Samples for approximately 57,000,000 yards are currently being shown to representatives of various foreign purchasing missions and have been submitted to the U. S. Commercial Company in Washington.

#### IMPORTS

8. The following import table shows revised January-June totals, July and August receipts and cumulative totals for the first eight months of 1946. These data are undergoing audit and are subject to further correction.

IMPORTS

<u>Country and Commodity</u>	<u>Unit</u>	<u>January- June</u>	<u>July</u>	<u>August</u>	<u>January- August</u>
<u>China</u>					
Bran, wheat	MT	5,180	-	4,202	9,382
Iron, pig	MT	1,950	-	-	1,950
Phosphate rock	MT	9,352	1,468	-	10,820
Salt	MT	117,687	7,915	20,810	146,412
<u>Hongkong</u>					
Biscuits	lb	-	221,268	-	221,268
Vegetables	lb	-	1,638,360	-	1,638,360
<u>Korea</u>					
Fish, fresh	lb	74,974	346,722	81,356	503,052
Fluorite	MT	-	-	500	500
Graphite	MT	-	-	1,080	1,080
<u>United States</u>					
Food					
Corn	lb	218,953	91,451,176	103,750,565	195,420,694
Flour	lb	17,983,000	54,996,160	75,416,680	148,395,840
Rice	lb	34,632,830	-	-	34,632,830
Salt	lb	-	9,029,726	-	9,029,726
Wheat	lb	185,248,620	230,741,064	181,980,392	597,970,076
Foodstuffs, miscel-					
laneous <u>a/</u>	lb	78,210,849	148,369,258	176,273,216	402,853,323
Cotton, raw	bale	65,302	120,074	187,512	372,888
Phosphate					
rock <u>b/</u>	MT	12,786	8,510	12,989	34,285
Seeds, vegetable	lb	65,590	-	-	65,590
Medical					
supplies <u>c/</u>	lb	24,100	150	100	24,350
Supplies for rodent con-					
trol	MT	1,193	-	34	1,227
Chlorine,					
liquid	MT	300	-	-	300
Dynamite	lb	54,000	-	-	54,000
Glue	lb	-	-	311,100	311,100
Starch	lb	-	-	6,783,056	6,783,056
Wax, paraffin	lb	-	222,200	-	222,200
Dunnage					
(lumber)	MBF	-	20,960	-	20,960
Scrap and waste					
Bars, mosquito					
(netting)	piece	-	6,150	-	6,150
Cans	piece	-	11,631	-	11,631
Canvas and					
tentage	lb	422,306	2,200	-	424,506
Clothing and					
other tex-					
tiles	piece	11,805	280	-	12,085
Lumber, scrap	MBF	240,000	-	-	240,000
Metal, sheet	short				
ton	ton	-	48	-	48

<u>Country and Commodity</u>	<u>Unit</u>	<u>January-June</u>	<u>July</u>	<u>August</u>	<u>January-August</u>
<u>United States (continued)</u>					
Nets, cargo	piece	28	-	-	28
Rubber, camelback	lb	2,000	-	-	2,000
Petroleum products					
Oil, fuel <u>d/</u>	bbl	779,074	295,423	310,739	1,385,236
Oil, lubricating	gal	151,898	-	-	151,898

- a/ Combines beans, cereal, crackers, eggs, fish, fruits and fruit juice, meat and other food items shown separately in previous reports, and also relatively minor additional quantities of the foods reported specifically above. The increasing number of different foodstuffs delivered to the Japanese Government from United States supplies has made this combination necessary.
- b/ Includes phosphate rock obtained by the United States from Kita Daito and North Africa as well as that shipped from continental United States.
- c/ Quantities are rough estimates of poundage of insect powder, soap sprayers, drugs and a wide variety of other items officially receipted as vials, boxes, units, bottles, etc.
- d/ Includes gasoline, kerosene, range fuel, diesel oil, navy special fuel oil and gas oil.

9. In late August 52,097 bags of corn starch (6,783,052 pounds) arrived in Japan for use in the manufacture of cotton textiles.

10. During the first half of September four shipments of wheat and wheat flour reached Japan from the United States in addition to two ships diverted to Korea. This reduction in tonnage was caused by the maritime strike in United States ports.

SECTION 10  
RATIONING AND PRICE CONTROL

C O N T E N T S

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FOOD

Domestic Staple Foods

1. Domestic staple food supplies continued critically short in September. Special measures were taken, including premature harvesting and early delivery of sweet potatoes and the payment of bonuses of ¥ 30 to ¥ 75 per koku for delivery of "early growth" rice. These crops and white potatoes began to arrive in the cities to alleviate food shortages.

Collection and Stocks on Hand

2. The Government collected 131,000 metric tons of staple foods in the first 20 days of September. In August the total amount collected was 296,000 tons. The figure of 15,000 given in the August Summation covered rice and "rice substitutes" but not other important staple crops.

3. Staple food under government control on 31 August totaled 26.2 days' supply. Stocks on hand varied from 4.9 days' supply in Hokkaido to 80.2 days' supply in Saitama Prefecture. Chart, page 168, gives days' supply for all prefectures.

Imported Staple Foods

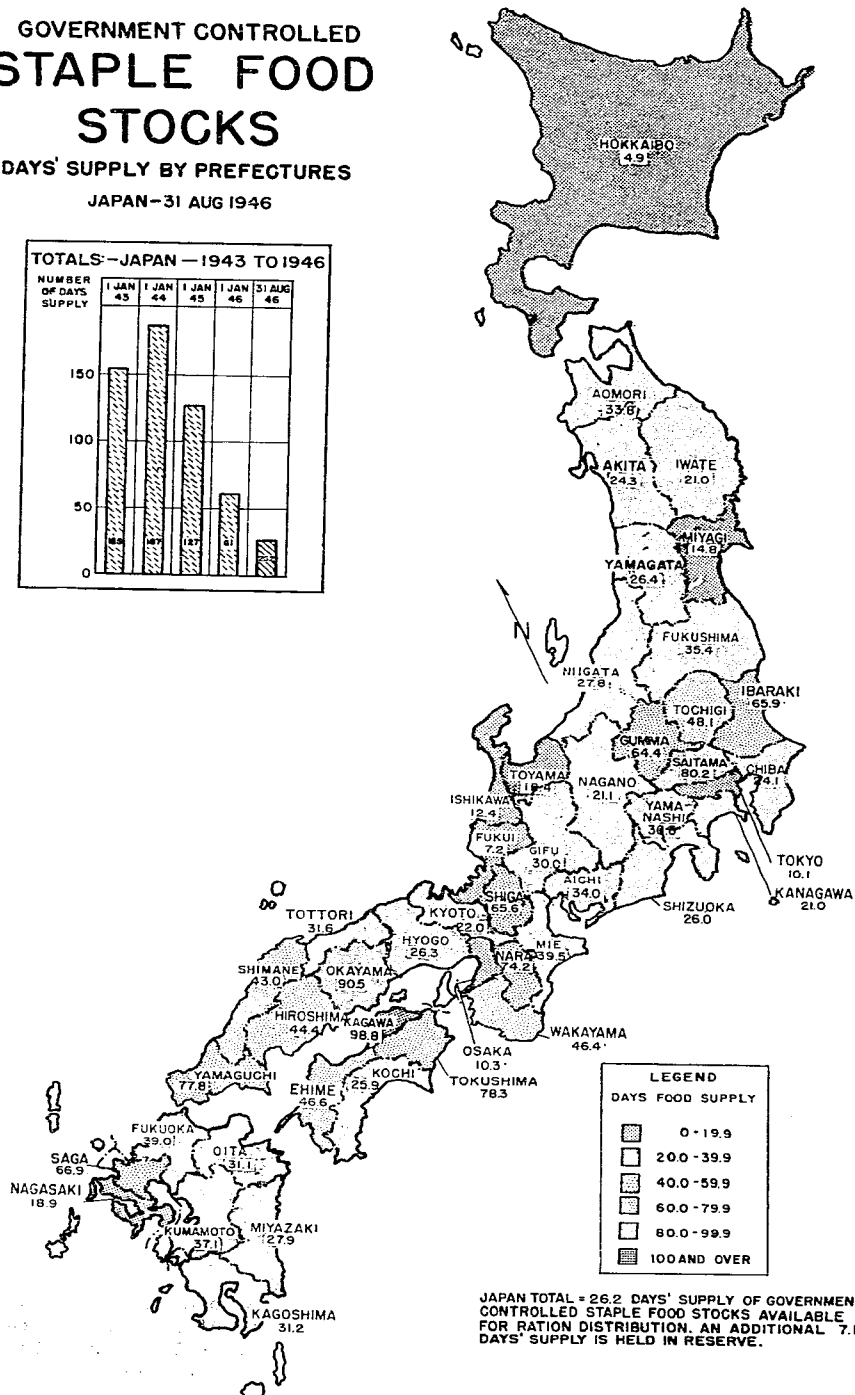
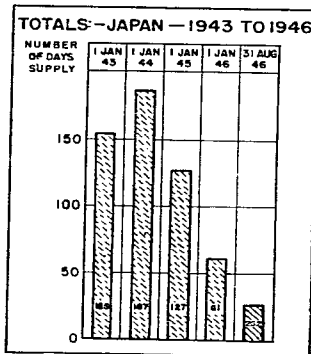
4. To satisfy minimum ration requirements in September 181,660 metric tons of imported staple foods or 135,878 tons in rice equivalents were released, compared with 179,182 tons in rice equivalents in August. About 25 percent of requirements was met by imports compared with 31 percent in August and 26 percent in July.

5. Within the 25 prefectures in which this food was released, imports provided from 0.9 percent to 73.8 percent of ration requirements, as shown in chart, page 169. The table, page 170, summarizes the releases of staple foods from April through September:



# GOVERNMENT CONTROLLED STAPLE FOOD STOCKS

DAYS' SUPPLY BY PREFECTURES  
JAPAN-31 AUG 1946



JAPAN TOTAL = 26.2 DAYS' SUPPLY OF GOVERNMENT CONTROLLED STAPLE FOOD STOCKS AVAILABLE FOR RATION DISTRIBUTION. AN ADDITIONAL 7.1 DAYS' SUPPLY IS HELD IN RESERVE.

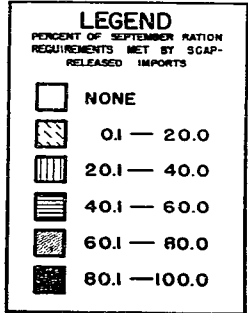
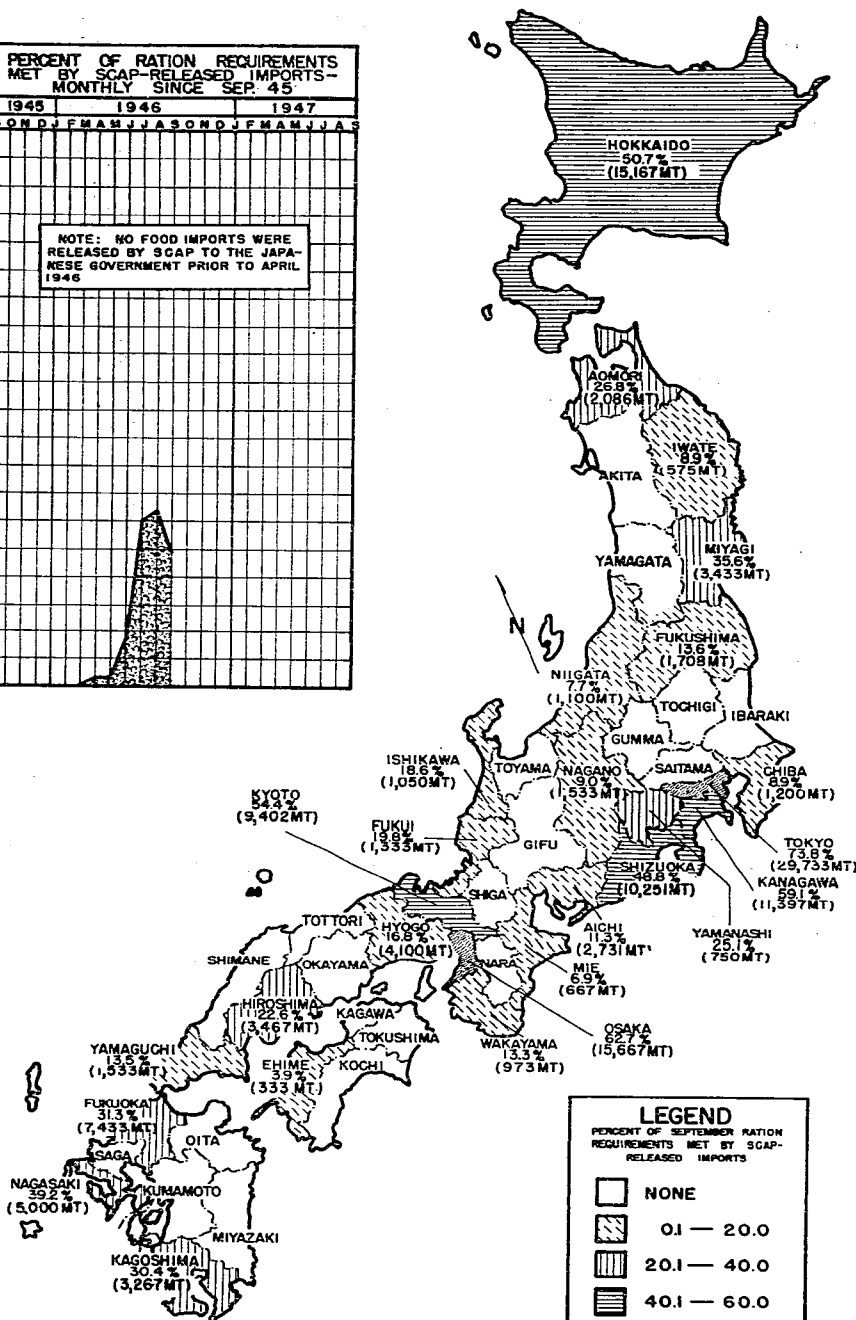
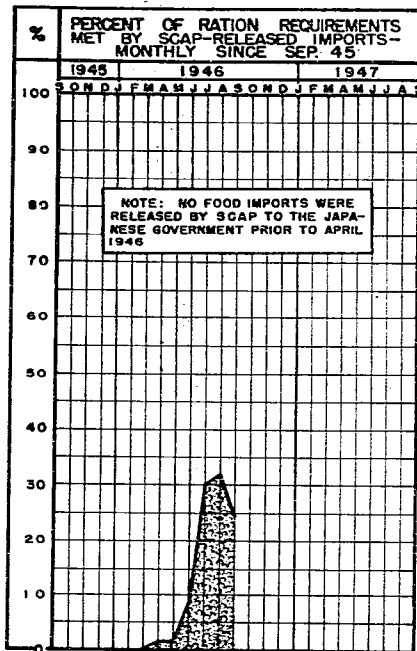
SOURCE: MINISTRY OF AGRICULTURE AND FORESTRY  
SEPTEMBER 1946

GHO-SCAP

NUMBER 65

# STAPLE FOOD IMPORTS

PERCENT OF SEPTEMBER RATION REQUIREMENTS MET BY SCAP-RELEASED IMPORTS



NOTE: FIGURES IN PARENTHESES REPRESENT SCAP-RELEASED IMPORTS IN METRIC TONS OF RICE EQUIVALENTS  
SOURCE: MINISTRY OF AGRICULTURE AND FORESTRY

SEPTEMBER 1946

GHQ-SCAP

NUMBER 66

IMPORTED STAPLE FOOD DISTRIBUTION  
April-September  
(metric tons) a/

<u>Month</u>	<u>Cereals Beans</u>	<u>Canned Foods</u>	<u>Total Actual Tonnage</u>	<u>Total in Rice Equivalents</u> <u>b/</u>
April	7,892	0	7,892	7,892
May	8,845	0	8,845	8,845
June	46,343	1,923	48,266	47,305
July	157,435	17,273	174,708	166,072
August	163,371	49,943	213,314	181,430
September	<u>114,360</u>	<u>67,300</u>	<u>181,660</u>	<u>135,880</u>
Total	498,246	136,439	634,685	547,424

a/ Excludes the following items: Approximately 14,000 tons of army spoiling foodstuffs, 272 tons of spoiling wheat for conversion into miso, 1,790 tons of soy beans for processing into miso and oil and approximately 2,400 tons of bran used as food.

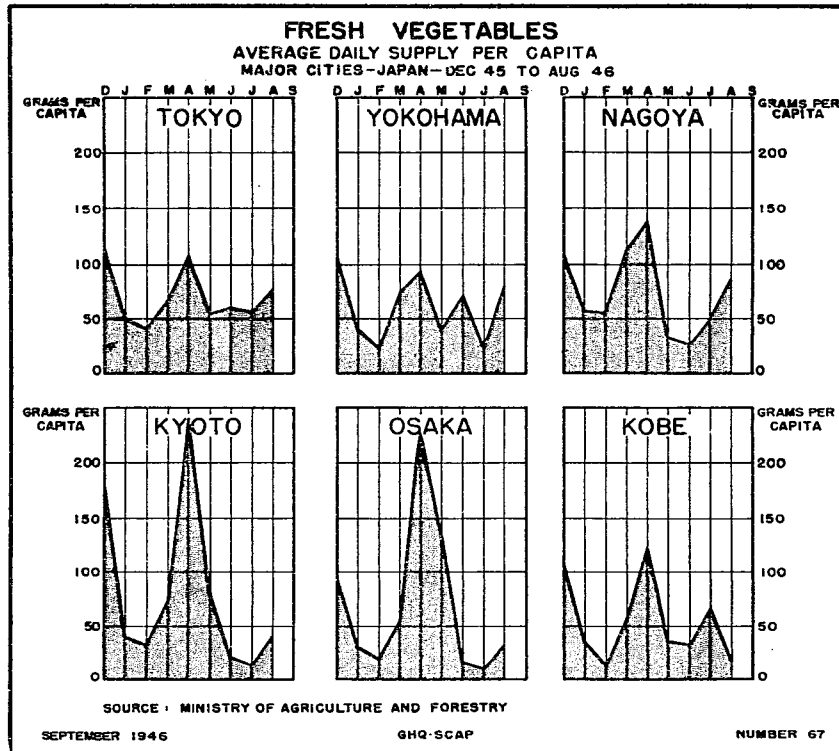
b/ In June and July an average conversion ratio of 50 percent for canned foods was used. In August and September detailed inventory information resulted in use of actual caloric conversions averaging 34 percent.

As of 30 September inventories of imported food were 30,266 tons of cereals and 21,004 tons of canned foods. This is a sharp drop from 250,713 tons on 21 August.

Distribution of Fresh Vegetables

6. Total August vegetable distribution through rationing in the major cities was 17,882 metric tons, a considerable increase over the July distribution. With the exception of Kobe all the major cities reported a substantially larger ration. Average daily per capita distribution was 71 grams as compared with a 67 gram average for the previous seven months. Daily per capita distribution in the major cities from December 1945 through August 1946 is summarized in the accompanying chart.

7. The increased vegetable distribution through official channels is attributed to: (1) harvesting of eggplants, pumpkins, cucumbers and tomatoes; (2) operation of the quota system between producing and consuming areas; (3) higher producers' prices based on the 30 percent subsidy feature of the new price system; and (4) antiblack-marketing campaigns carried out in August throughout Japan under the direction of the Home Ministry.



Vegetable Prices

8. The new price schedule for fresh vegetables provides for variations for the season of the year and the district. Prices in effect in Tokyo and Yokohama during August are summarized below for representative vegetables:

OFFICIAL FRESH VEGETABLE PRICES IN TOKYO AND YOKOHAMA  
August  
(yen/kan)

Vegetable	Control Price	Producers' Price a/	Wholesale Price b/	Consumers' Price c/
Daikon	5.00	7.80	6.60	8.58
Burdock	11.00	16.90	14.30	18.59
Taro	12.00	18.20	15.40	20.02
Cabbage	8.00	12.48	10.56	13.73
Cucumber	7.00	10.92	9.24	12.01
Pumpkin	8.00	12.48	10.56	13.73
Tomato	9.00	14.04	11.88	15.44
Onion	10.00	15.60	13.20	17.16

a/ Control price plus 20 percent or up to ¥ 2 per kan (transportation and loss of weight) and 30 percent (producers' subsidy for large-city delivery).

b/ Control price plus transportation charges and 10 percent for expenses of the control company and producers' associations.

c/ Wholesale price plus 30 percent retailers' commission.

SOURCE: Ministry of Agriculture and Forestry.

9. The next price change for these vegetables will take place between October and January. Table below shows new prices and effective dates:

NEW OFFICIAL PRICES FOR FRESH VEGETABLES IN TOKYO AND YOKOHAMA (yen/kan)

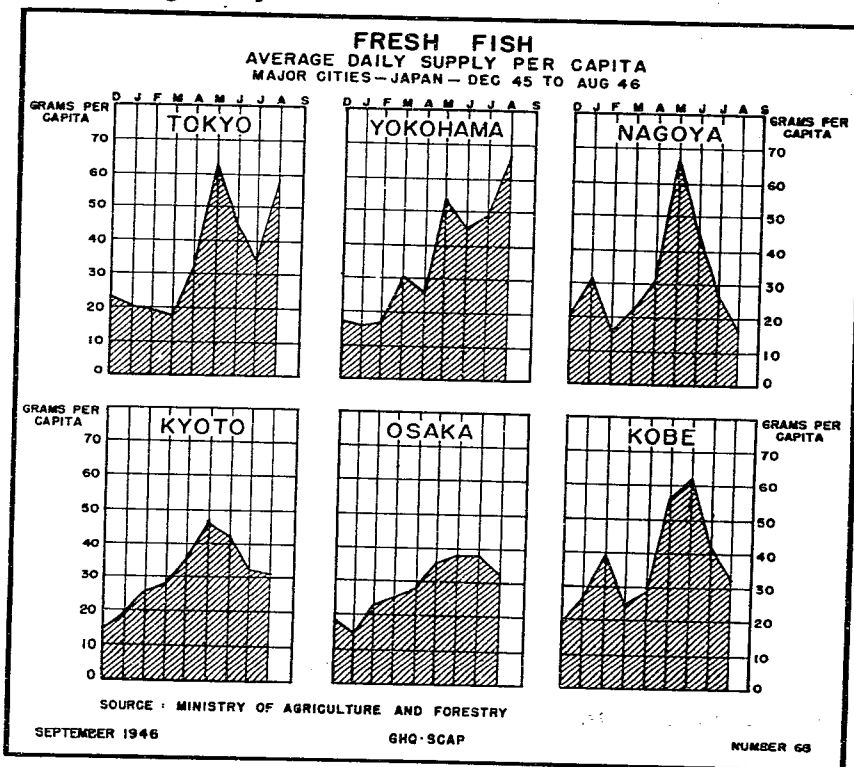
Vegetable	Date of Price Change	Control Price	Producers' Price	Wholesale Price	Consumers' Price
Daikon	1 Oct	4.00	6.24	5.28	6.86
Burdock	1 Nov	9.00	14.04	11.88	15.44
Taro	1 Oct	9.00	14.04	11.88	15.44
Cabbage	1 Oct	7.00	10.92	9.24	12.01
Cucumber	1 Oct	10.00	15.60	13.20	17.16
Pumpkin	1 Sep	9.00	14.04	11.88	15.44
Tomato	1 Sep	10.00	15.60	13.20	17.16
Onion	1 Jan	12.00	18.20	15.40	20.02

SOURCE: Ministry of Agriculture and Forestry.

Distribution of Fresh Fish

10. In Tokyo and Yokohama the August distribution of fish exceeded July distribution by more than 50 percent. The increase resulted from a successful sardine fishing season in Tokyo Bay, where the sardine schools appeared earlier than usual and in great abundance. All other major cities reported a smaller ration in August than in July.

For all the major cities the daily per capita consumption averaged 47.3 grams, considerably greater than the 32.2 gram average of the previous seven months. Daily distribution per capita for the six major cities from December 1945 through August 1946 is shown in the following chart.



New Fresh Fish Price Schedule

11. A new fish price schedule was adopted early in August and was disseminated to the prefectural governments during the last week of August. The former price schedule regulated only wholesale prices in the large consuming areas, leaving prefectural prices to be set at the discretion of the prefectural governors. The new schedule regulates both producer and consumer prices throughout Japan. For most types of fish wholesale prices in the large cities remain at the level set by the 10 March schedule. Retailers' commissions average 20 percent. New controller prices for the more popular types of fish are given in the table below:

FRESH FISH PRICES  
(yen/kan) a/

Type of Fish	Fishing Ports		Consuming Areas	
	Hokkaido	All Other	Large Cities and Inland Prefectures	All Other
Wholesale				
Yellow-tail	33.00	35.30	40.00	38.80
Tuna (Sep-May)	33.00	35.30	40.00	38.80
Halibut	28.00	30.70	35.00	33.90
Bonito	23.00	26.10	30.00	29.00
Sliced whale	23.00	26.10	30.00	29.00
Mackerel	10.00	16.90	20.00	19.10
Sardine	6.00	10.50	13.00	12.40
Herring	4.50	7.70	10.00	9.40
Retail				
Yellow-tail	38.00	41.00	46.00	45.00
Tuna (Sep-May)	38.00	41.00	46.00	45.00
Halibut	33.00	36.00	41.00	40.00
Bonito	27.00	30.00	35.00	34.00
Sliced whale	28.00	33.00	40.00	38.00
Mackerel	13.00	20.00	24.00	23.00
Sardine	8.00	14.00	17.00	16.00
Herring	7.00	10.00	13.00	12.00

a/ One kan equals 8.27 pounds.

SOURCE: Ministry of Agriculture and Forestry.

Factors influencing price differentials between districts are: (1) distance of ports from large markets; (2) comparative difficulty in obtaining a catch from the various ports; (3) seasonality of some types of fish; and (4) policy of attracting fish to large consuming markets where food supplies are critical.

Meat Price Schedule

12. Meat has never been an important item in the Japanese diet. For the first half of 1946 average consumption of legally purchased meat in the major cities was less than one-half gram per person per day. Because of the negligible distribution of meat in 1945 the Japanese Government released controls and removed official prices in December. Since that time meat has been unrationed and prices have been set at the discretion of the prefectural governors.

13. On 20 August the Government again instituted official prices for meat. These prices are approximately 10 times higher than last year, but are considerably lower than present black-market prices. The new controlled prices are:

FRESH MEAT PRICES  
(yen/kan) <sup>a/</sup>

	<u>Large Cities</u>	<u>Other Areas</u>
<u>Wholesale (carcass)</u>		
First grade cattle	203	158
Second grade cattle	190	158
Third grade cattle	178	148
Fourth grade cattle	141	114
Hog	213	177
Horse	117	98
<u>Retail (meat)</u>		
First grade beef	300	250
Second grade beef	250	200
Pork	300	250
Horse meat	200	150
Mutton	250	200
Goat meat	200	150

<sup>a/</sup> One kan equals 8.27 pounds.

SOURCE: Price Board.

SILK

Silk Cocoon Price

14. The Price Board was petitioned by farmers to increase the price of cocoons from the present rate of 700 kake per kan.

("Kake" is the unit in which Japanese cocoon prices are quoted. In order to determine the yen price for a given crop the kake value must be multiplied by a factor representing the percentage of raw silk which may be derived from a given amount of cocoons. The factor for the current crop is .14. Thus the price per kan of cocoons would be ¥ 98.)

Farmers maintain that at present prices it is far more profitable to grow food crops than mulberries. Some assert that where they have an income of ¥ 1,000 for raising cocoons they can make as much as ¥ 7,000 at official prices by devoting the same acreage to certain food crops.

15. The fact that mulberry acreage decreased from 471,974 on 31 January to 441,383 on 1 May indicates that farmers have been pulling mulberry trees and devoting this acreage to food crops.

16. The Japanese Government has expressed anxiety over this practice because exports of raw silk will enable Japan to obtain imports of needed food supplies. In support of this argument the Government states that from one acre of land planted to mulberry trees cocoon production in terms of raw silk amounts to 324 pounds.

This quantity of raw silk can be exchanged for imports of 573 bushels of wheat. If the same acreage were planted to rice, the yield would be only 102 bushels, less than one-fifth of what could be obtained by exporting raw silk.

17. The production of cocoons and acreage planted to mulberries 1936 through 1945 are shown in the following table:

Year	Mulberry Acreage		Cocoon Crop			
	1,000 Cho a/	Index	Million Kan b/	Index	Kan per Cho	Index
1936	566	100	83	100	147	100
1937	561	99.1	86	104	153	104
1938	549	97.0	75	90.4	137	93.2
1939	533	94.2	91	110	171	116
1940	533	94.2	88	106	161	110
1941	494	87.3	70	84.3	142	96.6
1942	412	72.8	56	67.5	136	92.5
1943	363	64.1	54	65.1	149	101
1944	263	46.5	40	48.2	152	104
1945	213	37.6	24	28.9	113	76.9

a/ One cho equals 2.451 acres.

b/ One kan equals 8.267 pounds.

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

18. Besides showing the extent to which mulberry acreage has decreased the table also shows the effects of the shortage of fertilizer on total cocoon output. As late as 1943 and 1944 when fertilizers were comparatively abundant the index of cocoon yield per cho was at 101 and 104 respectively with 1936 as the base year. In 1945 when fertilizer supplies became critically short the index dropped sharply to 76.9.

Any additional allocations of fertilizer to mulberry acreage will result in a corresponding decrease in the supply available for staple food crops. With supplies for the latter already at a critical level it is doubtful whether any such action is contemplated by the Government.

#### CONSUMER GOODS

##### Western Style Furniture

19. Manufacturers have been working at full capacity to meet requirements for the dependent housing program. The largest factories are producing substantial furniture of good quality, though at very high prices. Small furniture shops specializing in one item such as chairs are making weak and inferior furniture at high prices.

20. Retail prices of furniture increased from 140 to 1120 percent between 1937 and July 1946. The increases from July 1945 to July 1946 average 150 percent. The following table gives increases from 1937 to July 1946 for a representative list of office and house furnishings now being sold.



INDEX OF PRICE INCREASES OF OFFICE  
AND HOUSE FURNISHINGS AS OF JULY 1946  
1937 - 100

<u>Article</u>	<u>Index</u>
Business desk (drawers on both sides)	570
Business desk (drawers on one side)	1,221
Business side desk	996
Revolving arm chair	876
File cabinet	776
Document box	752
Desk used in Council Chamber	366
Round table	488
Square table	549
Small chair	775
Folding chair	667
Round stool (without back)	1,037
Long stool (without back)	241
Work desk	1,096
Japanese table	952
Wardrobe (chest of drawers)	711
Mirror stand	679
Study desk	662
Study chair	846
Bookcase	582
Bed, single	409

SOURCE: Ministry of Commerce and Industry.

Medicines and Drugs

21. Retail prices of a selected group of medicines, as shown by the following table, increased from 100 to 1600 percent for the period September 1945 - March 1946 and from 300 to 7,500 percent for the period August 1944 - March 1946.

PRICE TRENDS AND INDEX OF RETAIL PRICES OF MEDICINES AND DRUGS  
(yen/kilogram)

<u>Item</u>	<u>Date</u>	<u>Manu- facture</u>	<u>Control Body</u>	<u>Wholesale</u>	<u>Retail</u>	<u>Retail Price Index</u>	<u>a/</u>
Acetylsalicylic acid	8/44	13.172	-	14.226	18.56	100	
	9/45	40.30	45.14	51.58	66.90	360	
	3/46	200.00	224.50	255.36	331.95	1,789	
Amidopyrine	8/44	49.14	-	55.04	65.13	100	
	9/45	149.15	167.05	190.91	247.60	380	
	3/46	986.00	1,104.32	1,258.92	1,636.60	2,510	
Alcohol	8/44	13.958	-	14.165	17.66	100	
	9/45	19.97	22.37	25.56	33.15	188	
	3/46	40.15	44.97	51.27	66.65	377	
Procaine hydrochloride	8/44	66.75	-	73.43	104.00	100	
	9/45	865.10	968.91	1,107.33	1,436.05	1,381	
	3/46	2356.70	2,639.50	3,009.03	3,911.75	3,761	
Phenolphthalein	8/44	-	-	10.54	12.58	100	
	9/45	21.10	23.63	27.01	35.05	279	
	3/46	216.88	242.90	276.91	360.00	2,862	

Item	Date	Manu- facture	Control Body	Wholesale	Retail Price	
					Retail	Index <sup>a/</sup>
Magnesium sul- fate	8/44	.28	-	.31	.42	100
	9/45	1.15	1.29	1.47	1.90	452
	3/46	21.60	24.19	27.58	32.00	7,619
Iodine, tinc- ture of	8/44	18.16	-	20.26	22.24	100
	9/45	41.98	47.02	53.73	69.70	313
	3/46	92.84	103.98	118.54	154.10	693
Neocarsphenamine	8/44	.39	-	.45	.55	100
	9/45	.80	.90	1.02	1.35	245
	3/46	3.00	3.36	3.83	5.00	909
Sulfanilamide	8/44	19.89	-	22.66	26.04	100
	9/45	40.70	45.58	52.10	67.55	259
	3/46	556.00	622.72	709.90	922.85	3,544
Barbital	8/44	154.66	-	170.12	190.54	100
	9/45	464.00	519.68	593.92	770.25	404
	3/46	1090.00	1,220.80	1,391.71	1,809.25	950
Phenobarbital	8/44	150.00	-	166.40	194.40	100
	9/45	300.00	336.00	384.00	498.00	256
	3/46	1350.00	1,512.00	1,723.68	2,240.80	1,153
Bismuth sub- nitrate	8/44	11.497	-	12.187	16.72	100
	9/45	36.55	40.94	46.78	60.65	363
	3/46	68.00	76.16	86.82	112.85	675

<sup>a/</sup> Index base figure for August 1944 equals 100.

SOURCE: Ministry of Welfare.

#### TEXTILES

##### Distribution of Cloth and Clothing

22. The following tables show distribution of major types of textiles from January to August as well as distribution of major items of clothing during the same period.

##### DISTRIBUTION OF CLOTHING (January - August) (thousands of pieces)

Article	January	February	March	April	May	June	July	August
Work clothes	1,164	1,009	1,186	1,297	934	1,257	2,854	3,728
Elementary school uniforms	137	68	54	47	191	341	2,558	1,340
Secondary school uniforms	-	-	-	108	34	185	362	215
Adult foreign style clothing	-	6	83	167	231	348	1,336	2,272
Japanese dress	38	8	42	32	229	469	324	427
Tailored goods	290	528	572	1,229	1,386	2,079	2,558	6,451
Tabi (rubber soled socks) <sup>a/</sup>	2,674	4,347	2,660	2,431	3,183	1,392	2,571	3,618
Knitted underwear	86	31	115	655	826	938	1,413	1,687
Stockings <sup>a/</sup>	572	352	239	524	1,392	1,815	2,593	1,786
Gloves <sup>a/</sup>	952	962	998	545	417	421	926	1,072
Hats and caps	153	65	69	177	79	34	312	264

SOURCE: Japan Textile Association

**DISTRIBUTION OF TEXTILES**  
January-August  
(thousands of square yards)

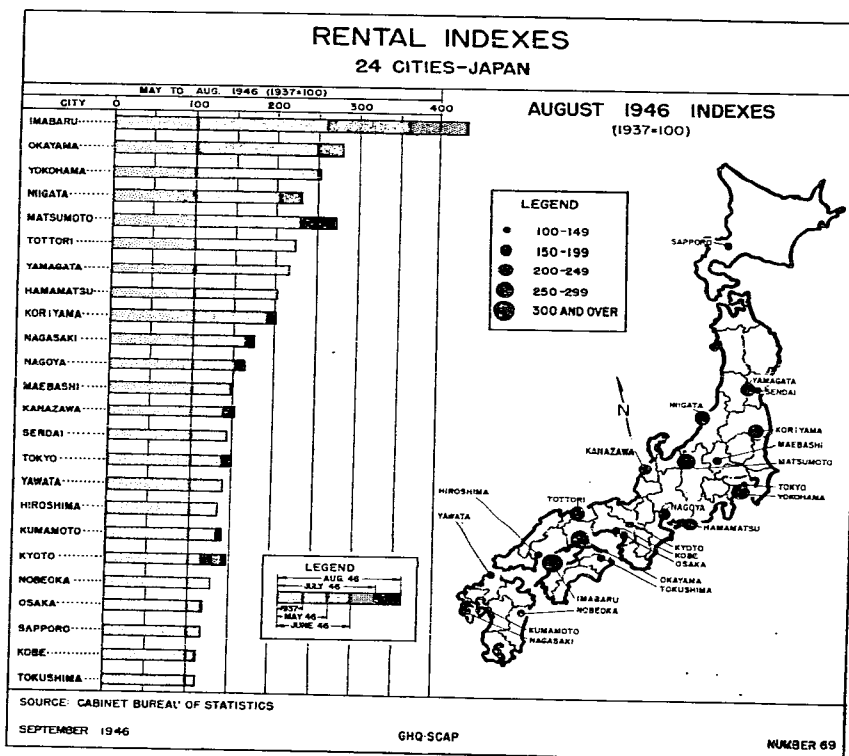
	<u>Cotton</u>	<u>Spun Rayon</u>	<u>Silk Tissue</u>	<u>Rayon</u>	<u>Worsted and Woolen</u>	<u>Blanket</u> <sup>a/</sup>
Jan	20,786	5,206	-	637	392	1,112
Feb	16,830	4,523	91	493	415	395
Mar	23,068	5,876	-	55	29	829
Apr	11,215	5,804	124	118	1,268	747
May	25,114	5,023	1,527	462	10	579
Jun	33,375	6,110	32	364	72	235
Jul	13,254	6,580	27	3,388	355	499
Aug	12,327	6,646	-	11	774	121

<sup>a/</sup> Based on an average of 3 square yards per blanket.

SOURCE: Japan Textile Association.

RENTS

23. August indexes of rents in 24 cities showed slight change from the July level. See the following chart.



Hotel Charges

24. The Japanese Price Board has set new maximum rates for lodging and meals in hotels. The maximum lodging charge in any

hotel in Japan is not to exceed ¥ 15 per person per day. Maximum meal charges in any hotel in Japan are not to exceed ¥ 5 for breakfast, ¥ 10 for dinner and ¥ 10 for lunch. The law permits a service charge equal to 20 percent of the bill.

25. The new hotel price regulations are contained in instructions issued to the regional offices of the Price Board and to the prefectural governors on 19 September. These regulations are to be put into effect in each prefecture not later than 20 October. Each governor is required to report to the National Price Board by 20 October the maximum charges set for the various classes of hotels.

26. Under the old regulations in effect since 1 December each governor was permitted to set maximum rates at his discretion.

#### COMMERCIAL FERTILIZER

27. Shipments of commercial nitrogenous fertilizer from factories declined during August. While shipments of ammonium sulfate were increasing from 36,787 metric tons in July to 38,693 tons in August, calcium cyanamide dropped from 16,923 to 11,368 tons. In normal years this condition would not be considered serious since a seasonal drop in fertilizer consumption is natural during the summer months. However, the accumulation of stocks at the factories may lead to serious distribution problems later when the fertilizer is needed. Efforts are now being made to correct the situation. The chart on page 75 indicates that inventories of commercial nitrogenous fertilizer have reached the highest level since 1 April 1946.

28. At the end of July a survey was made by Agricultural Associations throughout Japan to determine stocks of commercial nitrogenous fertilizer and phosphatic fertilizers in the warehouses of the Associations. Results of the survey by region are presented in table below:

INVENTORIES OF CHEMICAL FERTILIZERS AT  
AGRICULTURAL ASSOCIATIONS  
31 July  
(metric tons)

<u>Region</u>	<u>Ammonium Sulfate</u>	<u>Calcium Cyanamide</u>	<u>Super-Phosphate</u>	<u>Land Area Under Cultivation (1,000 hectares)</u>
Hokkaido	1,434	165	1,200	165
Tohoku	756	1,024	47	155
Tokai	360	536	55	88
Kanto	1,800	1,530	142	430
Chubu	478	981	133	182
Kinki	438	247	65	217
Chugoku	724	26	60	187
Kyushu	1,586	638	572	441
Shikoku	1,399	4	35	141

SOURCE: Ministry of Agriculture and Forestry

29. Shipments of phosphatic fertilizer in August from factories to farm areas advanced to the highest level yet reached in 1946. Table below shows shipments in July and August:



### Coal Price

33. The entire coal output of Japan is purchased from producers and distributed by the Japan Coal Company. Prices paid to each producer are in general based on cost of production plus a uniform, minimum "reasonable profit" determined by a fixed percentage return on the total capitalization of the industry divided by estimated total production.

34. The average price paid producers is now pegged at ¥ 220 per ton. In addition the Government guarantees to reimburse producers for actual losses. The total average price is estimated to be about ¥ 260 - ¥ 290 per ton.

35. Coal is sold to consumers on an allocation basis at an average price of ¥ 100 per metric ton plus ¥ 50 average freight charges. Accordingly, the Japan Coal Company loses an average of ¥ 120 per ton at the average producer price of ¥ 220. These losses are refunded to the Japan Coal Company by the Japanese Government in the form of periodic subsidy payments.

### Subsidy

36. The total cost of the subsidy program was originally estimated to be ¥ 2,129,000,000 for the fiscal year ending 31 March 1947 on the basis of estimated production costs of ¥ 200 per metric ton, and this amount was provided in the regular appropriation for the year. However, the producers claim that actual costs of production have increased to ¥ 360 per ton and the Japanese Government has submitted a supplemental appropriation of ¥ 847,050,000 making a total of ¥ 2,947,050,000 to pay coal subsidies through October.

SCAP offered no objection to this supplemental appropriation but stipulated that these funds could not be expended at a rate greater than an average subsidy of ¥ 120 per metric ton plus reimbursement of actual losses from 1 April.

### Proposed Pricing System

37. The Price Board and the Coal Board are developing a revised price and subsidy plan. A new cost reporting system has been developed and a cost survey of all producers is being conducted; production information relating to all producers is being collected. This information is being compiled for the purpose of establishing new price and production quotas for each producer.

### PETROLEUM

38. The Price Board completed an investigation of current costs of production in the crude petroleum industry and decided to raise the price of crude petroleum from ¥ 421 per kiloliter to ¥ 1,105. This increase is necessitated by higher costs of production resulting from increased wages and costs of materials and decreased production and efficiency.

Adjustments in the prices of refined petroleum products required by the increased price of crude are being considered and official publication of the new price of crude is being delayed until this problem is solved. The new price schedules for both crude and refined products will be effective retroactively to 1 July.

39. A small subsidy to producers of crude petroleum is planned to hold the present consumer price level for refined products.

RATIONING AND PRICE CONTROL VIOLATIONS

40. Violations of rationing and price control regulations in Japan for August totaled 74,155 cases compared with 72,281 cases in July. The average number of cases per month for this year is 92,673.

Safeguarding Imported Foods

41. Imported foods handled by rail in August amounted to 242,968 metric tons, of which 31.3 tons were lost through theft, spoilage or other reasons. Two and five-tenths tons were recovered. The net loss was 28.8 metric tons or 0.012 percent of the total handled.

Recovered Hoarded Goods

42. The Home Ministry continued its campaign to recover hoarded goods during July and August. The value of hoarded goods recovered during this period amounted to ¥ 26,020,419. Breakdown is listed in the following report:

HOARDED GOODS RECOVERED  
July and August

FOODSTUFFS

<u>Item</u>	<u>Unit</u>	<u>Quantity</u>	<u>Amount</u>
Rice	kg	2,672,799	¥ 5,345,598
Wheat and barley	kg	663,927	948,467
Cereals and pulse	kg	429,972	660,314
Flour and starch	kg	262,370	787,110
Dried vermicelli	kg	48,048	124,284
Dried bread	kg	10,512	4,114
Potatoes	kg	71,073	85,288
Canned goods	lb	14,102	70,510
Sugar	kg	193,938	41,891
Bean mash (miso)	kg	15,441	32,940
Soy sauce (shoyu)	liter	11,900	33,056
Salt	kg	29,431	37,819
Cooking oil	liter	8,107	37,833
<b>Total</b>			<b>¥ 8,246,224</b>

FUEL

Charcoal	kg	31,285	¥ 39,002
Gas for automobiles	liter	147,129	208,923
Kerosene	liter	3,953	3,953
Light oil	liter	113,726	108,040
Heavy oil, B	liter	90,217	69,350
Machine oil	liter	85,885	257,655
Other oil	liter	36,135	144,540
Industrial alcohol	liter	11,642	107,991
Coal	ton	55	8,250
<b>Total</b>			<b>¥ 947,704</b>

TEXTILE GOODS

<u>Item</u>	<u>Unit</u>	<u>Quantity</u>	<u>Amount</u>
Textile goods	yd	734,846	¥ 7,348,460
Raw yarn	kg	2,336	3,853,091
Sewing thread	gr	459,349	91,870
Working clothes	pc	21,132	1,056,600
Overcoats	pc	120	24,000
Other clothes	pc	2,576	386,400
Shirts	pc	82,564	1,651,280
Bed cloth, quilts	pc	4,691	469,100
Gloves	pair	12,366	49,464
Stockings	pair	9,587	40,265
Other cloth	pc	27,192	135,960
Cotton	kg	3,466	<u>32,349</u>
Total			¥ 11,338,839

OTHERS

Pig iron	ton	14	¥ 18,200
Steel	ton	1,482	3,853,200
Nails	kg	17,395	101,308
Metal wire	kg	12,891	64,455
Electric wire	roll	170	127,500
Zinc and iron plate	sheet	22,985	367,760
Cement	bag	7,892	118,380
Electric motors	set	244	366,000
Electric bulbs	pc	12,447	74,682
Rubber-soled socks	pr	5,790	107,115
Rubber shoes and boots	pr	2,762	116,004
Tires for automobiles and bicycles	sets	801	160,200
Soap	pc	17,131	<u>12,848</u>
Total			¥ 5,487,652
Grand Total			¥ 26,020,419

SOURCE: Ministry of Home Affairs, Police Bureau.

RETAIL TRADE CONTROLS

Street Stall Control

43. On 1 August the Government took vigorous action to eliminate black marketing of controlled commodities by street vendors. Police in the major cities closed stalls illegally marketing controlled commodities and have continued close supervision of these outlets.

44. At the end of the war open market stalls mushroomed in all cities of Japan. These stalls were operated for the most part by bombed-out merchants, demobilized servicemen, unemployed from war industries and destitute families of men killed in the war. Merchandise offered for sale came chiefly from hoarded and concealed stocks and from black-market sources. Prices were on a black-market level.



45. Regulations for the control of open-air stalls and markets were issued by the Home Ministry during August. Under the new regulations each street stall merchant is licensed by the local police and must establish a permanent location. Zones have been fixed and the number of stalls is limited in each zone. Merchandise which is controlled by the Government cannot be sold. The following table submitted by the Home Ministry shows the results of these regulations:

OPEN AIR STALL OPERATION

	<u>Number of Stalls</u> <u>31 July</u>	<u>Number of Stalls</u> <u>11 September</u>	<u>Number</u> <u>Increased</u>	<u>Number</u> <u>Decreased</u>
Tokyo	15,745	9,510		6,235
Hokkaido	1,018	627		391
Kyoto	1,404	0		1,404 <sup>a/</sup>
Osaka	32,335	1,380		30,955
Kanagawa	1,209	705		504
Hyogo	7,007	6,524		483
Nagasaki	1,316	875		443
Niigata	1,757	1,664		93
Saitama	713	668		45
Gunma	456	460	2	
Chiba	837	360		477
Ibaraki	739	443		296
Tochigi	468	474	6	
Nara	586	281		305
Mie	464	393		68
Aichi	9,968	4,705		5,263
Shizuoka	1,380	615		765
Yamanashi	1,116	721		395
Shiga	248	139		109
Gifu	308	389	81	
Nagano	575	405		170
Miyagi	1,068	359		709
Fukushima	371	122		249
Iwate	776	329		447
Aomori	896	623		273
Yamagata	630	432		198
Akita	707	30		677
Fukui	381	310		71
Ishikawa	929	791		138
Toyama	614	689	75	
Tottori	543	206		337
Shimane	225	151		74
Okayama	1,143	764		379
Hiroshima	2,580	2,244		336
Yamaguchi	606	74		532
Wakayama	1,954	1,410		544
Tokushima	991	251		740
Kagawa	555	410		145
Ehime	611	569		42
Kochi	620	560		60
Fukuoka	2,636	1,825		811
Oita	556	727	171	
Saga	398	277		121
Kumamoto	355	513	158	
Miyazaki	162	102		60
Kagoshima	<u>1,865</u>	<u>1,216</u>		<u>649</u>
Total	101,825	46,325	493	55,993

<sup>a/</sup> Not authorized except on fete days.

SECTION 11

FINANCE

C O N T E N T S

	Paragraph
Money and Banking . . . . .	1
Public Finance. . . . .	9

MONEY AND BANKING

Foreign Exchange

1. To facilitate and expedite the reconstruction of financial institutions and the reorganization of the Yokohama Specie Bank, SCAP approval was given to certain specific requests from financial institutions for permission to refund export bills and to complete interoffice bookkeeping transactions and other similar actions.

2. Financial instruments confiscated from Japanese repatriates at Shanghai were received by SCAP and turned over to the Japanese Government for processing and delivery to the proper owners.

3. Payments in the yen equivalent of U. S. \$ 6,773.25 were made in Japan to 587 shareholders of a trade store operated under the direction of United States Army authorities by former Japanese internees of a POW camp on Saipan.

4. Remittances from Japan to Korea which were incomplete at the time of the surrender were listed by Japanese banks and forwarded by SCAP to Korea. Former correspondent banks in Korea will certify to the payment or nonpayment of each remittance and return such certifications through SCAP in order that the transactions may be cleared from bank records.

Bank of Japan

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

BANK OF JAPAN  
Condensed Statement  
(millions of yen)

	<u>10 August</u>	<u>10 September</u>
Cash and bullion	1,089	1,380
Government bonds and securities	10,826	11,117
Advances to Government	16,311	18,972
Loans	38,414	41,556
Agencies accounts	3,050	3,624
Miscellaneous accounts	1,508	1,250
Interoffice items	<u>125</u>	<u>501</u>
Total	71,323	78,410

	<u>10 August</u>	<u>10 September</u>
Notes issued	53,575	60,516
Government deposits	4,732	4,307
Other deposits	8,903	9,360
Net profit for current period	391	474
Miscellaneous accounts	3,469	3,506
Capital and reserves	247	247
Interoffice items	<u>6</u>	<u>0</u>
<b>Total</b>	<b>71,323</b>	<b>78,410</b>

Other Financial Institutions

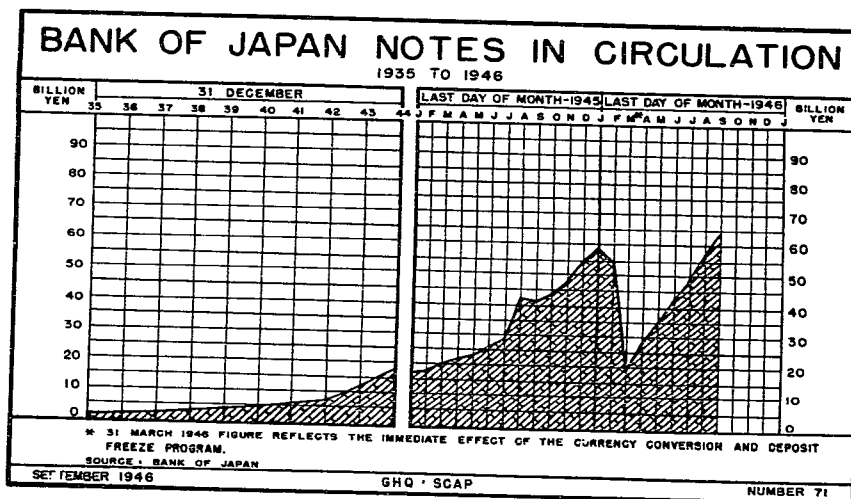
6. Trends in major items of all ordinary, special and savings banks are shown in the accompanying chart.

Deposit Funds Management Bureau

7. Postal savings deposits and proceeds of stamp savings, including transfers, declined to ¥ 52,198,000,000 at the end of August, a decrease of ¥ 1,026,000,000 since 31 July. Total assets and liabilities and investment in government bonds declined but cash on deposit increased more than ¥ 1,000,000,000 during August.

Currency Circulation

8. Bank of Japan notes in circulation reached an all-time high of ¥ 64,435,000,000 on 30 September. The average daily increase was ¥ 227,000,000.



PUBLIC FINANCE

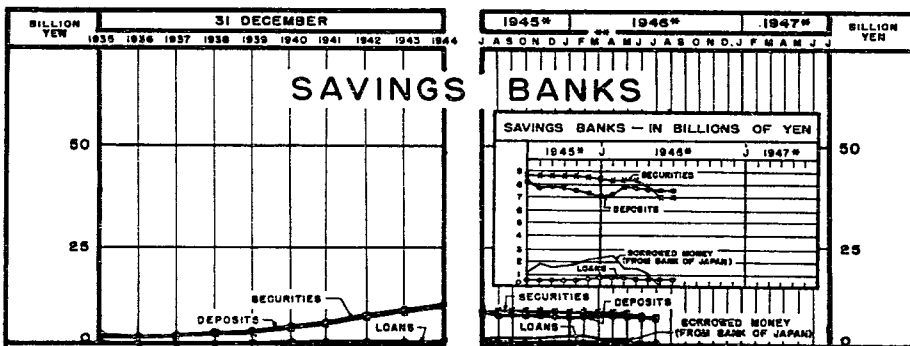
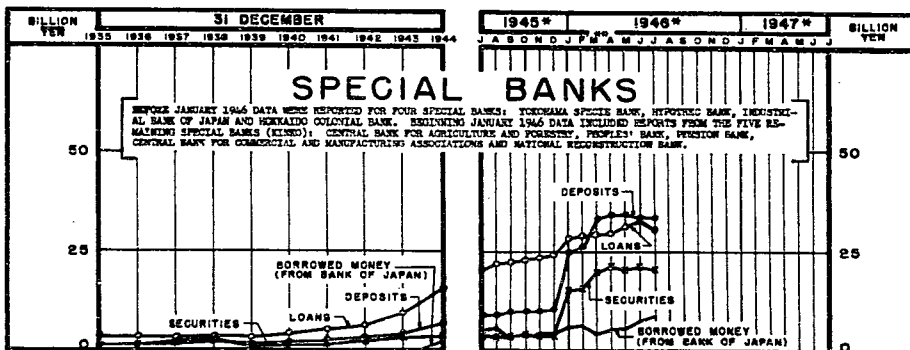
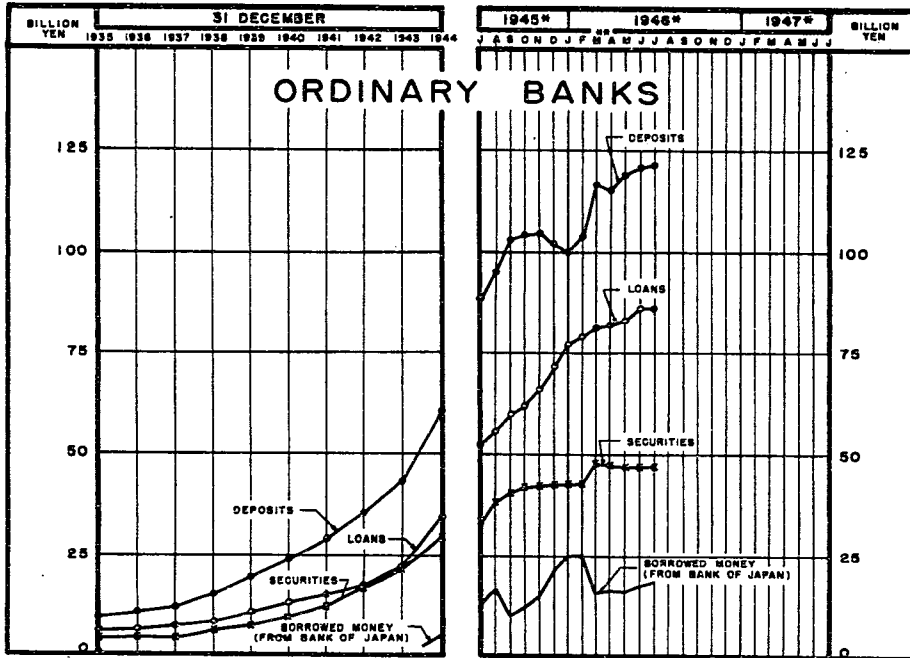
Taxation and Revenue

9. Legislation implementing the Japanese extraordinary taxation program was submitted to the Diet during September. This program includes a 100 percent tax on war indemnities, a capital levy at progressive rates and a reorganization of financial and industrial concerns.

# FINANCIAL INSTITUTIONS

## ORDINARY, SPECIAL AND SAVINGS BANKS

JAPAN - 1935 TO 1946



\* DATA GIVEN FOR LAST DAY OF MONTH  
 \* \* 31 MARCH 1946 FIGURE REFLECTS THE IMMEDIATE EFFECT OF THE CURRENCY CONVERSION AND DEPOSIT FREEZE PROGRAM.  
 SOURCE: BANK OF JAPAN  
 SEPTEMBER 1946  
 BMG-SCAP  
 NUMBER 72

10. The War Indemnities Special Measures Bill provides for a 100 percent tax on all individual and corporate wartime claims against the Japanese Government and claims against private and quasi-governmental institutions guaranteed by the Government. Imposition of the war indemnities special tax will obviate payment by the Government of approximately ¥ 66,000,000,000.

Exemptions of ¥ 50,000 per claimant for war damage insurance of individuals and ¥ 10,000 per claim for all other types may be allowed. The maximum exemption permitted for all claimants, individual and corporate, will be ¥ 100,000 regardless of the number or type of claims submitted.

This tax will apply to all payments made by the Japanese Government subsequent to 15 August 1945, including payments made in the form of blocked accounts and advance payments for materials not delivered to the Government prior to that date. All payments made by the Government on claims subject to this tax and in excess of allowable exemptions will be returned to the Government.

11. The Capital Levy Bill provides for taxation of all private wealth owned by individuals as of 3 March 1946 at graduated rates starting at 25 percent on the first ¥ 10,000 in excess of ¥ 100,000 and rising progressively up to 90 percent on the excess of capital above ¥ 15,000,000. The personal properties of the Emperor will not be exempted from the capital levy; United Nations nationals are exempted. Anticipated yield of the capital levy is ¥ 43,500,000,000.

12. SCAP offered no objections to additional measures designed to ease the effect of the war indemnities special tax on the financial and industrial economy. These included proposed legislation prescribing conditions for the reorganization of financial institutions and business corporations. Chief features of this legislation are the conditions prescribed for the writing down of indemnities and insurance claims taxed away, of loans guaranteed by such claims and of overseas investments. Losses incurred in this manner would be absorbed first by the free reserves of the firms affected, then by the capital account and last by creditors' claims.

In order to protect the smaller savings of the Japanese people in the form of bank deposits and insurance policies the Government would guarantee financial institutions to the minimum extent necessary to safeguard such savings from losses. Such compensation to financial institutions would be limited to a statutory maximum of ¥ 10,000,000,000.

13. In order to supply industrial credit during the financial reorganization, a statute establishing a Reconstruction Finance Bank capitalized at ¥ 10,000,000,000 was not objected to by SCAP.

#### National Budget

14. SCAP on 3 September permitted a supplemental appropriation of ¥ 847,050,000 as a subsidy reimbursement to coal producers for actual operating losses incurred from 1 April to 31 October. The Government was directed to prepare a new plan for financing coal production after 1 November.

15. The Japanese Government established a separate budget account to pay for materials necessary for housing civilians in the Ryukyu Islands until final decision is reached concerning the payment of these costs.

National Debt

16. A summary of the Japanese national debt follows:

NATIONAL DEBT	
31 August	
(millions of yen)	
Government bonds, domestic	144,589
Government bonds, external	886
Bank loans	67,214
Expenditures in occupied areas	43,834
Overdraft on Bank of Japan	5,300
Government special debt certificates	13,966
Borrowing by Imperial Railway Account	2,842
Other loans	1,272
Rice bills and food certificates	4,685
Treasury bills	<u>3,500</u>
Total	220,874

SOURCE: Ministry of Finance.

Special Accounts

17. Short-term borrowing for the special accounts included ¥ 1,100,000,000 for the Imperial Railway and ¥ 2,900,000,000 for the Foodstuff Control Special Account. All loans are to be repaid within the present fiscal year from revenues accruing to these accounts.

Local Government Finance

18. The Ministry of Home Affairs on 20 September submitted to SCAP the following estimate of revenues and expenditures of local governments.

REVENUES AND EXPENDITURES  
Fiscal Year 1946-47  
(millions of yen)

Revenues

Taxes (surtax, independent, restitution and distribution)	5,562
Rents and fees	1,146
Subsidies	11,364
Included in 1946-47 general account budget	5,152
Allocation to local governments by Economic Stabilization Board	2,422
To be included in general account supplementary budgets to meet National Government share of local salary increases	3,790
Bond issue requested	3,583
Balance from 1945-46 fiscal year	510
Others	783
<b>Total</b>	<b>22,948</b>

Expenditures

Salaries and office expenses	2,522
Police	1,343
Public works	2,878
Education	4,605
Sanitation	697
Industry	2,471
Social welfare	4,231
Electricity, traffic and gas	898
Debt	631
Rehabilitation	1,992
Others	680
<b>Total</b>	<b>22,948</b>

SOURCE: Ministry of Home Affairs.

The Japanese Government was instructed to submit a detailed breakdown of the above estimated budgeted bond issue. Floating of short-term bank loans only is to be followed for local government financing pending the submission and justification of a complete long-term borrowing program.

Imperial Household

19. Retirement allowances amounting to ¥ 21,400 were authorized by SCAP. These allowances, computed by multiplying the final monthly salary by one half the number of years in service, are equivalent to those given to government employees.

20. No objections were made by SCAP to pay increases to employees of the Imperial Forestry Bureau with the understanding that the salaries are the same as those paid to government employees having similar functions.

SECTION 12

PROPERTY CONTROL AND REPARATIONS

C O N T E N T S

	Paragraph
Property Control . . . . .	1
Antitrust and Cartels. . . . .	13
Reparations. . . . .	21

PROPERTY CONTROL

German Property

1. At the direction of SCAP the Japanese Government appointed from the personnel of 53 German firms Japanese custodians who would be responsible for maintaining the properties, making inventories and submitting reports.

2. Eighty-six applications for release of blocked German funds were received by SCAP. These applications were screened and ¥ 297,366.89 was released from bank deposits for the preservation and maintenance of German assets.

3. The following assets of various German firms were impounded for safekeeping until final disposition of German assets in Japan is determined:

Bonds	¥ 24,606
Shares (book value)	12,646,293
Jewelry	102,300
Bank certificates	180,770
Other assets	<u>6,742</u>
Total	¥ 12,960,711

Looted Property

4. Investigation completed on the 2,510 foreign motion pictures in Japan disclosed that 2,224 were stolen or illegally possessed and that only 286 were legally obtained. The bulk of unlawfully possessed films in the possession of Japanese motion picture exhibitors and distributors consisted of films seized in occupied countries during the war, films on which distribution rights had expired and prints which had been made without authority.

5. The Ministry of Transportation submitted a list of approximately 200 vessels under foreign registry in possession of the Japanese Government on 15 May 1946. Detailed information on 140 of the ships follows:



FOREIGN VESSELS IN POSSESSION OF THE JAPANESE GOVERNMENT  
15 May  
(gross tons)

Country of Registry	No. of Ships	Chartered	Captured	Salvaged	Unknown	Total	Sunk	Balance a/
<b>Allied nations</b>								
France	13	90,625	0	0	0	90,625	90,625	0
Great Britain	30	0	74,097	6,000	8,134	88,231	54,699	33,532
Netherlands	20	0	34,816	16,573	3,110	54,499	20,517	33,982
China	18	8,504	32,548	0	2,499	43,551	29,673	13,878
United States	13	0	12,872	21,714	0	34,586	23,232	11,354
Norway	8	0	11,300	1,514	0	12,814	8,437	4,377
Panama	3	0	7,328	0	0	7,328	1,543	5,785
Denmark	2	2,332	0	0	4,472	6,804	6,804	0
Greece	1	0	1,524	0	0	1,524	0	1,524
<b>Total</b>	<b>108</b>	<b>101,461</b>	<b>174,485</b>	<b>45,801</b>	<b>18,215</b>	<b>339,962</b>	<b>235,530</b>	<b>104,432</b>
<b>Neutral nations</b>								
Sweden	2	1,544	0	6,079	0	7,623	6,079	1,544
Portugal	1	1,826	0	0	0	1,826	1,826	0
<b>Total</b>	<b>3</b>	<b>5,370</b>	<b>0</b>	<b>6,079</b>	<b>0</b>	<b>11,449</b>	<b>9,905</b>	<b>1,544</b>
<b>Enemy nations</b>								
Germany	13	77,246 b/	0	0	0	77,846	66,958	10,888
<b>Countries whose status changed during the war</b>								
Italy	10	50,476	0	0	0	50,476	31,711	18,765
Finland	1	2,768	0	0	0	2,768	0	2,768
<b>Total</b>	<b>11</b>	<b>53,244</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>53,244</b>	<b>31,711</b>	<b>21,533</b>
Source not given	5	0	16,527	6,800	6,800	30,127	24,599	5,528
<b>Grand Total</b>	<b>140</b>	<b>221,761</b>	<b>191,012</b>	<b>58,680</b>	<b>25,015</b>	<b>512,628</b>	<b>368,703</b>	<b>143,925</b>

a/ Includes ships listed as "whereabouts unknown."

b/ Includes 16,160 tons purchased.

SOURCE: Ministry of Transportation.

Precious Stones

6. Jewels in SCAP custody are being appraised by two gem experts from the Smithsonian Institution.

Precious Metals

7. A summary of precious metals in SCAP custody follows:

PRECIOUS METALS IN SCAP CUSTODY a/  
25 September

	Fine Grams b/	Value in U.S. Dollars	
		Per Gram	Total
<b>Gold</b>			
Taken into custody c/	183,410,991	1.1245	206,245,658
Released	738,368		830,294
<b>Balance</b>	<b>182,672,623</b>		<b>205,415,364</b>
<b>Silver</b>			
Taken into custody	2,040,824,328	.02249	45,898,138
Released	9,261,554		208,292
<b>Balance</b>	<b>2,031,562,794</b>		<b>45,689,846</b>

	Fine Grams b/	Value in U.S. Dollars	
		Per Gram	Total
Platinum			
Taken into custody	4,188,277	1.1245	4,709,717
Released	<u>53,641</u>		<u>60,319</u>
Balance	4,134,636		4,649,398
Total value			255,754,608

a/ Does not include any transactions made by the Imperial Mint at Osaka during September.

b/ The fine weight of approximately 11 percent of the metals is estimated.

c/ Includes approximately 73,000,000 grams ear-marked for Indo-China, Siam, Italy and China by the Japanese Government.

#### Dissolved Organizations

8. Reports by prefectures on dissolved organizations are summarized below:

#### DISSOLVED ORGANIZATIONS 25 September

Pre- fecture	Organiza- tions a/	Branches Reporting	On Hand at Time of Dissolution		Expenses Immediately Prior to Dissolution b/
			Cash Assets	Other Assets	
Aomori	8	86	¥ 4,338,360	¥ 493,803	¥ 1,296,720
Iwate	9	119	194,054	25,635	200,984
Akita	8	20	652,167	159,908	67,866
Yamagata	1	17	6,825	1,931	-
Miyagi	12	36	115,177	131,679	436,617
Fukushima	9	114	1,100,327	670,277	1,093,984
Gumma	11	120	292,081	122,062	871,645
Tochigi	8	95	107,268	74,558	3,182,910
Ibaraki	18	120	495,567	408,812	1,692,011
Saitama	9	111	1,689,117	756,082	1,300,690
Chiba	9	125	150,451	2,320	1,193,697
Tokyo	33	248	1,408,598	2,217,500	2,860,295
Kanagawa	9	9	15,884	15,690	868,972
Niigata	10	181	321,223	480,473	1,916,749
Toyama	10	92	616,345	32,899	905,375
Ishikawa	11	90	177,125	31,502	1,707,016
Fukui	10	84	45,085	93,798	804,726
Nagano	9	158	1,225,432	798,461	1,942,374
Yamanashi	8	78	78,750	202,910	501,893
Shizuoka	10	58	67,951	155,045	1,262,337
Aichi	10	<u>278</u>	<u>1,615,893</u>	<u>509,690</u>	<u>2,841,870</u>
Subtotal		2,239	14,713,680	7,385,035	26,868,731

Pre- fecture	Organiza- tions a/	Branches Reporting	On Hand at Time of Dissolution		Expenses Immediately Prior to Dissolution b/
			Cash Assets	Other Assets	
Carried forward		2,339	14,713,680	7,385,035	26,868,731
Gifu	9	141	287,583	877,395	791,828
Shiga	8	59	396,984	89,199	1,321,056
Mie	8	154	49,689	16,242	318,065
Nara	8	102	92,050	315	944,565
Wakayama	9	52	165,924	167,891	286,430
Osaka	7	91	1,753,509	86,080	2,014,482
Kyoto	9	181	241,492	865,888	1,575,178
Hyogo	9	260	267,606	9,226,472	4,502,110
Tottori	9	15	529,701	186,906	559,228
Shimane	7	80	947,897	14,642	870,635
Okayama	10	192	860,102	486,424	2,749,424
Hiroshima	10	115	1,017,207	47,947	1,568,320
Yamaguchi	9	129	235,416	134,384	1,274,489
Fukuoka	10	15	229,901	154,463	16,373
Miyazaki	10	26	848,086	122,690	37,778
Oita	6	92	44,856	90,676	150,056
Kagoshima	8	22	-	-	703,910
Kumamoto	10	10	657,621	112,007	564,878
Nagasaki	3	3	255	868,800	25,298
Saga	9	79	62,838	31,841	1,035,523
Kagawa	7	19	31,394	235	16,455
Tokushima	6	25	75,634	19,128	728,864
Kochi	7	37	105,016	-	254,479
Ehime	9	17	138,695	20,562	327,696
Hokkaido	8	107	966,086	485,646	1,472,687
Total		4,262	¥ 24,719,222	¥ 21,490,868	¥ 50,958,538

a/ The number of organizations in that prefecture out of a total of 50 different organizations in Japan.

b/ Reports show that at time of dissolution expenses greatly exceeded those for any similar previous period.

SOURCE: Ministry of Finance.

#### Liquidated Property

9. In addition to its assets in Japan of ¥ 925,363,680.97 reported in detail in the August Summation, Koeki Eidan reported assets held abroad of ¥ 253,757,991.23 in merchandise and ¥ 4,705,875.49 in property.

10. From 15 August 1945 to 30 June 1946 supplies valued at ¥ 636,478,247.43 were liquidated.

#### Claims

11. By 25 September 51 claims against the Japanese Government or enemy nationals in Japan had been submitted to SCAP. Of these 35 have been acknowledged. No amounts are stated in 15 of the claims and in two the amounts are not clearly stated. The total amount of the 34 other claims is \$ 608,428.77. Included in this total is \$ 218,705.65 derived from arbitrarily calculating the dollar values of monies of other nations at readily available rates of exchange which are subject to change or adjustment.

The nationalities of the claimants are as follows:

U. S.	12	Austrian	1
Swiss	11	French	1
Hungarian	5	Japanese	1
British	4	Korean	1
German	4	Polish	1
Chinese	3	Turkish	1
Russian	2	Stateless	1
Swedish-Danish	2	Unknown	1

SCAP Custody Account

12. The following changes in the SCAP custody account occurred from 26 August to 25 September.

Collections

Deposits of Japanese yen received in exchange for Bank of Chosen notes given to Koreans at seaports when repatriated	¥ 3,910,679.10
Korean repatriation aid (Takeuchi Shumpei)	439,185.66
Confiscated from Japanese puppet governments.	<u>3,047,586.00</u>
Total	¥ 7,397,450.76
Balance 25 September	¥ 97,885,458.22

ANTITRUST AND CARTELS

Holding Companies

13. SCAP offered no objection to the dissolution plans of the Kanegafuchi Metal Industry Company, Ltd., and the Japan Gear Manufacturing Company, Ltd.

Kanegafuchi Metal Industry Company, Ltd., a subsidiary of Kanegafuchi Industry Company, Ltd., was created in 1943 to engage in the manufacture of war materials. It has assets of ¥ 2,119,351 and liabilities of ¥ 2,520,000. The parent company, as receiver, will carry out the liquidation subject to the following limitations:

- (1) All income, less current liquidating expenses, will be deposited promptly by the receiver until final liquidation of all assets has been completed.
- (2) When all assets have been liquidated remaining debts will be paid.
- (3) Distribution of the proceeds will not be made to any shareholder and payment of retirement allowances will not be made to any executive officer without prior approval of SCAP.

The Japan Gear Manufacturing Company, Ltd., has 11 shareholders and a capitalization of ¥ 6,600,000. Dissolution will be accomplished by an equitable distribution of the Company's physical assets to the shareholders.

14. On 6 and 7 September SCAP offered no objection to loans of ¥ 83,537,000 and ¥ 799,200,000, respectively, for the Nissan

Chemical Industrial Company, Ltd., and the Showa Electric Industry Company, Ltd., to reconstruct and expand their fertilizer producing facilities.

The precarious financial position of the Showa Electric Industry Company would not permit additional borrowing from commercial sources to finance its reconstruction and expansion. Necessary funds will be provided by the Japanese Government's newly formed Reconversion Finance Corporation. An agency to be created by the Japanese Government will take title to the properties and lease them to the Showa Electric Company for a term not exceeding two years under a management contract.

#### Holding Company Liquidation Commission

15. The first general meeting of the Holding Company Liquidation Commission was held on 27 August. Regulations were approved relating to the Commission's internal organization, management, fiscal control, employees' compensation and accounting procedure.

The Commission recommended to the Prime Minister that the first companies to be designated for dissolution include Mitsui Honsha, Mitsubishi Honsha, Sumitomo Honsha, Yasuda Hozensha and Fuji Industrial Company. On 9 September the Prime Minister, following the recommendations of the Commission, designated these five companies for dissolution under the jurisdiction of the Commission.

16. At the second general meeting of the Commission, held on 19 September, instructions were approved and issued for operating the business of designated holding companies during the period of dissolution. Other steps were taken to receive the securities and assets which are to be transferred by such companies to the Commission.

17. On 20 September the Cabinet promulgated an additional ordinance for the establishment of a Supervising Committee. The members of this Committee are to be chosen from the House of Representatives by the Cabinet and will perform the following functions:

- (1) Approve the nominations of the Prime Minister to membership on the Commission upon the expiration of the terms of office of the present commissioners.
- (2) Approve the removal of any commissioner by the Prime Minister for good cause.
- (3) Make recommendations to the Prime Minister on any matters relating to the dissolution of the holding companies.

At the same time the Prime Minister announced the appointment of the following members to the Committee: Tomoyoshi Ono, Tomojiro Okubo, Mitsujiro Ishii, Ken Inukai, Manitsu Tanaka, Tetsu Katayama, Suehiro Nishio, Heima Hayashi and Junzo Sasamori.

#### Control Associations

18. SCAP offered no objection to the Temporary Supply and Demand Adjustment Bill approved by the lower House of the Diet on 21 September. This bill authorizes the president of the Economic Stabilization Board to determine policy regarding: allocation and distribution of materials and goods; restriction or prohibition of the use of materials and goods of extraordinarily short supply; the production, processing, repair or shipment of materials or goods

of extraordinarily short supply; and the transfer, delivery or loading of materials and idle equipment in cases of extraordinarily short supply.

Orders and actions under this bill will be issued by the competent ministry but only with the assent of the president of the Economic Stabilization Board.

In certain industries where it is deemed necessary and appropriate by the competent minister, democratically organized trade associations may be permitted temporarily to allocate materials in accordance with the voted decision of members who are engaged in the same trade. Any individual having a complaint regarding an allocation by such an association may appeal the decision to the Demand and Supply Arbitration Committee.

Penal provisions for violation of this proposed law include a maximum fine of ¥ 5,000 or six months' imprisonment.

19. Five additional associations were screened by SCAP during September. The reorganized Warehouse Association was approved with the provision that it will not exercise control functions. Four others were found unsatisfactory and ordered reorganized.

20. In compliance with a SCAP directive of 6 August the Japanese Government dissolved the following 36 national level control companies and 22 national level control unions as of 10 September:

Control Companies (all joint stock)

Japan Daily Use Porcelain and Chinaware Distribution Control Company  
Stationery and School Use Articles Control Company  
Japan Footgear Control Company  
Japan Industrial Leather Articles Control Company  
Japan Leather Control Company

Japan Industrial Porcelain and Chinaware Control Company  
Rubber Materials Control Company  
Rubber Goods Control Company  
Japan Automobile Distribution Control Company  
Eastern Japan Gravel Control Company

Western Japan Gravel Control Company  
Western District Gravel Control Company  
Japan Photographic Film Paper and Dry Plate Control Company  
Electric Wire Distribution Control Company  
Rolled Metal Distribution Control Company

Furnace Materials Control Company  
Ore Distribution Control Company  
Japan Polished Hoop Iron Control Company  
Crushing Iron Ball Control Company  
Tin Plate Control Company  
Japan Shovel and Pickax Control Company

Japan Empty Can Control Company  
Japan Wire Products Control Company  
Japan Casting Iron Pipe Control Company  
Iron and Steel Raw Materials Control Company  
Imperial Light Metal Control Company

Japan Industrial Chemicals Control Company  
Japan Reagent Control Company  
Japan Celluloid Control Company  
Japan Synthetic Resin Control Company  
Organic Synthetic Chemicals Control Company

Alcohol Distribution Control Company  
Japan Gallant Distribution Control Company  
Japan Sundry Goods Trade Control Company  
Japan Fabric Manufacturing Control Company  
Japan Recovered Textile Control Company

Control Unions

Japan Forging and Casting Iron Industry Control Union  
All Japan Casting Industry Control Union  
Japan Working Machine Industry Control Union  
Japan Clock and Watch Industry Control Union  
Japan Office Machine Industry Control Union

All Japan Weights and Measures Scales Control Union  
Japan Machine Wooden Pattern Industry Control Union  
Japan Iron-Pipe Joints Commerce and Industry Control Union  
Light Metal Goods Control Union  
Revival Pig Iron Control Union  
Japan Pulled-out Steel Tube Control Union

Japan Welded Steel Tube Control Union  
All Japan Drum Can Industry Control Union  
Japan Wire and Steel Screw Manufacturing Industry Control Union  
Japan Metallic Net Manufacturing Industry Control Union  
Japan Five-Gallon Can Industry Control Union  
Japan Wrought Works Control Union

Japan Rolled Iron Industry Control Union  
Japan Small-sized Automobile Control Union  
Japan Automobile Body Control Union  
All Japan Photographing Business Control Union  
All Japan Military Drill Goods Control Union

REPARATIONS

21. The list of aircraft plants, arsenals and laboratories designated for reparations was revised by deleting 39 installations and adding 10, making 475 such establishments under SCAP custody and control on 23 September.

22. A change in the listing of ball and roller bearing plants was made by the release from custody of one plant and the addition of another plant of the same company. Both were of approximately the same productive capacity.

23. The Japanese Government was directed to furnish data on book values of all reparations plants by 15 October.

24. Plant inventory reports were received from 114 plants, mostly in the aircraft industry, bringing the number received to 158. This is approximately 20 percent of all plants to be inventoried in detail.

25. A directive on the preservation and aggregation of plant records and on the maintenance and repair of plant equipment was issued by SCAP on 20 September to establish uniform policy throughout all reparations plants. The new policy broadens the old by requiring the aggregation of information and engineering data necessary for plant transfers and reestablishment and by requiring equipment repairs which can be performed with domestically available materials.

GENERAL HEADQUARTERS  
SUPREME COMMANDER FOR THE ALLIED POWERS

SUMMATION  
of  
NON-MILITARY ACTIVITIES  
in  
JAPAN

Number 12

September 1946

PART IV

SOCIAL

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SECTION 1  
PUBLIC HEALTH AND WELFARE

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PUBLIC WELFARE

Public Assistance

1. Relief grants in August totaled ¥ 101,576,775 as compared with ¥ 47,632,577 in July. Individuals receiving aid in August numbered 2,886,307, in July 2,178,159.

The sharp increase in grants was due to:

- (1) Instructions given prefectural governors and welfare chiefs to liberalize the granting of public assistance.
- (2) Large disbursements by the National Government to increase the welfare budgets of all prefectures.
- (3) Publicity given the "Daily Life Security Bill" which stimulated the granting of public assistance.

PUBLIC ASSISTANCE  
March-August

	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>
Net grants (yen)	49,297,874 <u>a/</u>	48,891,379 <u>a/</u>	40,464,855 <u>a/</u>	41,143,743 <u>a/</u>	47,632,577	101,576,775
Percent of change from previous month		- 1	- 17	+ 2	+ 16	+ 113
Persons assisted	2,328,815	2,680,871 <u>a/</u>	2,182,493	2,194,436	2,178,159	2,886,307
Percent of change from previous month		+ 15	- 19	+ 1	- 1	+ 33
Persons assisted per 1,000 population	32	37	30	30	30	39
Average grant per person (yen)	21	18	19	19	22	35

a/ Revised.

SOURCE: Ministry of Health and Welfare.

2. The "Daily Life Security Bill" was passed by the Diet and will become law on 1 October. The law provides the framework for a comprehensive system of public assistance.

#### Relief Supplies

3. Seventeen percent of the biscuits and 12 percent of the canned food from former Japanese Army and Navy stocks authorized by SCAP for release in 32 prefectures were distributed in 22 prefectures. An additional 7,429 kilograms of biscuits and 420,014 kilograms of canned foods were distributed in 10 prefectures.

#### Population Movement

4. SCAP authorized continuation of the restriction on movement of persons from rural to urban areas until 30 November.

#### Japanese Red Cross

5. Directors were appointed for the Junior Red Cross and the General Affairs Section of the Japanese Red Cross.

6. An American Red Cross representative is assisting in Junior Red Cross activities. The first of a series of one-day chapter teachers' institutes was held in Tokyo to consider the reorganization of Junior Red Cross in Japan's elementary and secondary schools. Representatives of Tokyo-to and surrounding chapters are attending.

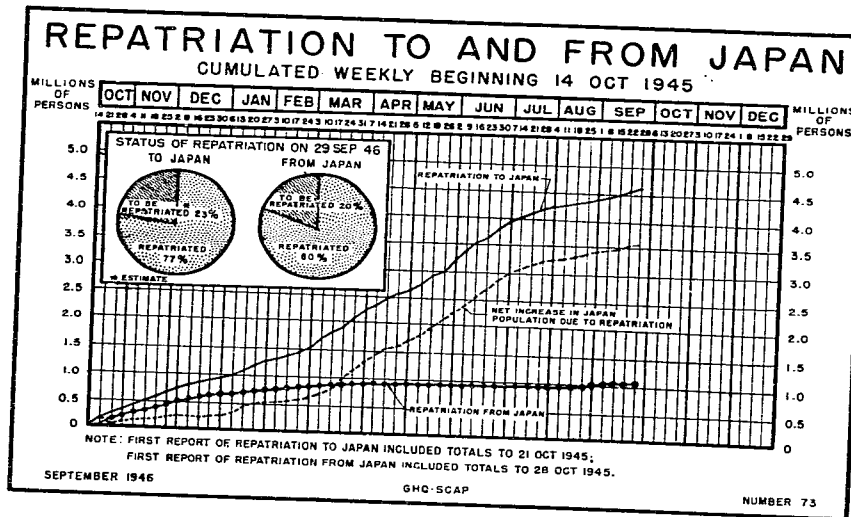
7. The Japanese Red Cross Society agreed to give standard first-aid courses to policewomen now in training.

#### Repatriation

8. Repatriation reception centers operating during September were Hakata, Sasebo, Uraga, Kagoshima, Ujina, Otake and Nagoya. Hakata, Sasebo and Uraga received and processed cholera ships while Hakodate, Maizuru and Senzaki were on a stand-by status.

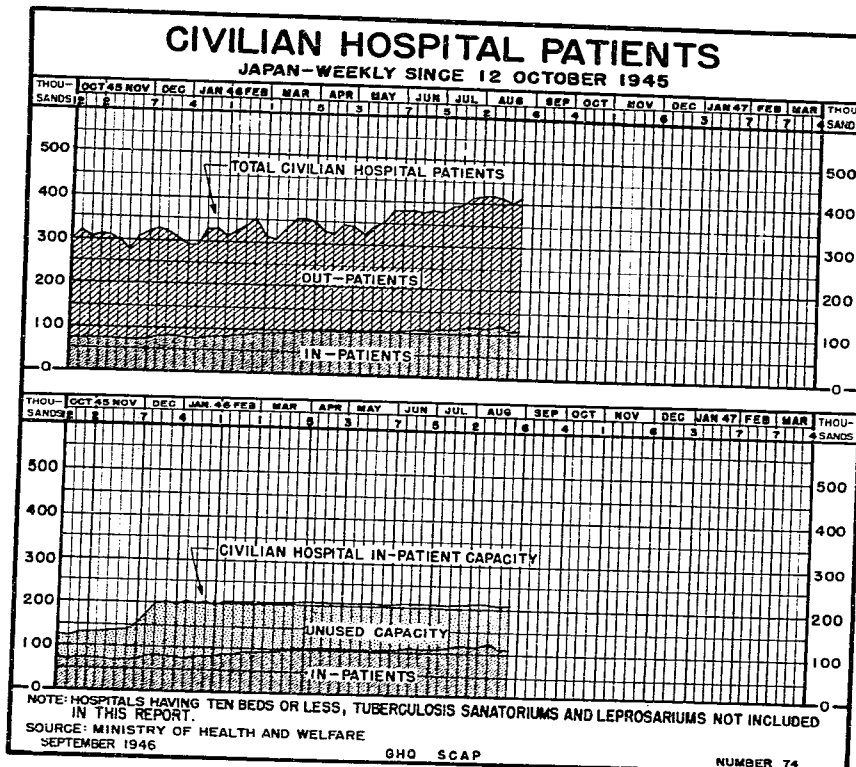
9. There were 28,321 Ryukyans repatriated from Japan during the four weeks ending 29 September. They departed from the ports of Nagoya, Ujina, Sasebo and Kagoshima.

10. The accompanying chart shows that 248,677 Japanese were repatriated from 25 August to 29 September. In the same period 71,407 foreign nationals left Japan of whom 6,956 were Koreans. The total number of foreign nationals repatriated was 1,037,659 including 915,500 Koreans.



#### HOSPITAL ADMINISTRATION

11. On 16 August there were 2,953 hospitals with 210,710 beds available of which 123,501 were occupied. The following chart compares in-patients with out-patients and in-patients with hospital capacity.



VETERINARY AFFAIRS

12. The number of farm animals is decreasing because of a shortage of feed. Most dairy cattle are undernourished.

13. Five Government veterinary laboratories are functioning at present but no private laboratories are in operation.

14. Japanese Army veterinary supplies are obtainable in sufficient quantity to meet demands.

Meat and Dairy Inspection

15. Following is a summary of meat and dairy inspection reports for July:

MEAT INSPECTION					
July					
	<u>Cattle</u>	<u>Calves</u>	<u>Sheep and Goats</u>	<u>Swine</u>	<u>Horses</u>
Number slaughtered	19,707	1,041	128	4,191	4,920
Condemned ante mortem	1	0	0	0	3
Condemned post mortem					
Total	5	0	0	0	3
Partial	606	8	0	43	267
Viscera	3,458	27	0	1,138	566

SOURCE: Ministry of Health and Welfare.

MILK INSPECTION  
July

Special Milk

Farm inspections	17
Samples examined	27
Over bacterial standards (50,000 per cc)	0
Under butterfat standards (3.3 percent)	0
Plant inspections	20
Over bacterial standards (50,000 per cc)	0
Under butterfat standards (3.3 percent)	0

Ordinary Milk

Farm inspections	6,389
Samples examined	4,287
Over bacterial standards (2,000,000 per cc)	328
Under butterfat standards (3.0 percent)	730
Plant inspections	2,458
Over bacterial standards (2,000,000 per cc)	330
Under butterfat standards (3.0 percent)	440

Goat Milk

Farm inspections	46
Samples examined	54
Over bacterial standards (2,000,000 per cc)	4
Under butterfat standards (3.0 percent)	31

SOURCE: Ministry of Agriculture and Forestry.

Animal Diseases

16. Twenty cases of anthrax were reported in Fukuoka Prefecture. Equine infectious anemia, strangles and trichomoniasis increased during August.

Disease	Number of Cases	
	July	August
Anthrax	24	22
Blackleg	3	2
Brucellosis	7	17
Trichomoniasis	5	104
Texas fever	9	45
Swine erysipelas	12	2
Swine plague	8	10
Equine scabies	0	1
Strangles	58	192
Equine infectious anemia	29	123
Equine infectious abortion	13	0
Chick pullorum	0	1,426

SOURCE: Ministry of Agriculture and Forestry.

DENTAL AFFAIRS

Dental Education

17. The enrollment in Japan's eight dental schools for the current year is 5,644.

The income of these schools for the fiscal year ending 31 March was ¥ 5,632,513. Expenditures were ¥ 5,469,726.

18. One hundred twenty students commenced the first academic year of a pre-dental course at Tokyo Dental College.

Dental Rehabilitation

19. There were 335 dentists re-established in practice during the month ending 15 August.

NURSING AFFAIRS

20. The schools of nursing in Shizuoka, Gumma, Tochigi and Yamanashi Prefectures were surveyed. The administrators and nurses requested SCAP assistance in establishing institutes and refresher courses in their respective schools.

21. Meetings were held by SCAP representatives with members of the Midwives' Association and a new midwives' manual was prepared.

SUPPLY

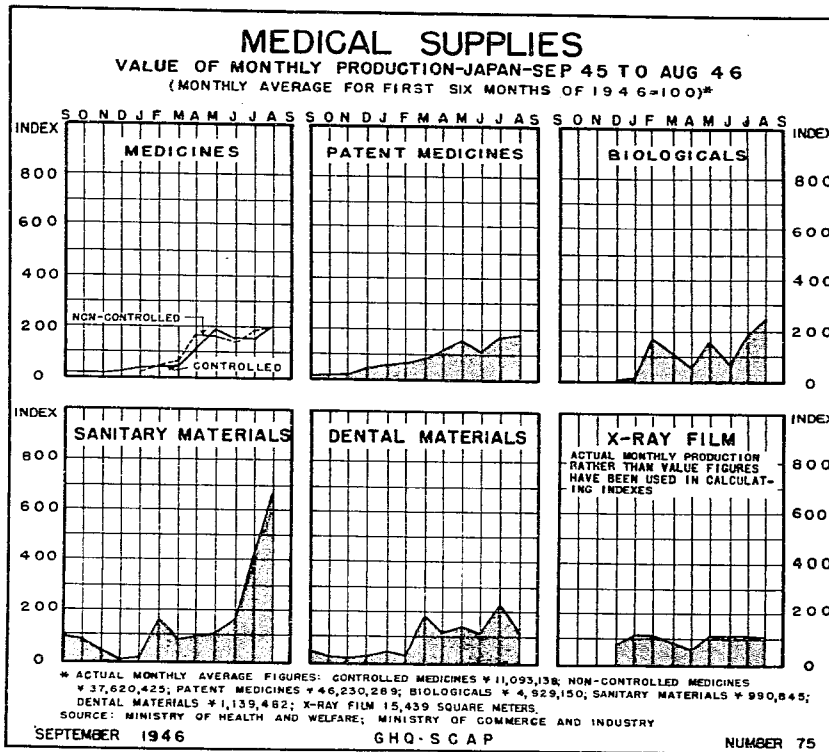
Production

22. In compliance with SCAP directives the medicine manufacturing industry organized a Trade Association to assist in expediting the production of important medicines and in solving the problems of the industry.

23. The production of medicines continued to increase during August. The following figures are yen value of production of various types of medicines, sanitary and dental materials:

Controlled medicines	¥ 22,220,216
Noncontrolled medicines	75,216,251
Patent medicines	80,440,198
Sanitary materials	6,678,216
Dental materials	<u>1,293,541</u>
<b>Total</b>	<b>¥ 185,848,422</b>

24. The following chart shows production of medical supplies by month since September 1945.



25. Antipyretics, sulfonamides and drugs production for venereal disease treatment increased in August.

26. Exceeding all previous monthly records, 16,484 square meters of X-ray film were produced in August and 17,378 square meters of film were sold.

27. Insect and rodent control supplies increased with 1,811,000 gallons of pyrethrum emulsion produced in August and 4,100,000 packages of ANTU rat poison produced since June.

28. Production of DDT dusters and spraying equipment has progressed to the point where the use of U. S. equipment is unnecessary except in emergencies. The following figures show the total production since June:

DDT dusters	21,000
Knapsack type sprayers, 3 gallons	7,000
Semiautomatic pump type sprayers	3,000
Hand sprayers, half-gallon	3,000

29. The total production of vaccines during August was as follows:

Cholera	12,221,200	cc
Plague	629,850	cc
Typhus	267,300	cc
Triple typhoid	7,208,010	cc
Smallpox	295,300	doses
Diphtheria antitoxin	55,900	cc
Diphtheria toxoid	4,647,900	cc

30. At the end of August 2,383,650 cubic centimeters of crude cholera vaccine and 2,295,240 cubic centimeters of crude triple typhoid vaccine were on hand.

31. Requests of the Japanese Government to export large quantities of crude medicines and to import roots, herbs and barks were denied. Production of large quantities of patent medicines is not desired since they utilize materials needed for essential medicines.

32. U. S. surgical, dental, X-ray and hospital equipment was exhibited in Tokyo 11 to 13 September to doctors, dentists, manufacturers and medical students. Approximately 4,200 persons attended. The exhibition was sponsored by the Japanese Medical Association.

#### Distribution

33. A shipment of 100,000 pounds of DDT dusting powder, 500 liters of triple typhoid vaccine and 300 liters of plague vaccine was made to Manchuria for processing of repatriates.

34. The Ministry of Public Health and Welfare was directed to accelerate the distribution of returned Japanese Army and Navy supplies.

35. Surgical instruments and appliances and physical therapy equipment valued at ¥ 5,348,696 and X-ray equipment valued at ¥ 5,800,000 were ready for distribution by the producers.



36. Black-market activities in medicine are being investigated by the Tokyo-to Pharmaceutical Affairs Section. Three clandestine manufacturers and seven vendors were apprehended during September.

#### Narcotics

37. SCAP obtained proof that the Japanese Government submitted falsified yearly figures to the Permanent Central Opium Board of the League of Nations on the amount of heroin manufactured in Japan from 1931 to 1939.

38. A licensed veterinarian was arrested by Tokyo-to narcotics officials for stealing morphine from 17 hospitals since February by impersonating a narcotics inspector. Registrants were warned not to allow anyone without proper credentials to inspect their stocks.

Two other narcotics cases involving 10 persons were reported during September.

39. Japanese military medicinal narcotics transferred from Occupation Forces medical depots to approved wholesale houses total 2,500 crates valued at ¥ 5,000,000.

40. Narcotics stocks held by retailers, practitioners and hospitals were surveyed by Japanese officials. Stocks exceeding six to eight months' supply were reported to the Ministry of Public Health and Welfare which in turn directed their sale to local wholesalers. Narcotics packaged in large quantities for retailers, doctors or hospitals were returned to producers for repackaging.

41. The following is the first monthly report of narcotics dealers registered under the new narcotics regulations:

Compounders	6
Producers	6
Central wholesalers	13
Local wholesalers	76
Retailers	6,289
Practitioners	62,844
Dealers in exempt narcotics (narcotics which can be sold without prescription)	8,077
Research	0
Total	77,311

#### PREVENTIVE MEDICINE

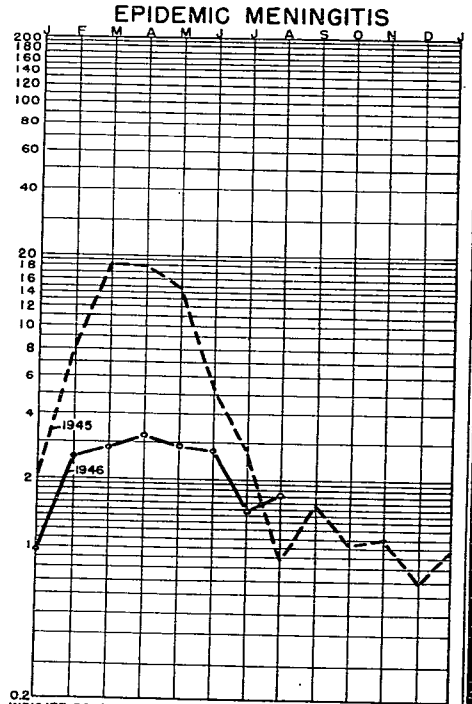
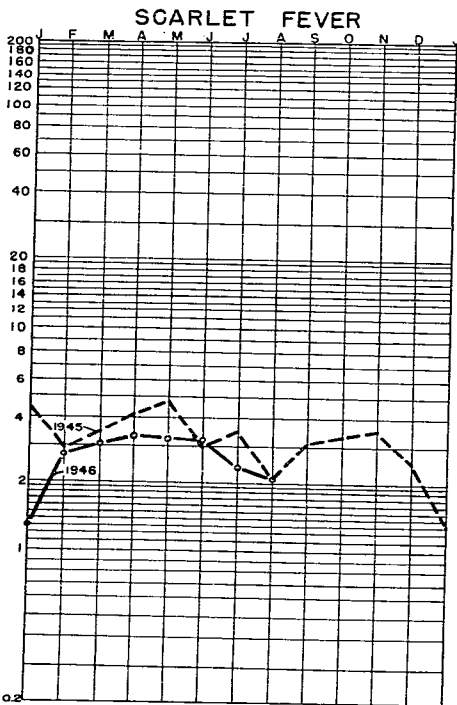
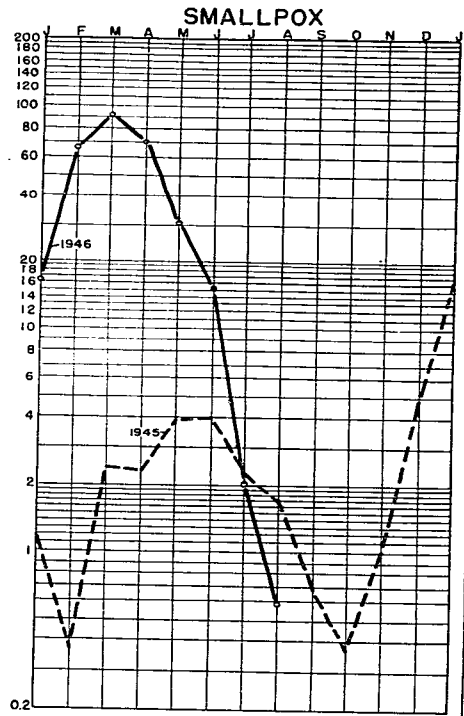
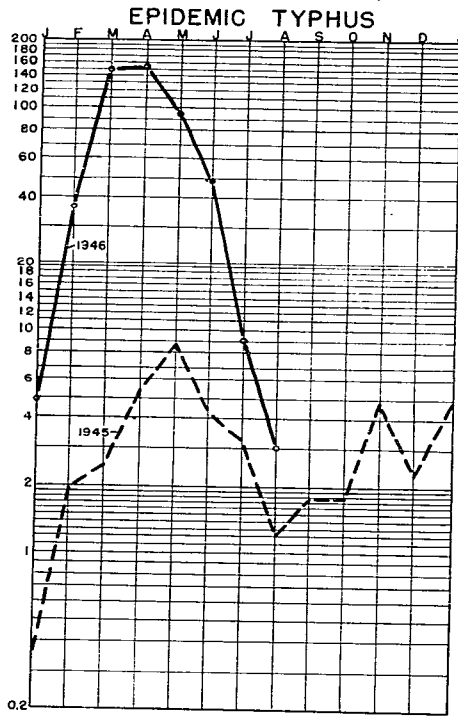
42. Maps, pages 209 and 210, show communicable disease rate for 1945 and 1946. The rate by prefectures during August is illustrated by maps, pages 211 and 212. Insets give annual average rates for 1940 through 1945 and monthly rates for 1946.

#### Cholera

43. Incidence of cholera declined with 195 cases reported to 21 September against 391 in the last three weeks of August. No outbreaks were reported from new areas. This decrease was also noted in prefectures most exposed to re-infection from the Asiatic mainland.

# COMMUNICABLE DISEASES - JAPAN

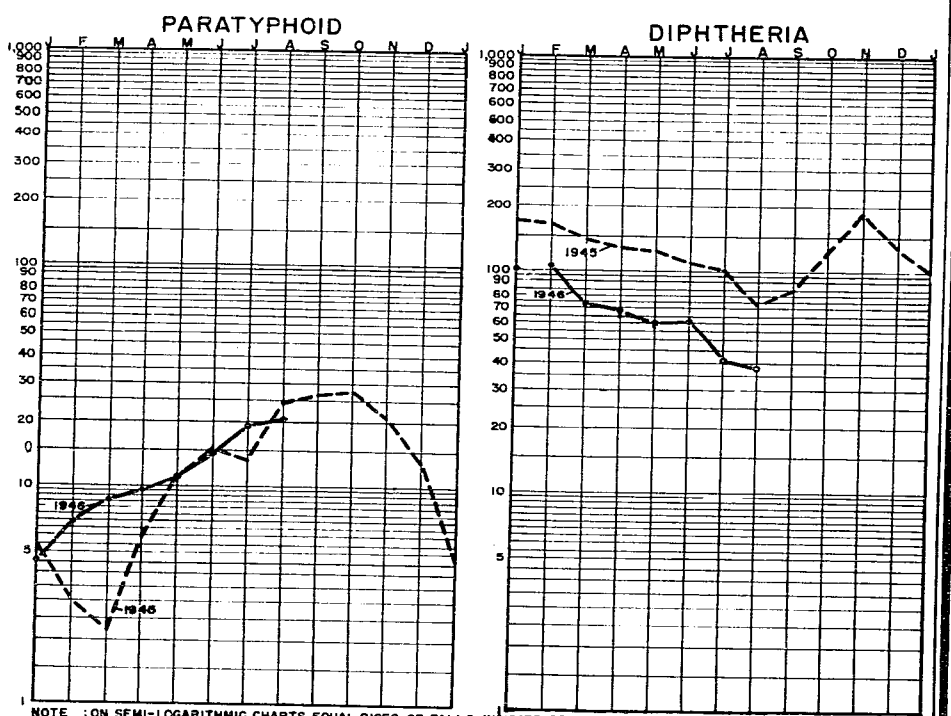
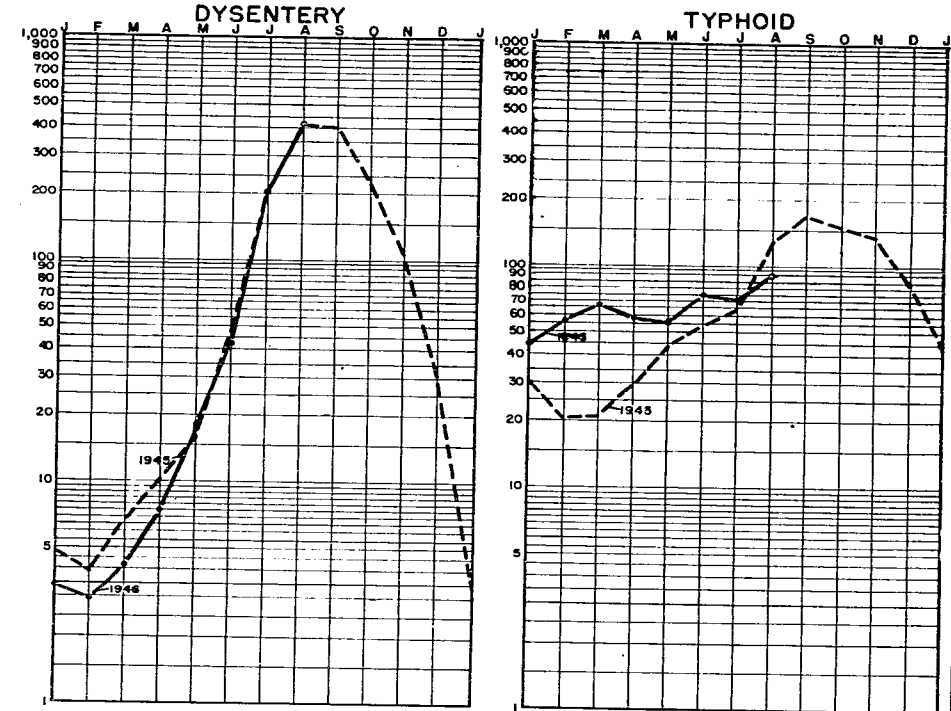
RATE / 100,000 / ANNUM



NOTE: ON SEMI-LOGARITHMIC CHARTS EQUAL RISES OR FALLS INDICATE EQUAL PERCENTAGE CHANGES  
 SOURCE: MINISTRY OF HEALTH AND WELFARE

## COMMUNICABLE DISEASES - JAPAN

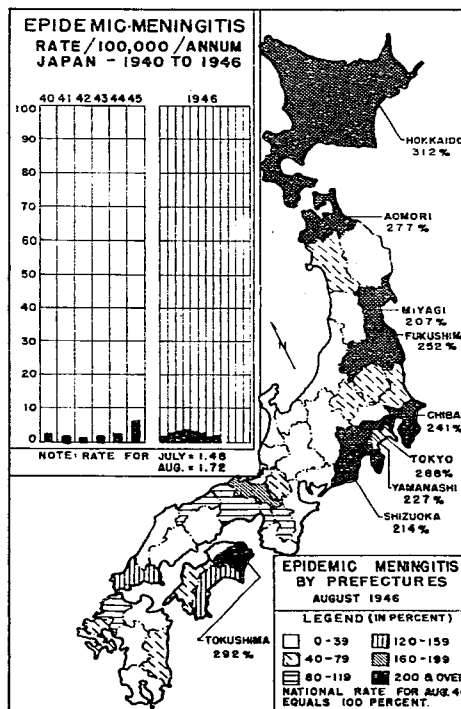
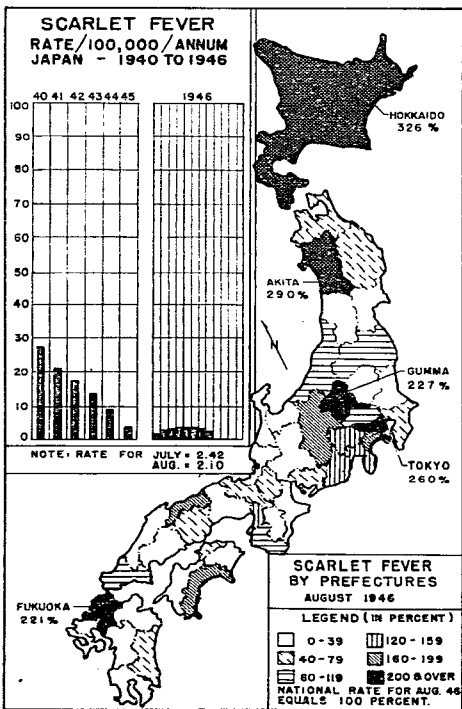
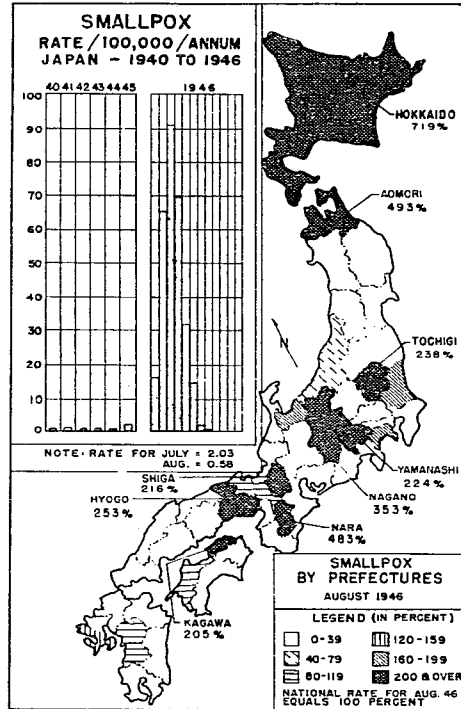
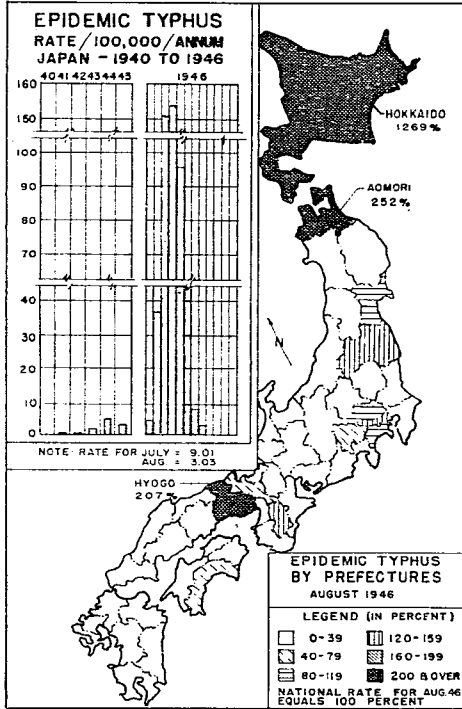
RATE / 100,000 / ANNUM



NOTE : ON SEMI-LOGARITHMIC CHARTS EQUAL RISES OR FALLS INDICATE EQUAL PERCENTAGE CHANGES  
 SOURCE: MINISTRY OF HEALTH AND WELFARE

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# COMMUNICABLE DISEASES JAPAN



SOURCE: MINISTRY OF HEALTH AND WELFARE