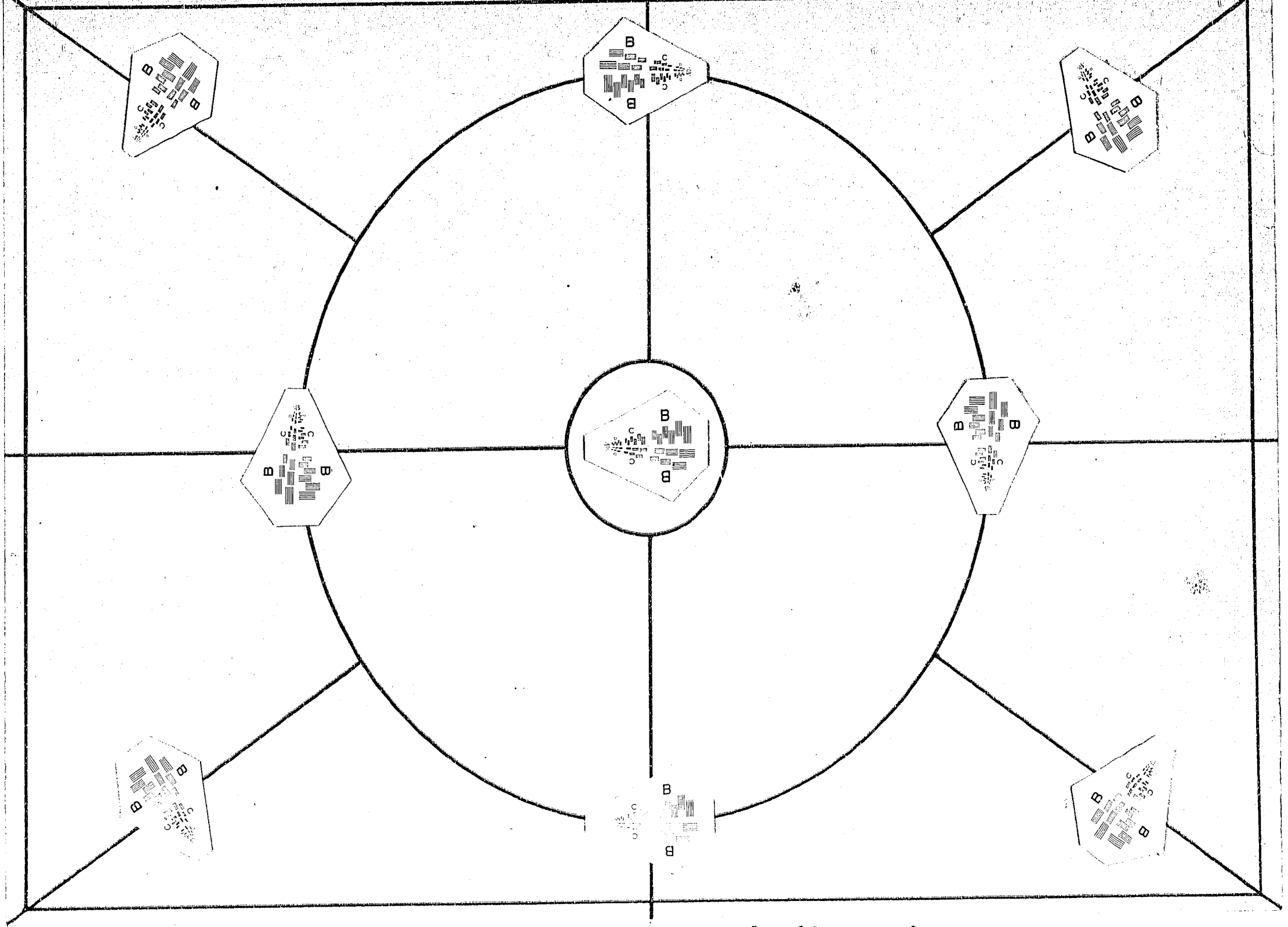


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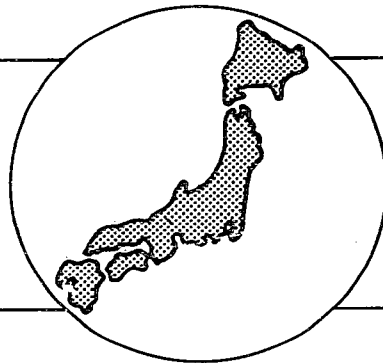
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外務省 新報

外務省

Supreme Commander
For The Allied Powers



SUMMATION

of

NON-MILITARY ACTIVITIES

in

JAPAN

NO 27 DECEMBER 1947

0001

日本占領報告

一九四七年十一月

GENERAL HEADQUARTERS
SUPREME COMMANDER
FOR THE ALLIED POWERS

SUMMATION NO 27
NON-MILITARY ACTIVITIES
JAPAN

FOR THE MONTH OF
DECEMBER 1947

0002

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

Summation No. 27

December 1947

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

SUMMATION
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in
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Number 27

December 1947

PART I

GENERAL

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SECTION 1

ORGANIZATION UNDER SCAP

1. There was no change in the non-military organization of General Headquarters, SCAP, during December.

SECTION 2

POLITICAL ACTIVITIES

C O N T E N T S

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INVESTIGATION OF HOARDED GOODS

Report of Kato Committee

1. The Diet, Economic Stabilization Board, investigating committees and other agencies carried on intensive drives to clear up the problems of hoarded goods.

2. A report by the House of Representatives Special Committee for the Investigation of Concealed and Hoarded Goods, headed by Kanju Kato, estimated the total value of goods, disposed of by the Japanese Government immediately after the war to exceed ¥ 50,000,000,000.

The House of Representatives on 11 December voted to form an auxiliary Illegal Transactions Investigation Committee with wide powers and sufficient personnel to bring to account public officials involved in cases of hoarded goods.

POLITICAL DEVELOPMENTS

3. In a statement to the House of Councillors, Prime Minister Katayama on 29 November denied press reports of a secret underground government in Japan and expressed his convictions that democratic forces were deeply entrenched.

4. Overriding a decision of the Upper House Mining and Industry Committee to reject the Bill for Temporary State Control of Coal Mines, the House of Councillors approved the much-debated bill by a vote of 132 to 79 on 8 December.

5. A proposal to abrogate the four-party policy agreement formulated prior to formation of the Katayama Cabinet occasioned interparty controversy.

THE NATIONAL GOVERNMENT

6. The passage of the Home Ministry Dissolution Act on 8 December abolished the most powerful arm of the Japanese Government with its control over State Shinto, local government and police.

7. The Law Establishing the Attorney General's Office, enacted on 8 December to take effect on 15 February, provides for the new Office to replace the Ministry of Justice.

8. Two Democrats and one Social Democrat were appointed Ministers of Transportation, of State, and of Agriculture and Forestry.

POLITICAL PARTIES

9. The question of a successor to former Minister of Agriculture and Forestry Rikizo Hirano caused a bitter controversy within the Social Democratic Party. Overruling the left-wing members of the Party who supported Masaru Homizo of the Japan Farmers' Union, the Prime Minister on 13 December appointed Kanse Hatano, a member of the Upper House.

10. To facilitate recruitment for a projected unified conservative party, the Liberal Party and Doshi Club which includes members of the Shidehara faction who had been expelled or had resigned from the Democratic Party agreed on 17 December to establish a New Party Promotion League to serve as joint liaison agency between dissident Social Democrats led by Hirano and the New Political Council, consisting of the Peoples' Cooperatives and a number of Farmers' Party and Dai Ichi Club members.

11. The Democratic Party completed reorganization on 10 December with a reshuffle of Party officers among Upper House Democrats and expansion of the policy-making Political Affairs Research Committee.

12. At the sixth national convention of the Communist Party on 21 December, the delegates approved an "action platform" and increased the membership of the Central Committee.

THE DIET

13. The First National Diet came to a close on 9 December after being in continuous session since 20 May. During its session 186 bills were introduced of which 174 were passed and 12 rejected.

14. The Diet adopted such significant legislation as the new civil and criminal codes, the creation of a Ministry of Labor, the establishment of the Attorney General's Office, enactment of a new civil-service law designed to eliminate bureaucracy from all public and governmental offices, introduction of local autonomy and decentralization and reorganization of the police system.

THE PURGE

15. From 4 January to 13 December 656,550 persons were screened by the Central and Local Public Office Qualification Examination Committees. Of these 4,789 were removed and 954 barred from office.

16. Of the 1,424 principal public-office-holders in information media companies screened since 4 January, 1,258 were passed, 162 barred and four cases are pending final action.

17. The Cabinet on 10 December issued a statement announcing virtual completion of the Purge with exception only of a possible extension and consolidation relative to ultranationalistic and terrorist organizations.

PUBLIC SAFETY

18. The Economic Police of the Home Ministry and the Economic Stabilization Board uncovered ¥ 14,391,476 worth of hoarded and concealed goods in November.

19. Criminal offenses reported in October numbered 177,815 and arrests totaled 99,817.

20. Provisions of the Police Law, passed by the Diet on 8 December, limit the police mission to those functions recognized throughout the world as properly belonging to a civil police force and removed the Sanitation Section, Fire Department, Census Bureau, Economic Controls Section and other nonpolice agencies from the police system.

The Police Law establishes a National Public Safety Commission directly under the Prime Minister to control affairs of the National Rural Police, the Imperial Guard and National Building Guard.

21. The prison population in November numbered 82,785 while prison deaths totaled 63.

22. A National Fire Defense Law was enacted by the Diet on 9 December providing that all cities, towns and villages will henceforth be responsible for providing adequate fire protection within their respective boundaries.

The Law established a National Fire Defense Board under the National Public Safety Commission which will act in an advisory capacity relative to the various municipal fire departments.

23. There were 1,051 fires reported in October with losses amounting to ¥ 597,903,211, causing the death of 20 persons and injuries to 84.

LEGAL AFFAIRS AND WAR CRIMES

24. The Law Establishing the Attorney General's Office establishes the new Office within the Cabinet as the supreme advisory body of the Government on legal questions.

25. Fifty investigations of atrocity cases were completed during the December reporting period, reducing the backlog of total investigations on hand to 1,403.

26. Six trials involving 32 war criminals were completed during the December reporting period.

INTERNATIONAL PROSECUTION OF WAR CRIMES

27. Sir William Flood Webb, president of the International Military Tribunal for the Far East, resumed his seat on the Court on 15 December.

The individual defense of Hiroshi Oshima was completed on 3 December.

Individual defense testimony of Kenryo Sato, Mamoru Shigemitsu, Shigetaro Shimada, Toshio Shiratori, Teichi Suzuki and Shigenori Togo was presented during December.

SECTION 3
ECONOMIC ACTIVITIES

C O N T E N T S

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NATURAL RESOURCES

Agriculture and Fisheries

1. A Resources Committee within the Economic Stabilization Board was established on 13 December to collect and compile data on utilization of natural resources in relation to economic planning.

2. The Law for Compensation Against Agricultural Loss became effective on 27 December, providing for insurance of crops against damage by wind, flood, drought and seismological phenomena; against disease injury to silkworms and cocoons, and wind, flood, drought, frost and hail damage to mulberry leaves; and livestock against disease, injury and death.

3. The Government land purchase of 471,636 cho (467,740 hectares) on 2 December, the fourth purchase to date, was the largest transaction recorded under the agrarian reform program.

4. The 1947-48 antarctic whaling expedition reported a catch of 222 whales at the end of the first 10 days' operations.

Forestry and Mining

5. Log production during the first half of the 1947 fiscal year totaled 58 percent of the annual production goal.

6. Production and deliveries of firewood and charcoal increased in October while gasumaki output declined.

7. Coal production continued to take an upward trend with a peak November output of 2,481,000 metric tons.

8. Declines in crude oil production were attributed to seasonal electric power shortages and gales which blew down derricks and power lines in two prefectures.

9. October output of 13 of 30 mineral commodities increased with principal gains in the production of fire clay, lead and gold.

COMMERCE AND INDUSTRY

Heavy Industries

10. Production of coke increased 5.8 percent in November but remained below scheduled output because of inadequate coal deliveries. Distribution during the month totaled 97.85 percent of production.

11. Output of pig iron, open-hearth steel ingots and steel rails increased in November, but due to lack of power rolling mills and many electric furnaces were forced to curtail production. Output of secondary steel products remained generally at the October level.

12. Lack of scrap reduced aluminum output in November but output of aluminum sheet, foil and alloy forgings rose. Other alloy products declined.

13. Production of blister copper increased six percent in November while output of refined copper declined slightly. Copper, brass and bronze rolling declined, as did all other nonferrous metals except lead and crude tin.

14. New construction completed in rural areas in November totaled 22,452 units, 7,732 more than the number completed in urban areas.

15. Chemical production in November fell considerably below October with the index of basic heavy chemicals at 39 percent of requirements in November, the lowest level since April.

16. Output of machine tools in November was 14 percent below October unit output, while the value of industrial machinery production and repairs increased 8.6 percent. Textile machinery output also showed considerable increases.

Manufacturing

17. Flour output declined in November as smaller quantities of imported grains were released. The availability of sweet potatoes lowered the demand for rolled grains, resulting in a 58-percent drop in output.

Production of vegetable fats and oils continued to decline.

18. Output of pulp and paper in November remained at about the October level although newsprint production reached a new post-war peak.

19. A price adjustment was reflected in a 421,800-pound increase in output of leather goods. Receipts of hides by tanneries declined.

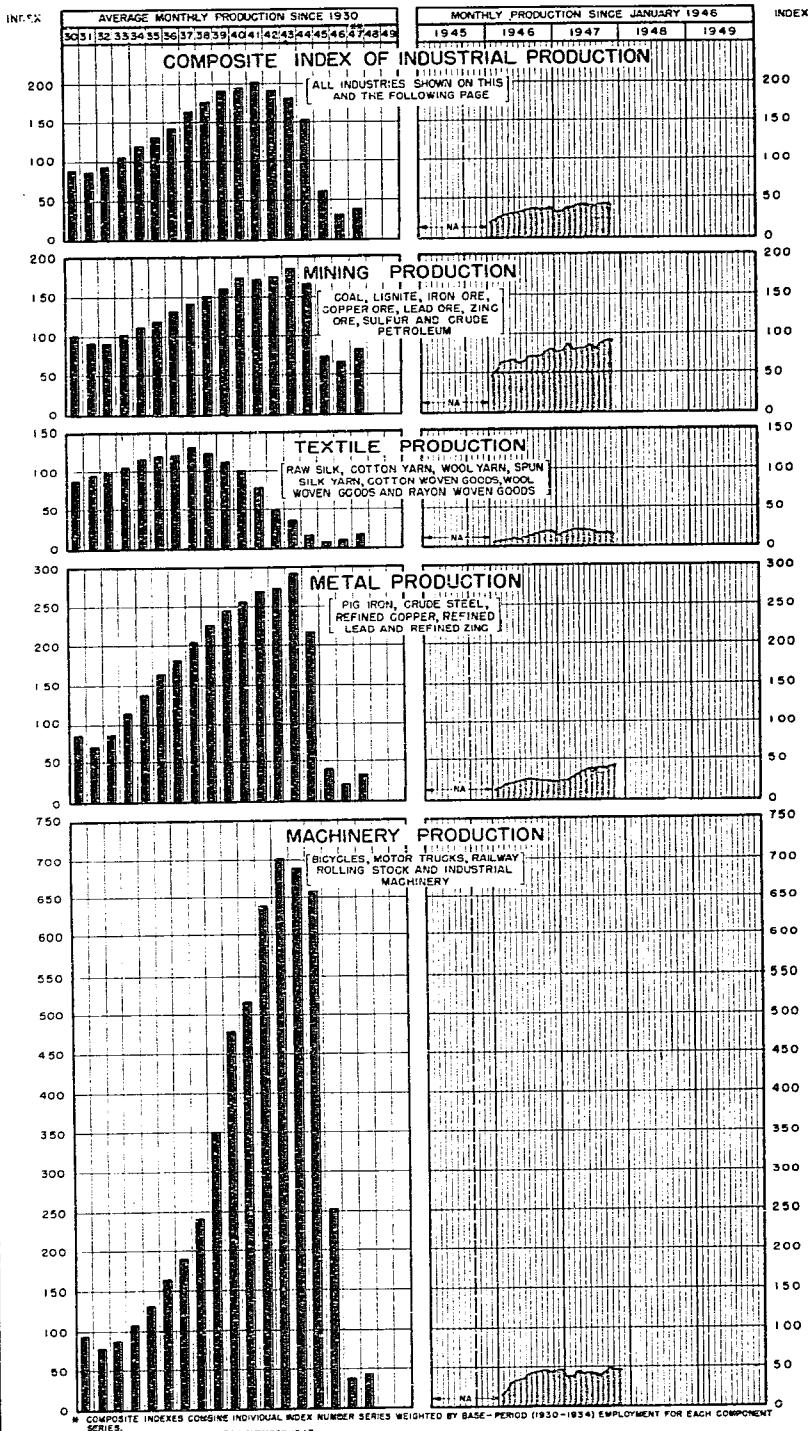
20. In anticipation of the Christmas trade, output of toys increased 65 percent in November.

Textile Industries

21. The cotton industry's November supply of raw materials was increased by shipments of raw cotton from America and India but production continued to be reduced by electric power shortages.

INDEXES OF INDUSTRIAL PRODUCTION*

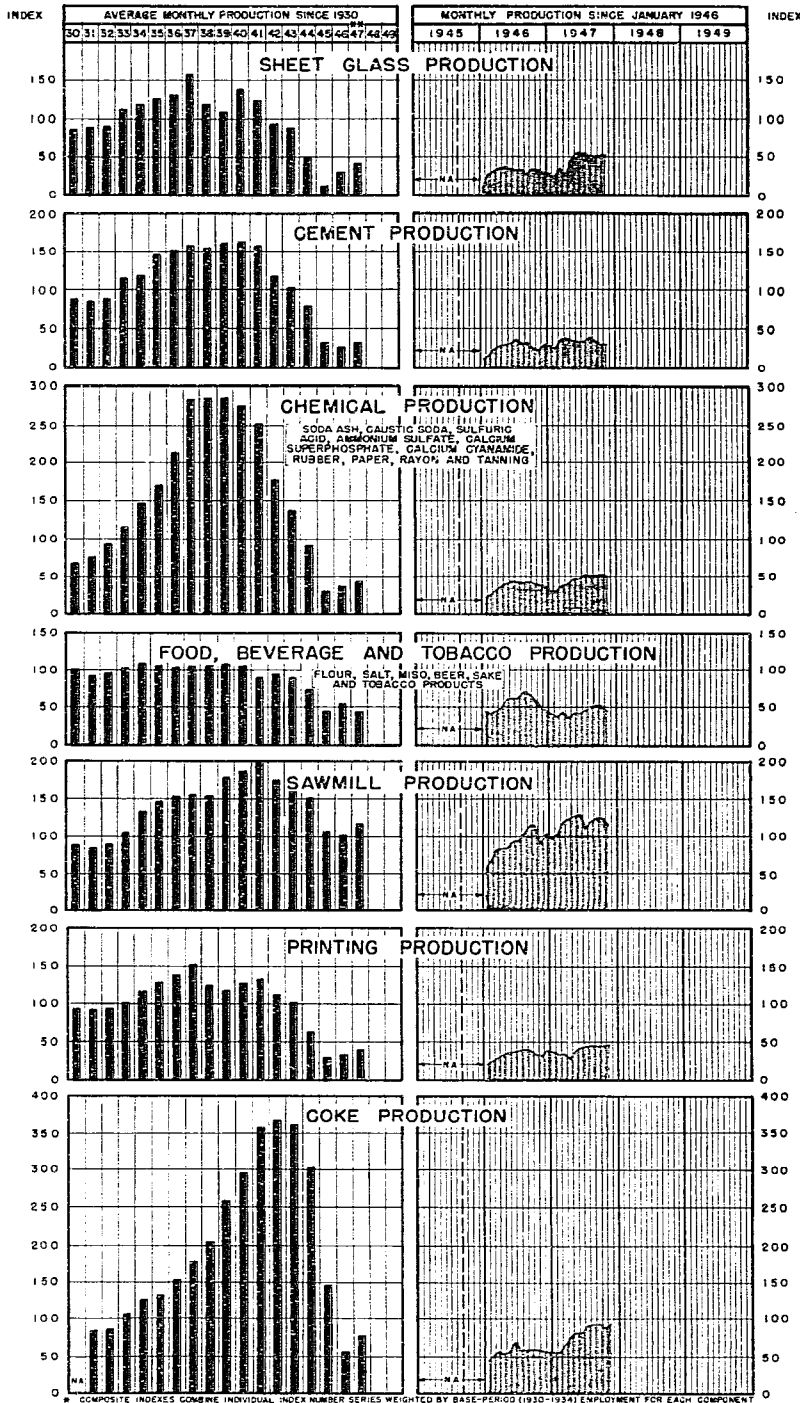
1930-1934 AVERAGE MONTHLY PRODUCTION=100



0015

INDEXES OF INDUSTRIAL PRODUCTION*

1930-1934 AVERAGE MONTHLY PRODUCTION=100



* * * COMPOSITE INDEXES COMBINE INDIVIDUAL INDEX NUMBER SERIES WEIGHTED BY BASE-PERIOD (1930-1934) EMPLOYMENT FOR EACH COMPONENT SERIES.
 * * * MONTH PERIOD ENDING 30 NOVEMBER 1947.
 NOTE: NOVEMBER 1947 DATA PRELIMINARY; OCTOBER 1947 DATA REVISED; MAY DATA NOT AVAILABLE.
 SOURCE OF BASE DATA: REPORTS BY JAPANESE AGENCIES.
 GHQ - SCAP JAPAN - DEC 47 NUMBER 18

22. Raw silk and silk yarn production decreased while silk fabric output for export was increased through a program initiated by the Government.

23. Raw material shortages affected the rayon and wool industries which reported decreased production except for woolen fabric for export.

Transportation

24. The number of buses and trucks registered increased in November but the number of standard-size vehicles operating decreased.

25. There was an increase in the number of passenger train kilometers operated in November. The average daily freight tonnage shipped decreased.

26. Coastal shipping in wooden and steel vessels increased but foreign shipping declined.

Public Utilities

27. There was a decrease in electric power generation in November, while gas production increased over October.

Communications

28. Collect radiotelephone calls were authorized from Japan to the United States mainland, effective 5 January 1948.

29. All radiotelephone calls may now include remarks of a transactional nature, subject only to the restrictions which apply to radiotelegraph and postal messages.

30. The first issue of postal savings certificates with premiums was sold in December as authorized by the new Postal Savings Law.

31. The general level of production of communications equipment rose in November due primarily to the cessation of strikes in the manufacturing plants.

32. The limit on individual postal savings accounts was raised from ¥ 10,000 to ¥ 30,000.

33. Two special allowances of one month's salary each, recommended by the Central Labor Relations Committee, were included in the appropriations in Supplementary Budgets No. 5 and No. 6 of the Special Account passed by the Diet during the month.

Labor

34. Preparation for administration of the two unemployment insurance laws passed late in November was continued. At the national level the Unemployment Insurance Section was established in the Bureau of Employment Security of the Ministry of Labor while locally the public employment security offices set up administrative procedures and trained personnel. Announcements and detailed explanations of the laws were made through radio, newspapers and direct contacts with employers and labor organizations.

35. Labor unions on 31 October numbered 25,896 with 5,926,986 members. Of this number 1,068 with 129,000 members were organized during October.

36. At the close of 1947 labor relations were relatively calm as agreements were reached in the coal industry and government workers' disputes and the Central Labor Relations Committee rendered its ruling in the electric power industry dispute.

37. The anti-Communist faction of the Government Railway Workers' Union took over the leadership of the Union.

38. The Government led in labor education and information activities, stressing programs extending to mass audiences and the rank-and-file union members.

Private Foreign Commerce

39. Private trade transactions approved since foreign businessmen were permitted to resume limited trade with Japan included 32 import contracts valued at a total of \$ 17,655,679.09 and 651 export contracts totaling \$ 13,603,163.63 as of 30 November.

Imports and Exports

40. Food imported to Japan in November totaled 106,719 metric tons, 94 percent of which was flour and wheat from the United States.

Initial postwar shipments of soybean cake were received from China and butter from Hongkong. Export shipments of canned crab meat, herring roe and canned bamboo sprouts were made to the United States.

41. Imported raw materials for the textile industry during November included raw cotton from the United States and India and textile sizing from Singapore.

Cotton fabric exported in November totaled 18,564,833 linear yards including an initial shipment to Syria. Linen tea table sets were exported for the first time since the end of the war to Canada and the United States and harpoon line and fishing net twine to the Union of Soviet Socialist Republics.

42. First postwar export shipments of antimony ware and ceramics went to the United States in November.

43. Industrial sewing machine heads were imported from the United States in November. Shipments of diesel engines, feed grinders and machines for cleaning and hulling rice went to the Ryukyus.

44. Metals and minerals imported during November include initial shipments of kaolin and zinc from Korea, pig iron from Singapore and graphite from the Union of Soviet Socialist Republics.

45. Sulfite paper pulp, imported in November for the first time since the end of the war, was received from Sweden and the Union of Soviet Socialist Republics. Exports to China included the first postwar export of simili paper.

46. Flower bulbs and magazines printed in Japanese were among miscellaneous exports to the United States in November.

Rationing and Price Control

47. Public control of wholesale and retail distribution of staple foods, groceries, fats and oils, feed and fodder, and liquor was provided for by the formation of five public corporations (kidan) by law on 9 December.

48. A program devised by the Economic Stabilization Board to

improve perishable food distribution was initiated at a conference of prefectural governors on 27 November.

49. Initial releases of textiles and clothing under the new public distributing system were made the first week in December.

FINANCE

50. Bank of Japan notes outstanding on 31 December amounted to ¥ 219,142,000,000.

51. New-account deposits in ordinary, special and savings banks increased ¥ 2,775,000,000, ¥ 4,937,000,000 and ¥ 43,000,000 respectively in October.

52. Reconstruction Finance Bank loans aggregated ¥ 37,904,260,000 by 30 November, including ¥ 4,216,386,000 loaned in November. Chief recipients were the coal-mining industry and government corporations (kodans) which received ¥ 13,895,685,000 and ¥ 11,685,401,000 respectively.

53. The Securities Coordinating Liquidation Committee between 7 July and 15 December liquidated 2,447,470 shares of stock for ¥ 96,979,000.

54. The Interest Rate Adjustment Law was passed by the Diet on 9 December. This legislation provides for the Governor of the Bank of Japan to determine maximum interest rates upon advice from a financial committee.

Liquidation

55. Fifty-two control organizations were closed in November and placed under the jurisdiction of the Closed Institutions Liquidating Commission.

56. Cumulative proceeds of liquidation amounted to ¥ 13,238,889,000 on 31 October, including October proceeds of ¥ 1,301,312,000.

Public Finance

57. Total tax collections amounted to ¥ 32,781,000,000 from April through October including income-tax collections of ¥ 15,052,000,000.

58. Supplementary Budgets Nos. 9 through 12 of the General Account and 4 through 6 of the Special Accounts for the 1947-48 fiscal year were approved by the Diet in December.

59. The national debt amounted to ¥ 330,927,000,000 on 30 November.

PROPERTY CONTROL AND REPARATIONS

60. Reports on property owned by neutral and Allied nationals exclusive of Americans, British and Dutch received and tabulated by 20 December totaled 8,183 valued at ¥ 1,424,164,000.

61. By 20 December 340 looted ships were reported including 281 vessels aggregating 778,808 tons and 59 vessels of unknown tonnage.

62. The Custody Account for SCAP showed a net increase of ¥ 7,593,091.41 between 21 November and 20 December to aggregate ¥ 252,604,035.41 on 20 December.

Antitrust and Cartels

63. No objection was offered to 325 applications by restricted concerns to effect transactions not in the normal course of business including expenditures of ¥ 3,764,911,838.

Twenty-three coal-mining companies were authorized to borrow ¥ 1,861,314,050 to construct and repair coal-miners' houses in the second half of the fiscal year ending 31 March 1948.

No objection was offered to five rayon companies expending ¥ 353,777,628.55 to rehabilitate the rayon industry.

The Showa Electric Industry Company, Ltd., was authorized to borrow ¥ 1,284,236,741 to complete projects at six fertilizer factories.

64. The Closed Institutions Liquidating Commission was ordered to close and liquidate 145 control organizations, including 50 previously designated under the Temporary Demand and Supply Adjustment Act as necessary to the Japanese economy.

65. The Holding Company Liquidation Commission received stock with a par value of ¥ 159,417,607 and bonds valued at ¥ 451,240 from 16 recently designated holding companies.

66. The Elimination of Excessive Concentration of Economic Power Law, which provides for the elimination of Zaibatsu control over industry, was passed by the Diet on 9 December and promulgated as Law No. 207 of 1947 on 18 December.

67. The Diet approved legislation in December repealing the Road Transportation Law, the Shipbuilding Industry Law and the Department Store Act. These laws had delegated governmental powers to private organizations.

Reparations

68. The Chinese, Netherlands, Philippine and United Kingdom reparations and restitution delegations completed inspection of the 17 arsenals designated for advance transfer removal. Of 19,052 metalworking machines assigned and inspected, a total of 11,938 or 62.7 percent were accepted. Items not immediately accepted were reserved for barter or later claim.

SCIENCE AND TECHNOLOGY

69. The Institute of Physical and Chemical Research Co., Ltd., was established to promote scientific research and industrialization of research findings. The work of the new organization aims to correct to some degree the disruption of industrial research caused by Zaibatsu dissolution.

70. Petitions to the Diet called for financial aid to private research foundations which are in financial straits because of lack of return on capital. Many such agencies operated in the public interest and had been accorded public aid in furthering their work.

71. Technologists and scientists from many fields of engineering interests formed the Japanese Society of Applied Mechanics to promote science and technology.

72. The Ministry of Education announced the distribution of further grants for research. University, school, government and private laboratories received funds.

73. Announcement was made of results of research on a diagnostic test for cancer which shows evidence of high reliability.

74. During November 158 patents and 314 registrations for utility models were granted.

75. The Ministry of Commerce and Industry promulgated 43 new official Japanese Standards, making a total of 886 such standards issued since the war.

76. Predictions of major earthquakes in the Kanto and Kinki regions increased interest in and efforts to improve observation and study of earthquakes.

SECTION 4

SOCIAL ACTIVITIES

C O N T E N T S

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PUBLIC HEALTH AND WELFARE

1. A new law was passed on 7 December providing for a separate Department of Health and Department of Welfare in each prefectural government.

2. Typhus control programs in December covered immunization of approximately 20 percent of scheduled booster-dose recipients on Hokkaido, and railroad workers, prison inmates and commuters to large urban areas throughout the nation.

3. A Sanitary Section was added to the Preventive Medicine Bureau of the Ministry of Welfare.

4. Incidence rates of all diseases except diphtheria, typhus fever and scarlet fever declined in November.

5. Equine encephalitis cases fell 92 percent in November.

6. Medical supply production decreased generally due to electric power shortages although gains were shown in manufacture of medical instruments, sanitary rubber goods, glass syringes, sulfathiazole, penicillin, bismuth subsalicylate and mapharsen.

7. Surgical instruments, rubber medical items, sulfa drugs and penicillin registered gains in volume of sales distribution in November.

8. The Ministry of Justice demanded more severe sentences for narcotics violations.

9. The role of prefectural governors in the December Community Chest Drive, the first of its kind, was clarified in instructions from the Ministry of Welfare.

10. The use of the Red Cross emblem solely by the Japanese Red Cross Society is now sanctioned by law.

11. Children's institutes received a 25-percent increase in rice or rice substitute allowances.

12. The school lunch program, which has completed its initial year, now feeds more than 4,000,000 children three to five meals weekly.

13. Amendments to the Seamen's Insurance Law, passed in December, give mariners unemployment allowances and insurance coverage similar to those for land workers.

14. Materials for building or repairing 700 clinics and 40 hospitals were allotted Health Insurance and National Health Insurance agencies.

15. The death rate continued its downward trend in October.

EDUCATION

16. The series of two-day conferences on the organization of the new upper secondary school was completed, problems connected with the reorganization and with the status of schools in respective areas being studied.

17. Plans for the new four-year university progressed with meetings of the University Accreditation Association and completion of plans for giving aptitude tests for students applying for entrance to universities in 1948.

18. Workshops in teacher education have been held in all regions, planned and administered by local committees; the Ministry of Education completed a survey of educational backgrounds of normal-school teachers showing that 65.5 percent of teachers of regular normal schools and 77.8 percent of teachers of youth normal schools are university or college graduates.

19. Education for handicapped children becomes compulsory in April 1948 and handbooks are being prepared for use in their instruction; nine Braille textbooks for use of the blind have been printed.

20. Expansion of correspondence education is being studied by committees and groups of publishers, education officials and educators; the University Accreditation Association has set minimum standards for the university level.

21. Conferences on vocational education held in December discussed problems in agriculture and commercial teaching. A permanent national council on education and training for inmates of prisons and reformatories was formed.

RELIGION

22. Three withdrawals of religious organizations from larger groups were announced in December--the Japan Evangelical Lutheran Church and the Nazarene Church from the United Church of Christ in Japan and the Honpa Jodo Sect from the Jodo Sect of Buddhism.

ARTS AND MONUMENTS

23. The total of registered National Treasures reached 8,211 in December with the addition of 194 objects and structures.

24. Inspection of registered art objects continued with 2,733 National Treasure objects and 774 National Treasure structures inspected up to 24 December.

MEDIA OF EXPRESSION

25. Six major public opinion surveys were completed in December.

26. Information programs in economic affairs concentrated on alleviation of the coal and power shortage, urging increased production by producers and conservation by consumers.

27. A campaign to recruit 14,000 young men for an in-service police training program was launched.

28. Rural affairs information programs stressed rice collection and continued educative measures dealing with dissolution of the Nogyokai and formation of agricultural cooperatives.

29. Book production in November was the greatest achieved in any month since the beginning of the Occupation.

Press Comment

30. Political maneuvering dominated news and editorial comment in both metropolitan and prefectural newspapers. The succession of withdrawals and threats of withdrawals from organized political groups kept the status of parties and the political security of the Katayama Cabinet major journalistic interests.

Both Diet and Cabinet were widely criticized for lack of definite action in face of threats of further economic difficulties. Passage of the Bill for Temporary State Control of Coal Mines and the Economic Decentralization Bill was accepted without great editorial reaction, following months of heated discussion. Wage-price problems continued to dominate the thinking of economic writers, concern being centered in the demands of government employees for wage increases.

Radio, Theater and Music

31. Radio continued to serve educational and informational purposes with discussions of current problems and activities of public agencies.

32. The rebuilt International Theater in Tokyo, the largest theater in Japan, was opened 23 November.

33. A broadcast 16 December of a program by a school orchestra and mixed chorus was the first opportunity for a student orchestra to broadcast in Japan.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

SUMMATION
of
NON-MILITARY ACTIVITIES
in
JAPAN

Number 27

December 1947

PART II

POLITICAL

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SECTION 1

GOVERNMENT AND POLITICS

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INVESTIGATION OF HOARDED GOODS

Report of Kato Committee

1. The Diet and Japanese government agencies continued an intensive national drive in December to clear up the problem of hoarded goods.

2. The total value of hoarded and concealed goods released by the Japanese Government in the confusion and chaos of the surrender period exceeded ¥ 50,000,000,000, according to a report submitted by Kanju Kato, chairman of the House of Representatives Special Committee for the Investigation of Concealed and Hoarded Goods and released by Speaker Komakichi Matsuoka on 20 December.

3. The Kato Committee was created on 25 July as a result of testimony before the Lower House by Koichi Seko, former Parliamentary Vice-minister of Home Affairs in the Yoshida Cabinet, who charged that preliminary investigation had revealed that large quantities of essential materials were being hoarded throughout Japan. Widespread investigations were undertaken by this agency and by officials of the Economic Stabilization Board. Subsequently coordinated inquiries were launched by all national and local procuratorial officials.

These investigations indicated that the hoarded goods constituted a principal source of black-market supplies and that illicit profits derived from such illegal transactions were sometimes used to finance political manipulations.

4. The Kato Committee's report discussed the political background as well as the economic and social implications of the problem of hoarded and concealed goods. It stated, moreover, that the investigations into caches of hidden goods "encountered formidable opposition in various quarters" and that its work was repeatedly obstructed by "government officials and persons in various classes of society."

5. The Committee, which as a purely investigative agency lacked authority to take action on the basis of facts disclosed, recommended in its report that sufficient powers be delegated to the Diet and the Government to bring to account those responsible for illicit dealings and transactions.

Text of Report

6. The text of the report submitted to the House of Representatives by Chairman Kato of the Special Committee for Investigation of Concealed and Hoarded Goods follows:

PART I - INTRODUCTION

"Our economy has met with great difficulty since the surrender. Two problems have been critical--the shortage of food and a shortage of raw materials which rocks the foundation of our industries.

"It is, therefore, up to the Government and the National Diet to adopt policies and sponsor programs which will speed up the stabilization of Japan's economy. It will be necessary for some time to depend partly on food imports to maintain a reasonable and healthful diet in Japan. Importations thus far have exceeded Japanese exports by several hundred million dollars. Since such imports on credit cannot continue indefinitely, it becomes obvious that Japanese industrial production must be greatly increased to provide foreign exchange sufficient for the purchase of foodstuffs abroad.

"It is the purpose of this report to suggest an immediate method by which Japanese industrial production can be increased, by which the progress of inflation can be retarded, and by which export revenues can be released for meeting the deficit in the nation's food account.

"The method proposed is the immediate mobilization of all goods and materials which were held in stock at the time of the surrender, especially those publicly owned goods which were illegally diverted into private hands. At a conservative estimate the value of such goods--some of which have been diverted into the black market and some of which are still in concealment--exceeds ¥ 50,000,000,000; former Finance Minister Tanzan Ishibashi testified in August this year before your Committee that in November 1946 he received from GHQ a list of goods amounting to more than ¥ 100,000,000,000 in value which had been handed over to Japanese authorities by GHQ for general distribution. No satisfactory report on the disposal of that vast hoard has ever been made.

"Under Occupation directives it is the duty of the Japanese Government to discover the kind, quantities and price of such goods and materials; and it is the concomitant duty of the Government to channel into production all such goods which could contribute to the stabilization of the economy.

"It is significant, however, that no clear legal means is now in existence for dealing with the cases that have arisen out of such extremely lawless acts as were committed under the cover of postwar confusion. The Committee earnestly believes it will serve the interests of the Japanese people to review ineffectual legal measures taken since the surrender for the recovery of these public properties and to suggest measures which would enable the Government to deal effectively with the problem.

"In any investigation of hoarded goods it should be recognized that tremendous opposition will be encountered and has in fact been encountered repeatedly by the Diet's Special Committee on Hoarded and Concealed Goods. Among the general public there are those who fear a thorough-going exposure of concealed and hoarded goods because they themselves are often dependent on the black market and they fear their own sources of supply may be cut off. There are others who collaborated with the extreme militarists

during the war; in the chaos following the surrender those who had close relations with munitions factories were able to seize war goods in their possession and by the sale of these goods have since become extremely wealthy. In some cases these nouveaux riches have run for seats in the Diet or have financed the election of their personal spokesmen, thus gaining power in the political field. They wear a mask of democracy but in reality they swagger on the black markets and have prolonged confusion of the national economy. There are other officials in the central and local governments who have been corrupted by the illegal possessors of war goods and who fear to collaborate in exposing these frauds lest they themselves be implicated. The opposition to a fearless and honest exposure of postwar frauds extends to all levels of society and government. It is, therefore, obvious that the rights and interests of the Japanese public as a whole can be protected only by the active intervention and assistance of Allied Occupation authorities.

PART II - BACKGROUND

"Following Japan's message accepting the Potsdam Declaration, the Allied Forces transmitted a message containing instructions that the Emperor should issue cease-fire orders to all units under the command of the Japanese Army and Navy and should direct all such units to surrender their arms and follow all orders issued by Allied commanders.

"On 14 August 1945 the Japanese Cabinet, headed by Admiral Suzuki, met hurriedly and agreed upon the hasty disposal of all war goods possessed by the Army and Navy. In an effort to bridge the gap which developed at the time of the surrender between the people on one hand and the military forces on the other, it was decided to curry favor by distributing war goods and materials to government organs, public organizations, private factories and to private persons. In accordance with this decision, Army and Navy authorities instructed individual units to distribute as quickly as possible whatever war goods were then in their custody. In doing this the Suzuki Cabinet wilfully misinterpreted the purport of the Allied instructions; the Cabinet deliberately chose to understand that only arms and ammunitions should be handed over to the Allies and that all other war goods could be disposed of freely.

"On 15 August 1945 the Japanese army issued to each army unit Secret Instruction No. 353 in which the Cabinet decision of the previous day was implemented. In paragraph 1 this Instruction said:

'As a principle, war goods, materials and facilities for producing war goods should not be disposed of free of charge, but in the case of deliveries to local governments, etc., these goods can be delivered free of charge. In other cases where goods are sold it is not necessary that payment be made at once.'

"The Secret Instruction dated 15 August was delivered to subordinate commanders 16 August together with instructions that on the 17th and 18th all papers and documents of a military nature were to be burned or otherwise destroyed, but that papers and documents of a financial nature relating to such matters as war contracts and property rights were to be preserved. It is doubtful whether this order was carried out strictly along the lines laid down; subsequent investigation has disclosed that many documents which could establish the legal title to war goods are no longer in existence.

"On 20 August 1945 at Manila the Japanese Mission which arrived to negotiate for the formal surrender in Tokyo Bay was

handed General Instruction No. 1. This order formally instructed the Higashi-kuni Government to keep in good condition all war goods and materials in Japanese possession, including arms, munitions, explosives, equipment and other stocks of war goods. This order also made it clear that the Allied Forces would not permit the disposition of Japanese property and constituted a specific cancellation of the 14 August Cabinet order.

"Nevertheless, it was not until 28 August 1945 that the Higashi-kuni Cabinet formally rescinded its previous order. During this 13-day period from 15 to 28 August, substantial quantities of public property were removed from government storehouses, numerous illegal transactions transferring title to such property were consummated, and numerous records were altered or destroyed. Even after the order of 14 August was rescinded, the Higashi-kuni Cabinet did not make any real efforts whatever to reclaim the goods thus illegally disposed of. Unknown numbers of private individuals were left in possession of vast quantities of goods obtained originally with public revenues without having made any compensating payment to the public treasury. The goods thus diverted from their proper channels and the individuals thus enriched have remained throughout the Occupation as a cancer threatening the economy of this country.

"On 11 January 1946 SCAP sent the Japanese Government a memorandum inviting its attention to the illegal disposal of war equipment and supplies which took place between 14 August and 2 September 1945. The memorandum pointed out explicitly that the disposal of war goods after the surrender was not in accordance with the spirit of the Potsdam Declaration and ordered the Government to present a complete list of the goods released, a copy of the orders authorizing this diversion of property and a list of those responsible for issuance of the orders. The Government, from the records of the former War Ministry and Admiralty, presented the information requested in the GEC memorandum.

"The first concrete effort by the Japanese Government to recover property looted and illegally disposed of during the chaotic period following surrender was taken by the Shidehara Cabinet on 17 February 1946. At that time the Cabinet issued the 'Emergency Decree for Disposal of Hoarded Goods No. 88,' an order which had the effect of law. Under this Act, all those possessing certain stipulated goods were required to submit before 10 March 1946 three copies of a report listing such goods. These reports were to be submitted through prefectural offices to the Minister of Commerce and Industry. Possessors of such goods were ordered not to dispose of or move the property prior to 20 April 1946. To give effect to this order, it was provided in Article VII:

"The Minister concerned, or the Governor, can demand all necessary information concerning "goods under investigation" and "designated goods" from those concerned. Further, he can send officials to factories, workshops, stores, warehouses and other places for inspection with instructions to examine the condition of the business, the goods in question or the company's books and records. In this case the officials concerned must bear their identification cards."

"Following the April 1946 elections and during the negotiations which led to the formation of the Yoshida Cabinet on 22 May 1946, a contract was concluded on 16 May 1946 between the Chief of the Investigation Bureau of the Home Ministry and a group of private businessmen calling themselves 'The Arms Disposition Commission.' No legal foundation for this contract existed.

"The so-called Commission was formed by Takashi Komatsu as chairman of a group representing five Zaibatsu companies. The Commission was so formulated as to mislead the general public into believing it was an official government organization. Although the date of the contract is 16 May 1946, it appears from Paper No. 1 attached to it that negotiations for its conclusion had started in November 1945. At that time it was estimated that the Government would be able to recover 1,288,720 tons of public property valued at ¥ 1,289,600,000. During the time this Commission functioned, it actually recovered 835,102 tons of material on which it realized ¥ 957,700,000. It is worth noting that GHQ in November 1946 estimated the total value of recoverable goods at ¥ 100,000,000,000, but the total value of recoverable property at the time the Arms Disposition Commission was organized was estimated at only a little more than ¥ 1,000,000,000. These facts lead to a presumption that there exist serious cases of irregularity and dishonesty in this entire transaction.

"On 15 November 1946, according to his own subsequent testimony, Fanzan Ishibashi as Minister of Finance received from Allied authorities a list of so-called 'special goods,' which consisted of miscellaneous supplies and materials seized by the Occupation Forces immediately after the surrender and subsequently turned over to the Japanese Government for the use of the general public and for use in industrial production. Mr. Ishibashi testified before your Committee in August 1946 that he had no record whatever of the manner in which these goods were disposed of although it was estimated they were valued at approximately ¥ 100,000,000,000. He further testified that he had no knowledge of the revenue derived from the sale of these goods. This would seem to constitute prima facie evidence of the negligent and irresponsible manner in which the Government handled billions of yen worth of public property. There is a natural presumption that widespread fraud existed in the distribution of these commodities.

"In a belated effort to regularize disposal of war goods and to stimulate Japan's flagging economy, a joint Ministerial Ordinance was issued 25 January 1947 by the Ministries of Commerce and Industry and Agriculture and Forestry. This ordinance was entitled 'Regulations for Filing Inventories on Stocked Materials for Designated Production.' It was less an effort to uncover illegal transfers of war goods than an attempt by the Government to channel hoarded goods into production. It provided that owners of designated commodities in excess of stipulated amounts would file within 30 days a report on the quantities of such commodities in their possession and could dispose of such excess stocks only to authorized private manufacturers or government agencies.

"As a result of the proclamation in February 1946 of the Decree for Disposal of Hoarded Goods, it was assumed that theoretically no such stocks were still in existence. This assumption, however, was challenged in February 1946 by Koichi Seko, Undersecretary for the Home Ministry. As a result of investigations which he made during his term of office, he was convinced that large quantities of hoarded goods were still flowing into the black market and impeding economic recovery. Following the reorganization of the Yoshida Cabinet, Mr. Seko resigned from the Home Ministry. He then approached Finance Minister Ishibashi, who was concurrently Chairman of the Economic Stabilization Board, and urged that further steps be taken to expose hoards of concealed goods. As a result of his suggestions, the Yoshida Cabinet agreed on 14 February 1947 on the appointment of an investigating committee within the ESB. The Cabinet announced the creation of a committee composed of a chairman, a vice-chairman, members and some specialists. Mr. Ishibashi as chairman of the committee on 24 February 1947 appointed Mr. Seko a temporary member and vice-chairman.

"It should be pointed out that this committee was brought into being on the basis of an informal Cabinet agreement and without the legal foundation it might possess upon creation by Cabinet decree or ordinance. The dubious legal status of the committee was described later by Mr. Koichiro Kunishio, head of the Inspection Department of the Economic Stabilization Board, during testimony before the Committee for Public Order and Local Administration of the House of Representatives. Mr. Kunishio told the Committee in substance:

"The Committee for the Disposal of Hoarded Goods was organized 14 February 1947 in accordance with a Cabinet decision. The Committee was never legally authorized, however, at that time or later. Furthermore, it had no legal authority to expose goods or seize concealed goods. In effect the Committee was only an investigating organ. The responsibility for the actual exposure of concealed goods was in the hands of ESB officials in cooperation with the ministries concerned.

"The Committee's first meeting was held on 24 February 1947 at the Premier's house, but neither at that time nor subsequently was any formal resolution adopted to make the work of the Committee effective."

"Mr. Seko held office as vice-chairman of the Committee from 24 February until 11 April 1947. During that period numerous reports of hoarded goods were received and numerous attempts were made to investigate these reports. Since Mr. Seko had never received a written grant of authority, he took it upon himself to issue arbitrarily 'Seko Instructions for Exposure.' Altogether 144 of these orders were issued. Mr. Seko in a report of his activities made the following statement:

"Before I adopted the system of issuing instructions on hoarded goods in my name, I took the following steps. I picked up information which I thought creditable from many informants. Then I asked the informant to go to the Police Bureau and explain to the Anticrime Section the nature of the case. This Police Section, when it thought necessary, gave the informant a sealed letter asking the cooperation of the police in the area where the hoarded goods were concealed.

"Every time I issued an instruction I made an investigation beforehand. As I was afraid these orders might be abused, they were issued only in the name of the bearer and the term of validity was fixed. I made certain that no exposure could take place without the cooperation and certification of local police. Further, I tried to get the cooperation of lawyers in order to prevent the abuse of any civil rights.

"However, I was not successful in obtaining the cooperation of local police and other local officials. Instead, I encountered active resistance and noncooperation. As a result I gave up these efforts and called upon the public procurators for assistance.

"Among the abuses which occurred, despite my efforts, were cases of forged orders which were actually used by brokers to swindle the owners of concealed goods.

"My efforts were wholly unsuccessful and at the beginning of April most of the informants lost confidence in Japanese authorities and began to ask for the cooperation of Allied Occupation authorities."

"In the weeks that followed there were persistent whispers which accused Mr. Seko, among others, of shady dealings in connection with the disposition of hoarded supplies. Rumors circulated that vast sums of money were passing from hand to hand in deals which involved powerful brokers and their stooges in the bureaucracy and that huge stockpiles were disappearing mysteriously a few days before authorities were dispatched to investigate tip-offs on hidden goods. These rumors culminated on 10 July 1947 when, in a public statement made by Mr. Seko before the Liberal Diet Club, he charged openly that there were billions of yen in hoarded goods concealed throughout Japan and urged that the Diet itself form an investigating committee to examine the whole problem. He even intimated that members of the Cabinet were involved. Following various denials and countercharges, on 15 July Koichiro Kunishio, then serving as director of the Supervision Bureau of the ESB, and Hideo Nakayama, director of the Police Bureau of the Home Ministry, declared in testimony before the House Committee for Public Order that the Seko Committee met only once while Mr. Seko was vice-chairman and asserted that only 95 cases were investigated and that hidden goods were found in only five instances. These two witnesses testified that since the dissolution of the Seko Committee on 11 April 1947 the Economic Stabilization Board, operating independently, had investigated 282 cases and discovered concealed materials at 145 places.

"In view of the widespread publicity given Mr. Seko's charges and in view of the fact that unnamed Cabinet members were said to be involved in the scandal, the Cabinet felt obliged to take note of the case and the Diet itself considered the affair so serious that it was decided to create a committee for the investigation of the realities of this problem.

PART III - SPECIAL COMMITTEE FOR INVESTIGATION
OF CONCEALED AND HOARDED GOODS

"The House Special Committee for Investigation of Concealed and Hoarded Goods was created 25 July 1947 and held its first meeting the following day. Creation of the Committee was without precedent in Japanese legislative history. The Special Committee for Investigation of Concealed and Hoarded Goods is the first committee of investigation ever appointed by the Japanese Diet. From the outset, therefore, this Committee had to make its way in the face of numerous difficulties.

"The public is certainly entitled to believe that the Committee is morally responsible for investigating postwar frauds and the illegal concealment of goods. Actually, however, the Committee lacks authority to carry out this responsibility. The Committee is very strongly of the opinion that it cannot be expected to assume responsibility unless it has first been granted adequate authority. If the new Constitution is to be an effective instrument, the legislative branch must necessarily define its authority clearly and operate within the limitations thus set forth.

"At the very beginning of the investigation it became clear that there existed conflicting opinions on the Committee's proper function. At the Committee's second session, a lively debate took place when Kyuichi Tokuda suggested the investigation of Prince Higashi-kuni for his part in ordering the armed forces to surrender military supplies in their possession to civilians without compensation. This gave rise to a hot dispute. A member of the Democratic Party, Tetsuzo Kojima, vigorously opposed this suggestion and declared that the primary mission of the Committee is to channel hoarded goods into regular routes and not call the Government to account. On the other hand, there were those who believed the Committee could not possibly fulfill its proper

function unless it investigated the part played by Government bureaucrats in the concealment of hoarded goods. In this connection, the Nippon Times on 27 July reported:

"The case is a battle between party politicians and bureaucrats for profits accruing from hoarded stockpiles. Observers are of the opinion that the case came to a head when party politicians attempted to get a lion's share of the huge profits which bureaucrats were garnering out of the sale of hoarded supplies. The two groups came into frontal collision and the bureaucrats did all in their power to prevent the execution of Mr. Seko's drive for unearthing hoarded caches."

"Between 25 July and 15 October 1947, the Special Committee held 21 meetings during which it was in session 51 hours. Two subcommittee meetings were also held. In addition 17 committee members made six field trips on which they travelled 1,450 kilometers. All trips were taken at their own expense since no public funds have ever been appropriated for use of the Committee. On these trips they investigated:

- "(1) The Naval Arsenal, Samukawa-machi, Kanagawa Prefecture.
- "(2) Tochigi Prefecture.
- "(3) Iwate Prefecture.
- "(4) Toyokojo, Shizuoka Prefecture.
- "(5) Tokyo metropolitan area.
 - (a) Shimura, Itabashi-ku, Ishida Alloy Works.
 - (b) Suburb of Tachikawa--former Hitachi Aviation Factory.
 - (c) Chuo Ward--warehouses of Textile Control Association.

"During the course of the investigation this Committee has been convinced beyond any doubt that:

"First, vast quantities of goods formerly owned by the Japanese Army and Navy were disposed of to local authorities, businessmen and brokers and that the black markets have been flooded with these goods to the detriment of honest industrialists.

"Second, the Committee is convinced that all attempts to channel these goods into legitimate production channels have been frustrated by a combination of fraud and legal barriers. Mr. Seko during his investigation could not obtain the collaboration of local authorities. It seems fairly clear that in many cases understandings exist between the holders of goods and local authorities; frequently local authorities appear to have connived in legalizing the transfer of such property to private individuals.

"Third, the Committee is convinced that present decrees and ordinances are too limited in scope; many articles on which the Government has a legitimate claim are not included on the list of hoarded goods and thus are free from investigation.

"Fourth, the Committee has received evidence showing that existing authority is scattered and ineffectual; at present, authority to investigate hoarded goods is divided among the Ministry of

Commerce and Industry, Ministry of Agriculture and Forestry and the Economic Stabilization Board. Internal bureaucratic friction prevents united action.

"Fifth, the Committee has been handicapped by the failure of the Diet to approve a Cabinet proposal which would give greater authority to the economic inspectors.

"Sixth, the Committee is distressed at the failure of responsible officials to have kept adequate records on the disposal of war goods under Allied direction. On 13 August 1947 former Finance Minister Tanzan Ishibashi testified before the Kato Committee:

"I am sure that it was in the accounts of 15 November 1946 that GHQ transferred ¥ 100,000,000,000, more or less, worth of goods to the Japanese Government. Of course, these were goods which GHQ had taken over from the old Japanese Army and Navy and then returned to the Japanese Government; but included among the goods were building materials and machinery amounting to several tens of billions of yen. The Government has received papers pertaining to this matter. I want to know their whereabouts. If ¥ 100,000,000,000 worth of goods have been turned over to the Japanese Government, just where have they been turned over?

"I brought this matter up in a Cabinet meeting and investigated it. I had the Home Minister and other personnel report to me and had them investigate the case. But no such papers were found among the Government office data.

"Only about ¥ 20,000,000 or ¥ 30,000,000 worth of material seemed to have passed through the hands of the Home Ministry and nobody knows where ¥ 100,000,000,000 worth of stuff has gone to.

"I demanded that the whereabouts of these goods be uncovered, and after obtaining copies of the documents from GHQ, I instructed the president of the War Reconstruction Board to make copies of them. You can get the data if you ask Mr. Mikishi Abe, president of the War Reconstruction Board."

"The Diet has been disappointed by its inability to obtain documents and other relevant information from the executive branch of the Government in the course of this investigation. Various ministerial officials have appeared before the Committee to apologize for their failure to produce information which is essential to the inquiry. The Committee has submitted formal requests to the executive agencies for 19 reports covering various phases of the inquiry. Thus far only a trickle of this material has been made available to the Committee.

"In response to repeated, though unofficial, recommendations that the Government take drastic measures for the exposure of postwar frauds, the Cabinet on 14 September appointed a committee of 20 members, half of whom were public officials and the other half private citizens. This committee exists merely in an advisory capacity to the Government and has been of no assistance to the investigation conducted by the legislative branch.

PART IV.—CONCLUSIONS AND RECOMMENDATIONS

"During the first three months of its investigation, the Kato Committee has reached the following conclusions:

- "(1) The Suzuki Cabinet on 14 August 1945 acted in bad faith and did irreparable harm by ordering the secret disposal of Government property. The legality of that order is still in question and should be resolved by the courts or by the Diet itself. Other postwar Cabinets have not taken effective measures to recover the assets thus dissipated.
- "(2) The disposal of war materials after the surrender was tainted with favoritism and shady deals. Private individuals have profited fabulously and have nourished the black market.
- "(3) Local government and police officials have both actively and passively interfered with investigations of hoarded and concealed goods and in some cases have conspired with holders of concealed goods to legalize fraudulent transactions. Even the so-called 'special goods' returned to the Japanese Government by Allied authorities have been improperly distributed and no accounting has ever been rendered.
- "(4) Some hoarders believe the Allied Occupation is nearly over, so they withhold information on their concealed goods in the hope of escaping detection entirely. It is even possible that the secret disposal of military goods may have included arms and munitions which may still be in concealment.
- "(5) Present legislation for uncovering concealed goods is very inadequate.
- "(6) There should be no assumption or imposition of responsibility on either the legislative or the executive branch unless it is accompanied by a grant of adequate authority to fulfill the obligation thus incurred.
- "(7) A clear definition should be made between the responsibilities of the executive and legislative branches. The National Diet in any investigation which it may undertake should confine itself to a purely investigatory function. The responsibility for enforcing the laws should be placed squarely on the executive ministries. The legislative branches should not hesitate to investigate the conduct of any executive agency or individual and by placing responsibility for all derelictions in duty should contrive recommendations for amending existing law in such a way as to make it more workable and less subject to perversion or corruption."

Illegal Transactions Investigation Committee

7. Anticipating the Kato Committee's recommendation that sufficient powers be delegated to make possible a thorough investigation of persons involved in illegal transactions, the House of Representatives voted on 11 December to merge the existing committee with a new agency, the Illegal Transactions Investigation Committee, charged with bringing to account groups and individuals in political, economic and governmental circles involved in cases of hoarded goods.

The new Committee, a nonpartisan body, will be composed of 30 members nominated by the Speaker of the House of Representatives. Names of the committee members are to be announced at the

reopening of the Diet 21 January. The following wide powers and responsibilities were specified in the resolution creating the Illegal Transactions Investigation Committee:

- (1) "The Committee will make an over-all investigation of public property, private goods, hoarded and concealed goods, the specific property transferred by SCAP to the Japanese Government after 14 August 1945, idle goods, stocks that cannot be explained, goods essential to economic reconstruction, and false purchase and sale of nonexistent goods, and the profits.

"The aim of investigation is to clarify the responsibility of public officials; employees of companies, unions, and associations; and all individuals who betrayed the people's trust through illegal transactions. In this investigation will be included the relation of the aforementioned persons to the ministries and central and local government agencies, the Diet and its members, parties and the public officeholders who deprived or contributed to depriving interests and property of the people or acted openly or secretly against the public interest.

- (2) "The Committee and its subcommittee may call a witness or request presentation of books and documents when it is deemed necessary regardless of whether the Diet is in session, in recess, or closed. The expenses needed for this purpose may be appropriated. The Speaker of the House may appoint advisers, a director, experienced persons, consultants, technicians, and additional business assistants and decide on their remunerations at the chairman's request when it is deemed necessary.

"The Committee's expenses will not be permitted to exceed ¥ 250,000. The Speaker will pay the expenses from the reserve fund of the House of Representatives, at the request of the chairman or the director nominated by the chairman. The said sum will cover the expenditures until the third session of the Diet is convened.

- (3) "The Committee must file an investigation report to the House of Representatives at least once a month. In case the House is in recess or is closed, the said report will be presented to the Speaker. The Speaker will report it to the House of Representatives when it is opened. The Committee's reports must all be open to the public."

6. The Supreme Procurator's Office announced on 18 December that it would send investigators into all parts of the country to uncover cases of hoarded goods. Supreme Procurator Morita Fukui declared that his office would investigate all phases of the problem independently of the special committee of the Lower House.

The Cabinet on 23 December decided to advocate the enactment of a law authorizing the addition to the Public Procurator's Office of 556 special investigators charged with the detection of hoarded and concealed goods. An additional 23 procurators and 1,000 investigators had been authorized for the Public Procurator's Office inspection staff in November.

POLITICAL DEVELOPMENTS

Katayama Denies Reports Concerning "Secret Government"

9. On 29 November Prime Minister Tetsu Katayama denied press reports of a "secret underground government" in Japan--in large measure occasioned by reports that funds derived from the disposal of hoarded goods were being used for political purposes--and expressed his conviction that democratic forces are now strongly entrenched. The Prime Minister in the House of Councillors in response to a question by Goro Hani, independent, said:

"I think there is no such thing as 'underground organizations' in this country. Nor do I think there is any evidence of a scheme by such organizations to destroy through violence the party government chosen by the Diet or to set up an extreme rightist regime.

"For there has been laid a firm base for democracy as a result of the collapse of the military clique, the dissolution of ultranationalistic bodies and the disbandment of the Zaibatsu and through the formation of labor unions and the promotion of farmer unions.

"I believe the nation will never be sympathetic with organizations manifesting totalitarianism or ultranationalism and endeavoring to seize the government by violence.

"However, the democratization of this country is still in progress, and redoubled efforts should be made by the people for the attainment of the goal of democratization. At present, we must admit that there still remain some remnants of feudalistic days.

"We cannot deny the existence of gangsters organized on the 'oyabun-kobun' system under the name of 'gumi.' By strong leadership, the Government is determined to eradicate them.

"The Government deems it a duty of life-or-death importance to fight that feudalistic influence to the end. The Government is also determined to take stringent steps against anyone, irrespective of ideologies, who tries to seize the government by violence or other illegal means."

Law for Temporary State Control of Coal Mines

10. The House of Councillors on 8 December approved the controversial Bill for Temporary State Control of Coal Mines by a vote of 132 to 79.

Earlier in the day the Upper House Mining and Industry Committee had rejected the bill by a vote of 15 to 13 after defeating attempts by two Ryokufu-kai members and one Communist to amend the bill. Democratic leaders of the Upper House had decided on 7 December to vote for the bill without amendments while the Liberal Party had intended to present a vote of nonconfidence in the event of drastic revision or rejection of the bill.

Despite the rejection by the Mining and Industry Committee, the bill was brought to the floor of the House when 20 members, availing themselves of the privilege granted under the house rules, presented to the General Secretariat a petition requesting that the bill be voted on during a plenary session.

11. Minister of Commerce and Industry Chozaburo Mizutani hailed enactment of the coal bill as a significant victory for the Katayama Cabinet, adding that "the Government will endeavor to

cooperate closely with management, labor and other parties concerned in executing the law."

12. The newspaper Asahi declared in an editorial that the measure would be effective only if Government, capital and labor would cooperate wholeheartedly.

"At this time when reconstruction of the Japanese economy depends upon the coal industry and the coal industry cannot be easily reorganized under a private enterprise system, the expectations which we place on enforcement of state control are very large. However, this is not to say that we may well be optimistic over results of the state control of coal mines.

"Coal mine entrepreneurs retain their right of management under the state control system. The future course of capitalists, therefore, must be to accept the state control system and to devise a new form of enterprise," Asahi commented.

"In deciding a new form of enterprise, the mind and action of labor will play an important role. . . It is the duty of enlightened workers to make good the lack of thoroughness of the state control law by their initiative and to force capitalists to strive for increased production.

"However, the Government has to assume the greatest responsibility. The Government must breathe new life and ideals into the system by appointing civilians and by renovating the central and local coal mine control committees and the Coal Board. If bureaucracy is eliminated, the opposition to state control on the part of vested interests will naturally be neutralized."

The Budget and Economic Rehabilitation

13. The problem of compiling the general budget for the fiscal year 1948-49 and the concomitant need for formulating a general program of economic rehabilitation on which to base budgetary policies occasioned some controversy within the Government.

14. Minister of Finance Takeo Kurusu gave a preliminary explanation of the Government's general economic objectives in the House of Representatives on 25 November. Increased production, promotion of foreign trade, curbing of inflation, administrative reorganization and industrial rationalization would be effected, he declared. Elaborating on the subjects of administrative reform and industrial rationalization, Kurusu promised that the Government would meet the problem of mass discharges of workers resulting from these measures by appropriating money for unemployment relief and by reallocating the displaced labor force.

Kurusu acknowledged that the Japanese people would have to continue enduring austerities during the next fiscal year but predicted improved conditions the following year.

15. Prime Minister Katayama on 5 December declared that the Government was determined to achieve a thorough overhauling of its administrative structure and had set up a committee headed by State Minister Takao Saito to plan the necessary reforms. He made it plain that the Government would not refrain from discharging surplus workers out of fear of antagonizing organized labor.

16. The Political Affairs Research Committee of the Social Democratic Party on 8 December announced its recommendations on economic policies relating to the budget. The Committee, headed by Masaburo Suzuki, demanded suspension of interest payments on war bonds and frozen bank deposits, levying of a second property tax,

additional taxes on nonessentials, emphasis on structural reorganization of the Government's administrative machinery and modification of the authority of the Minister of Finance over compilation of the budget.

17. The Democratic Party in a statement issued by Democratic Secretary General Giso Tomabechi on 11 December rejected the demands for suspension of interest on war bonds and the imposition of a second property tax. These proposals, the statement charged, constituted a contravention of the four-party policy agreement which laid down the conditions for the creation of the Katayama coalition Government. The adoption of such measures would create serious economic instability, it was claimed. Tomabechi added that the policies urged by the Political Affairs Research Committee of the Social Democratic Party did not represent the official position of the Party as a whole.

Tomabechi upheld the authority of the Minister of Finance in compiling the budget and urged the necessity for careful study of economic policies and full exchange of views with the Economic Stabilization Board and among the Government Parties. He declared that his Party was now studying concrete measures with the objective of making the fiscal year 1948-49 "the first year of our economic recovery."

18. The Committee's proposals also drew criticism from Chief Cabinet Secretary Sushiro Nishio, secretary general of the Social Democratic Party, who declared on 16 December that the proposals merely represented the personal views of committee members. He characterized as unpractical the demands for suspension of interest on war bonds and the levying of a second property tax and stressed the need for adopting policies that would not alienate other members of the coalition Government.

Abrogation of Four-Party Agreement Proposed

19. A proposal to abrogate the four-party policy agreement, formulated by the Liberal, Democratic, Social Democratic and People's Cooperative Parties prior to formation of the Katayama Cabinet, was announced by the Social Democratic Political Affairs Committee on 13 December. The Committee declared that the Liberal Party's repudiation of the agreement last August had invalidated it and charged that the accord had imposed serious limitations on the Government in its attempts to cope with present problems.

The Committee's chairman, Mosaburo Suzuki, asserted that the most important measures undertaken by the Government on the basis of the agreement had ended in virtual failure, and warned that unless the agreement were scrapped it would seriously obstruct efforts of the Economic Stabilization Board, the Ministry of Finance and the Political Affairs Research Committee of the three Government Parties to establish basic policies governing compilation of the 1948-49 national budget.

20. Simultaneously the Satsuki-kai, a group of left-wing Social Democrats of both Houses of the Diet, announced support of Suzuki's demand for scrapping the four-party policy agreement and suggested that a new agreement be formulated based on:

- (1) Restoration of the autonomous status of the Social Democratic Party.
- (2) Energetic re-enforcement of emergency measures.
- (3) Avoidance of interparty interference.

21. Although the Political Affairs Research Committee's proposal was promptly denounced by Chief Cabinet Secretary Nishio who declared that the four-party policy was still binding, Democratic Party President Hitoshi Ashida made a statement indicating that he was not opposed to conclusion of a new three-party policy agreement relating to issues which had arisen since formulation of the four-party agreement. Nishio responded by expressing willingness to draw up a new agreement under those terms.

22. On 24 December, the Government initiated a series of economic conferences to study Minister of Labor Mitsusuke Yonekubo's plan for labor policy, the plan for administrative readjustment formulated by State Minister Takao Saito's Administrative Research Board, Economic Stabilization Board Director Hiroo Wada's long-ran economic program and wage-price relations plan and Minister of Finance Kurusu's tax revision plan.

23. On the eve of these conferences Prime Minister Katayama issued the following statement:

"Although various rumors are now current regarding the political situation, I am resolved to carry on the work of the Cabinet in the present setup. For this reason, unnecessary friction among the three Government Parties should be avoided as much as possible. It is impossible to accept the extreme policies advocated by the leftists in our discussion of the proposed three-party policy agreement. I wish to lay stress on the measures needed to overcome the present crisis.

"Fears are expressed in some sections of the Government Parties regarding the leftists' activities, but I am confident that I can bring about a solution."

THE NATIONAL GOVERNMENT

Dissolution of the Home Ministry

24. The Law Abolishing the Home Ministry, enacted by the Diet on 8 December, became effective 31 December, marking the end of an organ which had long been an instrument of oppression for the Japanese people. An agency similar to the Home Ministry existed as early as 649 A.D., but it was not till 1868 with the Meiji Restoration that it became the most important ministry of the Government.

25. For a period of 75 years, commanding extremely extensive powers, the Home Ministry held a peculiarly important place in Japanese life. The Police Bureau alone, controlling every phase of Japanese domestic economy, dominated the daily life of every family in Japan. By its power to appoint and to remove prefectural governors, to discipline mayors and headmen, and to administer funds, the Home Ministry with its army of inspectors, local agents and secret investigators dictated to each small community in Japan.

26. Much of this strict control was stripped away by provisions of the new Constitution and subsequent reform laws which facilitated local autonomy, giving voters in each town and prefecture the right to select and to dismiss their own officials.

27. Desiring to further decentralize the Government, to re-educate the people in concepts of governmental responsibility and to afford increased democracy in Japan, the Cabinet on 27 June recommended the abolition of the Home Ministry, with transfer of many of its functions to local bodies and other more appropriate governmental agencies. A bill for this purpose was introduced in the Diet on 21 November and was passed by the House of Representatives

and approved by the House of Councillors on 28 November and 8 December respectively.

28. The Law Abolishing the Home Ministry complements other legislation enacted during the First National Diet. The Local Autonomy Law granted autonomy to the prefectural, city, town and village governments. A sweeping reorganization of the police and judicial systems, including the complete decentralization of the national police force and the establishment of an Attorney General's Office, further reorganized former important functions and responsibilities of the Home Ministry.

A Construction Board attached to the Prime Minister's Office was formed by amalgamating the Public Works Bureau of the Home Ministry and the War Damage Rehabilitation Board. The law establishing the Construction Board was enacted by the Diet on 8 December.

The National Election Management Commission, also under the Prime Minister, is to handle the administration of all elections.

A Local Finance Committee operating on the Cabinet level was created by a law enacted by the Diet on 1 December. The Committee is charged with the responsibility of drafting a plan of local taxation which will be used as the basis for future legislation.

Remaining functions of the dissolved Home Ministry are to be assumed by a provisional Domestic Affairs Bureau with a secretariat made up of three members: a State Minister, a member appointed from among representatives of local bodies and a Diet member.

29. From 1 January to 7 March 1948 this temporary Domestic Affairs Bureau will have jurisdiction over the police system. A new National Public Safety Commission and Local Public Safety Commissions will then assume all police responsibilities.

30. On 26 December the Government announced the appointment of Kozasemon Kimura, incumbent Home Minister, to become president of the Construction Board, State Minister Giichi Takeda to become chairman of the Local Finance Committee, and Keizo Hayashi, present chief of the Local Government Bureau of the Home Ministry, as director of the provisional Domestic Affairs Bureau.

Establishment of Attorney General's Office

31. The Diet on 8 December passed the Law Concerning the Establishment of the Attorney General's Office. Promulgated on 17 December to become effective on 15 February, the Law implements a letter of the Supreme Commander to Prime Minister Katayama dated 16 September.

The letter pointed out that with the complete separation of the judiciary from the executive branch of the Government according to the new Constitution, the Ministry of Justice is no longer responsible for the administration of justice, as far as the courts are concerned, and that the public procurators have become subject to the rule-making power of the Supreme Court. On the other hand, the letter emphasized the responsibility of the Cabinet for executing the Constitution and the laws enacted by the National Diet.

To reflect this constitutional separation of powers adequately it was suggested that the Ministry of Justice be replaced by an Attorney General to sit in the Cabinet as Minister of State and to serve as the chief legal adviser of the executive branch of the Government. Simultaneously, it was envisaged that the new

office would absorb the functions of the present Legislative Bureau of the Cabinet, which would be dissolved in the interest of governmental efficiency and economy.

32. The Law Concerning the Establishment of the Attorney General's Office characterizes the Attorney General as "the supreme adviser of the Government in legal questions." All matters concerned with criminal prosecution and civil litigation, the drafting and examining of all Cabinet bills, research and expression of legal opinions, as well as a number of purely executive functions, will come under the jurisdiction of the Attorney General. Five Assistant Attorneys General will be in charge of prosecution, legislation, research and opinion, litigation and executive operation respectively.

In addition, a Secretary General will supervise and direct the business of the Secretariat and handle personnel, budget and accounting matters.

33. Each Assistant Attorney General's Office is subdivided into several bureaus. Certain functions closely related to Occupation policies will be taken over by the Attorney General from the dissolved Home Ministry. A Special Examining Bureau under the Prosecution Assistant Attorney will have the task of preventing the formation or effecting the dissolution of ultranationalistic and other subversive organizations. This Bureau will investigate and exercise surveillance over former regular officers of the Army and Navy and over purges to enforce legally defined restrictions concerning their political and economic activities.

34. The Office of the Executive Assistant Attorney will be responsible for a large number of administrative functions entrusted to the following bureaus:

- (1) Civil Affairs Bureau, in charge of matters concerning nationality, hitherto in the Ministry of Home Affairs; all types of registration, including registration of aliens; matters concerning deposits; notarial acts; judicial affairs bureaus and disposal of properties of dissolved organizations.
- (2) Civil Liberties Bureau, to promote and protect the fundamental rights of the people as guaranteed in the Constitution of Japan and to take charge of matters concerning habeas corpus and legal aid to the poor.
- (3) Correction and Rehabilitation General Affairs Bureau, in charge of planning and administration of prisons and problems of training and rehabilitation of prisoners.
- (4) Adult Correction and Rehabilitation Bureau, to deal with problems of adult training and rehabilitation.
- (5) Juvenile Correction and Rehabilitation Bureau, in charge of correction and rehabilitation of juvenile delinquents.

35. Far-reaching jurisdictional changes in the field of juvenile delinquency are stipulated in the Law. It provides that until 31 March 1948 the Attorney General shall continue to exercise functions exercised hitherto by the Minister of Justice who had charge of all types of juveniles, whether delinquents, neglected or morally endangered. From 1 April a clear distinction will be made between those juveniles who have been placed under correction by a Juvenile Court and other juveniles who only need care and protection.

Jurisdiction over the two types will be divided between the Minister of Justice and the Minister of Welfare.

The Law also establishes the long-range policy that from 1 April 1949 correction and rehabilitation will be administered only in public reformatories under jurisdiction of the Attorney General with private reformatories continuing under the jurisdiction of the Minister of Welfare for the purpose of training, education and rehabilitation of neglected or morally endangered children.

New Ministers Appointed

36. Three new Cabinet Ministers of whom two are Democrats and one a Social Democrat were appointed in December. Tokutaro Kitamura resigned his chairmanship of the Political Affairs Research Committee of the Democratic Party to succeed Giso Tomabechi as Minister of Transportation while Giichi Tokuda resigned as secretary general of the Democratic Party to replace Heima Hayashi as Minister of State.

Kanae Hatano, vice-chairman of the Political Affairs Research Committee of the Social Democratic Party and member of the House of Councillors, was appointed Minister of Agriculture and Forestry on 13 December to succeed Rikizo Hirano, who had been dismissed from his post by the Prime Minister. Hatano's appointment came after a protracted controversy within the Party over the question of Hirano's successor.

37. Tokutaro Kitamura, born in Kyoto in 1886, is a graduate of Kansai University. A banker, he became president of the Sasebo Commercial Bank in 1923 and is now president of the Shinwa Bank of Sasebo. He is also a director of two marine products companies. In April 1946 he joined the Progressive Party and became vice-chairman of its Political Affairs Research Committee. He joined the Democratic Party in 1947. Kitamura has been prominent in various Christian, civic and educational societies.

Giichi Takeda, born in Ishikawa Prefecture in 1894, was graduated from Kyoto University. He was a member of the Minseito from 1929 to 1936 and served in the House of Representatives in 1930 and 1932. In 1936 he entered private industry and is at present a director of various industrial enterprises.

Takeda joined the Liberal Party in November 1945 and was elected to the House of Representatives in April 1946. The following year he joined the newly organized Democratic Party and was elected as a representative again. At present he is a member of the Foreign Affairs Committee and the Public Welfare Committee of the Lower House.

Hatano is 51 years old and a native of Aichi Prefecture. Following graduation from Tokyo University he joined the South Manchurian Railway Company. He became professor of economics at Doshisha University and subsequently served at Kyushu University, resigning when elected to the House of Councillors in April 1947. He is the author of numerous works on economics.

POLITICAL PARTIES

Social Democratic Party

38. The long-deferred question of a successor to former Minister of Agriculture and Forestry Rikizo Hirano caused a bitter controversy within the Social Democratic Party, whose prerogative it was to designate Hirano's successor.

Because of the four-party agreement which preceded formation of the Katayama Cabinet, left-wingers of the Party, known as the May Society (Satsuki-Kai), were generally denied substantial voice in the Government. When the right-wing group, supporting Chief Cabinet Secretary Sushiro Nishio, was obliged to seek left-wing aid in its dispute concerning Hiranō, members of the left wing saw an opportunity to gain some degree of influence over governmental policies. They therefore supported Masaru Nomizo of the Japan Farmers' Union, whose anti-Communist stand was believed to make him acceptable to conservatives.

However, the Peoples' Cooperatives, who draw their support from the farmers, were determined to prevent any leader of the rival Japan Farmers' Union from occupying the strategic agriculture post. They therefore threatened withdrawal from the Cabinet if he were appointed.

Efforts by Minister of Commerce Chozaburo Mitutani for a compromise ended in failure. On 5 December a group of approximately 30 Social Democratic members of the House of Representatives proposed Kanas Hatano, member of the Upper House, as a compromise candidate. Overriding the prompt rejection by the May Society, the Prime Minister on 13 December appointed Hatano.

The May Society vigorously protested, stating that the Government was "completely disregarding the wishes of many members of the Social Democratic Party and yielding to outrageous intervention by other Parties." The statement charged that Social Democratic Cabinet members had abandoned their own Party's leadership within the Government and had caused the Administration to "degenerate into a three-party coalition Cabinet dominated by the Democrats and the People's Cooperatives."

"The Cabinet's action," the statement continued, "also represented a rebuff to the Japan Farmers' Union, the largest farmers' organization in the country, seriously obstructed solution of the urgent food problem, and destroyed hope for the successful execution of the original policies of the Social Democratic Party."

"Now that things have come to this pass," the statement continued, "we feel compelled to maintain freedom of action and stern criticism toward the present coalition Cabinet, and carrying on our fight while adhering to our Party's own policies, we will seek to defend the Social Democratic Party and thereby come up to the expectations of the working masses."

In a statement issued on 17 December the Japan Farmers' Union voiced dissatisfaction over Prime Minister Katayama's refusal to appoint Nomizo, claiming that only a Minister of Agriculture with strong farmer backing could hope to deal successfully with agricultural and food problems confronting the nation. Hatano, the Union declared, was in no way associated with the farmer movement.

Chief Cabinet Secretary Nishio in a 23 December statement denied charges of Social Democratic subservience to the conservatives.

"We have a coalition government today because no single party is in position to shoulder the political situation alone, and, accordingly, it is essential that all of the Government Parties assert their respective views and at the same time respect the stands of the others," he declared. "In overcoming the present crisis, we must think first of the nation and the prosperity of the people as a whole, rather than the interests of any one party. No party represented in the coalition is contemplating the overthrow of the Cabinet, although each is presenting its own ideas very strongly. For these reasons, I am confident that cooperation is possible."

39. The dismissal of Hirano from the Cabinet on the charge of fomenting Cabinet disunity occasioned strong resentment among his followers. On 16 December a spokesman for the group announced plans for secession from the Social Democratic Party to form a new party headed by Hirano.

Advocates of the proposed party declared that they expected to win the support of at least 20 Social Democratic Diet members affiliated with the National Farmers' Union, headed by Hirano, as well as 20 Peoples' Cooperatives, five members of the Dai Ichi Club, six members of the Farmers' Party and a number of Democrats.

Banboku Ono, secretary general of the Liberal Party, immediately announced that Hirano's proposed party would cooperate with the Liberals and the former Democrats of the Doshi Club in forming the new conservative "national liberation" party sponsored by the Liberal Party.

Chief Cabinet Secretary Nishio on 17 December declined to regard the Hirano movement as a real threat to the Social Democratic Party, especially since Hirano's followers would refrain from taking definite action until a decision on Hirano's purge is handed down by the Central Screening Committee.

The Osaka Prefectural Council of the National Farmers' Union on 23 December announced its decision not to support the projected new party. The Council's executive committee also decided to make representations to National Farmers' Union headquarters in Tokyo, demanding that the Union refrain from taking part in political movements and urging concentration upon basic objectives of a farmers' organization.

The Liberal Party and Doshi Club

40. The Liberal Party won an ally in its drive for the formation of a new conservative "national salvation" party with the organization of the Doshi Club under the leadership of Kijuro Shidehara. The Club, which was formally recognized as a Diet members' negotiating body on 3 December, included 23 former Democrats who had been expelled or had resigned from the Democratic Party because of their opposition to the Bill for Temporary State Control of Coal Mines. Formation of the Doshi Club represented the culmination of extended strife between the dissident minority faction, led by Shidehara, and the majority faction headed by Hitoshi Ashida.

Although the Shidehara group had favored withdrawal of the Democrats from the Katayama Cabinet and merger with the Liberals to create a new unified conservative party, the Doshi Club made no immediate move to merge with the Liberal Party. On 5 December leaders of the Doshi Club and the Liberal Party agreed not to undertake "concrete action" pending formulation of the policies of the new conservative party.

In a move to facilitate recruitment for the projected unified conservative party, the Liberals and the Doshi Club agreed on 17 December to establish a New Party Promotion League. The projected League would maintain close liaison with dissident Social Democrats, led by former Minister of Agriculture Rikizo Hirano, and with the New Political Council, consisting of the Peoples' Cooperatives and a number of Farmers' Party and Dai Ichi Club members. The Liberals announced that their Party would hold a caucus on 8 January when important decisions would be taken in regard to the new-party movement.

Democratic Party

41. The Democratic Party decided on 1 December to undertake certain changes in its leadership in order to "revitalize" the Party. Minister of Transportation Gizo Tomabechi resigned his Cabinet post on 1 December to replace Giichi Tokuda as secretary general of the Party. The latter was appointed Minister Without Portfolio to fill the vacancy left by Democratic former State Minister Heima Hayashi who had resigned and had been purged. Tokutaro Kitamura resigned his chairmanship of the Party's Political Affairs Research Committee and assumed the post of Minister of Transportation.

The Party's reorganization was completed on 10 December. The reshuffle was featured by the enlistment of new party officers from among Upper House Democrats and the expansion of the Party's policy-making Political Affairs Research Committee.

State Minister Takao Saito was installed as the Party's supreme adviser, while the new advisory staff included State Minister Giichi Takeda, Minister of Transportation Kitamura and Minister of Welfare Sadayoshi Hitotsumatsu.

The chairmanship of the important Political Affairs Research Committee went to Heitaro Inagaki, chairman of the Upper House Mining and Industry Committee. Four additional departments dealing respectively with labor, agriculture, medium and small enterprises, and foreign trade were created within the Committee.

42. The Executive Committee of the Democratic Party on 4 December approved a tentative plan for winning over all labor unions not affiliated with either the National Congress of Industrial Unions or the General Federation of Japanese Trade Unions.

43. Democratic Party leaders rejected all Liberal Party appeals to join in a unified conservative party and repeatedly reaffirmed their support of the Katayama Cabinet.

Peoples' Cooperatives and Minor Parties

44. The Peoples' Cooperative Party, smallest of the Government Parties, early in December launched a drive to strengthen itself by winning the support of the Japan Farmers' Party and the Dai Ichi Club, both minor Diet groups. As a preliminary step, a New Political Council was established on 5 December under the sponsorship of the Peoples' Cooperative Party, seven members of the Dai Ichi Club, and six members of the Japan Farmers' Party to maintain liaison among the three groups and formulate political principles and policies for a new political party which would be neither capitalist nor socialist.

Subsequently, former Minister of Agriculture and Forestry Rikizo Hirano proposed that the New Political Council join his group of dissident Social Democrats to form a new anti-Government party under his leadership.

On 20 December Minister of Communications Takeo Miki, head of the Peoples' Cooperative Party, rejected such collaboration. Citing the concession made by the Government on the candidacy of Masaru Nomizo for the Agriculture portfolio and emphasizing the ideological divergency of Hirano's proposed party, Miki declared that his party would remain loyal to the Government.

New Party Movements

45. Commenting on the multiplicity of new party maneuvers, the Nippon Times declared editorially:

"To those who try to follow the complicated day-by-day developments in Japanese politics, Japan might still appear to be as hopelessly removed from true democratic government as ever. For the activities of the political parties apparently continue to be manipulated by professional politicians for the sole purpose of advancing their factional interests in utter disregard to the will of the people.

"This impression has been strengthened by the events of the past several days in which the various movements for the formation of new political parties have become particularly vigorous. Dissident cliques within practically every party are flirting with dissident cliques of other parties with the view to forming new alignments and merging into new groups. Apparently no combination is so bizarre as to be altogether beyond consideration. And these projected desertions and new groupings and mergers are changing shape so fluidly and so rapidly that none but a relatively few initiates can keep up with the complicated moves. It is certain that the vast majority of the general public cannot comprehend what they are all about.

"The inescapable conclusion would seem to be that Japanese politics is a private game for a closed circle of professional politicians. Parties are formed and broken and reformed with little regard for real national issues and even less regard for what the voting public may think. Obviously these complicated political maneuvers are not taking place in response to any demand on the part of the people at large and do not reflect the will of the people. If anything, the people are puzzled and rather resentful over it all.

"Yet, the situation is not really as discouraging as it may appear. Despite the fact that the short-range tactics of Japanese politicians seem to follow the traditional pattern of kaleidoscopic changes motivated by expediency, some significant long-range differences can be discerned which point to gradual improvement.

"For instance, although it may be true that the general public has little direct control over the detailed activities of the politicians, there has nevertheless come to be a great change as to who controls these politicians. In the olden days the politicians were the puppets of the militarists or the Zaibatsu or the great political bosses who were altogether unaccountable to the people. Today the militarists and the Zaibatsu have disappeared from political control.

"Political bosses still exist, but they are petty men as compared with the great wire-pullers of past decades. Backeteers and gangsters undoubtedly control corrupt political machines, but these elements, whose power is based on profits from postwar black-market and construction rackets, have not had time to acquire the systematized organization nor the concentrated resources comparable to those of the old Zaibatsu. And fortunately, before these elements have become too firmly entrenched, they are already beginning to be smoked out by publicity. Tangled and inadequate as the Diet investigation of the graft connected with hoarded goods may be, such publicity as is being given to the recently released interim report of this investigation is the sort of thing which will help to make it increasingly difficult for politicians to maintain their ties with antisocial forces.

"But most promising, probably, is the healthy influence of organized labor and of the organized peasantry. It is true that the proper sphere of labor union activities is not politics, but it cannot be denied that organized labor tends to be keenly interested in the bearing which politics has upon labor problems. The politicians have therefore become highly aware of the voting

strength of this politically conscious organized group, and it has become a political axiom of contemporary Japan that no government can hope to survive unless it enjoys at least the tacit support of one of the two main groups into which organized labor is aligned. This important influence of organized labor is certainly an altogether new factor in Japanese politics tending toward greater democracy.

"The way in which the various political groups are beginning to scramble to capture the support of the organized small farmers also indicates that the balance of political power in the rural districts is rapidly changing. The monopoly of power which the large landowners used to enjoy is being broken up, and to judge from the way in which the professional politicians are trying to line up the farmers' unions and other similar bodies, they are coming to recognize that the organized peasantry will eventually come to be as politically influential as organized labor.

"Thus, below the froth of Japanese politics which appears to be as unstable and unsubstantial as ever, there are powerful ground swells which indicate that the tide of Japanese political development has begun to sweep toward greater democracy. The professional politicians may still be playing their traditional game of factional chicanery, but they are gradually being forced to learn that they can no longer ignore the organized bodies of citizens whose influence for democracy is steadily growing."

The Communist Party

46. The Communists convened the sixth national convention of their Party on 21 December. Delegates approved an "action platform" calling for strict observance of the Potsdam Declaration, national economic recovery, establishment of a democratic people's front, accomplishment of agrarian revolution, nationalization and popular control of all banking institutions and key industries and international cooperation among the working masses.

A new Central Committee, enlarged from 20 members to 25, was elected. Most former members of the Committee were returned to office.

Kyuichi Tokuda was re-elected secretary general of the Party. Nine members, Tokuda, Sanzo Nozaka, Hoshio Shiga, Kenji Miyamoto, Shigeo Shida, Ritsu Ito, Ko Hasegawa, Hojiro Kanno and Kin Jenkai, were elected to the Political Bureau, the Party's top policy-making organ.

THE DIET

Niigata By-election

47. A by-election held in Niigata on 20 December to fill two vacancies in the House of Representatives resulted in the election of one Liberal and one Democrat. Hiroshi Matsumoto, Liberal, was elected with 37,232 votes while Yoshiyuki Funasaki, Democrat, was elected with 21,885 votes. A total of 88,311 valid votes were cast in the election.

Party Membership of the House of Representatives

48. The membership of the House of Representatives now consists of 140 Social Democrats, 121 Liberals, 104 Democrats, 32 Peoples' Cooperatives, 22 Doshi Club members, 15 Dai Ichi Club members, eight Farmers' Party members, four Communists, and three independents, making a total of 449 with 17 vacancies.

49. Following are brief summaries of the most important laws enacted during the First National Diet session:

(1) National Public Service Law: Enacted 16 October.

Designed to effect reorganization of Japan's bureaucracy, the Law provides for a National Personnel Commission which will establish standards for all civil-service positions and will supervise and coordinate the work of personnel directors in the various ministries and agencies.

In the past civil-service officials were trained to serve the Emperor and were not accountable to the people for their acts. Almost the only persons advanced to controlling posts were those passing the so-called Higher Civil Service Examination which emphasized administrative law. Operating to favor graduates of the law department of the Tokyo University, it gave that institution a near monopoly of higher civil-service positions. In the future appointments to the civil service must be made on the basis of competitive examinations or evaluations open to all persons and dismissals will be made only for reasons of inefficiency or dereliction of duty. Promotions will be based on merit rather than on seniority as heretofore, with pay based on degree of complexity of duties and responsibility. All employees are guaranteed the right to apply to the Commission for the adjudication of salaries, wages, working conditions, or to appeal any dismissal action. The right to a public hearing is also provided.

Personnel may not hold elective office or official positions in political organizations or profit-making enterprises, and are prohibited from soliciting or receiving subscriptions for any political purposes.

Upon retirement, civil-service personnel will receive pension allowances.

(2) Temporary State Control of Coal Mines Law: Enacted 8 December.

This Law will become effective 1 April 1948 and remain in force for three years from that date. During that period the efforts of Government operators and workers, under Government special control, will be coordinated in an attempt to increase production.

The new Law calls for Government supervision and inspection of all coal mines and special control of mines to be designated by the Minister of Commerce and Industry after consultation with the All-Japan Coal Mine Control Committee composed of representatives of operators, employees and consumers.

A Coal Mine Control Commission will be established in the Ministry, to whose director companies must submit their proposed plans of operation for one year. The director of the Commission may alter this procedure after consultation with a Local Coal Mine Committee composed of controllers, officials

of the Coal Bureau, commissioners of the Production Council and representatives of both operators and workers.

A Production Council, representing business and labor members, will be set up in each company to work out a yearly plan of operation for submission to the Coal Mine Bureau.

An operator is required to receive Government permission for suspension of all or part of a mine, for transfer or merger of management. He may be ordered to lease or transfer idle equipment. He has the right to appeal to the Minister of Commerce and Industry and the All-Japan Coal Mine Control Committee for revision of any decisions. Operators will be reimbursed for any losses incurred but penalties are provided for violations of the Law.

(3) Law for Decentralization of Excessive Concentration of Economic Powers: Enacted 9 December.

Revisions by the Upper House relaxed some provisions of the original draft of the bill and added the term "excessive" to the title. The Law, which went into effect on 18 December, the day of its promulgation, is aimed at "profit-making private enterprises or combinations" hindering independent operation of other enterprises by holding large shares in a single field or a large combination of shares in two or more fields. As defined in the Law, enterprises of monopolistic character include any enterprise which through mergers of independent companies or as a result of excessive expansion between 1 July 1937 and 1 September 1945 has or may have sufficient influence on the price or flow of capital, goods or services to affect any of these if the enterprise were withdrawn from the market.

The Holding Company Liquidation Commission is empowered to take action providing equal opportunity to active independent enterprises and to release them from the control of dictatorial economic power through liquidation of monopolistic enterprises and release of their stocks.

(4) Police Law: Enacted 8 December.

The Law envisages decentralization of the police in accordance with Article 94 of Chapter VIII of the Constitution which states, "Local public entities shall have the right to manage their property, affairs, and administration and to enact their own regulations within law." Each municipality with more than 5,000 population will have its own independent police system; the chief of the local police will be appointed by a local Public Safety Commission of three civilians and will be responsible to it for the proper functioning of the police force.

A National Rural Police composed of 30,000 men and women is provided for operations in the smaller communities. These police will be supervised by a Prefectural Safety Commission composed of three members and appointed by the governor and confirmed by

the prefectural assembly, and, for administrative purposes only, will be supervised by a National Public Safety Commission.

In case of emergency the Prime Minister, upon recommendation of the National Public Safety Commission, may assume control of coordinating all police activities on all levels. The Law provides for an important safeguard against undue seizure of police powers by the Minister by requiring Diet approval after 20 days of the temporary control measure.

In the event of a local crisis, a municipal police chief may appeal to the prefectural government for reinforcement of the National Rural Police stationed in the prefecture. Such reinforcements are subject to the control of the municipal police chief during the local emergency. The activities of the police are limited to the duties of preserving law and order, of investigating and apprehending criminals.

A plan for the increase of Japan's police force by 36,000 men to a strength of 125,000 by April of next year is being undertaken by the Government in accordance with the provisions of the police reform.

- (5) Agricultural Cooperative Association Law: Enacted 7 November.

This Law, effective 15 December, replaced the Agricultural Association Law. It provided for the advancement of the national economy by increasing agricultural productivity and improving the economic and social status of farmers through the development of agricultural cooperative associations.

The Ministry of Agriculture and Forestry will set up two sections in its Agricultural Bureau to handle problems arising from the establishment of agricultural cooperatives. Special offices will be established in the prefectures to handle various problems as well as to conduct the business of the new associations.

- (6) Amendment to Local Autonomy Law: Enacted 7 December.

The Local Autonomy Laws provide for regulations concerning organization and operation of local public entities, which are empowered to manage the affairs, administration and property of the local communities.

Prefectures, cities, towns and villages are authorized to enact their own regulations and ordinances as long as they are not contradictory to national laws.

The Law establishes the machinery for local finance and elections and for appointment and dismissal of local officials.

All prefectural governments shall be composed of seven departments: general affairs, public

welfare, education, economy, public works, sanitation and agricultural affairs.

The Law also provides for the establishment of public law research libraries to be attached to the various local assemblies.

- (7) Law Abolishing Home Ministry: Enacted 8 December.

The Law completes the transfer of powers already provided by such recent legislation as the Local Autonomy Law, Police Reorganization Law and such agencies as the Construction Board, Domestic Affairs Bureau, Local Finance Committee and National Election Management Commission.

- (8) State Redress Law: Enacted 11 October.

Implementing Article 17 of the Constitution, the State Redress Law defines the liability of the State and public entities for illegal acts of public officials and provides for redress to any person who has been damaged by such acts. The official responsible for having caused the damage is required to reimburse the State or public entity if he is guilty of gross negligence or wilful misconduct. Aliens are entitled to redress only if compensation is reciprocally guaranteed by the laws of their country.

- (9) Amendments to Civil Code: Enacted 21 November.

The Law for the Revision of the Civil Code emphasizes as its guiding principle individual dignity and the essential equality of sexes as provided in the new Constitution. All restrictions on the legal capacity of women as wives and mothers are abolished. While hitherto parental power was primarily in the hands of the father, now it will be exercised jointly by the father and mother.

The most sweeping change in the family law of Japan was brought about by the abolition of the centuries-old semifeudal institution of the "head of the house" and establishment of the entire family as the basic family unit. The new Law establishes the rule of succession at equal shares among heirs of the same group. The inheritance right of the spouse (husband or wife) with regard to such succession into personal property was established.

- (10) Amendments to Criminal Code: Enacted 11 October.

Japan's Criminal Code was drastically revised, abolishing specific protection for the Emperor and the members of the Imperial Family since lese majesty provisions are no longer considered reconcilable with the new constitutional position of the Emperor and with the principle of equality of all citizens.

Penal provisions concerning treason in wartime were eliminated as a logical consequence of the renunciation of war proclaimed in the new Constitution. Provisions pertaining to crimes against

reputation (libel and insult) were revised to allow greater freedom of speech, especially in the case where the allegations are made for the public benefit and relate to the public interest.

The Bill also provides for the abolition of adultery as a criminal offense.

- (11) Amendment to Law No. 63 (1947): Territorial Jurisdiction of Lower Courts: Enacted 11 July.

This Law designates the territorial jurisdiction for all Summary Courts in Japan. Passage of this Law was necessary because the Cabinet Ordinance temporarily governing these matters expired on 18 July.

- (12) Domestic Relations Court Law: Enacted 8 November.

The Law provides for establishment of the Court as a branch of the ordinary District Court which will exercise jurisdiction over family matters, including matrimonial relations, loss of parental power, guardianship and curatorship, support, inheritance, wills, trial and judgment of incompetency and quasi-incompetency, property and disappearance. Councillors will advise the Court in its decisions and compulsory conciliation is provided for in certain categories of cases.

- (13) Judges' and Other Court Officials' Status Law: Enacted 11 October.

Further implementing the provisions of Article 78 of the Constitution and of the Court Organization Law, this Law provides for the removal of judges in cases of mental or physical incompetency.

- (14) Sea Casualties Inquiry Law: Enacted 11 November.

Marine Courts are established under the jurisdiction of the Ministry of Transportation. These Courts will be similar to boards of investigation and will inquire into the causes of sea casualties. Such summary nonjudicial powers as are necessary for their effective operation and functioning are given the Courts and from their findings, appeal may be made to the Tokyo High Court.

- (15) Amendment to Law No. 11 (1946): Qualification of Lawyers and Probationary Lawyers: Enacted 30 August.

This Law provides that former members of the procurators' service or judiciary in Manchuria are eligible for the practice of law in Japan after having complied with examination requirements under the Japanese Lawyers' Law.

- (16) Amendment to Court Organization Law: Enacted 22 October.

This Law increases the number of first-class administrative officials and full-time service employees.

- (17) Law for Courts' Reserve Fund Law: Enacted 7 October.

In compliance with provisions of the Court Organization Law and the Diet Law, a reserve fund is provided in the budget appropriation for the Courts. The fund is to be under the administration of the President of the Supreme Court subject to the approval of the Judicial Assembly of the Supreme Court and is to be used for unexpected expenditures.

- (18) Amendment to Imperial Ordinance No. 528 (1923):
Concerning Judicial Police: Enacted 30 August.

This amendment provides 200 narcotics agents with judicial police powers to be exercised in connection with the investigation of narcotics control offenses only.

- (19) Law Establishing Attorney General's Office: Enacted 8 December.

To take effect on 15 February, the Law provides for the replacement of the Ministry of Justice with an Attorney General's Office at Cabinet level.

Supreme adviser to the Governor in all legal questions, the Attorney General will deal with all matters relating to criminal prosecution and civil litigation, the drafting and examination of all Cabinet bills, legal research and expression of legal opinions.

The Law provides for and defines functions of assistants and five bureaus: Civil Affairs, Civil Liberties, Correction and Rehabilitation General Affairs, Adult Correction and Rehabilitation, and Juvenile Correction and Rehabilitation.

- (20) Law Relating to Authority of Attorney General in State Interest Cases: Enacted 8 December.

This Law provides that the Attorney General will represent the State in the judicial procedure in which the State is a party or intervener. In a case in which the State is not a party but in which the interests of both the State and the public welfare are deeply involved, the Attorney General, with permission of the Court, may express his opinion to the Court or delegate the task to a subordinate. The provisions of the Law are applicable to arbitration or nonjudicial cases.

- (21) Amendments to Court Organization Law: Enacted 7 December.

The Court Organization Law which provided that a Summary Court may not impose imprisonment or penal servitude was amended in order to give jurisdiction to the Summary Courts in cases involving simple theft offenses under Article 235 of the Criminal Code, with the modification that imprisonment with hard labor in such cases may only be imposed up to

three years. Provisions for the establishment of a Consultative Committee for the selection of judges for the Supreme Court were deleted because the device worked in practice as an encroachment on the constitutional power of the Cabinet to appoint the members of the Supreme Court.

The retirement age of Summary Court judges was increased from 65 to 70 years of age.

- (22) Amendments to Law for Costs of Action: Enacted 1 December.

These amendments increased the fees for costs of action and other fees arising out of court procedures in line with the general rise in prices.

- (23) Amendment to Judges' Compensation Law: Enacted 7 December.

This Law extends to 15 March 1948 the period of validity with regard to the following laws: Law No. 65 of 1947 (Law for Emergency Measures Concerning the Compensation, etc., of Judges), Law No. 66 of 1947 (Law for Emergency Measures Concerning the Compensation, etc., of Public Procurators), Law No. 75 of 1947 (Law Concerning the Temporary Measures of the Code of Civil Procedure Pursuant to the Enforcement of the Constitution of Japan), Law No. 76 of 1947 (Law Concerning the Temporary Measures of the Code of Criminal Procedure Pursuant to the Enforcement of the Constitution of Japan).

- (24) Law for Qualifications of Assistant Procurators: Enacted 7 December.

Supplementing the Public Prosecutor's Office Law which provides that Assistant Procurators may be appointed from among persons who have passed a higher officials' examination or from among persons who have held positions as second-class government officials or other public officials in categories provided by Cabinet Order, the Law for Qualification of Assistant Procurators provides that they may also be appointed through selection by the Assistant Procurators Selection Committee, from among persons who possess the required knowledge and experience.

- (25) Amendment to Family Registration Law: Enacted 5 December.

The Law, effective 1 January 1948, is a complete revision of the old Koseki system (House system register). In order to conform to the new Constitution and Civil Code registration will be limited to the immediate family which includes husband and wife and such children as are unmarried and not otherwise emancipated.

Registration is mandatory in case of essential elements of birth, recognition, adoption, dissolution of adoptive relations, marriage, divorce, parental power and guardianship, death and disappearance, resumption of surname by surviving spouse and dissolution of matrimonial relations, separation from a

family register, acquisition or loss of nationality, alteration of name or surname, and change of registered locality and settlement.

Every register will contain the following information: registered locality, full name and date of birth, reason for entry, names of natural or adopting parents, marriage statement and the former family register.

Various penalties or administrative fines under the jurisdiction of the Summary Court are provided for: failure to give notification where bound or after pre-emptory notice without reasonable cause; failure on the part of the recorder to perform any duty concerning registration, without reasonable cause; false notification as to any matter which need not be registered, or relating to a person who does not have Japanese nationality.

(26) Amendment to Law No. 72 (1947): Concerning Validity of Ordinances and Orders Under the New Constitution: Enacted 9 December.

Law No. 72, which provides that orders which are in effect at the time of enforcement of the Constitution which contain matters of a character to be stipulated by law will have the same validity as laws until 31 December 1947, is amended (1) to except Imperial Ordinances or Cabinet Orders issued under the Potsdam Declaration from its application; (2) to provide that the provisions of the existing orders concerning administrative offices which stipulate matters of a character to be stipulated by laws shall have the same validity as laws until 2 May 1948; and (3) to provide that certain ordinances in the field of public health and welfare, mutual aid associations and transportation are to be considered as enacted into law until 2 May 1948, which actually means an extension of their validity until that date.

(27) Law for the Oath, Testimony, etc., of Witnesses at the Houses of the Diet: Enacted 9 December.

The Diet is given power to enforce its demands for witnesses to appear or to produce papers in connection with any matter involving deliberation on legislation or investigation concerning national administration. Provision is made for the administering of an oath to witnesses by the presiding officer of either House or the chairman of a committee of either or both Houses.

Making a false statement under oath is punishable with penal servitude for not less than three months nor more than 10 years. The penalty for failure to appear before the committee or House, to produce the required papers, or to make an oath when required is imprisonment for not more than one year or fine not more than ¥ 10,000 or both. Punishment is brought about through filing charges with the Public Procurator's Office for prosecution.

Certain witnesses are privileged and need not testify. These include a spouse; a relative within

the meaning of the Civil Code; cases of relation of guardianship between the witness and the person being investigated; professional relationship such as doctor and patient or attorney and client; if the witness believes he will incriminate himself or a person to whom he stands in the relationships enumerated in the first two categories of privileges above. In the case of a witness who is or was a public official, and who states that the information demanded relates to official secrets, examination may take place only upon consent of the government office of which he is or was an employee or of his supervising authorities. Refusal of consent must be accompanied by an explanation. If the explanation is unacceptable, the House or committee thereof conducting the investigation may request a Cabinet statement that such testimony or production of papers would adversely affect vital national interests. If such Cabinet statement is not issued within 10 days after the request, the witness must testify or produce the papers as previously requested.

(28) Amendment to Law No. 4 (1944): Penal Regulations for Economic Affairs: Enacted 28 November.

The purpose of the Law is to require officers and employees of designated organizations and enterprises which play an important role in the Japanese economy to comply with standards of conduct substantially similar to those of public officials by subjecting such employees and officers to penalties similar to those imposed by the Criminal Code for misconduct of government officials. The enterprises and organizations concerned are named specifically in the Law, and their nature is described. Addition of organizations to the list must be made by Diet Law.

(29) Law for Disposition of Vessels Abandoned on Coast of Japan: Enacted 30 September.

This Law was necessary to establish the legal status of smugglers' ships abandoned by their crews.

Abandoned vessels are to be so designated by the Minister of Welfare with the exception of vessels of United Nations' registry. When no claim is made for the designated vessel, the marine authorities will sell the vessel at public sale and any previous right, title or interest in the vessel lapses, though lien-holders are compensated from the proceeds of sale.

(30) Disaster Relief Law: Enacted 30 September.

Under this Law the National Government is directly responsible for supplying immediate relief to victims of any kind of catastrophe, through prefectural agencies and the Japanese Red Cross. The National Government will function through a National Disaster Board, which, headed by the Prime Minister, will be on a Cabinet level and will be composed of all Cabinet Ministers, the President of the Red Cross, and other prominent citizens. Prefectural disaster boards created under the Law will be

required to maintain up-to-date plans designed to cope with any type of disaster which might occur.

This Law recognizes the Japanese Red Cross Society as a quasi-governmental agency in the field of disaster relief. The Red Cross will provide medical facilities, services, and personnel, and will coordinate the activities of volunteer relief groups.

In addition to the Prefectural Disaster Boards, the prefectural governments will have Operating Teams, each of which will be composed of a Police, Fire, Health, Welfare, Economics and Engineering Section. Each section will be given clearly defined duties for which it will be responsible in time of disaster.

- (31) Law Establishing the Labor Ministry: Enacted 28 August.

The Labor Ministry was created under the provisions of this Law. With labor steadily becoming more articulate and better organized, and with measures such as the Labor Standards Law, the Labor Relations Law, and the Unemployment Security Law reaching fruition, the makeshift machinery set up in the Ministry of Welfare to deal with labor problems was inadequate, necessitating a bill to provide for a central coordinating agency for the administration of Japan's modernized labor regulations.

- (32) Unemployment Allowance Law: Enacted 21 November.

- (33) Unemployment Insurance Law: Enacted 21 November.

These Laws constituted a major step toward a modern social-security system.

Both Laws will be administered by the Employment Security Bureau of the Labor Ministry through the Employment Exchange system.

The Laws provide that unemployment benefits will be paid only to those actually unable to find work in enterprises employing five or more workers. Almost all industries except agriculture, construction and forestry are covered. Government workers, who receive equivalent benefits from other sources, will not be covered.

Since the Unemployment Allowance Law is a temporary measure, all expenses during the period of its existence will be borne by the Government. The Law sets up a temporary system of unemployment benefits.

Under the Unemployment Insurance Law, both employers and workers contribute 1.1 percent of the workers' wages to the fund. The Government pays the cost of administration and one third of the benefits. Both employer and recipient are subject to penalties of up to ¥ 10,000 for submitting false reports or false documents.

- (34) Amendment to Law for Leasehold Land and Leased Buildings in War Damaged Cities: Enacted 30 August.

This Law provides special consideration for persons who had leased buildings or land in urban areas extensively damaged by the war. This amendment extends these privileges to cover certain designated areas which have since been extensively damaged by fire, flood or other calamity.

- (35) Judges Impeachment Law: Enacted 22 October.

In implementation of the Constitution this Law provides that a judge may be removed for grave violation or neglect in the performance of his official duties. It also allows removal if he has, on or off duty, conducted himself in a manner incompatible with the dignity which his office requires.

Petitions for impeachment may be filed by any person with an impeachment committee consisting of 20 members of the House of Representatives. This committee performs functions similar to those of a grand jury. Trials are to be held before an Impeachment Court consisting of seven members of each House of the Diet. Trials must be public. Provision is made for a new trial at any time upon discovery of new evidence or other justification.

In cases where good reasons exist, judicial qualifications may be restored after five years if an application is favorably reviewed by a special hearing of the Impeachment Court.

- (36) Law for Popular Review of Supreme Court Judges: Enacted 22 October.

This Law establishes the procedure to be followed in the exercise of the right to review at regular intervals the records of judges of the Supreme Court and to indicate by secret vote, in a general election, whether any or those judges should be dismissed from the highest court in the land. The Law stipulates that at the time of the first general election of members of the House of Representatives after the appointment of a Supreme Court judge, and at 10-year intervals thereafter during his service, his name shall be printed on a special ballot, together with the names of all other judges subject to review. On such a ballot voters may designate those judges who they think should be dismissed. A judge who has been dismissed as the result of the people's examination cannot be re-appointed to the Supreme Court until five years after the date of his dismissal.

In order to eliminate the possibility of any political campaigning in the popular examination, the Law provides penalties for such activities.

- (37) Supplementary or Revised Budget No. 1. General Account. Fiscal Year 1947-48: Enacted 30 August

Estimates revenues under the jurisdiction of the Ministry of Finance and estimates appropriations for the Ministries of Welfare and Labor.

- (38) Supplementary or Revised Budget No. 3. General Account, Fiscal Year 1947-48: Enacted 20 October.

Estimates revenues under the jurisdiction of Ministries of Finance and Education and estimates appropriations for the Imperial Household.

- (39) Supplementary or Revised Budget No. 4. General Account, Fiscal Year 1947-48: Enacted 22 October.

Estimates revenues under the jurisdiction of the Ministries of Finance, Justice, and Agriculture and Forestry and estimates appropriations for the Diet, judicial establishments, Board of Audit, Cabinet, Ministries of Foreign Affairs, Home Affairs, Finance, Justice, Education, Welfare, Agriculture and Forestry, Commerce and Industry, Transportation, Communications and Labor.

- (40) Supplementary or Revised Budget No. 5. General Account, Fiscal Year 1947-48: Enacted 1 November.

Re-estimates revenues under the jurisdiction of the Ministry of Finance and re-estimates appropriations to the Diet, judicial establishments, Board of Audit, Cabinet and Ministries as listed in Budget No. 4, due to improved allowances to government employees and postwar adjustment.

- (41) Supplementary or Revised Budget No. 6. General Account, Fiscal Year 1947-48: Enacted 10 November.

Re-estimates revenues and appropriations due to the establishment of the Temporary Personnel Committee subsequent to the enforcement of the National Public Service Employees' Law.

- (42) Supplementary or Revised Budget No. 7. General Account, Fiscal Year 1947-48: Enacted 29 November.

Attempts to balance revenues and appropriations brought about by probable deficit in the original Budget due to increased costs of personnel expenses, costs of materials and new expenditures concerning the Occupation Forces.

- (43) Supplementary or Revised Budget No. 8. General Account, Fiscal Year 1947-48: Enacted 29 November.

Attempts to reduce by approximately 10 percent the overhead expenses and costs of supplies to insure a sound financial policy through an efficient spending of appropriations. This Budget provides for the transfer of any resulting surplus to Special Accounts.

- (44) Supplementary or Revised Budget No. 9. General Account, Fiscal Year 1947-48: Enacted 5 December.

Provides for defrayal of additional expenses incurred after compilation of the Budget such as: coal allowance for Government officials in Hokkaido; enforcement of Agricultural Disaster Indemnification Law; expenditure for withdrawal from circulation, adjustment, and a new issue of 50-sen notes; enforcement of the Temporary State Control of Coal Mines Law; etc.

- (45) Supplementary or Revised Budget No. 10. General Account. Fiscal Year 1947-48: Enacted 7 December.

Covers the payment of temporary allowance to Government officials totaling over ¥ 1,510,200,000 in both revenue and expenditures.

- (46) Supplementary or Revised Budget No. 11. General Account. Fiscal Year 1947-48: Enacted 9 December.

Includes expenses connected with the abolition of the Home Ministry and other urgently necessary revised estimates bringing the total amount of the General Account Budget for the current fiscal year to over ¥ 209,382,000,000.

- (47) Supplementary Budget No. 1. Special Accounts. Fiscal Year 1947-48: Enacted 22 October.

Provides for increasing funds in the various special accounts of affected Ministries due to payment of a temporary allowance to Government employees totaling ¥ 732,867,000.

- (48) Supplementary Budget No. 2. Special Accounts. Fiscal Year 1947-48: Enacted 1 November.

Provides for additional appropriations to cover deficits incurred by the payment of wages and salaries to Government employees.

- (49) Supplementary or Revised Budget No. 3. Special Accounts. Fiscal Year 1947-48: Enacted 29 November.

Provides for additional appropriations made in the Special Accounts to cover deficits caused by the mounting overhead expenses and cost of supplies. Two new accounts, Unemployment Insurance and Mariners' Insurance, were added increasing the total number of special accounts to 26.

- (50) Supplementary or Revised Budget No. 4. Special Accounts. Fiscal Year 1947-48: Enacted 5 December.

Embodies the revised estimates of the Monopoly Bureau Special Account and 12 others. It also includes a coal allowance for Government employees in Hokkaido.

- (51) Supplementary or Revised Budget No. 5. Special Accounts. Fiscal Year 1947-48: Enacted 7 December.

Provides for the payment of an extra allowance to those government officials under the various special accounts.

- (52) Feed Distribution Kodan Law: Enacted 9 December.

Provides for the establishment of a strong governmental agency, financed by the Government, which will engage in the business of purchasing and selling feed, supervise its proper distribution to livestock, the development of agricultural productive power and the securing of necessary transportation facilities.

(53) Oilstuffs Distribution Kodan Law: Enacted 9 December.

Provides for a government agency, financed by the Government, which will engage in the business by purchasing, processing, preserving, transporting and selling through designated subagencies oilstuffs such as fats, grease, oil cakes, margarine, etc. This Kodan is to exist until 1 April 1949 or date of dissolution of the Economic Stabilization Board, whichever comes first.

(54) Grocery Distribution Kodan Law: Enacted 9 December.

Provides for a reliable distribution control organ working under the system of a sole purchasing and supply agency of such foodstuffs as: bean paste, soy sauce, canned goods, sugar, dairy products, etc., and staple foods as rice, wheat, etc. It will handle the storage, transportation and processing of grocery goods through designated retail agents. This Kodan is to terminate on or after 1 April 1949 or on the date of abolition of the Economic Stabilization Board, whichever is earliest.

(55) Liquor Kodan Distribution Law: Enacted 9 December.

Provides for a governmental liquor distribution corporation to handle the just distribution of liquors based on allotment program and control as determined by the director general of the Economic Stabilization Board. The Corporation is to be liquidated at the restoration of economic normality.

50. Following is a summary of legislation passed by the First National Diet:

LEGISLATIVE SUMMARY
First National Diet
20 May-9 December

<u>Boards of Cabinet</u>	<u>Introduced</u>	<u>Passed by H. R.</u>	<u>Passed by H. C.</u>
1. Amendment to Law 54 (1947): Relating to Prohibition of Private Monopoly, etc.	10 Jul	12 Jul	28 Jul
2. Law for House Registration of Persons Who Have Lost or Acquired Membership in Imperial Family.	5 Aug	28 Aug	18 Sep
3. Law for Exceptions to Law No. 54 (1947): Relating to Prohibition of Private Monopoly, etc.	2 Oct	11 Nov	15 Nov
4. Bill for Enforcement of Imperial House Economy Law.	14 Aug	29 Aug	18 Sep
5. Bill for Repeal of Foreign Trade Association Law.	15 Aug	30 Aug	13 Oct

<u>Boards of Cabinet</u>	<u>Introduced</u>	<u>Passed by H. R.</u>	<u>Passed by H. C.</u>
6. Amendment to Board of Audit Law.	14 Aug	8 Dec	9 Dec
7. Amendment to Pensions Law.	30 Sep	15 Nov	24 Nov
8. Law for Appointment, Dismissal, etc., of Government Officials Pending Application of National Public Service Law.	16 Sep	15 Oct	16 Oct
9. National Public Service Law.	15 Sep	15 Oct	16 Oct
10. Law for Investigating Board Regarding Currency Issues.	7 Oct	8 Dec	9 Dec
11. Law for Temporary State Control of Coal Mines.	25 Sep	25 Nov	8 Dec
12. Law for Decentralization of Excessive Concentration of Economic Powers.	9 Oct	23 Nov	9 Dec
13. Law to Revise HCLC Enforcement Ordinance.	14 Nov	23 Nov	9 Dec
14. Law for Termination of Zaibatsu Family Control.	25 Nov	9 Dec	9 Dec
15. Police Law.	10 Nov	6 Dec	8 Dec
16. Law for Application of Urban Building Act.	25 Nov	8 Dec	9 Dec
17. Law to Protect Government from Unjust Claims.	17 Nov	8 Dec	9 Dec
18. Amendment to Law No. 72 (1947): Concerning Validity of Ordinances and Orders Under the New Constitution.	2 Dec	8 Dec	9 Dec
19. Liquor Distribution Kodan Law.	2 Jul	9 Dec	9 Dec
20. Law Amending Petroleum, Industrial Reconstruction, Foreign Trade and Fertilizer Kodan Acts.	7 Nov	4 Dec	9 Dec
21. Decision Concerning Art. 8, New Constitution (Gifts from Imperial Family).	14 Aug	29 Aug	18 Sep
22. Bill for Visits and Inspections of ESB Inspectors.	21 Aug	Not Passed	
23. Bill for Utilization of Unused Land for Cultivation.	27 Aug	Not Passed	

<u>Ministry of Agriculture and Forestry</u>	<u>Introduced</u>	<u>Passed by H. R.</u>	<u>Passed by H. C.</u>
1. Law Amending Settlers Fund Financing Law.	9 Aug	23 Sep	22 Aug
2. Agricultural Seeds and Seedlings Law.	20 Aug	23 Sep	26 Aug
3. Agricultural Loss Compensation Law.	20 Oct	20 Nov	24 Nov
4. Law Amending Special Measures for Establishment of Owner-Farmers.	6 Nov	4 Dec	8 Dec
5. Law Amending Agricultural Land Adjustment Act.	18 Sep	4 Dec	8 Dec
6. Feed Distribution Kodan Law.	9 Aug	9 Dec	9 Dec
7. Grocery Distribution Kodan Law.	18 Jul	9 Dec	9 Dec
8. Oilstuffs Kodan Law.	18 Jul	9 Dec	9 Dec
9. Agricultural Cooperative Association Law.	9 Aug	18 Oct	7 Nov
10. Law to Enforce Agricultural Cooperative Association Law.	9 Aug	18 Oct	7 Nov
11. Law Abolishing Fertilizer Industry Control Law and Japan Agricultural Export Products Company.	6 Sep	23 Sep	5 Nov
12. Law Transferring Assets of Agricultural Land Development Corporation to the Government.	2 Sep	15 Nov	5 Nov
13. Amendment to National Forest Law.	8 Nov	27 Nov	5 Dec
14. Amendment to Fisheries Law.	14 Nov	2 Dec	8 Dec
15. Amendment to Foodstuffs Control Law.	5 Dec	9 Dec	9 Dec
16. Bill for Succession to Agricultural Assets.	19 Aug	Not Passed	
17. Temporary Agricultural Production Adjustment Law.	2 Sep	Not Passed	
<u>Ministry of Commerce and Industry</u>			
1. Law Amending Patent, Utility, Design and Trade Mark Acts.	12 Aug	19 Aug	29 Aug
2. Amendment to Solid Fuels Distribution Kodan Law.	10 Oct	2 Dec	9 Dec

<u>Ministry of Commerce and Industry</u>	<u>Introduced</u>	<u>Passed by H. R.</u>	<u>Passed by H. O.</u>
3. Law Reorganizing Physical and Chemical Research Institute.	15 Sep	11 Nov	16 Oct
4. Law Abolishing Department Store Act.	20 Sep	8 Dec	9 Dec
<u>Ministry of Communications</u>			
1. Mail Law.	1 Nov	27 Nov	5 Dec
2. Law Amendment to Postal Savings Act.	14 Nov	28 Nov	26 Nov
3. Amendment to Postal Life Insurance and Annuities Law.	27 Nov	4 Dec	7 Dec
<u>Ministry of Finance</u>			
1. Amendments to Special Account Law for the Mint.	1 Jul	12 Jul	25 Jul
2. Amendment to Special Account Law for Receipts from Capital Levy Law and Others.	1 Jul	12 Jul	25 Jul
3. Amendment No. 1 to Financial Institutions Reconstruction and Reorganization Law.	22 Jul	26 Aug	29 Aug
4. Amendment to Peoples' Savings Union Law.	1 Jul	29 Jul	8 Aug
5. Law for Transfer, etc., of Insurance Business of Central Life Insurance Corporation and Central Non-life Insurance Corporation.	10 Jul	26 Aug	30 Aug
6. Law Concerning Condition of Claims of Deposit Bureau, Ministry of Finance.	6 Aug	23 Sep	6 Oct
7. Amendment to Laborers' Accident Compensation Insurance Special Account Law.	31 Jul	23 Aug	30 Aug
8. Amendments to Special Supply Office Act.	12 Jul	31 Jul	1 Aug
9. Special Account Law for Demand and Supply Adjustment of Charcoal and Firewood.	26 Aug	21 Oct	5 Nov
10. Law Concerning Provision of Pension Law for Calculation of Years of Service of Members of International Telecommunication Co. and Others Appointed as Government Officials.	22 Aug	15 Nov	24 Nov

<u>Ministry of Finance</u>	<u>Introduced</u>	<u>Passed by</u>	
		<u>H. R.</u>	<u>H. C.</u>
11. Amendment to Reconversion Finance Bank Law.	20 Aug	28 Aug	30 Aug
12. Unemployment Insurance Special Account Law.	23 Sep	27 Nov	28 Nov
13. Amendment No. 1 to Trade Fund Special Account Law.	20 Sep	6 Oct	15 Oct
14. Law for Lump Sum Grants to Government Employees in Hokkaido.	21 Nov	2 Dec	5 Dec
15. Law for Lump Sum Grants to Public Servants.	30 Sep	15 Oct	20 Oct
16. Law Regulating Damages to Subsidiary Coins.	27 Oct	13 Nov	19 Nov
17. Law Restricting Manufacture of Water-marked Paper.	27 Oct	13 Oct	19 Nov
18. Non-war-sufferers Special Tax Law.	14 Nov	27 Nov	28 Nov
19. Anti-imitation Stamps Law.	14 Nov	4 Dec	6 Dec
20. Amendment to Income Tax Law and Others.	14 Nov	27 Nov	28 Nov
21. Amendment to Law No. 39 (1947): Reduction, Exemption and Postponement of Tax Collections from Calamity Sufferers.	14 Nov	4 Dec	6 Dec
22. Amendment (No. 1) of Enterprise Reconstruction and Reorganization Law.	8 Nov	28 Nov	1 Dec
23. Amendment (No. 2) of Enterprise Reconstruction and Reorganization Law.	8 Nov	4 Dec	9 Dec
24. Law Designating Yokosuka and Others as Open Ports.	25 Nov	2 Dec	8 Dec
25. Amendment to Customs Law.	25 Nov	2 Dec	5 Dec
26. Law for Lump Sum Grants to Public Servants.	19 Nov	23 Nov	24 Nov
27. Law for Domestic Trade Harbor Installations.	5 Dec	8 Dec	9 Dec
28. Law Transferring Funds from General Account to Cover Revenue Deficit, etc.	5 Dec	8 Dec	9 Dec
29. Law for Reconstruction and Reorganization of Economy in Consequence of Enforcement of Law for Deconcentration of Economic Power.	5 Dec	9 Dec	9 Dec

<u>Ministry of Finance</u>	<u>Introduced</u>	<u>Passed by</u>	
		<u>H. R.</u>	<u>H. C.</u>
30. Law Exempting Import Duties on Foods.	26 Nov	2 Dec	5 Dec
31. Amendment No. 1 to Foodstuff Control Special Account Law (Concerning Agricultural Loss Compensation Law).	1 Dec	5 Dec	7 Dec
32. Law for Compensation to Undemobilized Persons.	3 Dec	6 Dec	8 Dec
33. Law Concerning Gratuitous Landing, Transfer, etc.	5 Dec	8 Dec	9 Dec
34. Amendment No. 2 to Financial Institution Reconstruction and Reorganization Law.	24 Oct	18 Nov	26 Nov
35. Law Concerning Subsidy under Articles 4 and 16, Special City Planning Law.	3 Dec	8 Dec	9 Dec
36. Law for Dividend of Profits and Others of Corporations.	2 Dec	6 Dec	8 Dec
37. Amendment No. 2 to Foreign Trade Fund Special Account Law.	5 Dec	8 Dec	9 Dec
38. Law for Payment of Special Allowances for Tax Officials.	2 Dec	5 Dec	7 Dec
39. Amendment No. 2 of Foodstuff Control Special Account Law.	4 Dec	5 Dec	7 Dec
40. Amendment to Mariners' Insurance Special Account Law.	5 Dec	6 Dec	9 Dec
41. Law for Grant by Government to Bank of Japan.	5 Dec	8 Dec	9 Dec
42. Law Concerning Compensations Granted to Public Servants Under the Labor Standard Law and Other Laws.	5 Dec	8 Dec	9 Dec
43. Amendment No. 3 to Financial Institutions Reconstruction and Reorganization Law.	5 Dec	8 Dec	9 Dec
44. Amendment to Law No. 121 (1947): Recruitment, Appointment, Discharge, etc. of Government Officials.	5 Dec	6 Dec	8 Dec
45. Law for Special Exemption of Income Tax on Premiums of Hypothec Bank, etc.	5 Dec	8 Dec	9 Dec
46. Law for Lump Sum Grants to Government Employees	5 Dec	8 Dec	9 Dec

<u>Ministry of Finance</u>	<u>Introduced</u>	<u>Passed by</u>	
		<u>H. R.</u>	<u>H. C.</u>
47. Law for Temporary Interest Rate Adjustment.	6 Dec	9 Dec	9 Dec
48. Supplementary Budget No. 1, General Account, Fiscal Year 1947-48.	8 Aug	15 Aug	30 Aug
49. Supplementary Budget No. 3, General Account, Fiscal Year 1947-48.	23 Sep	2 Oct	20 Oct
50. Supplementary Budget No. 4, General Account, Fiscal Year 1947-48.	4 Oct	15 Oct	22 Oct
51. Supplementary Budget No. 5, General Account, Fiscal Year 1947-48.	27 Sep	30 Oct	1 Nov
52. Supplementary Budget No. 6, General Account, Fiscal Year 1947-48.	31 Sep	6 Nov	10 Nov
53. Supplementary Budget No. 7, General Account, Fiscal Year 1947-48.	1 Nov	23 Nov	29 Nov
54. Supplementary Budget No. 8, General Account, Fiscal Year 1947-48.	8 Nov	25 Nov	29 Nov
55. Supplementary Budget No. 9, General Account, Fiscal Year 1947-48.	27 Nov	2 Dec	5 Dec
56. Supplementary Budget No. 10, General Account, Fiscal Year 1947-48.	4 Dec	6 Dec	7 Dec
57. Supplementary Budget No. 11, General Account, Fiscal Year 1947-48.	6 Dec	9 Dec	9 Dec
58. Supplementary Budget No. 1, Special Account, Fiscal Year 1947-48.	4 Oct	15 Oct	22 Oct
59. Supplementary Budget No. 2, Special account, Fiscal Year 1947-48.	27 Sep	30 Oct	1 Nov
60. Supplementary Budget No. 3, Special account, Fiscal Year 1947-48.	8 Nov	23 Nov	29 Nov
61. Supplementary Budget No. 4, Special Account, Fiscal Year 1947-48.	27 Nov	2 Dec	5 Dec
62. Supplementary Budget No. 5, Special Account, Fiscal Year 1947-48.	4 Dec	6 Dec	7 Dec

<u>Ministry of Finance</u>	<u>Introduced</u>	<u>Passed by</u>	
		<u>H. R.</u>	<u>H. C.</u>
63. Amendment to Article 3, Finance Law.	17 Nov	Not Passed	
<u>Ministry of Home Affairs</u>			
1. Amendment No. 1 to Local Taxation Law.	15 Sep	2 Dec	5 Dec
2. Amendment to Local Autonomy Law.	11 Oct	5 Dec	7 Dec
3. Local Finance Committee Law.	21 Nov	28 Nov	1 Dec
4. Law Abolishing Home Ministry.	21 Nov	28 Nov	8 Dec
5. Amendments to Laws in Consequence of Dissolution of Home Ministry.	22 Nov	28 Nov	8 Dec
6. Law Establishing Construction Board.	2 Dec	6 Dec	8 Dec
7. Law Controlling Population Movement to Urban Areas.	25 Nov	4 Dec	8 Dec
8. National Fire Defense Law.	25 Nov	8 Dec	9 Dec
9. Amendment No. 2 to Local Taxation Law.	5 Dec	6 Dec	8 Dec
<u>Ministry of Justice</u>			
1. State Redress Law.	7 Jul	7 Aug 15 Oct <u>a/</u>	11 Oct
2. Amendments to Civil Code.	23 Jul	30 Oct	21 Nov
3. Amendments to Criminal Code.	9 Jul	6 Oct	11 Oct
4. Amendment to Law No. 63 (1947): Territorial Jurisdiction of Lower Courts.	8 Jul	12 Jul	11 Jul
5. Domestic Relations Court Law.	11 Aug	26 Aug	8 Nov
6. Judges' and Other Court Officials' Status Law.	14 Aug	21 Oct	11 Oct
7. Sea Casualties Inquiry Law.	9 Aug	28 Aug 11 Nov <u>a/</u>	8 Nov
8. Amendment to Law No. 11 (1946): Qualification of Lawyers and Probationary Lawyers.	21 Jul	30 Aug	8 Aug
9. Amendment to Court Organization Law.	27 Aug	7 Oct	22 Oct

<u>Ministry of Justice</u>	<u>Introduced</u>	<u>Passed by</u>	
		<u>H. R.</u>	<u>H. C.</u>
10. Law for Courts' Reserve Fund Law.	14 Aug	7 Oct	20 Sep
11. Amendment to Imperial Ordinance No. 528 (1923): Concerning Judicial Police.	5 Aug	30 Aug	21 Aug
12. Amendment to Law No. 4 (1944): Penal Regulations for Economic Affairs.	20 Oct	18 Nov	28 Nov
13. Law Concerning Disasters Stipulated in Temporary Measures Law for Leasehold Land and Leased Buildings in War Damaged Cities.	27 Oct	13 Nov	28 Nov
14. Amendments to Law for Costs of Action.	19 Nov	27 Nov	1 Dec
15. Amendment to Family Registration Law.	18 Nov	27 Nov	5 Dec
16. Law for Adjustment to Law Relating to Civil Code.	19 Nov	2 Dec	7 Dec
17. Domestic Relations Court Law Enforcement Act.	19 Nov	27 Nov	1 Dec
18. Amendments to Court Organization Law.	28 Nov	5 Dec	7 Dec
19. Law Establishing Attorney General's Office.	22 Nov	2 Dec	8 Dec
20. Law for Adjustment of Laws Pursuant to Establishment of Attorney General's Office.	28 Nov	4 Dec	8 Dec
21. Law Relating to Authority of Attorney General in State Interest Cases.	25 Nov	4 Dec	8 Dec
22. Law for Qualifications of Assistant Procurators.	27 Nov	2 Dec	7 Dec
23. Amendment to Judges' Compensation Law.	3 Dec	9 Dec	7 Dec
<u>Ministry of Transportation</u>			
1. Law Repealing Shipping Association Law.	11 Jul	7 Aug	25 Jul
2. Road Transportation Law.	25 Aug	4 Dec	6 Dec
3. Road Traffic Control Law.	19 Aug	7 Oct	15 Oct
4. Law for Disposition of Vessels Abandoned on Coast of Japan.	14 Aug	30 Aug	30 Sep

<u>Ministry of Transportation</u>	<u>Introduced</u>	<u>Passed by H. R.</u>	<u>Passed by H. C.</u>
5. Amendments to Private Railway Law.	30 Oct	7 Nov	15 Nov
6. Law Abolishing Wartime Exceptions to Mariners' Law.	18 Nov	28 Nov	3 Dec
7. Law Abolishing Shipbuilding Law.	31 Nov	28 Nov	3 Dec
8. Amendments to Ship's Law and Law for Safety Vessels.	5 Dec	8 Dec	9 Dec
9. Bill Amending Railway Operating Law.	11 Aug	30 Sep	Not Passed
<u>Ministry of Welfare</u>			
1. Law Abolishing Japan Medical Treatment Corporation.	26 Aug	23 Oct	11 Oct
2. Amendment No. 1 to Seamen's Insurance Law.	1 Aug	19 Aug	22 Aug
3. Amendment to Health Institute Law.	23 Jul	9 Aug	21 Aug
4. Disaster Relief Law.	6 Aug	27 Sep	30 Sep
5. Employment Security Law.	13 Aug	30 Oct 20 Nov <u>a/</u>	15 Nov
6. Child Welfare Law.	11 Aug	26 Aug	21 Nov
7. Revision of Infectious Diseases Prevention Law.	23 Jul	9 Aug	21 Aug
8. Law for Delivery of Corpses to Medical Schools.	5 Aug	30 Aug	21 Aug
9. Law Establishing Labor Ministry.	24 Jul	7 Aug 28 Aug <u>a/</u>	26 Aug
10. Unemployment Insurance Law.	28 Aug	15 Nov	21 Nov
11. Unemployment Allowance Law.	28 Aug	15 Nov	21 Nov
12. Nutritionists' Law.	5 Dec	6 Dec	7 Dec
13. Riyoshi Law: Barbers, Beauticians, etc.	5 Dec	6 Dec	7 Dec
14. Amendment to Health Insurance Act.	14 Nov	28 Nov	28 Nov
15. Law Restricting Use of the Emblem and Appellation of the Red Cross.	4 Nov	28 Nov	3 Dec
16. Food Sanitation Law.	2 Dec	6 Dec	7 Dec
17. Amendment to Medical Treatment Law.	19 Nov	28 Nov	3 Dec

<u>Ministry of Welfare</u>	<u>Introduced</u>	<u>Passed by H. R.</u>	<u>Passed by H. C.</u>
18. Amendment No. 2 to Seamen's Insurance Law.	4 Dec	6 Dec	9 Dec
19. Law Controlling Business of Poisons and Powerful Agents.	20 Nov	28 Nov	3 Dec
20. Law for Business of Massage, Acupuncture, Moxa-cautery, Judo-orthopaedy, etc.	3 Dec	6 Dec	7 Dec
21. Law Controlling Preparations Other Than Medicines, etc.	1 Dec	6 Dec	3 Dec

House of Representatives

1. Amendment to Law for Leasehold Land and Leased Buildings in War-damaged Cities.	4 Aug	29 Aug	30 Aug
2. Law for Special Allowances to Members of National Diet.	7 Aug	9 Aug	12 Aug
3. Judge Impeachment Law.	22 Aug	23 Aug	22 Oct
4. Law for Popular Review of Judges.	5 Aug	9 Aug	22 Oct
5. Amendment to Law No. 81 (1947): Payment of Travel Expenses and Daily Allowances to Witnesses Called Before National Diet.	5 Aug	9 Aug	12 Aug
6. National Election Management Election Commission Law.	29 Nov	2 Dec	3 Dec
7. Law for Oath and Testimony of Witnesses in Diet.	6 Dec	8 Dec	9 Dec
8. Amendment to Law No. 80 (1947): Special Allowances to Diet Members.	4 Dec	4 Dec	5 Dec
9. Bill Relating to Emergency Supply of Foodstuffs.	10 Nov	Not Passed	
10. Eugenics Protection Law Bill.	7 Oct	Not Passed	
11. Fire Service Bill.	8 Dec	Not Passed	
12. Bill Amending Law for Organization of Ministry of Agriculture and Forestry.	8 Dec	Not Passed	

House of Councillors

1. Youth Liquor Prohibition Bill.	28 Jul		Not Passed
2. Juvenile Guidance Bill.	29 Nov		Not Passed

a/ Passed by the House of Representatives after House of Councillors amendment.

SUMMARY OF LEGISLATION ACCORDING TO ORIGINATING AGENCIES

	<u>Passed</u>	<u>Rejected</u>
Boards of Cabinet	21	2
Ministry of Agriculture and Forestry	15	2
Ministry of Commerce and Industry	4	
Ministry of Communications	3	
Ministry of Finance	62 <u>a/</u>	1
Ministry of Home Affairs	9	
Ministry of Justice	23	
Ministry of Transportation	8	1
Ministry of Welfare	21	
House of Representatives	8	4
House of Councillors	<u>0</u>	<u>2</u>
Total	174	12

a/ Includes 47 bills and 15 budgets.

THE PURGE

Central and Local Government Screening

51. The cumulative totals of persons screened, removed and barred since 4 January by the Central and Local Government Public Office Qualifications Committees are as follows:

Screened by Central Government Committee	47,947
Removed	2,989
Barred	505
Screened by Local Government Committees	608,603
Removed	1,800
Barred	449

The total of 2,989 persons removed by the Central Government Committee is a reduction from the November total of 3,180 persons removed, due to modification of policy regarding army scholarship students. Approximately 200 of these young men who attended civilian schools at the army's expense and received regular commissions upon graduation were originally subject to the provisions applying to regular army officers, but have now been passed.

Among those barred or removed by the Central Committee 1,075 persons were designated as career commissioned officers of First and Second Demobilization Boards, 18 individuals less than the November total. This reduction was occasioned by retirement from the Demobilization Board of certain persons whose names have now been placed in the general category of all career officers.

Information Media Companies

52. Implementation of the public information media purge, which began on 30 June 1947 with the issuance of a Premier's Office and Home Ministry Order defining purgeable positions in 347 black-listed companies, is substantially complete, but final designation of persons already provisionally designated continues. In this group the 30-day period during which counterevidence may be submitted has expired for 47 out of 514 public information media