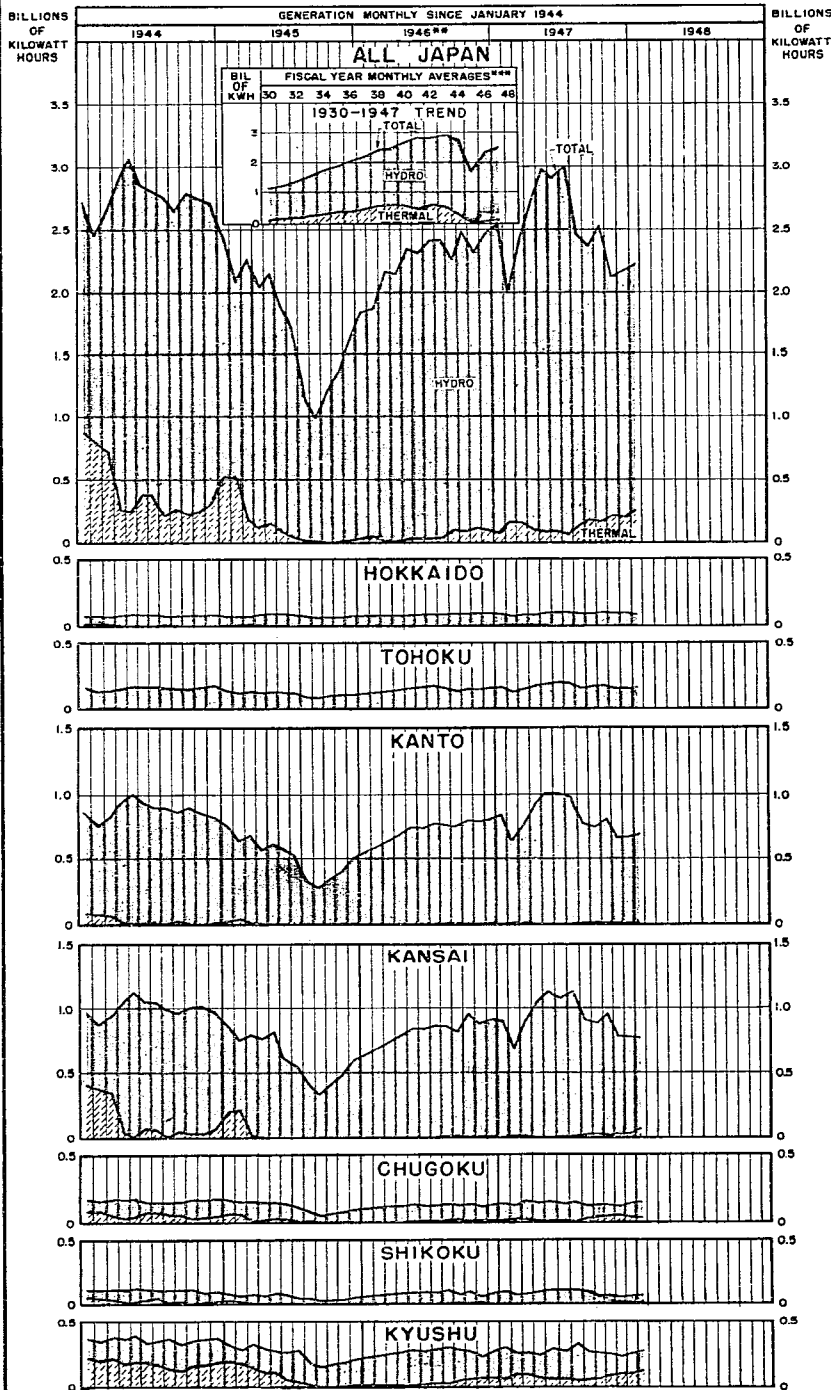


ELECTRIC ENERGY GENERATION

MAJOR PUBLIC UTILITIES*



* LIMITED TO ELECTRIC ENERGY GENERATED BY MAJOR UTILITIES WHICH ACCOUNT FOR 85 PERCENT OF UTILITY GENERATION. EXCLUDES ELECTRIC ENERGY GENERATED FOR OWN USE BY PRIVATE INDUSTRIES AND MINISTRY OF TRANSPORTATION.
 ** REGIONAL DATA FOR JANUARY, FEBRUARY AND MARCH 1946 ARE INTERPOLATED ESTIMATES.
 *** 1947 12-MONTH PERIOD ENDING 31 JANUARY 1948.
 NOTE: JANUARY AND DECEMBER 1947 DATA REVISED.
 SOURCE: MINISTRY OF COMMERCE AND INDUSTRY, ELECTRIC POWER BUREAU.
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AVAILABILITY OF WATER TO NATURAL-FLOW-TYPE POWER PLANTS ^{a/}
(kilowatts)

	December <u>Average</u>	January <u>Average</u>	Ten-year January <u>Average</u>	Percent Average <u>December Flow</u>
Hokkaido	77,000	67,000	61,000	110
Tohoku	105,000	96,000	76,000	126
Kanto	750,000	674,000	723,000	93
Kansai	830,000	777,000	702,000	111
Chugoku	93,000	114,000	111,000	103
Shikoku	58,000	64,000	57,000	112
Kyushu	<u>107,000</u>	<u>104,000</u>	<u>125,000</u>	83
All Japan	2,020,000	1,896,000	1,855,000	102

^{a/} Owned by the Japan Electric Generation and Transmission Company.

SOURCE: Ministry of Commerce and Industry.

12. The Japan Electric Generation and Transmission Company, which produces 80 percent of the electric power generated by all major public utilities, received approximately 65 percent of its total January coal allocations, compared with 75 percent received in December.

An additional 107,000 metric tons of coal were allocated to the electric power industry in January for use in thermal electric plants to relieve the critical power shortage.

Consumption

13. Consumption of electric power supplied by the electric utility system in December totaled 1,543,000,000 kilowatt hours, a decrease of 53,000,000 kilowatt hours or three percent of the November consumption. Residential consumption in December totaled 340,000,000 kilowatt hours, a decrease of 35,000,000 kilowatt hours or nine percent under November. Commercial and industrial consumers with demands of 500 kilowatts and over consumed 771,000,000 kilowatt hours in December. Note chart on the following page.

The electric consumption figures as supplied by the electric utility system relate to the generation of 2,127,925,000 kilowatt hours of energy supplied in January by the Japan Electric Generation and Transmission Company and the nine Haiden (electric distribution companies) and their purchases from other electric utilities and private companies for public distribution through the integrated electric power network.

Apparent loss in generated power by the electric utility system amounted to 584,925,000 kilowatt hours or 27.5 percent.

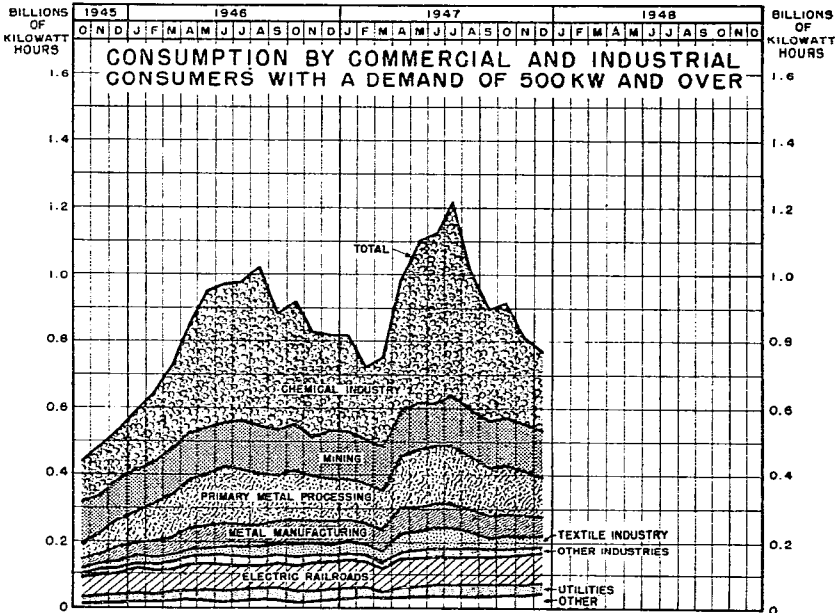
Plant Construction

14. The two largest steam plants in Japan, located in Osaka, out of service since the beginning of the Occupation, resumed partial operation on 26 January with a combined peak capacity of 120,000 kilowatts.

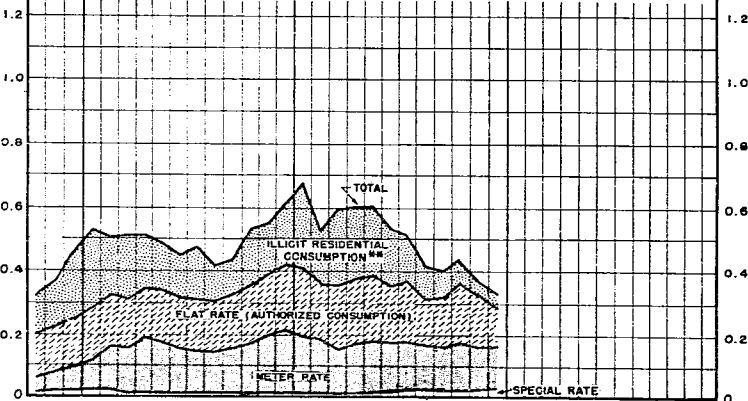
The Tsurumi plant in Tokyo, which resumed operation on 1 January with 50,000 kilowatt capacity, increased its output to 72,500 by 1 February.

ELECTRIC ENERGY CONSUMPTION*

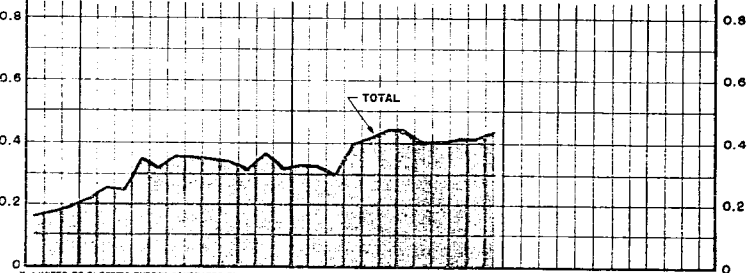
PRINCIPAL CONSUMER CATEGORIES · MONTHLY SINCE OCTOBER 1945



RESIDENTIAL CONSUMPTION (CONSUMERS WITH A DEMAND OF 6 KW OR LESS)



CONSUMPTION BY COMMERCIAL AND INDUSTRIAL CONSUMERS WITH A DEMAND OF LESS THAN 500 KW AND MORE THAN 6 KW



* LIMITED TO ELECTRIC ENERGY GENERATED BY MAJOR UTILITIES WHICH ACCOUNT FOR 99 PERCENT OF UTILITY GENERATION. EXCLUDES CONSUMPTION OF ELECTRIC ENERGY GENERATED FOR OWN USE BY PRIVATE PLANTS AND MINISTRY OF TRANSPORTATION.
** CALCULATED ESTIMATES.

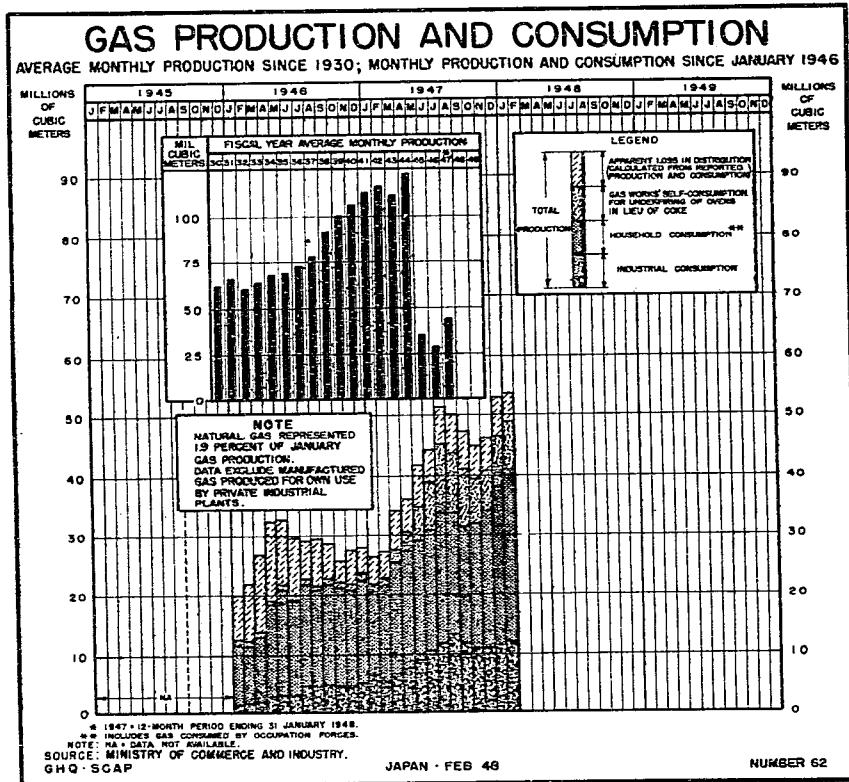
SOURCE: MINISTRY OF COMMERCE AND INDUSTRY, ELECTRIC POWER BUREAU.
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GAS INDUSTRY

Production

15. Gas manufactured by the public utility gas industry in January totaled 52,183,540 cubic meters, 46 percent of operating capacity. The industry purchased 365,748 cubic meters of manufactured gas from other industries and distributed 1,044,883 cubic meters of natural gas.



Consumption

16. Gas consumed in January totaled 41,166,272 cubic meters, of which 29,339,776 cubic meters were for household use and 11,826,496 cubic meters for industries.

The apparent loss in distribution leakage and unaccounted losses for January amounted to about nine percent of 53,594,171 cubic meters available for distribution.

17. The gas industry consumed 878,283 cubic meters of coal gas in January for operating plant equipment and 6,711,675 cubic meters for underfiring of ovens in order to keep to a minimum the self-consumption of coke.

SOURCES AND DISPOSITION OF GAS
(cubic meters)

<u>Sources</u>	<u>December</u>	<u>Percent</u>	<u>January</u>	<u>Percent</u>
Manufactured for sale	51,664,489	97.4	52,183,540	97.4
Manufactured as by-product	367,129	0.7	365,748	0.7
Natural gas	<u>1,020,904</u>	<u>1.9</u>	<u>1,044,883</u>	<u>1.9</u>
Total	53,052,522	100.0	53,594,171	100.0
<u>Disposition</u>				
Industry	11,469,627	21.7	11,826,496	22.1
Household	26,842,400	50.6	29,339,776	54.8
Gas works	811,764	1.5	878,283	1.6
Underfiring	7,446,439	14.0	6,711,675	12.5
Apparent loss	<u>6,482,292</u>	<u>12.2</u>	<u>4,837,941</u>	<u>9.0</u>
Total	53,052,522	100.0	53,594,171	100.0

SOURCE: Ministry of Commerce and Industry, Coal Board, Gas Section.

By-products

18. The gas industry released the following by-products for sale to other industries:

BY-PRODUCTS OF GAS MANUFACTURE
(metric tons)

	<u>December</u>	<u>January</u>
Coke	52,794	55,552
Crude coal tar	825	932
Refined coal tar	122	251
Pitch	766	960
Crude anthracene	35	3
Ammonium sulfate	253	248
90-percent motor benzol	47	69
Crude benzol	0	161
Pure benzol	31	21
Pure toluol	1	11
Creosote oil	139	182
Solvent naphtha	6	7
Pure naphthalene	1	70
Crude naphthalene	0	20
Xylol	3	0

SOURCE: Ministry of Commerce and Industry,
Coal Board, Gas Section.

Coal Allocation and Delivery

19. Coal allocated to gas industries in January totaled 145,000 metric tons, 40,000 metric tons of which were consigned primarily for the manufacture of coke with gas as a by-product. Coal actually delivered in January was 118,219 metric tons or 81.5 percent of the total allocation and 111,645 metric tons were consumed.

COAL FOR THE MANUFACTURE OF GAS
January
(metric tons)

Allocation	145,000
Stock on hand 31 December	27,088
Deliveries	118,219
Consumption	111,645
Stock on hand 31 January	33,662

SECTION 7

COMMUNICATIONS

C O N T E N T S

	Paragraph
Wire	1
Radio	5
Postal Services	17
Construction and Rehabilitation	26
Equipment Manufacturing and Supply	33
Persennel	43
Financial Operations	44
Research and Development	47

WIRE

1. The number of telephones in service increased 15,094 in January over December. The increase was reflected in all types of telephones except public which decreased from 754 in service on 31 December to 724 on 31 January.

2. The number of domestic toll calls completed in December was 14,453,501, the largest number handled in any month since the start of the Occupation. The increase, although seasonal, was eight percent above December 1946 due largely to the renovation of toll telephone facilities.

3. In the nine major cities of Japan the number of toll calls placed was 31 percent higher than the corresponding total for January 1947. Note chart on the following page.

4. The number of domestic telegrams filed increased 12 percent from 5,852,236 in November to 6,571,010 in December, following a seasonal trend. The total was approximately the same as December 1946. See the chart on page 171.

RADIO

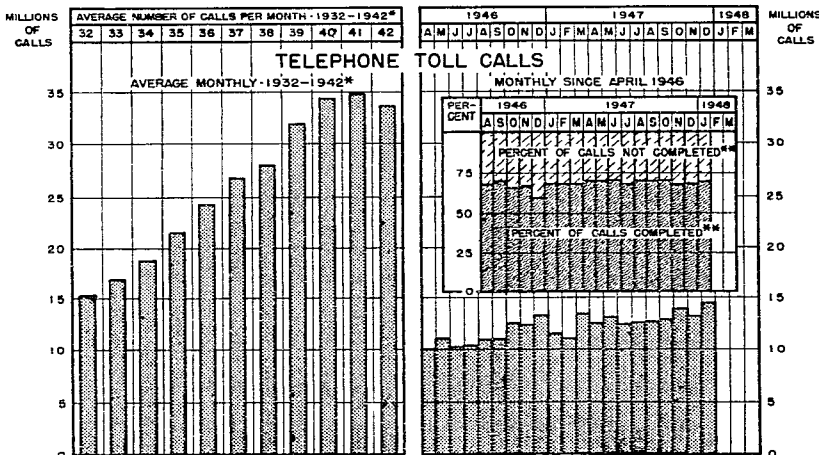
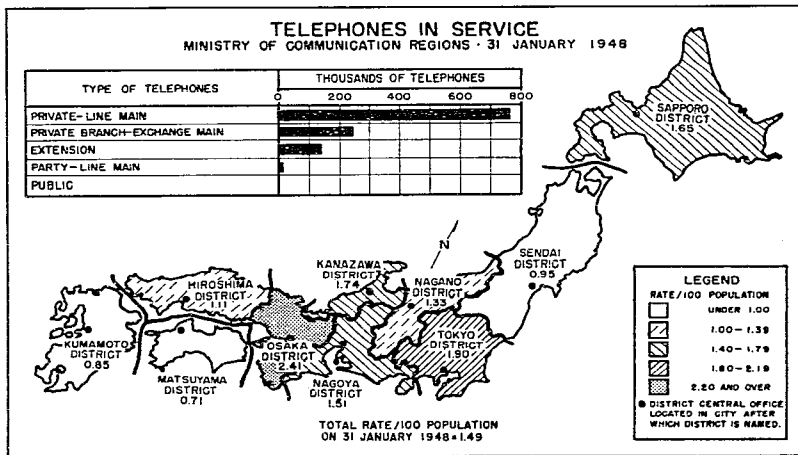
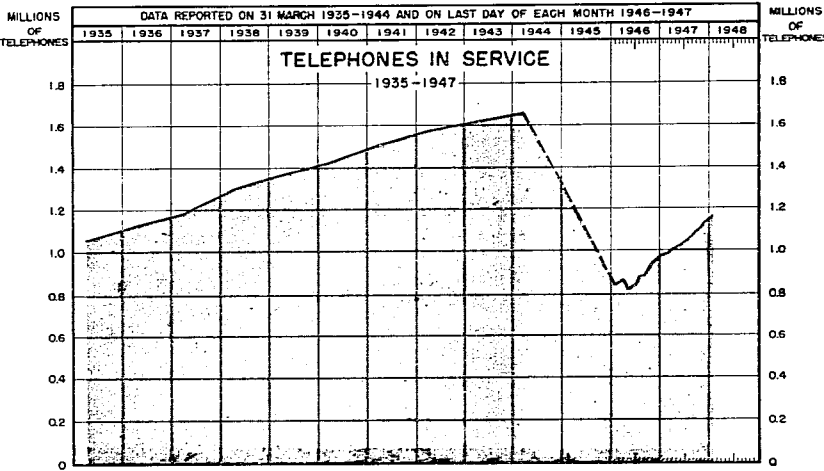
Domestic Services

5. On 9 February authority was granted to move the Kagoshima police radio station into permanent headquarters in the new prefectural building.

6. At the same time the transfer of the police radio transmitter in Fukuoka to a new location was approved. Removing the transmitter from the receiver site makes possible "break-in" operations, a timesaving device important in the apprehension of law-breakers.

7. Approval was granted on 17 February to move the Aichi Police Radio Station, Nagoya City, to the domestic radio station located at Naganoura, Suzuka-shi, Mie Prefecture, to make better use of available radio equipment and frequencies. Present facilities

TELEPHONE SERVICE

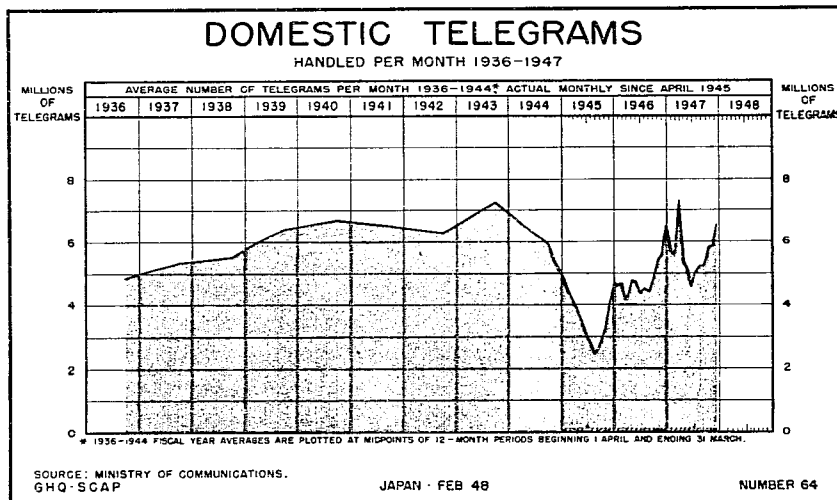


* FISCAL YEARS BEGINNING 1 APRIL
 ** PERCENTAGES BASED ON REPORTS FROM NINE LARGE CITIES: SAPPORO, TOKYO, YOKOHAMA, NAGOYA, KYOTO, OSAKA, KORE, SENDAI, AND FUKUOKA.

SOURCE: MINISTRY OF COMMUNICATIONS.
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are to be held in standby status in case of an emergency or a breakdown at the new location.

8. Authority was granted the Ministry of Communications on 17 February to establish a new radio station at Aogoshima, an island about 225 miles southeast of Tokyo. Traffic to this island will be routed through the domestic radio station at Odawara in Shizuoka Prefecture. Previous contact with the island was by mail.

9. The Ministry of Communications was granted authority on 20 February to increase the power of the lighthouse radio beacons at Inubo-saki, Chiba Prefecture; Izu-Oshima, Tokyo Bay; and Tedsaki, Iwate Prefecture, to reduce marine hazards.

10. During the period 13 January to 13 February authorization was granted for the licensing of 97 additional ship radio stations, which brings the total of such stations to 2,097.

Domestic Broadcasting

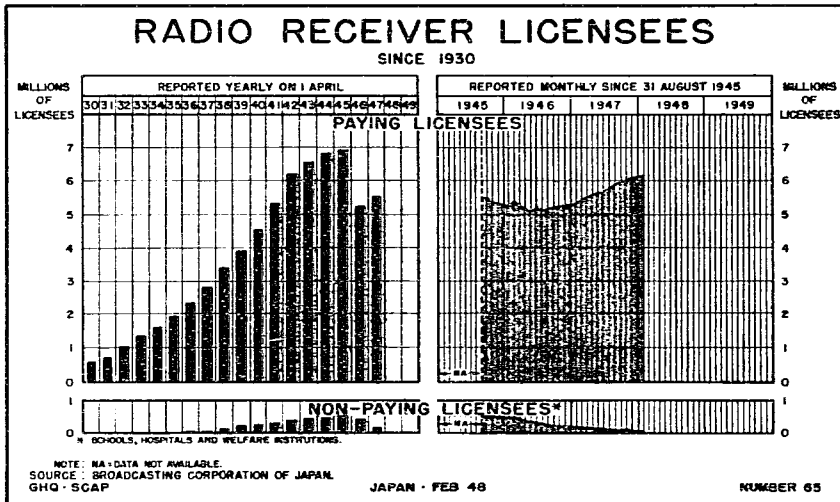
11. There was a net increase of 56,097 radio receiver licenses during January. A total of 95,224 new licenses were issued and 39,127 were canceled. Of the 6,272,287 licensees registered at the end of January, 6,187,760 paid the monthly listening fee and 84,527 held free listening privileges. Note chart on the following page.

International

12. On 6 February radiotelephone service from Japan was expanded to include Canada, Cuba and Mexico, via the United States, effective 15 February. All outgoing calls to the countries listed above must be prepaid. Service is limited to those persons authorized to use United States Military Payment Certificates or Foreign Trade Payment Certificates.

Incoming calls to Japan from the United States and Hawaii effective 10 February and from Canada, Cuba and Mexico effective 15 February were authorized to Tokyo only. Effective 20 February this service was extended to the cities of Yokohama, Osaka, Kyoto, Nagoya, Sendai, Sapporo, Fukuoka and Kokura. All incoming calls must be prepaid at point of origin.

13. Radiotelegraph rates for messages from Japan to the United States were increased from 30 to 50 percent on 6 February to be effective on 15 March. The revised rates were established to equalize

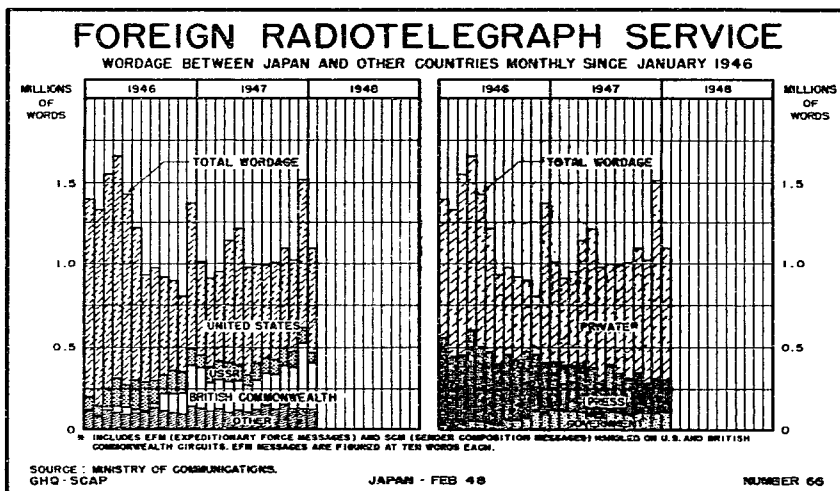


outgoing rates with those for incoming messages from the United States which were increased in August 1947. Outgoing urgent press, press and government messages except United States Government messages must be sent from Japan on a transferred account basis.

14. Effective 1 February statements of accounts and deposits covering telecommunication operations between Japan and the United States and between Japan and Manila were rendered on a monthly instead of a semi-monthly basis. The new system simplifies accounting procedures performed by the Ministry of Communications.

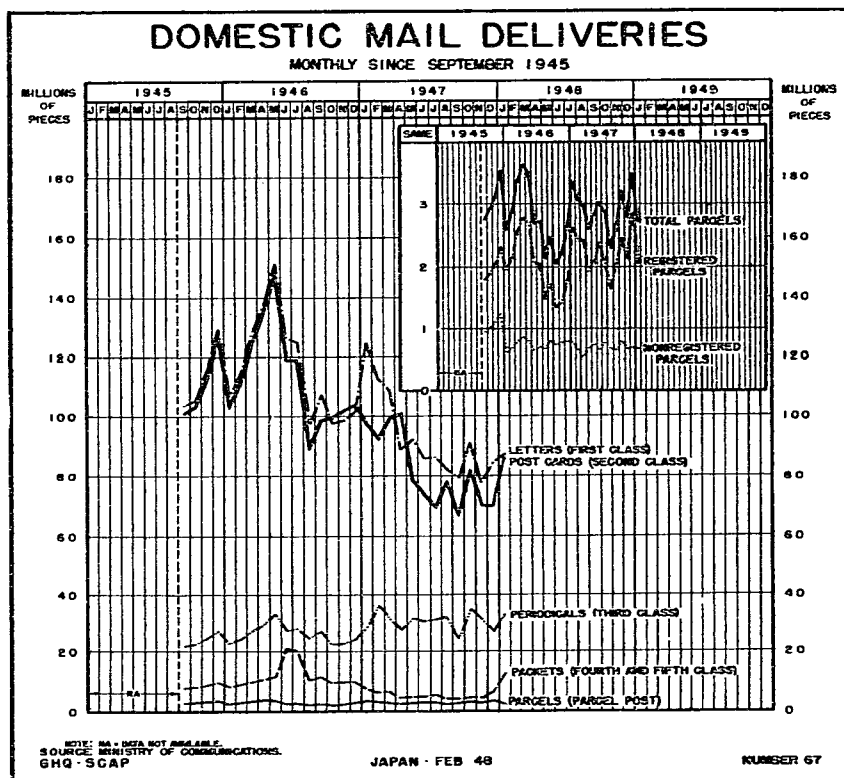
15. A license to engage in business in Japan was issued to Aeronautical Radio, Inc., Washington, D. C., on 27 January. Authorization was given this concern to establish, lease and operate radio and related communication facilities in Japan, and services necessary for the operation of civil aircraft. These services will be available to all commercial airlines licensed by SCAP.

16. Radiotelegraph wordage decreased 28 percent from a seasonal high of 1,514,000 in December to 1,089,000 in January. The largest decrease was approximately 35 percent in private messages.



POSTAL SERVICES

17. There were increases in all classes of domestic letter mail in January. Packets increased approximately 110 percent. There was a decrease of 22.5 percent in the number of parcels handled.



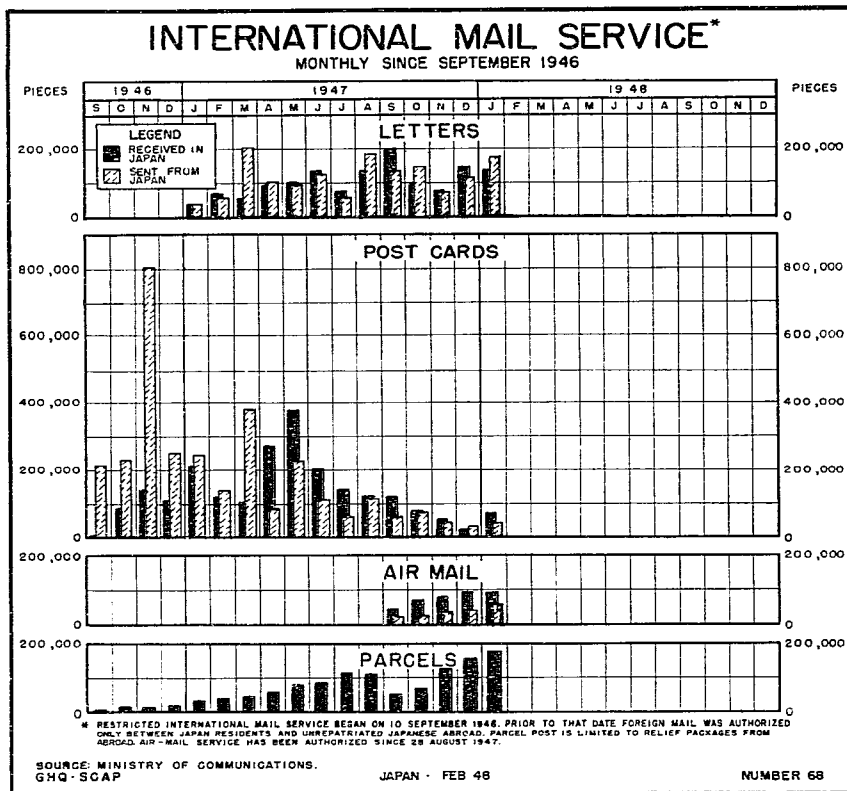
18. Incoming international mail excluding parcels increased approximately 15 percent in January. The number of post cards received was almost three times that received in December due to a large shipment of repatriation postal cards from Russia during the month. Outgoing mail for January increased approximately 40 percent over December.

19. The number of international relief parcels received in January increased approximately 14 percent from 157,977 in December to 179,506, as shown on the chart on the following page. At least 75,000 of the parcels handled in January were part of a backlog disposed of during the month.

20. There were 556 ordinary and 13,289 special post offices in operation 31 January, an increase of seven special offices for the month.

Postal Savings

21. Restoration of destroyed ledgers and records continued during December.



RESTORATION OF LEDGERS AND RECORDS (thousands of accounts)

	Lost or Destroyed During War	Restored		
		During December Number	Total 31 December Number	Percent
Ordinary savings	42,710	142	22,774	53
Special savings	9,040	65	2,705	30
Postal transfer	214	1	94	44
Bond custody	2,126	4	937	44
Bond cards	146,780	1,032	139,839	95

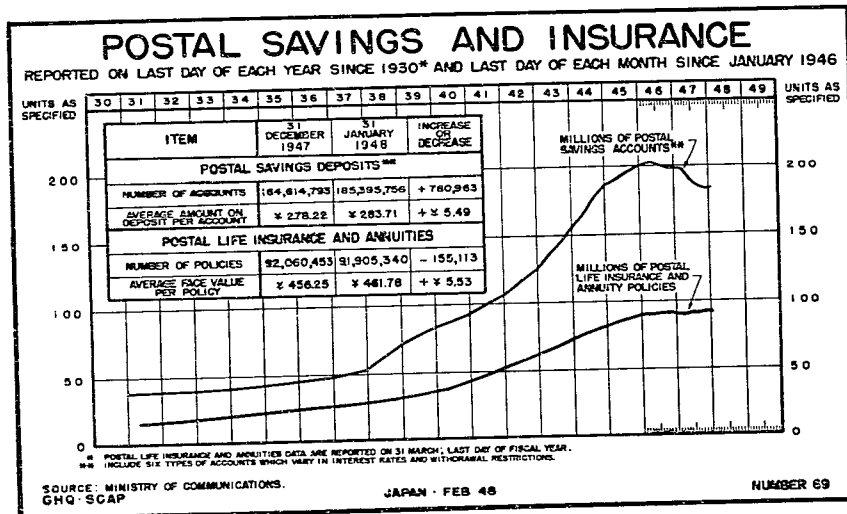
SOURCE: Ministry of Communications.

Postal Life Insurance

22. The maximum amount of insurance per policyholder was increased from ¥ 5,000 to ¥ 25,000 and the maximum amount of annuity from ¥ 6,000 to ¥ 24,000 per annum for each annuitant, effective 1 January 1948.

Premium rates on new policies were increased an average of 5.5 percent for annual payment policies and 4.6 percent for monthly payment policies effective 1 January. The new rates are approximately the same as those charged by private insurance companies.

23. The number of postal life insurance policies and annuities decreased 155,113 during the month while the value of the policies and annuities increased ¥ 438,144,138.

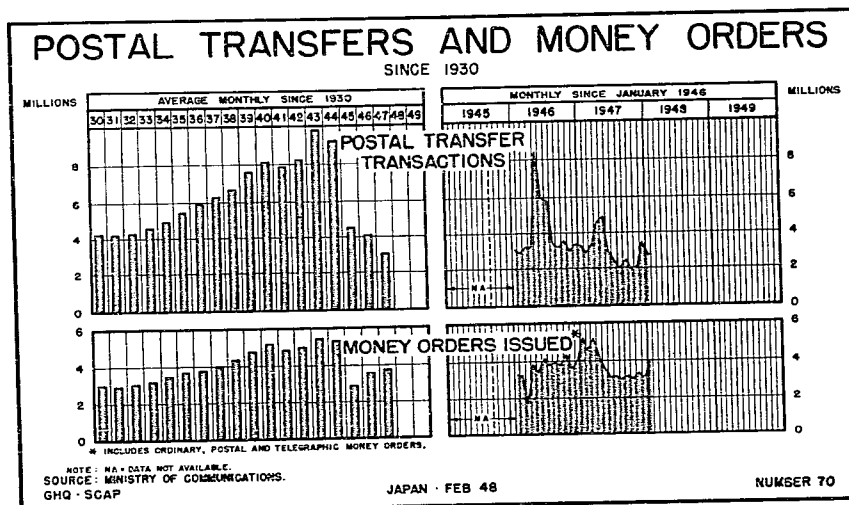


Money Orders

24. The value of postal money orders issued increased approximately 36 percent from ¥ 3,105,481,037 in December to ¥ 4,215,306,719 in January. The number of money orders issued during the month increased approximately 31 percent from 3,067,431 in December to 4,007,575 due to the New Year's tradition of sending money gifts and paying debts.

Postal Transfer

25. Postal transfer deposits rose approximately 13 percent from ¥ 1,105,289,841 in December to ¥ 1,247,908,187 in January while the number of postal transfer transactions decreased approximately 23 percent from the seasonal high of 3,446,650 in December to 2,658,822 in January.



CONSTRUCTION AND REHABILITATION

26. Telephone and telegraph services continued to be hampered by inadequate maintenance of plants which had been rehabilitated.

27. During January 21,290 mailbags were produced, making a total of 102,466 manufactured to date in the over-all project to produce 472,865 bags.

28. The program for rehabilitation and restoration of railway mail cars continued in January. Four cars were retired from service while 120 were taken out of service for major repairs, 10 more than December.

29. Five new motor trucks were acquired during January for the postal system. During the same period nine were written off as fully depreciated, resulting in a net reduction of four trucks carried on record. The number of trucks in actual use increased because of a reduction in the number removed for repairs.

The number of motor trucks required decreased two due to reduction in transportation service between Hakuzara and Kure stations in Hiroshima Prefecture.

30. In January 991 new bicycles were acquired. Of the total, 420 were used as replacements for rented bicycles and 403 as replacements for old ones which had become fully depreciated. Ninety-three were withheld temporarily from service for minor repairs and 75 were used for expansion of services.

The bicycle manufacturing program is meeting current rehabilitation allotment requirements. The number of rented bicycles decreased to 1,270.

STATUS OF MAIL VEHICLES

	<u>Railway Mail Cars</u>		<u>Motor Trucks</u>		<u>Bicycles</u>	
	<u>31 Dec</u>	<u>31 Jan</u>	<u>31 Dec</u>	<u>31 Jan</u>	<u>31 Dec</u>	<u>31 Jan</u>
Carried on records	741	741	903	899	36,317	36,485
Unserviceable or otherwise assigned	153	167	156	147	5,335	5,025
In actual use	500	497	747	752	30,982	31,460
Reserve (usable)	50	50	0	0	0	0
Total required	550	550	878	876	36,737	36,898
Surplus (usable)	39	27	0	0	0	0
Additional needed	0	0	131	124	5,755	5,438 ^{a/}

^{a/} Does not include 1,270 rented bicycles.

SOURCE: Ministry of Communications.

31. Work had been started by 31 January on 55 percent of the projects in the postal reconstruction and building program. Because appropriated funds were frozen and no critical building materials were allotted until the third quarter of the fiscal year not all construction projects can be completed by 31 March.

POSTAL BUILDING PROGRAM STATUS
(fiscal year ending 31 March 1948)

<u>Class of Project</u>	<u>Number of Projects</u>	<u>Construction in Progress Prior to 31 Jan 1948</u>	<u>In Stages of Planning or Negotiation</u>
New construction	49	33	16
Repair	12	1	11
Building extension	<u>1</u>	<u>0</u>	<u>1</u>
Total	62	34	28

SOURCE: Ministry of Communications, Building and Repairs Division.

EQUIPMENT MANUFACTURING AND SUPPLY

32. January production of communications equipment declined slightly below December due primarily to holidays and electric power shortages.

33. The amount of coal reaching communications equipment manufacturers in January increased 24 percent to 4,950 metric tons. Although the percentage of allocation delivered dropped to the lowest figure since February 1947, the decrease was more than compensated for by the 66-percent increase in allocation.

A quarterly coal allocation program was inaugurated in January. Since the January allocation had already been made, the first quarter's allocation was only 15,270 metric tons for February and March.

COAL ALLOCATIONS AND DELIVERIES
(metric tons)

	<u>Allocated</u>	<u>Delivered</u>	<u>Percent</u>
December	4,500	4,000	89
January	7,460	4,950	66

SOURCE: Manufacturers' reports.

Two thousand metric tons of lignite were allocated in January in addition to the coal. The total lignite allocation for February and March was 5,500 metric tons.

Wire Equipment

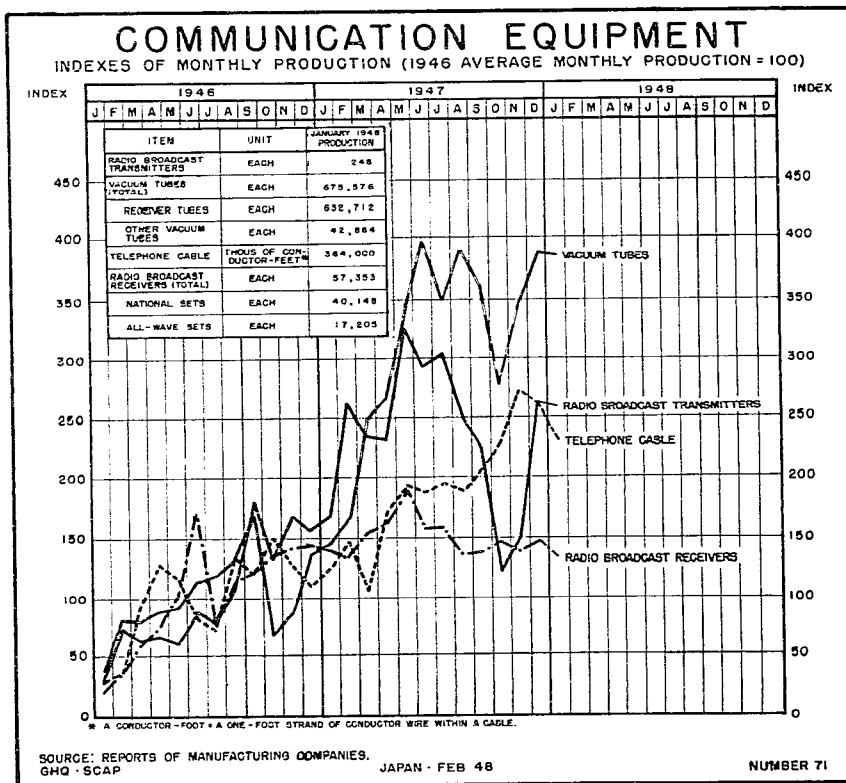
34. Production of wire communications equipment in January decreased from the December level but remained higher than November. Both telephone set and switchboard production declined 20 percent.

WIRE COMMUNICATION EQUIPMENT

	<u>December</u>	<u>January</u>
Telephone sets	28,410 <u>a/</u>	22,616
Manual switchboards	630	505
Automatic switch units	4,708	4,360
Carrier systems	93	74
Repeater systems	25	17
Wire communications parts (in thousands of yen)	45,718	33,437

a/ Revised.

SOURCE: Manufacturers' reports.



35. The production of lead-covered telephone cable in January decreased six percent from December's cable-length production. The total conductor-footage production decreased 12 percent.

Radio Equipment

36. Production of receiver tubes during January remained at approximately the same level as December.

37. Repeater and transmitter tube distribution showed decreases of 21 and 35 percent respectively.

RECEIVER TUBE DISTRIBUTION

	<u>Distribution</u>		<u>Percentage</u>	
	<u>December</u>	<u>January</u>	<u>December</u>	<u>January</u>
New radio equipment	270,000	300,000	42.6	47.4
Replacements <u>a/</u>	341,592	304,912	53.9	48.2
Operations	18,000	27,000	2.8	4.3
Exports	<u>4,500</u>	<u>800</u>	<u>0.7</u>	<u>0.1</u>
Total	634,092	632,712	100.0	100.0

a/ Includes handling losses.

SOURCE: Manufacturers' reports.

38. The production of all-wave receiver sets showed a 33-percent increase from 12,976 in December to 17,205 in January while the production of national sets decreased 21 percent from 50,790 to 40,148 during the same period. The resulting over-all decrease in receiver production was 10 percent.

39. Production of radio condensers increased approximately 10 percent during January while transformer production remained the same. Production of other radio parts declined.

RADIO PART PRODUCTION
(thousands)

	<u>December</u>	<u>January</u>
Condensers	1,410	1,562
Resistors	1,382	1,208
Transformers	149	149
Speakers	121	108
Other radio parts (thousands of yen)	30,584	16,204

SOURCE: Manufacturers' reports.

Miscellaneous Equipment

40. During January 3,000 bicycles, complete with tires and tubes, were made available to the Ministry of Communications for mail and telegram deliveries.

41. During December 5,250 pieces of communications equipment and parts valued at ¥ 6,658,000 were exported to Korea and 62 different pieces valued at ¥ 185,000 were shipped to the Ryukyus.

PERSONNEL

42. In January the absentee rates among communications workers rose to 4.0 percent from the December rate of 3.6 percent.

43. Total personnel employed by the Ministry of Communications increased 1,902 during December.

MINISTRY OF COMMUNICATIONS PERSONNEL

	<u>Male</u>		<u>Female</u>	
	<u>November</u>	<u>December</u>	<u>November</u>	<u>December</u>
Administrative	17,520	18,644	4,625	4,838
Postal system	96,896	96,929	19,192	19,048
Postal savings	37,057	36,824	33,044	32,979
Postal life insurance	39,726	39,589	17,160	16,919
Telephone	50,797	52,001	51,091	51,474
Telegraph	45,670	45,396	8,379	8,208
Radio	<u>7,816</u>	<u>7,993</u>	<u>605</u>	<u>638</u>
Total	295,482	297,376	134,096	134,104

SOURCE: Ministry of Communications.

FINANCIAL OPERATIONS

44. In December the Ministry of Communications operated at a deficit of ¥ 1,508,518,993, an increase of 335 percent over the previous month's ¥ 347,011,466 deficit. Livelihood subsidy payments during the month accounted for ¥ 1,079,976,274 of this deficit.

The telephone enterprise, the only Ministry of Communications service which had operated continuously at a profit since the beginning of the fiscal year, showed a deficit of ¥ 233,063,921 for December. Expenses increased with the payment of the livelihood allowance and revenues decreased, partly because fewer telephones were installed during the month.

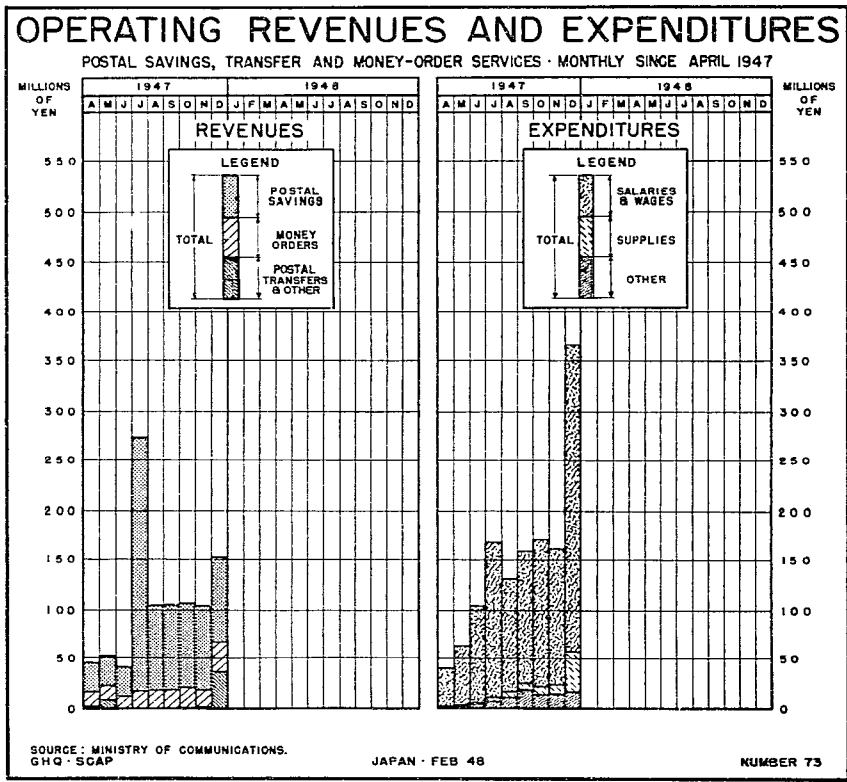
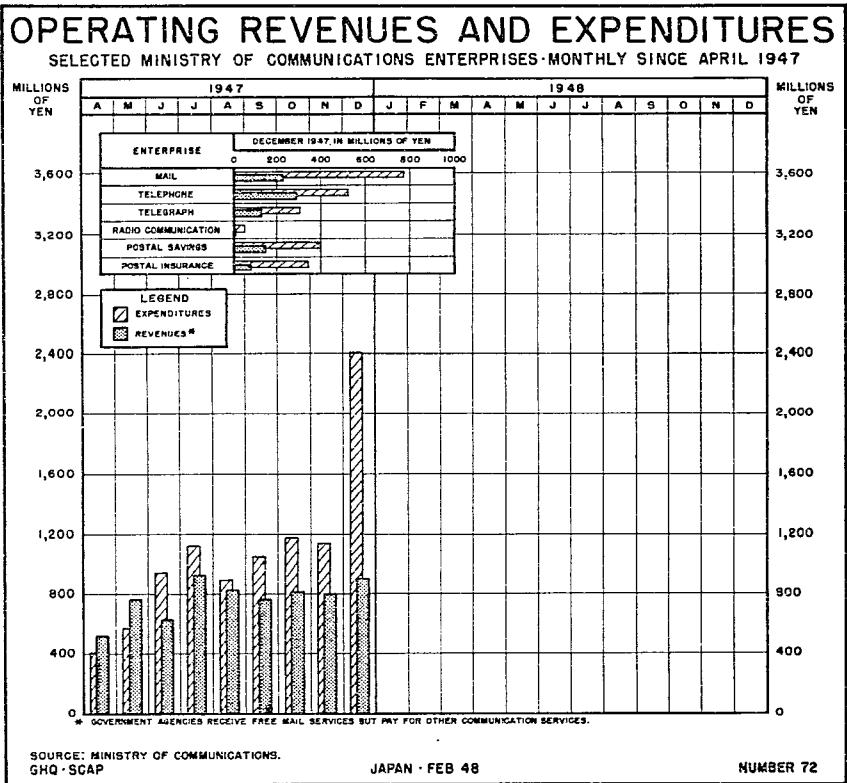
Revenue from postal savings enterprises showed a 46-percent increase for December, in part because of the Government's acquisition of unclaimed deposits. See the first chart on the opposite page.

45. There were large increases in both revenues and expenses for the postal savings, money-order and postal transfer enterprises of the Ministry of Communications. Revenues from money orders increased approximately 68 percent with the extra holiday season traffic. Revenues from postal transfer fees rose from ¥ 34,681 in November to ¥ 8,158,220 in December with the approval of previous cash transfers. Expenses for salaries more than doubled with payment of livelihood allowances and expenses for supplies reached a level more than four times that of November due to quarterly purchases. Note the second chart on the opposite page.

46. On 24 February the Diet authorized payment of the final increment amounting to 0.8 month's salary of the total 2.8 months' salary special living allowance recommended for government employees by the Central Labor Relations Committee. Special living allowances totaling two months' salary were paid in December. Payment on the final special allowance began on 25 February.

RESEARCH AND DEVELOPMENT

47. An extensive laboratory test of telephone dials conducted by the Ministry of Communications and five manufacturers was completed at the end of January. The purpose of the test was to determine the life of average dials and the faults which should be corrected to give a reasonable degree of satisfaction in actual service and with the object of standardization of parts.



Of the 53 No. 2 type dials tested 18 performed satisfactorily after 100,000 operations.

TELEPHONE DIAL TEST RESULTS
(number of operations)

	<u>Below 50,000</u>	<u>Below 100,000</u>	<u>Above 100,000</u>
Broken main spring	16	1	0
Other troubles	8	8	2
Satisfactory	29	20	18

It is estimated that in normal service in Japan each dial is operated 30,000 times per year.

SECTION 8

LABOR

C O N T E N T S

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LABOR LEGISLATION

Employment Security Law

1. The Ministry of Labor issued an ordinance on 7 February defining labor supply projects declared illegal under the Employment Security Law. The ordinance, effective 1 March, aims to outlaw feudalistic "labor bosses," enable workers employed through labor contractors to become direct employees and to require labor contractors to assume the proper responsibilities of employer-contractors.

The ordinance defines an operator of an illegal labor supply project as "any person or agency who supplies workers to another, whether or not a contract is known to exist, unless that person:

- "(1) Takes full financial and legal responsibility as an enterpriser for completion of the particular project;
- "(2) Performs on-the-job supervision of the laborers;
- "(3) Assumes full legal obligation as an employer with respect to workers; and
- "(4) Provides necessary machinery, equipment (excluding simple tools), materials or necessary planning and techniques."

Labor contractors unable to meet the above requirements previously have supplied 5 to 25 percent of total employed daily workers to nearly every industrial establishment; a large portion of the work force in the construction industry; and miscellaneous supply agencies furnishing nonregistered nurses, maids and housekeepers.

LABOR AND EMPLOYER ORGANIZATIONS

Political Activity

2. In its first reaction to the change in the Government,

labor was undecided whether it would support the new cabinet,

The General Federation of Japanese Trade Unions expected to support the Ashida cabinet only on the condition that left-wing influence be excluded.

The National Congress of Industrial Unions expressed opposition to the proposed Ashida cabinet as it did to the Katayama cabinet, asserting that it was "too much to expect the new government to work for the working classes."

The National Council of Electric Industry Workers' Unions voiced opinions similar to those of the Congress of Industrial Unions.

Anti-Communist and Democratization Movements

3. The anti-Communist drive inaugurated by the All-Japan Railway Workers' Union in October and the "democratization" campaign of the General Federation of Japanese Trade Unions announced in January gained momentum as a similar drive was undertaken against Communist fractions within the National Congress of Industrial Unions.

A National Congress of Industrial Unions Democratization League was set up on 13 February under the leadership of Jinsuke Mitsumura, vice-chairman of the ECIU and official of the All-Japan Communication Workers' Union. The movement, prompted by secession of a number of leading member unions allegedly alienated by the ECIU's fractional elements, was interpreted to be not only an anti-Communist drive but also a proposal to force democratization of the Congress as a whole and to attain unification of the labor front free of Communist Party fraction influence. Many of the leaders in the League are ex-Communist Party members who accept Communism but oppose fraction activities.

At first, the Central Executive Committee of the ECIU denounced formation of the League as detrimental to the interest of labor and voted to repudiate it. Charged by the dissidents with being undemocratic and Communist-dominated and evoking strong protests from the General Federation of Japanese Trade Unions and other leading labor groups, the Committee later decided neither to suppress nor to recognize the movement on the grounds that it threatened a split in the organization. Mitsumura and some 30 other officials sponsoring the move resigned from the Central Executive Committee.

4. Although Kazuyoshi Dobashi of the All-Japan Communications Workers' Union denounced the ECIU Democratization League, on 23 February a preparatory committee for the democratization league was formed in his own organization. Assailing the "undemocratic action" of the Communist fraction within the Union, the preparatory committee adopted a program which called for elimination of the Communist fraction, secession from the ECIU and higher effective wages rather than higher nominal wages.

5. A round-table conference was held on 24 February between the ECIU Democratization League and some 200 representatives of the General Federation of Japanese Trade Unions, the anti-Communist League of the All-Japan Government Railway Workers' Union, the Japan Broadcasting Corporation Union and other unions including machines and tools, motion picture, press and radio. Consideration was given to setting up a liaison council of labor union representatives as a nucleus for an organized movement for democratization of unions preliminary to unification of the labor front.

Other Organizations

6. The Coal Industry Reconstruction Council, inactive since

October, held a meeting on 18 February. The Council was reorganized with 10 representatives from the Japan Coal Mine Operators League, and five each from the All-Japan Federation of Coal Miners' Unions and the All-Japan Coal Industry Union.

7. The first Labor Lawyers Association in Japan, patterned after the Labor Lawyers Association in the United States, was inaugurated on 1 February. The Association, sponsored by several members of the Tokyo Second Bar Association and members of the faculties of Kyoto, Waseda, Keio and Hosei Universities, will conduct research on labor problems and labor laws.

Labor Union Statistics

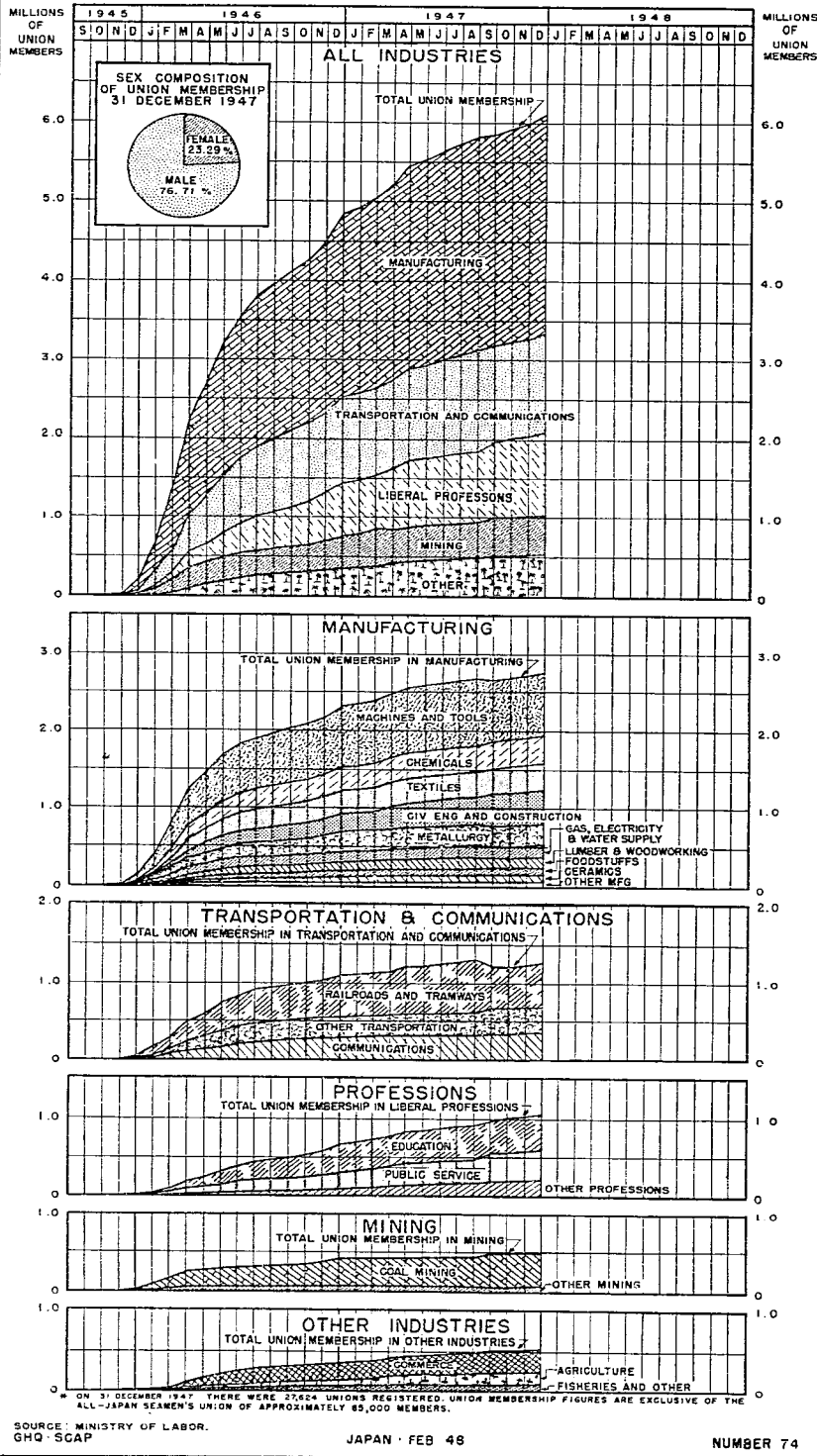
8. In December 1,341 unions with 145,586 members were organized, bringing total union membership on 31 December to 6,113,252 in 27,624 unions, exclusive of the All-Japan Seamen's Union with 85,000 members.

LABOR UNIONS AND MEMBERSHIP ^{a/} 31 December

<u>Industry</u>	<u>Unions</u>	<u>Membership</u>		
		<u>Men</u>	<u>Women</u>	<u>Total</u> ^{b/}
Manufacturing				
Metallurgy	1,235	327,751	37,524	265,275
Machines and tools	3,829	688,905	136,754	825,714
Chemicals	1,847	261,695	98,989	360,684
Gas, electricity and water supply	699	136,149	15,435	152,314
Ceramics	541	61,284	20,676	81,960
Textiles	1,166	93,776	262,740	356,516
Lumber and woodworking	1,647	104,867	31,139	136,026
Foodstuffs	734	55,798	27,044	82,842
Printing and binding	292	25,938	12,482	38,420
Civil engineering and construction	1,247	425,539	19,567	445,120
Other	<u>294</u>	<u>18,509</u>	<u>8,646</u>	<u>27,155</u>
Total	13,531	3,100,231	670,996	2,772,026
Mining				
Metal	222	47,398	9,685	56,983
Coal	728	356,621	57,362	413,983
Other	<u>134</u>	<u>17,056</u>	<u>2,695</u>	<u>19,751</u>
Total	1,084	420,975	69,742	490,717
Transportation and communication				
Railroad and tramway	956	506,423	60,439	570,324
Automobile	409	55,066	7,878	62,944
Water (inland)	187	35,688	4,190	78,816
Other transportation	883	188,659	20,547	209,391
Communication	<u>1,358</u>	<u>223,507</u>	<u>108,658</u>	<u>332,165</u>
Total	3,793	998,343	201,712	1,253,540
Agriculture	1,481	108,865	26,423	135,288
Marine products	159	26,067	2,875	28,942
Commerce	1,660	201,162	104,856	306,044

LABOR UNION MEMBERSHIP*

MONTHLY SINCE 1 SEPTEMBER 1945



Industry	Unions	Membership		Total b/
		Men	Women	
Education and liberal professions				
Public service	2,920	288,903	88,719	377,632
Education	1,471	230,895	177,852	459,634
Other	<u>1,311</u>	<u>168,390</u>	<u>56,560</u>	<u>225,000</u>
Total	5,702	738,188	323,131	1,062,266
All other	<u>214</u>	<u>52,958</u>	<u>11,471</u>	<u>64,429</u>
Grand total	27,624	4,646,779	1,411,206	6,113,252

a/ Unions reported registered exclusive of unions reported discontinued.

b/ Totals include following figures for which no sex breakdown was available; manufacturing 809 (machines and tools 55, gas, electricity and water supply 730, civil engineering and construction 24); transportation and communication 53,485 (railroad and tramways 4,463, water (inland) 48,938, other 85); commerce 26; education and liberal professions 947 (public service 10, education 887, other 50); total 55,267.

SOURCE: Ministry of Labor.

LABOR RELATIONS

9. Although there were no major work disruptions during February, labor relations on issues involving the final fulfillment of the December mediation award in the government workers' dispute were tense and contributed to the fall of the Katayama cabinet.

Government Workers' Dispute

10. The controversy over the source of revenue to finance the 0.8-month's allowance still due government workers under the Central Labor Relations Committee mediation ruling turned into a political issue and contributed to the resignation of the Katayama cabinet.

Payment of the allowance from an increase in railway and communication rates was favored by the Social Democratic Party's right wing, but threats that party left-wingers led by Mosaburo Suzuki would act independently in the Diet forced the Cabinet to withdraw the supplementary budget bill from the Diet. The Cabinet then resigned.

Pending formation of the new government the outgoing cabinet presented another bill proposing payment of the 0.8-month's allowance with revenue from noncontroversial sources. This bill was approved by the Diet on 24 February.

Union spokesmen generally endorsed Suzuki's opposition to the Government's attempt to increase rates, stating that payment of the allowance and the supplementary budget were two different issues.

11. The Temporary Wage Committee, established by the Central Labor Relations Committee to recommend a new wage level for government workers, presented its final report on 18 February after continuous meetings since 27 January.

12. The Committee concluded that the new average wage level for government workers should be ¥ 2,920 inclusive of the ¥ 358

income tax. In arriving at the new wage level the Committee considered the level of national livelihood and the level of wages in private industry, the Government's ability to pay and the general effect of the wage increase on inflation.

In adopting the new wage level, the Committee proposed that uniform increase for all the workers be avoided and rearrangement of the wage structure be emphasized with the following considerations:

- (1) A new regular wage should be established combining the present customary regular wage and all temporary and special allowances and payments.
- (2) New wage gradations should be formulated considering the rise in wage levels in general, nature of the work performed, hours of work, working conditions and comparability to work in private industry.
- (3) Family allowances, although unavoidable, should not be increased at the same rate as regular wages. The Committee concluded that such allowances are detrimental to employment opportunities and efficient and effective utilization of manpower and in the long run should be eliminated.
- (4) Regional allowances should be revised to provide more grades and wider range. Other special allowances such as fuel and clothing allowances for cold areas, etc., should be integrated into regional allowances. Special work allowances should be covered by regular wages.
- (5) Minimum wages according to age should be adjusted according to the extent to which the above factors enter into determination of wages.

13. The railway workers and the communications workers demanded that March wages under the new scale be paid as of 1 March and started dispute tactics on 25 February to achieve this end. Both groups of workers scheduled partial 24-hour strikes at different times throughout the country, started taking vacations and refusing to work overtime. Ministry of Finance employees engaged in "safe-commuting tactics" by refusing to ride overcrowded trains and streetcars during the rush hours, thereby arriving late for work and leaving work early, and in "collective holidays" by taking annual leave jointly, leaving whole offices vacant.

Coal Industry

14. During February the All-Japan Federation of Coal Miners (Nihon Tanko Rodo Kumiai Domei) and the operators were negotiating at the national level for new wage scales which would reflect the bonus arrangement as part of the normal wage pattern.

The All-Japan Coal Industry Labor Union (Zen Nihon Sekitan Sangyo Rodo Kumiai), also entered into wage negotiations at the national level, but later disagreed on the interpretation of the principle of national negotiations and instructed its local chapters to start regional negotiations on the issue of minimum wages. The operators refused to bargain under these circumstances and negotiations were suspended. The Union, while recognizing the principle of national negotiations, was reluctant to withdraw its instructions to locals on the grounds that to do so required convention approval. The operators stated they were willing to negotiate locally on issues which were not considered at the national level.

Efforts were being made for joint negotiations between the two union groups and the operators. Both unions agreed to appoint a subcommittee to study grievance machinery to be incorporated in the national agreement.

Electric Power Industry

15. The electric power industry was unable to meet recommended wage increases and paid each worker approximately ¥ 1,000 less in January than in December. The workers objected vigorously.

The Central Labor Relations Committee in an attempt to conciliate the dispute proposed that the Union accept the December rates in January, February and March, after which the full mediation plan would be put into effect. The Union on 24 February agreed to the Committee's proposal with respect to January wages, but continued conciliation on the February and March wages. The Government considered the possibility of a special loan to the industry through the Reconstruction Finance Bank to provide payroll funds until such time as electric power rates were revised and other proposed adjustments were made.

The Union decided that the present disputes committee would remain in session until the dispute is finally settled or until dissolved by the convention.

While the Central Labor Relations Committee was negotiating on the dispute, various unions made demands locally and continued acts of dispute. The All-Japan Electric Power Workers' Union began a clerical strike but did not disrupt the supply of power.

Private Transportation

16. The Federation of Private Railway Workers' Labor Unions representing workers in 104 companies was negotiating with the newly formed Private Railway Employers' Association on the sliding-scale wage system agreed upon in April 1947 but never put into effect. Although a majority of the locals had filed cases with local labor relations committees, the Federation was preparing to file the case as a whole with the Central Labor Relations Committee. The negotiations were complicated by the prevailing rate system for private railways which was based on the financial status of the company rather than on the services rendered.

The dispute between the Miyazaki Private Railroad Labor Union and the company involving the formation of a third union allegedly instigated by the company was settled by the mediation of the Central Labor Relations Committee. The settlement included: (1) reorganization of the several unions into a single union, (2) signing of a new contract with the company, and (3) strike pay to the workers.

The All-Japan Express Company Workers' Union representing 103,000 workers rejected the Central Labor Relations Committee wage proposal of ¥ 3,734 average monthly wage for a man 37 years old with three dependents and eight years of service as being considerably less than its demand of ¥ 6,028 based on the rise in the cost of living. The Union on 27 February decided to declare a 24-hour strike effective 10 March except in those departments affecting the transportation of staple foodstuffs and coal.

Other Disputes and Negotiations

17. The legality of acts of dispute in the Aikoda Printing Company production control case was under investigation by

procurators. Although the employer agreed to all of the union demands except payment of income tax on wages, the union has retained the plant under production control since October 1947, despite all efforts by the employer and the Tokyo-to Labor Relations Committee to bring the case to conclusion.

18. The Haneda Seiki Company, designated for reparations, refused to extend the contract with its employees represented by the Japan Machines and Tools Labor Union which expired several months ago and announced suspension of all operation on 20 January. The Union, considering the action discriminatory, appealed to the Ibaraki Prefectural Labor Relations Committee. After conciliation the Company announced that instead it would: (1) discharge 398 out of the total of 650 employees and pay them retirement allowance equivalent to two months' pay; (2) consider some amount of compensation for the rest of the employees during the temporary suspension of operations; and (3) renew negotiation for a new contract.

19. The Kajima Coal Mine Labor Union, objecting to the Company's proposal to sell or lease part of the mine, contended that such a division of the property would cause wholesale dismissal of workers, decrease wages and weaken the Union. Since the Company refused to discuss the matter as provided by the collective bargaining agreement, the Union asked for arbitration by the Central Labor Relations Committee. At the end of the month the case was being considered by the Coal Board at the national level.

20. The Nagasaki Labor Relations Committee rendered a ruling on the jurisdictional dispute at the Takashima Coal Mine where a dispute had been in progress since 28 January. The dispute started when a second union was formed in December after disagreement over extension of the work day. The Committee ruled that: (1) the Company's labor chief was not at fault and therefore was not to be dismissed; (2) the strike of the union was clearly in violation of the contract; and (3) the two labor unions should dissolve and a new union be formed. Affiliation of the new union was to be decided by a secret ballot. The officers of the two unions were requested to retire from their posts and not to take office in the newly established union.

21. The Kawanami Shipbuilding Company was found guilty for the second time by the Nagasaki Prefectural Labor Relations Committee of violating the Labor Relations Adjustment Law when the Company discharged 200 union leaders as a term of settlement in the dispute with the union which started in September 1947. The Company refused to recognize the Committee's decisions and the case was referred to the procurator for prosecution.

22. Some 100,000 workers in the cotton spinning industry asked for an increase in wages from the ¥ 820 entry wage for a 16-year-old inexperienced female worker to ¥ 1,900, and from the ¥ 2,800 for an experienced male worker with four dependents to ¥ 7,200. Despite previous increases, wages in the cotton spinning industry were still far below other textile industries. The employers recognized the validity of the wage demands based on cost of living but alleged that they were unable to pay within the existing price structure. The employers offered a compromise of ¥ 1,400 minimum and ¥ 5,200 maximum.

Disputes Statistics

23. The number of workers involved in work stoppages and work disruptions in private enterprises increased during February due to the slowdowns by some 96,000 workers of the All-Japan Express Company and 130,000 workers in the electric power industry.

DISPUTES OCCURRING IN PRIVATE ENTERPRISES a/

	<u>Strikes</u>		<u>Lockouts</u>		<u>Slowdowns</u>		<u>Production Control</u>		<u>Total</u>	
	No.	Workers	No.	Workers	No.	Workers	No.	Workers	No.	Workers
1-7 Feb	12	29,689	6	270	7	236,317	14	1,442	39	267,616
8-14 Feb	12	2,108	6	179	9	236,460	17	1,662	44	240,409
15-22 Feb	15	12,113	5	126	8	236,427	17	1,898	45	250,564
23-29 Feb	14	29,362	5	126	11	236,548	17	1,879	47	267,915

a/ Preliminary.

SOURCE: Ministry of Labor.

24. During December 138,139 workers were involved in 58 labor disputes accompanied by work stoppages and work disruptions. In addition 1,797,494 workers of which 1,670,452 were government employees were involved in 80 labor relations cases in which, although there were no work stoppages or work disruptions, negotiations broke down and a third party intervened to assist in adjustment.

25. Because no major firms were involved in strikes and lockouts during December man-days idle decreased to 189,680 compared with 845,504 in November. Seventy-five percent of the man-days idle were due to strikes and lockouts at the following five plants: the Tokyo Plant of the Mitsui Chemical Industry employing 1,191 workers on strike 19 days; the Minechi Plant of the Furukawa Coal Mine employing 1,990 workers on strike 10 days; the Kanagawa Plant of the Hodogaya Chemical Industry employing 3,314 workers on strike 14 days; the Tokyo Machine and Tool Manufacturing Plant of the Mitsubishi Heavy Industry employing 1,880 workers on strike 27 days; and the Tokyo Plant of the Nihon Refrigerator Manufacturing Company employing 3,751 workers on strike four days. Note the graphs on the following two pages.

LABOR EDUCATION

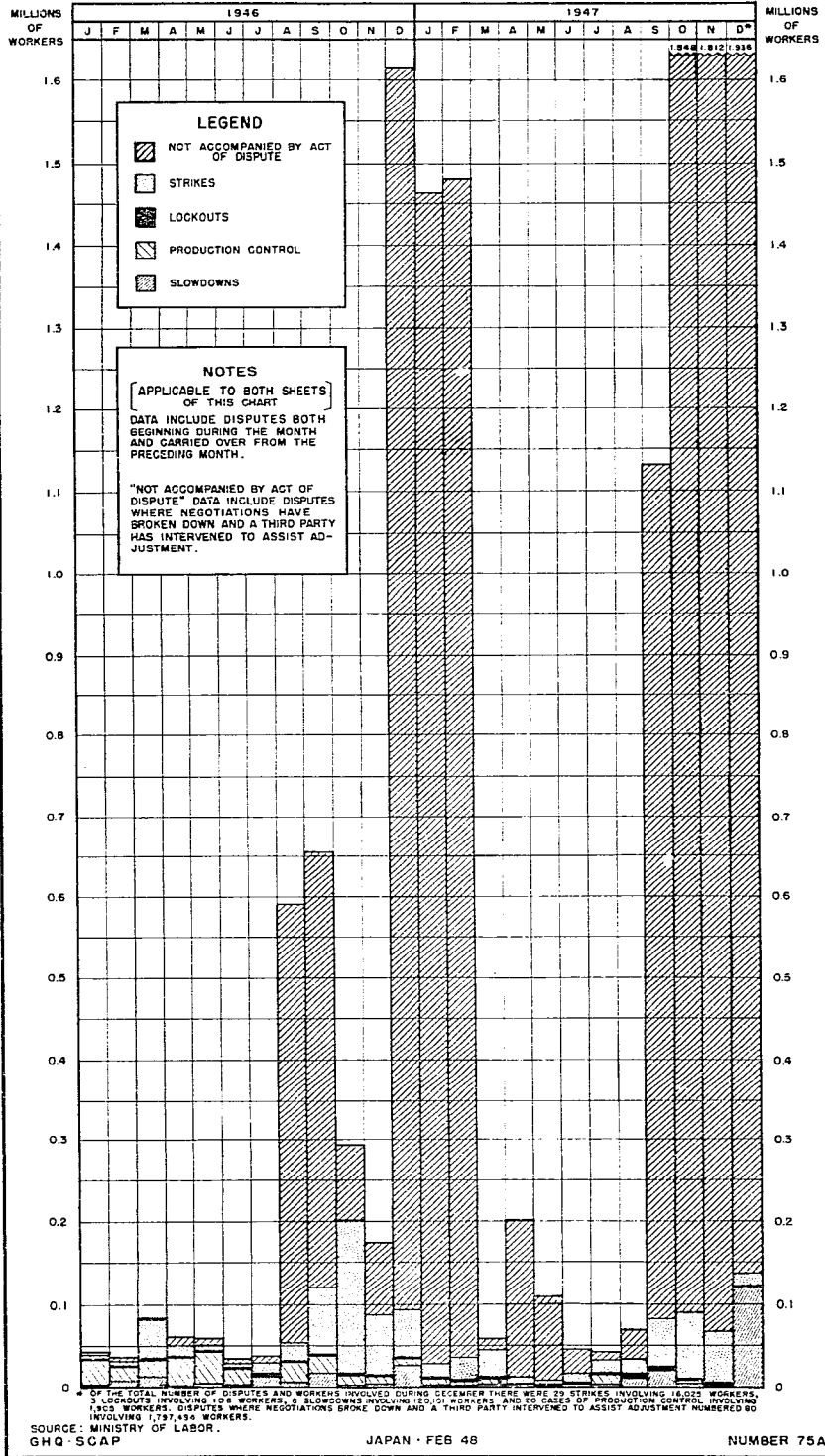
Union Labor Education Programs

26. Spot surveys indicated that during 1947 about 10 percent of local unions had at least an educational committee, five percent had training classes for the rank-and-file membership and about 10 percent had a labor publication of some sort. Labor education in both labor unions and labor administration was hampered by the lack of experienced teachers and materials and the preoccupation of top labor leaders with political and economic problems. Many of the larger unions have no educational department but have set up large propaganda or cultural departments which stress politics and strife tactics or social activities rather than pure labor matters.

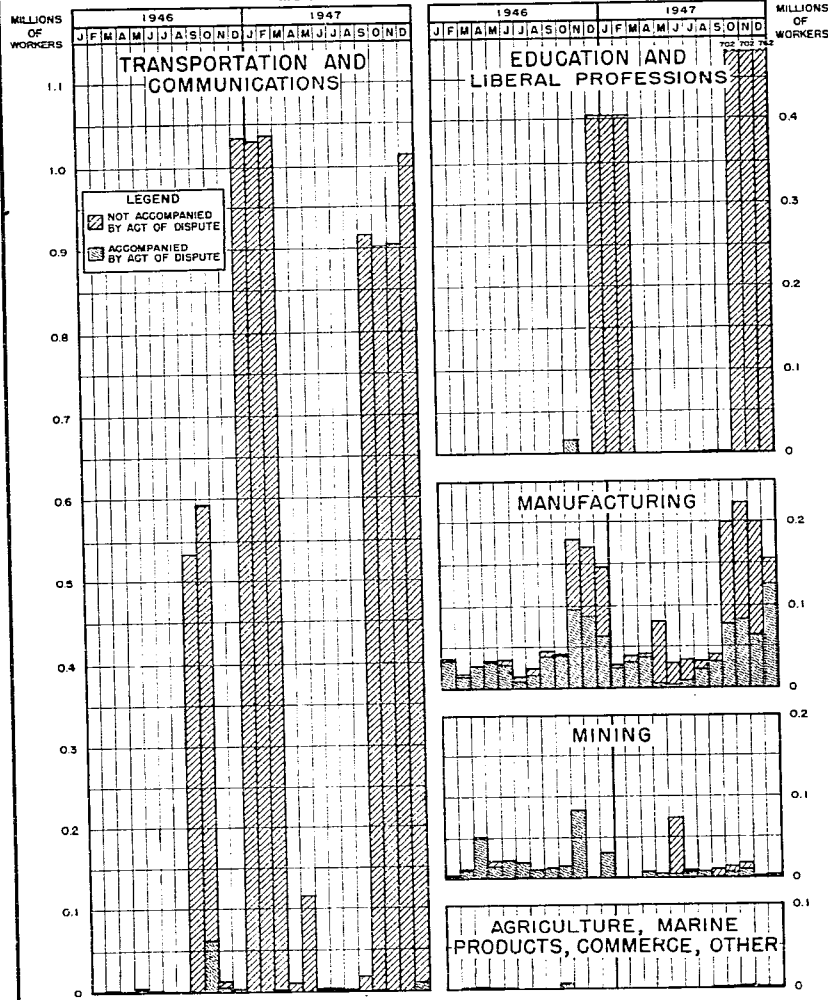
27. Although the Government Railway Workers' Union set aside one percent of its national budget for workers' education, factional dissension within the Union during late 1947 and early 1948 hampered educational activities. Some of the Union's educational publications include:

- (1) The Education and Culture Department's new monthly publication, "The Railway Workers' Culture," issued for the first time in February.
- (2) The Propaganda Department's weekly newspaper, "Charge" (Bakushin), and a bulletin published every five days, "Propaganda Information" (Senden Joho).

WORKERS INVOLVED IN LABOR DISPUTES MONTHLY SINCE JANUARY 1946

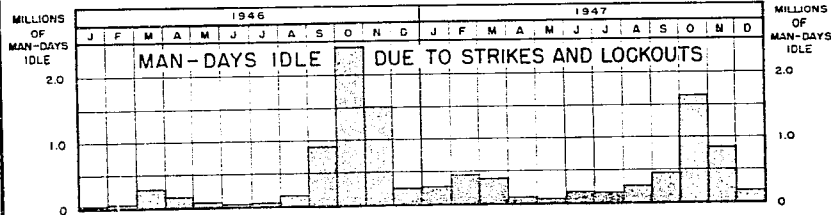


WORKERS INVOLVED IN LABOR DISPUTES MONTHLY SINCE JANUARY 1946



DECEMBER 1947 DISPUTES

INDUSTRY	NOT ACCOMPANIED BY ACT OF DISPUTE		ACCOMPANIED BY ACT OF DISPUTE		TOTAL	
	NO. DISPUTES	NO. WORKERS	NO. DISPUTES	NO. WORKERS	NO. DISPUTES	NO. WORKERS
TRANSPORTATION AND COMMUNICATIONS	13	1,002,582	2	10,326	15	1,012,908
EDUCATION AND LIBERAL PROFESSIONS	12	762,088	3	248	15	762,336
MANUFACTURING	48	30,575	50	124,636	98	155,211
MINING	3	546	3	2,929	6	3,475
AGRIC. MARINE PROD. COMMERCE, OTHER	4	1,703	0	0	4	1,703
TOTAL	80	1,797,494	58	138,139	138	1,935,633



SOURCE: MINISTRY OF LABOR.
GHQ-SCAP

JAPAN - FEB 48

NUMBER 75B

- (3) The Tokyo Railway Institute's three pamphlets on labor education for railway workers. These pamphlets have been incorporated into a correspondence course financed by the Ministry of Transportation but under partial control of the Union.

Publications

28. The number of new publications on labor continued to expand rapidly while reprints were issued regularly. On the average one new publication came out daily during February.

PUBLICATIONS ON LABOR
February

<u>Issuing Organization</u>	<u>Publication</u>
All-Japan Communications Workers' Union	"All-Japan Communications Workers' Handbook for 1948"; first edition. Dr. Shichiro Matsui, "Collective Bargaining Agreements"; third edition.
Central Labor College	Central Labor Relations Committee, "Annual Report of Labor Relations Boards, 1946"; first edition. Classens and West, "Handbook for Proceedings of Trade-unions"; first edition.
Ministry of Labor	"Employment Correspondence" (monthly magazine). "Outline of Workers' Accident Compensation Insurance Law"; first edition. M. Yonekubo, "Workers and the New Constitution"; first edition.
Labor Administration Bureau, Education and Welfare Section, Aomori Prefecture	"Record of Lectures and Questions on Workers' Education at Aomori Prefecture"; first edition.
Labor Administration Section, Shizuoka Prefecture	"Explanation of Unemployment Insurance Law."
Labor Administration Division, Public Welfare Section, Hiroshima Prefecture.	"Collection of Labor Education Materials."
Kanvo Employers' Association	"The Employers' Information Sheet" (bimonthly bulletin); first edition.
All Japan Coal Operators' Association	United Mine Workers of America, "National Bituminous Coal Wage Agreement of 1947"; first edition.
Japan Labor and Farmer News Agency	"Actual Cases of Violation of Article 11 of the Trade-union Act"; first edition.

Issuing Organization

Publication

International Labor Legislation Research Institute	Ministry of Labor, "List of Japanese Trade-unions"; first edition.
Japan Cooperative Union League	T. Kagawa, "The Theory of New Cooperative Association"; first edition.
Kansai Labor Democratic League	"Trade-union Political Action in America"; reprint.
Tokyo Metropolitan Labor Department	"Trade-union Educational Activity"; reprint.
Don Bosco Press	Edgar Schmiedler, "Consumers' Cooperatives"; first edition.
Sansin Publishing Company	Ministry of Labor, "Detailed Explanation of Workers' Accident Compensation Insurance"; first edition.
Hori Bookstore	S. Takahashi, "Japanese Labor History"; first edition.
Weekly Education Newspaper Press	All-Japan Teachers' Union, "New Legislation Regarding Education"; first edition.
Education Printing Company	All-Japan Teachers' Union, "Legislation on New Education and Explanation"; first edition.
Obun Sha Publishing Company	M. Baba, "Story of the Labor Standards Law"; first edition.
Labor Culture Publishing Company	S. Ogawa, "Labor Problems Solutions"; first edition.

Labor Schools

29. The Central Labor College advertised in its publications for students for its long-term courses. The College also announced establishment of a correspondence course section.

Educational Rallies

30. The fifth labor education rally on 26 February in Tokyo was attended by more than 2,500 persons. The Central Labor College had for sale a selection of current books and publications on labor.

WAGES AND WORKING CONDITIONS

31. Wages on the average increased during February at about the same rate as during the preceding four months, an average of 10 percent in all manufacturing industries.

32. According to the Cabinet Bureau of Statistics monthly wage survey, regular monthly cash wages in manufacturing during December increased 11 percent for laborers and nine percent for staff workers. The December wage agreement in coal mining was reflected in an average increase of 13 percent for underground workers and eight percent for surface workers. In transportation, commerce, and gas, electricity and water supply regular wages increased by only two to five percent.

The customary year-end bonuses in some instances amounted to a full month's regular wages with the result that total wage payments in December were far above November. In manufacturing the increase of December over November was 37 percent for laborers and 48 percent for staff workers; in gas, electricity and water supply 15 and 8 percent respectively; in coal mining 37 and 34 percent; in metal mining 18 and 8 percent; in transportation 60 and 57 percent; and in commerce 11 and 34 percent.

**AVERAGE MONTHLY MONEY PAYMENTS TO LABORERS AND STAFF EMPLOYEES a/
December
(yen)**

Industry	Laborers		Staff	
	Regular Wages b/	Total Wages c/	Regular Wages b/	Total Wages c/
All manufacturing	3,291	3,137	3,187	4,767
Metallurgy	2,679	3,384	2,965	4,322
Machines and tools	2,599	3,511	3,267	4,729
Chemicals	2,414	3,189	3,514	4,889
Ceramics	2,584	3,855	3,209	6,184
Textiles	1,122	1,803	2,935	5,343
Lumber and woodworking	1,893	2,357	2,097	3,079
Foodstuffs	2,352	3,661	2,911	5,220
Printing and bookbinding	2,472	4,312	3,288	6,297
Other	1,613	2,250	2,655	4,137
Gas, electricity and water supply	2,507	3,559	2,688	3,738
Coal mining	3,354	4,145	3,578	5,019
Underground	4,110	4,997	-	-
Surface	2,373	3,039	-	-
Metal mining	2,316	2,978	2,963	3,848
Underground	2,834	3,729	-	-
Surface	2,120	2,692	-	-
Transportation	2,506	4,451	2,636	5,192
Commerce	1,952	2,627	2,617	3,607

a/ Average for men and women workers. Includes all regular and special money wages prior to tax and social insurance deductions.

b/ Regular wages include base wage and family allowances and regular bonuses of two months or less.

c/ Total wages include regular wages plus special and year-end bonuses.

SOURCE: Bureau of Statistics.

Workmen's Compensation Insurance

33. According to preliminary reports on the operation of the Workmen's Compensation Insurance Law during the first four months the Law has been in effect, 82,604 employers applied for coverage and paid ¥ 285,820,037 in premiums. Of this number 12,230 applications were made in December and ¥ 62,035,226 were paid in premiums. A total of 20,970 workers received compensation of various

types amounting to £ 62,376,261. Medical benefits were paid in 19,029 cases, compensation for wage loss in 11,304 cases, permanent disability in 416 cases and death benefits in 455 cases.

34. The Labor Standards Bureau established a system of field supervision of the workmen's compensation program to strengthen administrative control and accelerate introduction of new policies and procedures.

35. The 18-member tripartite Workmen's Compensation Committee, which had been functioning unofficially for some time, was officially appointed by the Minister of Labor on 18 February. The primary function of the Committee is to advise the Workmen's Compensation Section on important policy matters relating to all problems under the program.

EMPLOYMENT AND UNEMPLOYMENT

Coal Mine Labor

36. Total employment in the coal mines, exclusive of "engineers" and others paid on a monthly basis, increased from 453,332 in December to 460,165 in January of which 59,840 were women. Most of this increase was in surface workers, further accentuating the disproportionate number of surface to underground workers. At the end of January there were 240,824 underground workers compared with 219,341 surface workers. Spot checks of coal mines showed that these figures generally represent a surplus of surface workers rather than a shortage of underground workers.

Textile Employment

37. Employment in the textile industry increased by 545 to 693,377 at the end of January. Of this number 135,345 were men and 458,032 women.

Employment in the silk reeling industry remained almost constant, decreasing to 78,875 in January from December's 78,399.

Employment Security System

38. Special instructions explaining the principles of the Employment Security Law were issued by the Ministry of Labor on 29 January through prefectural governors to personnel engaged in employment security functions.

Unemployment Insurance

39. The Government completed administrative machinery for the unemployment insurance program, in effect since 1 November.

Preliminary reports showed that since 1 November 90,880 employers employing 4,320,688 workers of which 1,029,171 were women applied for coverage under the program. This number represented between one half and one third of the total number of employers subject to coverage. About 20 percent of the premiums due were paid.

First reports showed that some 3,030 claims were filed. The first 10 persons reported to have received benefit payments were paid £ 9,164. Few workers were applying for compensation, primarily because of unawareness of their rights to unemployment insurance.

Vocational Training

40. The Employment Security Bureau during February completed its plans for reorganization of the vocational training program effective 1 April. The new plans and instructions implementing the provisions of the Employment Security Law and related ordinances on vocational training were sent to all prefectures. The instructions outlined the types of projects eligible for subsidies, types and duration of the training courses and the types of centers where training may be given. All centers must be approved by competent education authorities under the school education laws and ordinances governing miscellaneous schools. The prefectural governments were invited to submit training plans with a request for subsidy by the end of March.

41. Because the program will be administered directly by governmental units the Vocational Training Association voted to dissolve on 31 March.

PUBLIC WORKS

42. Although the Economic Stabilization Board planned final certification of the remaining 1947-1948 fiscal year public works funds in February, the resignation of the Katayama cabinet delayed release of the funds pending receipt of further revenues by the Government.

43. Drafts of the first two of three volumes of instructions and information on the administration of the public works program were released during February. Prepared by the Economic Stabilization Board for the indoctrination of public works officials, 400 copies of the volumes were circulated among the various ministries and prefectural and local agencies charged with the responsibility of carrying out segments of the public works program.

ADMINISTRATION

44. The Ministry of Labor continued to appoint officials and hire employees at all levels to fill the remaining positions authorized for its newly established activities. The newness of many of its programs and the shortage of qualified personnel handicapped the Ministry in getting its programs under way. The Ministry is conducting extensive training programs in specialized functions and in general office routines through conferences and on-the-job training.

Prefectural Labor Administration

45. In accordance with the Ministry's request of 6 December that prefectural governments set up adequate labor administration machinery, 12 prefectures reported establishment of labor departments, five decided not to establish separate labor departments at this time and eight were either setting up the departments or deliberating on the subject as of 15 February.

Advisory Committees

46. To obtain unbiased representation on workers' consultative committees such as wage committees and employment security committees, the Ministry of Labor issued instructions to prefectural governors and labor standards offices outlining methods for selection of members for such committees. The respective groups are required to submit to competent authorities for selection a slate of candidates rather than just the required number of representatives. In the case of labor representatives the number of members

actually appointed will be in accordance with the membership of the various labor unions.

Women's and Minors' Bureau

47. The first appointments of field representatives for the Women's and Minors' Bureau were made in February. Field representatives were selected for 27 prefectures including Kyoto, Osaka and Kobe. By the end of the month applications had been received from all prefectures except Kochi.

48. Each of the three sections of the Women's and Minors' Bureau completed draft questionnaires for use in the Bureau's first research projects. The surveys are to cover women working in the silk reeling industry, minor street traders in Tokyo and the living status of women who are heads of families.

SECTION 9
IMPORTS AND EXPORTS

C O N T E N T S

	Paragraph
Total Trade and Trade Balance During 1947.	1
Pattern of Trade in 1947	4

TOTAL TRADE AND TRADE BALANCE DURING 1947

Total Trade

1. The volume, value and variety of goods involved in Japan's foreign trade increased markedly in 1947 over the levels achieved in 1946, both in imports and in exports. The scope of activity included more countries; new trade agreements were concluded; and limited resumption of private trading was instituted.

In spite of this growing activity Japan's foreign trade was a deficit operation, much below the prewar volume and limited in kinds of commodities exchanged and in the country-by-country distribution of trade.

2. The merchandise trade of Japan during 1947 amounted to approximately \$ 526,000,000 worth of imports and \$ 173,568,000 worth of exports, resulting in an over-all trade deficit of approximately \$ 352,432,000

These and all other dollar figures reported in this section are estimated values of the goods received or shipped during the calendar year 1947 as reflected by postings from shipping documents received in the recording office by 10 January 1948. They are subject to revision and should not be construed as the final figures to be used in settlement of accounts between Japan and other nations.

Trade Balances

3. United States agencies supplied approximately \$ 483,519,000 worth of the imports but received only about \$ 20,000,000 worth of the exports, making a negative balance of approximately \$ 463,429,000

Smaller negative balances in merchandise trade developed with India, \$ 1,314,000; Straits Settlements, \$ 1,810,000; Philippine Republic, \$ 1,141,000; and the U. S. S. R., \$ 1,864,000. This was due to trade between Japan and other countries being carried on partly through procurement of goods with United States Government appropriated funds in Asiatic areas and partly by temporary commodity advances to Japan under agreements calling for future payment by Japan.

The balance of merchandise trade with all other countries was positive, the largest of which developed in trade with the Netherlands East Indies, \$ 22,153,000; Korea, \$ 16,464,000; Turkey, \$ 15,371,000; and the United Kingdom, \$ 11,084,000.

PATTERN OF TRADE IN 1947

Foreign Trade Countries

4. Approximately 92 percent of the estimated value of imports was accounted for by imports from the United States or those procured by United States Government agencies. Imports from Asiatic countries accounted for six percent of the total and from Europe a little less than two percent. Imports from all other countries were almost negligible.

ESTIMATED VALUE OF 1947 IMPORTS a/
by Country of Origin
(thousands of U. S. dollars) b/

<u>Country of Origin</u>	<u>Value</u>
Asia	
China	5,018
Hongkong	4,256
India	9,743
Korea	2,471
Netherlands East Indies	1,304
Philippine Republic	2,317
Ryukyu Islands	42
Straits Settlements	5,052
U. S. S. R.	<u>2,004</u>
Total	32,207
Europe	
United Kingdom (including British Commonwealth Occupation Forces)	9,229
Sweden	<u>235</u>
Total	9,464
United States <u>c/</u>	483,519
Others	
Australia	738
Canada	19
Guam	<u>19</u>
Total	766
Total all countries	525,956

a/ C.I.F. Japanese port.

b/ Subject to revision.

c/ Includes estimated value of goods procured with U. S. Government appropriated funds and estimated value of surplus military stocks transferred to the Japanese Government.

5. Of the exports, 66 percent by value went to Asiatic countries, 14 percent to Europe, about 12 percent to the United States, five percent to Africa and 2.8 percent to Australia.

ESTIMATED VALUE OF 1947 EXPORTS ^{a/}
by Country of Destination
(thousands of U. S. dollars) ^{b/}

<u>Country of Destination</u>	<u>Value</u>
Asia	
Aden	2,064
Afghanistan	19
Burma	5,697
Ceylon	2,273
China	10,162
French Indo-China	241
Hongkong	14,061
India	8,429
Iran	29
Korea	18,935
Malaya	873
Netherlands East Indies	23,457
Philippine Republic	1,176
Ryukyu Islands	896
Siam	6,132
Straits Settlements	3,242
Saudi Arabia	1,286
Syria	54
Turkey	15,371
U. S. S. R.	140
Total	114,537
Europe	
United Kingdom	20,313
Belgium	140
France	84
Sweden	4,251
Switzerland	17
Total	24,805
Africa	
Anglo-Egyptian Sudan	3,961
Belgian Congo	205
Cyrenaica	37
Egypt	214
Eritrea	310
French Somaliland	50
Gambia	42
Gold Coast	450
Kenya	813
Nigeria	913
Northern Rhodesia	501
Nyasaland	212
Sierra Leone	80
Tanganyika	593
Tripolitania	191
Zanzibar	64
Total	8,636

<u>Country of Destination</u>	<u>Value</u>
United States	20,090
Others	
Argentina	143
Australia	4,846
Canada	301
Guam	134
New Zealand	76
Total	5,500
Total all countries	173,568

a/ F.O.B. Japanese port.
b/ Subject to revision.

Commodities

6. Foodstuffs accounted for 56.1 percent of the total value of the imports and fertilizer materials for 12.8 percent. Raw cotton accounted for 13.3 percent and the remaining 17.8 percent was distributed among petroleum products, salt, crude rubber, drugs and chemicals (primarily those for medicinal or pest-control uses), surplus Army vehicles and clothing and a miscellaneous assortment of other commodities..

ESTIMATED VALUE OF 1947 IMPORTS a/
By Type of Commodity
(thousands of U. S. dollars) b/

<u>Commodity</u>	<u>Value</u>
Textiles and clothing	82,824
Raw cotton	70,011
Raw wool	754
Hard and bast fibers	950
Yarns, threads, etc.	15
Clothing c/	6,107
Other textile products	4,987
Foods (excluding oils and fats)	294,924
Grains, flours and starches	231,750
Pulses	26,080
Sugar	9,508
Meats and fish	1,432
Other foodstuffs and feeds	26,154
Live plants and animals and crop seeds	269
Oil seeds and other oil-yielding materials	1,903
Vegetable and animal oils, fats and waxes (edible and inedible)	3,221
Hides, skins and manufactures thereof	221
Hides and skins	6
Leather	4
Leather manufactures c/	211
Shells, bones, horns, etc.	41
Rubber, gums, and resins	6,225
Rubber	6,042
Rubber manufactures c/	17
Gums and resins	166

<u>Commodity</u>	<u>Value</u>
Wood and wood products (except pulp and paper)	13
Pulp, paper and paper manufactures	1,781
Pulp	1,080
Paper, and paper manufactures	701
Petroleum and petroleum products	37,993
Nonmetallic minerals and manufactures thereof	14,713
Coal	324
Salt	11,228
Other minerals and manufactures thereof	3,161
Ores and metals	608
Ores, other than ferrous	144
Ferrous metals	269
Nonferrous metals	195
Machinery and other metal manufactures	7,173
Machinery, vehicles, etc.	7,126
Other metal manufactures	47
Fertilizer and fertilizer materials	67,192
Nitrates	27,832
Phosphates	34,841
Potassics	4,464
Animal and vegetable materials	55
Drugs, chemicals and medicines	6,716
Dyes, pigments, etc.	1,028
Drugs and chemicals (primarily for industrial use)	1,212
Drugs and chemicals (primarily for medical use)	4,345
Other drugs, chemicals and medicines	131
Pottery, china and glass	e/
Alcoholic beverages and tobacco	10
Other miscellaneous commodities	129
Grand total	525,956

- a/ Includes estimated value of goods transferred from Allied Occupation Forces in Japan, C.I.F. Japanese port.
- b/ Subject to revision.
- c/ Articles of clothing made of leather or rubber are included in "leather manufactures" and "rubber manufactures."
- d/ Data incomplete.
- e/ Less than \$ 500.

7. Textile products dominated the export field, reflecting the relatively early postwar rehabilitation of the cotton textile industry as compared with other industries in Japan, and the concentration on raw cotton in postwar imports of industrial raw materials.

Textile products accounted for 77 percent of the total value of exports of which cotton fabrics alone represented 49 percent and cotton yarn an additional 10 percent. Other textiles were raw silk, 6.2 percent; silk fabric, 3.7 percent; rayon yarn and fabrics, 3.4 percent; and woolen yarn and fabrics, 1.8 percent.

The remaining 23 percent of the exports were coal, 4.7 percent; machinery and other metal manufactures, 4.1 percent; wood and wood products, 3.8 percent; nonferrous metals, 2.7 percent;

foods, mostly tea, 2.5 percent; and all other kinds of commodities, 5 percent.

ESTIMATED VALUE OF 1947 EXPORTS a/
By Type of Commodity
(thousands of U. S. dollars) b/

<u>Commodity</u>	<u>Value</u>	
Textiles and clothing <u>c/</u>		133,499
Raw silk	10,782	
Raw cotton <u>d/</u>	1,957	
Raw wool <u>e/</u>	49	
Other raw fibers	14	
Yarn, cotton	17,653	
Yarn, rayon	5,148	
Yarn, wool	446	
Yarn, other	79	
Fabric, silk	6,409	
Fabric, cotton	85,606	
Fabric, rayon	682	
Fabric, wool	2,612	
Fabric, other	20	
Clothing <u>c/</u>	1,602	
Other textile products	440	
Foodstuffs (except oils and fats)		4,293
Seafoods and meats	925	
Tea	1,881	
Other	1,487	
Live plants and animals and crop seeds		867
Vegetable and animal oils, fats and waxes		501
Hides, skins and manufactures thereof		345
Furs	129	
Leather manufactures <u>c/</u>	216	
Rubber manufactures <u>c/</u>		186
Wood and wood products (except pulp and paper)		6,609
Logs and cants	5,614	
Bamboo	860	
Wood and bamboo products	135	
Paper and paper manufactures		882
Petroleum and petroleum products		<u>f/</u>
Nonmetallic minerals and manufactures thereof		8,224
Coal	8,130	
Salt	56	
Minerals and manufactures	38	
Ores and metals		4,793
Ferrous metals	19	
Nonferrous metals	4,774	
Machinery and other metal manufactures		7,073
Railway locomotives, rolling stock and parts thereof	1,756	
Vehicles and parts thereof	408	
Industrial machines (except electrical) and parts	1,520	
Electrical machinery and apparatus and parts	2,557	

<u>Commodity</u>	<u>Value</u>
Machinery and other metal manufactures (continued)	
Sewing machines and parts	92
Clocks, watches and parts	78
Meters, gauges, measuring devices	19
Optical goods and photographic apparatus	32
Other machinery	97
Metal manufactures, other than machinery, vehicles, etc.	504
Fertilizers (chemical)	2,541
Drugs, chemicals and medicines	2,022
Pottery, china and glass	1,078
Pottery, china and porcelain manufactures	642
Glass and glass manufactures	436
Handicrafts and toys	132
Alcoholic beverages and tobacco	12
Miscellaneous commodities	<u>511</u>
Grand total	173,568

- a/ F.O.B. Japanese port.
- b/ Subject to revision.
- c/ Articles of clothing made of leather or rubber are included in "leather manufactures" and "rubber manufactures."
- d/ Re-export of raw cotton imported from United States.
- e/ Cashmere top, tentatively classified as raw wool.
- f/ Less than \$ 500.

SECTION 10

RATIONING AND PRICE CONTROL

C O N T E N T S

	Paragraph
Food.	1
Producers' Goods.	15
Consumers' Goods.	19
Enforcement	28

FOOD

Staple Food

1. The continued favorable progress in indigenous staple-food collections permitted rationing requirements to be met in full in February. Imported staple food released in February under the "substitute rice program" totaled 125,019 metric tons.

2. The rice parity index equalled 6537 as of 1 February (1934-36 equals 100), while the existing price of rice is based on a parity of 6259. The producer price of rice, ¥ 1,700 per koku, is 95.8 percent of the parity price.

3. Liberalization of the sugar incentive plan for farmer deliveries of rice and sweet potatoes in excess of their quotas became effective on 19 February. Details of the plan are as follows:

- (1) Farmers will be given the opportunity to purchase 1.8 kilograms of sugar at official prices for delivering their full quota of rice.
- (2) For each one-half bale of rice delivered in excess of quota the farmers may elect either of the following plans:

(a) Farmers may purchase three kilograms of sugar per bale (60 kilograms) of rice and three kilograms of sugar per 100 kan of sweet potatoes (or 30 kan of dried sweet potatoes). In addition farmers will be entitled to purchase various incentive goods for deliveries in excess of the rice or sweet potato quota.

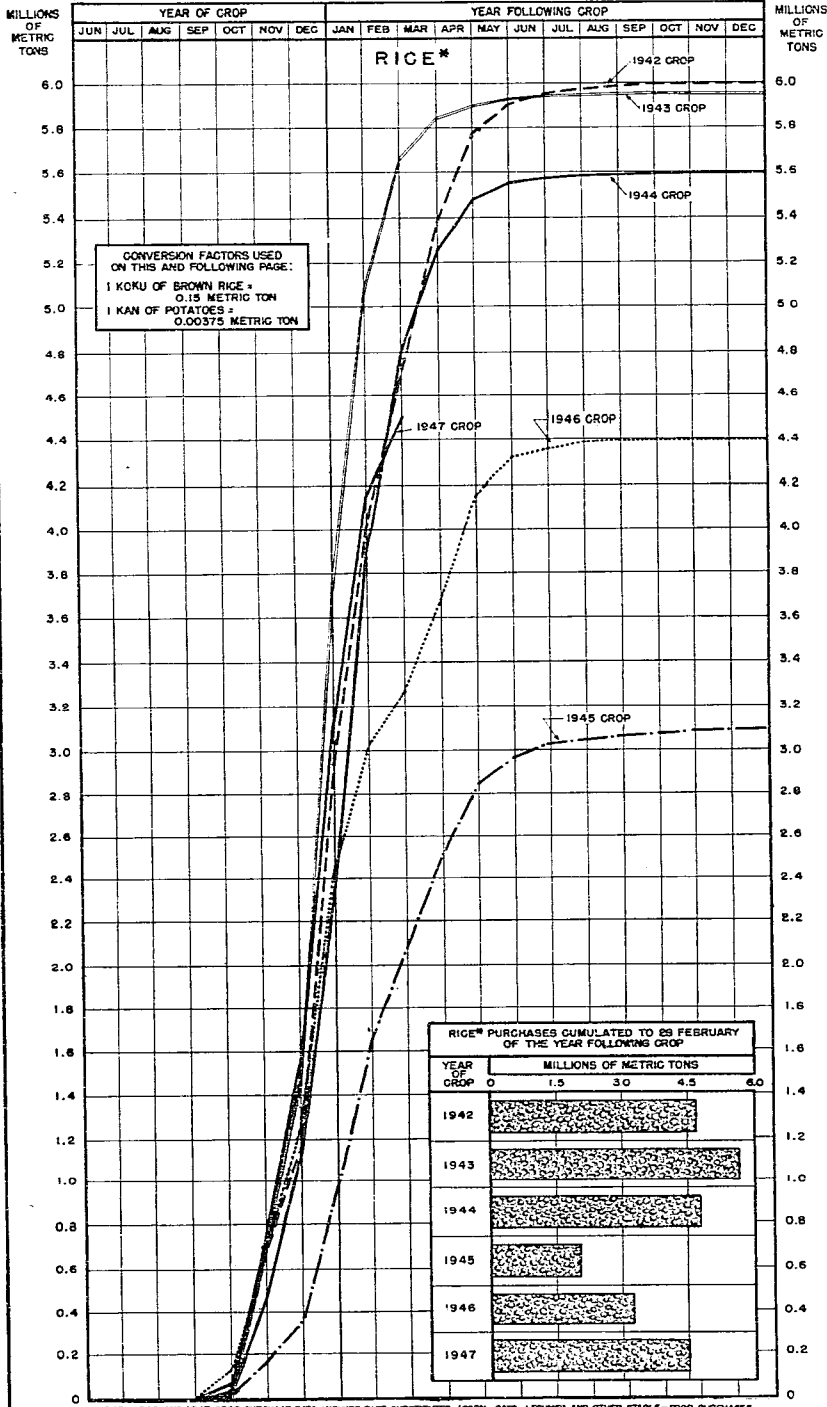
(b) Farmers may purchase 12 kilograms of sugar per bale of rice and will be entitled to no other incentive goods. Maximum quantity accepted under this plan will be three bales of rice; minimum, one-half bale.

4. Stocks of staple food on hand totaled 160.4 days' supply on 1 February compared with 157.4 days' supply on 1 January. See the chart on page 212.

5. Collections of rice and rice substitutes amounted to 4,508,000 metric tons or 98.2 percent of the quota on 29 February, as charted on the following two pages.

GOVERNMENT STAPLE-FOOD PURCHASES

CUMULATED MONTHLY SINCE BEGINNING OF SPECIFIED CROP YEARS



* 1945, 1946 AND 1947 CROP PURCHASE DATA INCLUDE RICE SUBSTITUTES (CORN, OATS, LEGUMES AND OTHER STAPLE-FOOD PURCHASES NOT SHOWN SEPARATELY ON FOLLOWING PAGE). RICE SUBSTITUTES HAVE BEEN EXPRESSED IN TERMS OF BROWN RICE OF EQUAL CALORIC VALUE.

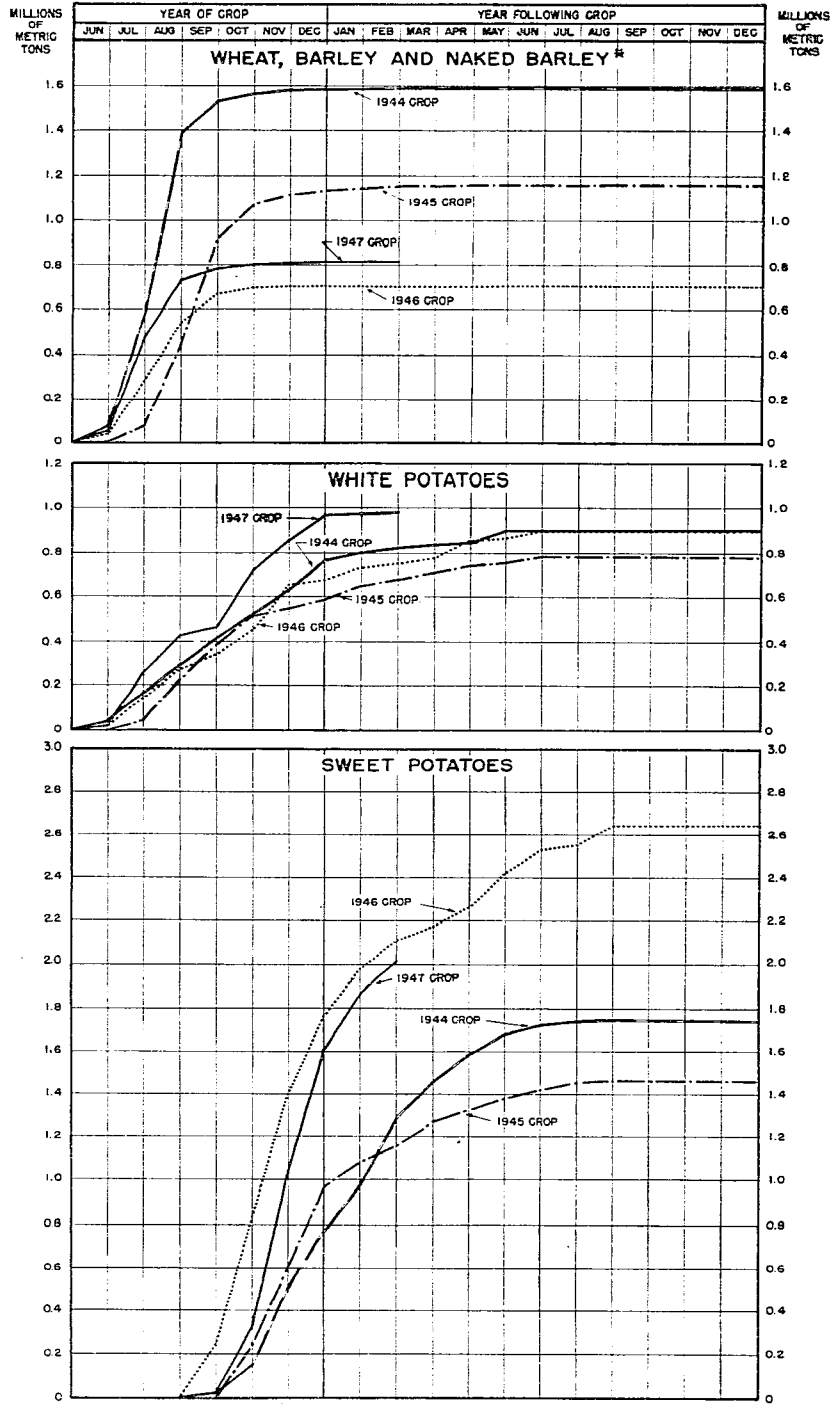
SOURCE: MINISTRY OF AGRICULTURE AND FORESTRY.
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GOVERNMENT STAPLE-FOOD PURCHASES

CUMULATED MONTHLY SINCE BEGINNING OF SPECIFIED CROP YEAR



* WHEAT, BARLEY AND NAKED BARLEY HAVE BEEN EXPRESSED IN TERMS OF BROWN RICE OF EQUAL CALORIC VALUE.

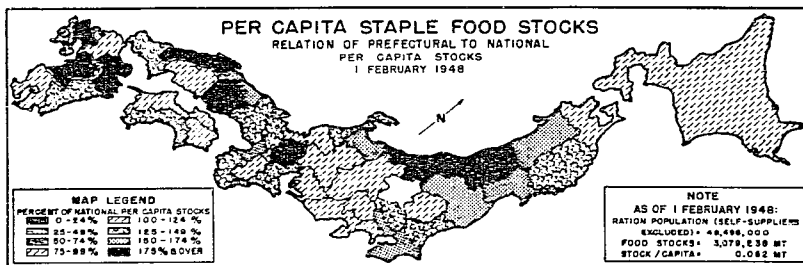
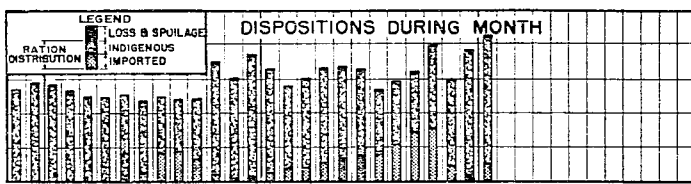
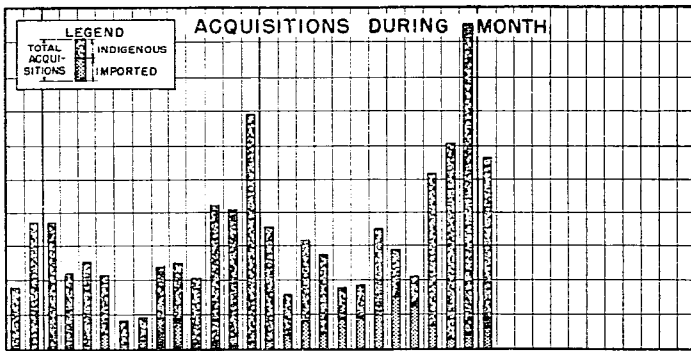
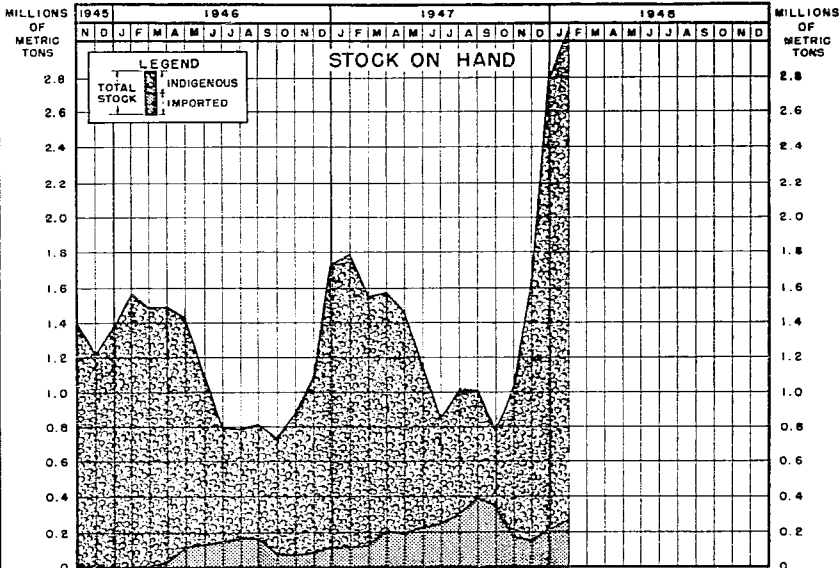
SOURCE: MINISTRY OF AGRICULTURE AND FORESTRY.
GHQ-SCAP

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NUMBER 76B

GOVERNMENT-CONTROLLED STAPLE FOODS*

STOCKS, ACQUISITIONS AND DISPOSITIONS REPORTED MONTHLY SINCE NOVEMBER 1945



* STAPLE FOODS CONSIST OF POTATOES, GRAINS AND THEIR MILLED PRODUCTS, AND ARE EXPRESSED IN TERMS OF BROWN RICE OF EQUIVALENT CALORIC VALUE.
NOTE: MT - METRIC TONS
SOURCE: MINISTRY OF AGRICULTURE AND FORESTRY.
GHQ - SCAP JAPAN - FEB 48 NUMBER 77

COLLECTIONS OF STAPLE CROPS
29 February
(thousands of metric tons)

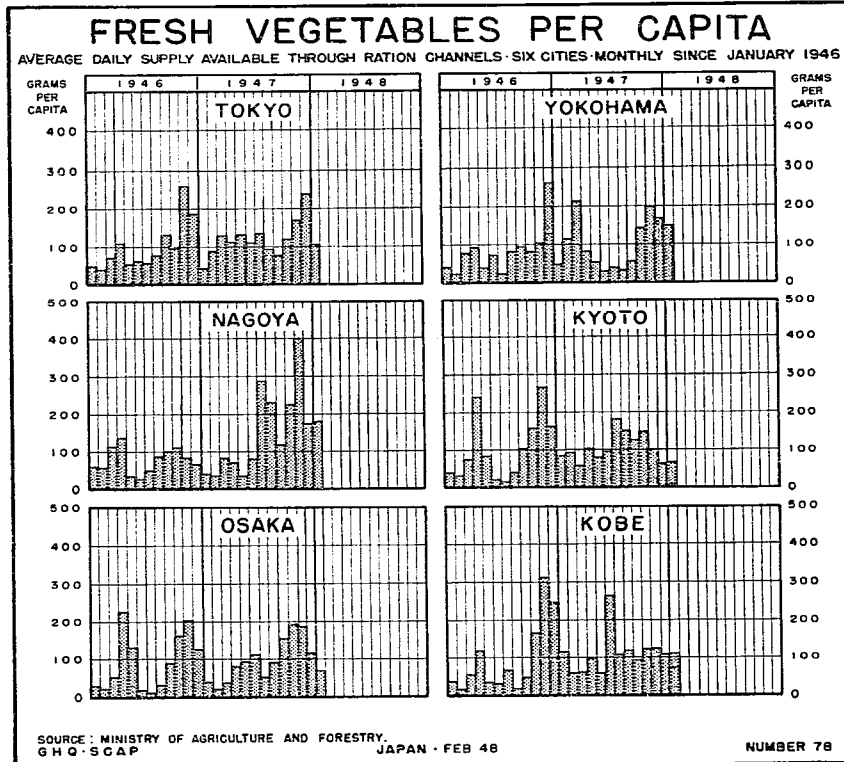
<u>Crop</u>	<u>Cumulative Amount Collected</u>
Rice and rice substitutes	4,508
White potatoes	976
Sweet potatoes	2,019
Wheat, barley and naked barley	816

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

6. Although late in the season, a small amount of summer crop collections continued with 976,000 metric tons of white potatoes and 816,000 metric tons of wheat, naked barley and barley.

Perishable Foods

7. Reflecting the seasonal shortage, January market receipts of vegetables in the six major cities totaled 41,222 metric tons, substantially less than the December 1947 total of 66,850 metric tons but 152 percent greater than receipts in January 1947. Per capita distributions of vegetables ranged from 180 grams in Nagoya to 68 in Kyoto.



8. Average prices paid by consumers for vegetables received through official rationing channels were 141 percent higher in 1947 than 1946; producers received prices 96 percent higher.

AVERAGE VEGETABLE PRICES IN SIX MAJOR CITIES ^{a/}
(yen/kan) ^{b/}

	<u>Producers' Prices</u>		<u>Consumers' Prices</u>	
	<u>1946</u>	<u>1947</u>	<u>1946</u>	<u>1947</u>
January	12.19	7.08	15.86	9.93
February	19.50	9.50	25.05	13.10
March	15.49	10.26	6.53 ^{c/}	13.87
April	11.03	10.01	6.60 ^{c/}	13.55
May	7.20	10.37	6.64 ^{c/}	14.00
June	7.09	17.02	9.30	22.98
July	13.46	34.86	18.00	47.06
August	10.39	20.43	13.20	27.58
September	9.60	21.85	11.74	29.47
October	6.83	23.53	9.04	31.97
November	3.90	12.54	5.55	16.95
December	6.00	11.14	8.59	15.13
Weighted average	8.42	16.54	9.29	22.39

^{a/} Includes only vegetables passing through official rationing channels in Tokyo, Yokohama, Nagoya, Kyoto, Osaka and Kobe.

^{b/} One kan equals 8.27 pounds.

^{c/} Lower prices due to a consumers' subsidy then in effect.

SOURCE: Ministry of Agriculture and Forestry.

9. January fish market receipts in the major cities exceeded the January 1947 supply by 73 percent and totaled 25,421 metric tons. The drop from December receipts of 33,071 metric tons was due to the usual seasonal decline in production. Per capita distribution ranged from 33 grams per day in Kobe to 73 in Yokohama. See the chart at top of opposite page.

10. Tangerines and apples continued to dominate the fruit market as the large cities during January received shipments totaling 14,581 metric tons, 67 percent of the December supply.

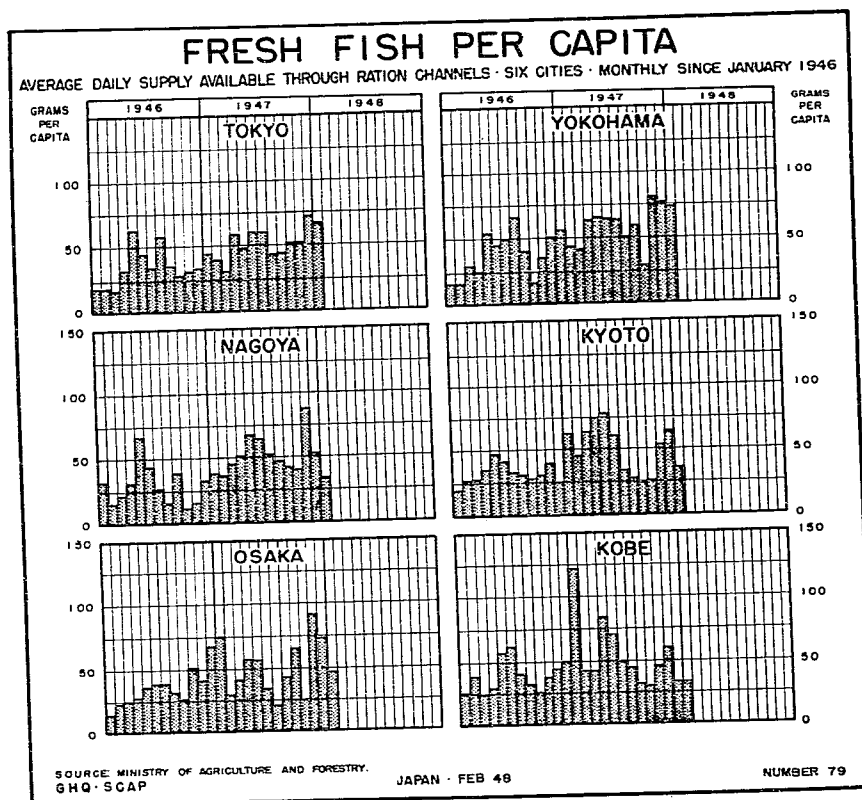
Miscellaneous Foods

11. Miso (soy paste) consumption averaged 10.9 grams per capita per day in January, approximately 50.2 percent of the weighted average official ration or 35 percent of the 1932-1940 average consumption. Shoyu (soy sauce) distribution averaged 13.7 grams per capita per day, almost 66.2 percent of the average standard ration allowance and 28.1 percent of the 1932-1940 average per capita consumption.

12. Distribution of imported and indigenous sugar was 1,742 metric tons in January.

13. No edible oil was distributed in January.

14. Official prices on the 1947-48 antarctic whale-meat catch were established on 6 February.



WHALE MEAT PRICES (yen/kan) a/

	<u>Wholesale</u>		<u>Retail</u>	
	<u>1947</u>	<u>1948</u>	<u>1947</u>	<u>1948</u>
Frozen	62.0	212.0	81.0	260.0
Salted	-	193.5	-	235.0

a/ One kan equals 8.27 pounds.

SOURCE: Price Board.

PRODUCERS' GOODS

Textile Machinery

15. A moderate upward revision in the prices of textile machinery was made on the basis of a recent cost-of-production survey undertaken by the Price Board. Cost data submitted by the industry were re-evaluated to eliminate the influence of black-market component materials' costs.

TEXTILE MACHINERY PRICES
(yen)

	<u>November 1947</u>	<u>January 1948</u>
Dobby loom for woollens and worsteds (87-inch reed space)	117,000	135,000
Cotton loom (44-inch reed space)	32,500	35,000
Automatic loom (44-inch reed space)	47,500	50,000

SOURCE: Price Board.

Explosives

16. Initial official prices were established on Land Clearing Explosive No. 2, a new and cheap substitute for Land Clearing Explosive No. 1. The approved wholesale price was established at ¥ 875 per case of 22.5 kilograms for the new explosive compared with the current official price of ¥ 1,840 per case of the old explosive.

Rolling Stock

17. In February official prices were set on several items of rolling stock manufactured for export before the general price increase last summer. All of these items were actually exported in 1947 and the prices were set to permit Boki Cho to pay a fair yen value to the manufacturers.

- (1) A new-type slag car of 10.5 metric tons was priced at ¥ 137,000.
- (2) An open-top steel gondola car, never manufactured in Japan before, was priced at ¥ 127,000.
- (3) Prices were set on the following four types of steam locomotives: the Mateni was priced at ¥ 4,330,000 compared with its initial March 1941 price of ¥ 167,000; the Mirano, at ¥ 3,710,000 from ¥ 144,700; the Mikasa, at ¥ 3,810,000 from ¥ 148,900; and the I-D-1 at ¥ 2,030,000 compared with the October 1943 price of ¥ 97,100.

Substitute Cement

18. Substitute cement, a by-product of portland cement manufacturing, was given an official maximum price of not more than 52.5 percent of the makers' price for portland cement. This interim price was established to stop sales of substitute cement at exorbitant prices and to prevent diversion of clinker from regular cement production to the production of substitute cement.

CONSUMERS' GOODS

19. The distribution of incentive goods to rice farmers advanced considerably during the month.

DISTRIBUTION OF INCENTIVE GOODS TO RICE FARMERS
31 January

	<u>Unit</u>	<u>Allocation</u>	<u>Percent Shipped to Prefectures</u>	<u>Percent Delivered to Farmers</u>
Bicycles	each	1,500	15.3	2.0
Bicycle tires	each	100,000	80.6	37.4
Bicycle tubes	each	100,000	89.0	37.8
Bicycle trailers	each	2,500	79.4	6.0
Bicycle trailer tires	each	15,000	85.7	45.6
Bicycle trailer tubes	each	15,000	97.6	46.5
Blue dyed cot- ton cloth	roll <u>a/</u>	2,757,000	54.6	6.2
Charcoal	hyo <u>b/</u>	785,000	17.9	17.9
High rubber boots	pair	120,000	85.8	54.9
Jikatabi <u>c/</u>	pair	856,677	99.0	73.7
Leather shoes <u>d/</u>	pair	47,000	100.0	8.7
Rubber sandals	pair	195,000	76.1	57.2
Rubber shoes	pair	15,000	83.7	53.9
Saccharin tab- lets	box <u>e/</u>	2,029,200	63.4	4.2
Sake	1000 koku <u>f/</u>	114,064	100.0	71.1
Short rubber boots	pair	60,000	95.4	52.6
Sugar <u>g/</u>	metric ton	12,561	34.7	4.7
Tobacco	piece	255,395	100.0	70.6
Work clothing	piece	4,000,000	76.3	19.4
Working gloves	pair	2,000,000	86.0	19.4

a/ Each roll measures 32 inches by 50 yards.

b/ Bale of four kan or 33.08 pounds.

c/ Rubber-soled socks.

d/ From surplus U. S. Army stocks.

e/ Each box contains 100 tablets.

f/ One koku equals 39.7 gallons.

g/ Imported stocks procured from U. S. appropriated funds.

SOURCE: Ministry of Agriculture.

Textiles

20. The new textile and clothing distribution system, initiated on 1 October, is now in full operation, all retailers having been designated and licensed by the prefectural governments by 15 December.

Rents

21. Rents continued to increase in December with Osaka showing the slightest rise.

RENT INDEX
August 1946 - March 1947 = 100

<u>1946</u>	<u>All Urban</u>	<u>Tokyo</u>	<u>Osaka</u>
August	89.7	96.4	99.4
September	95.0	96.4	99.4
October	97.2	98.3	99.4
November	97.2	98.3	99.5
December	103.0	98.3	99.4
<u>1947</u>			
January	104.1	101.2	99.4
February	106.0	104.1	100.0
March	107.8	106.9	102.5
April	109.7	109.9	104.1
May	111.8	111.7	107.0
June	114.0	113.5	110.0
July	116.1	115.4	112.9
August	117.7	118.2	115.4
September <u>a/</u>	141.6	144.4	134.4
October	160.1	165.3	147.3
November	170.8	171.5	151.6
December	176.1	178.7	153.6

a/ On 1 September rents were set at two and one-half times those of 1938.

SOURCE: Bureau of Statistics.

Tokyo Water Rates

22. Tokyo water rates were increased in January for official and business buildings, schools, hospitals and public bathhouses. The previous rates were established in June 1947.

REVISED WATER RATES FOR TOKYO
January

	<u>Previous Rate a/</u>	<u>Revised Rate</u>
Official buildings, schools and hospitals	¥ 1 per cubic meter for the first 20 cubic meters; ¥ 2 per each additional cubic meter.	¥ 2 per cubic meter for the first 20 cubic meters; ¥ 3 per each additional cubic meter.
Business buildings	¥ 1 per cubic meter for the first 20 cubic meters; ¥ 2 per each additional cubic meter.	¥ 3 per cubic meter for the first 20 cubic meters; ¥ 4 per each additional cubic meter.
Public bathhouses	¥ 60 for the first 100 cubic meters; ¥ 1 per each additional cubic meter.	Flat rate of ¥ 1 per cubic meter.

a/ June 1947.

SOURCE: Price Board.

Miscellaneous Goods

23. A price increase in cut sole leather was authorized because raw leather prices have increased more than 150 percent while monthly wages have risen 77 percent.

REVISED PRICES OF CUT SOLE LEATHER January (yen)

	<u>Previous Price a/</u>	<u>New Price</u>
Makers' price	60.00	131.00
Wholesale price	- b/	136.25
Retail price	64.00	145.00

a/ 24 March 1947.

b/ No previous wholesale price existed because leather was distributed by a control association directly to the consumer. This association has since been abolished.

SOURCE: Price Board.

24. Price controls were removed from calculating machines in February, permitting them to move in a free market. There is no substantial diversion of materials to their manufacture.

25. There was an increase in the distribution of matches and bicycles and an increase in both production and distribution of European-style umbrellas, while production and distribution of soap, school notebooks, aluminum lunch boxes, rice vessels and electric light bulbs declined in January. See the chart on the following page.

26. Consumer prices for all items in 28 cities rose in December. The price index for Tokyo rose from 268.1 to 290.6 in December. Note chart on page 221.

27. Urban family expenditures in 28 cities, charted on page 222, rose to ¥ 8,466 per family per month with food expenditures accounting for 64.3 percent of the total.

ENFORCEMENT

Fish and Vegetable Controls

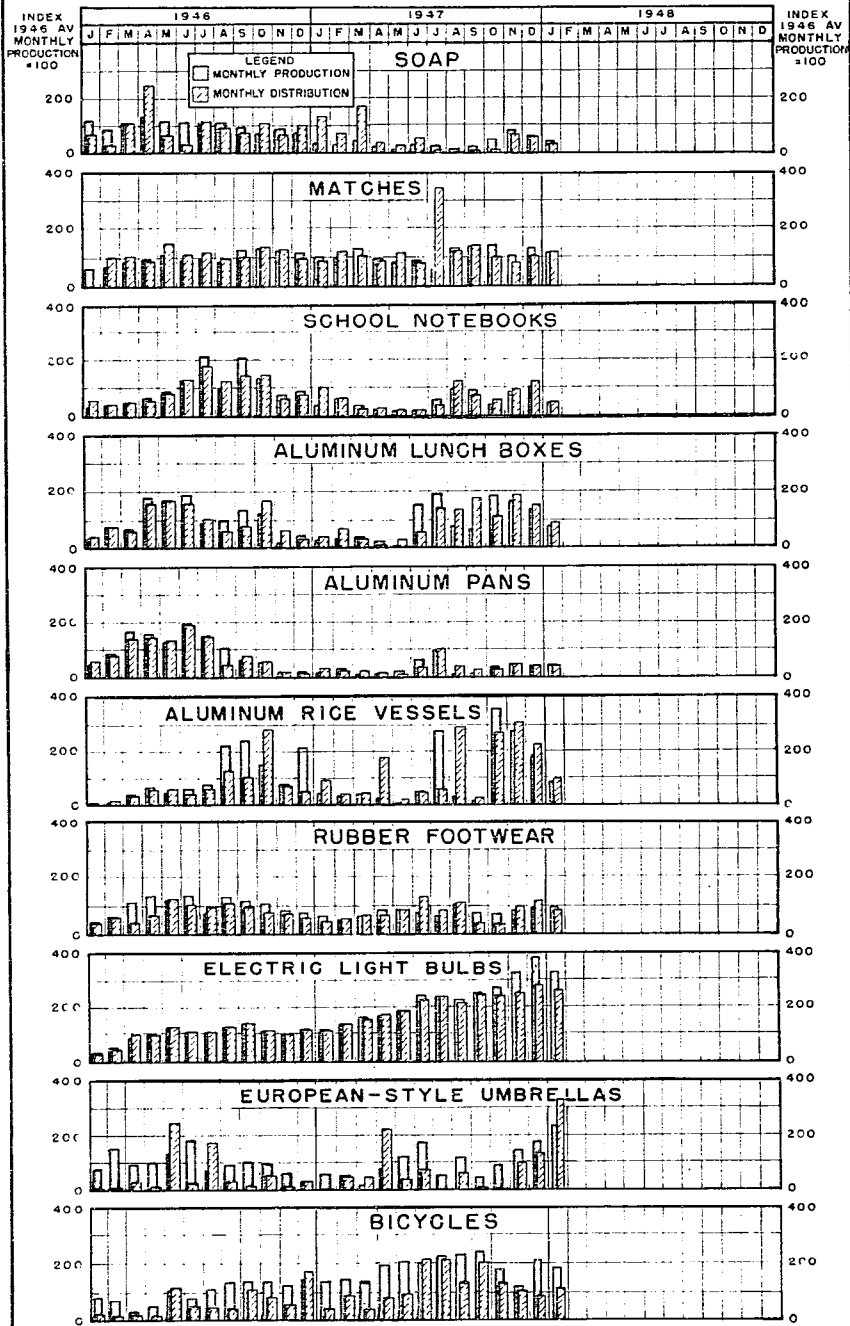
28. The strengthened administrative and economic controls on perishable foods initiated on 15 December showed the following effects during January and early February:

- (1) Fish and vegetable shipments were heavier than for the comparable period of the previous year.
- (2) "Link" commodities are appearing in limited quantities in producing areas.
- (3) Public support for effective economic controls is increasing.

However, transportation shortages have interfered with effective fish distribution, producing areas began to feel food shortages because of greater incentive for shipment to deficit areas

TEN RATIONED COMMODITIES

PRODUCTION AND DISTRIBUTION MONTHLY SINCE JANUARY 1946



ACTUAL PRODUCTION AND DISTRIBUTION	SOAP (KILOGRAMS)	MATCHES (MATCH) (TONS)	SCHOOL NOTEBOOKS	ALUMINUM LUNCH BOXES	ALUMINUM PANS	ALUMINUM RICE VESSELS	RUBBER FOOTWEAR (PAIRS)	ELECTRIC LIGHT BULBS	EUROPEAN-STYLE UMBRELLAS	BICYCLES
1946 AV MONTHLY PRCD	1,288,156	12,671.55	4,080,347	107,091	416,775	21,427	2,309,081	2,844,951	38,983	7,861
JAN 1946 PRODUCTION	578,652	14,742.40	1,806,412	35,756	184,261	18,380	2,225,464	3,242,471	91,754	14,375
JAN 1948 DISTRIBUTION	424,892	15,059.26	2,000,171	100,743	179,639	20,570	1,316,745	7,496,147	127,217	9,239

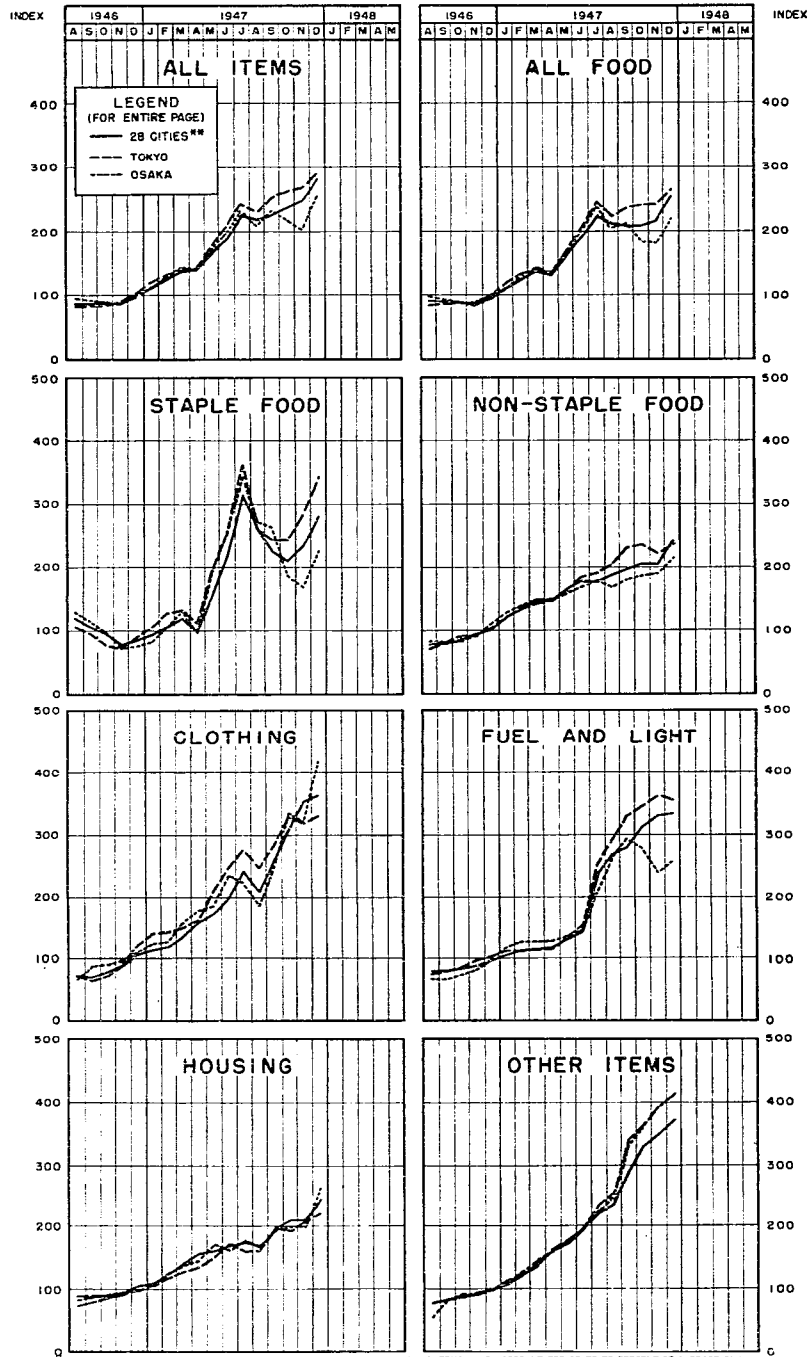
SOURCE: MINISTRY OF COMMERCE AND INDUSTRY.
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CONSUMER PRICE INDEX*

AUGUST 1946 - MARCH 1947 AVERAGE = 100



* INDEX CALCULATED FROM THE PRICES AND QUANTITIES PURCHASED OF 119 ITEMS WHICH ACCOUNT FOR 85 TO 70 PERCENT OF AVERAGE FAMILY EXPENDITURES.

$$P = \frac{\sum P_1 Q_1}{\sum P_0 Q_1} \times 100$$

P = CONSUMER PRICE INDEX; Σ = SUMMATION; P₁ = PRICE PAID IN GIVEN PERIOD; Q₁ = QUANTITY BOUGHT IN GIVEN PERIOD; P₀ = PRICE PAID IN BASE PERIOD; Q₀ = QUANTITY BOUGHT IN BASE PERIOD.

** 28 CITIES: AOMORI, CHIBA, FUJISAWA, HIROSHIMA, KOBE, KOFU, KYOTO, MAIZURU, MATSUMOTO, MATSUYAMA, MIYAKONOJO, NAGOYA, NARA, OGIWA, OSAKA, OTSU, SAPPORO, SENDAI, SHIMONOSEKI, TAKASAKI, TORUSHIMA, TOKYO, TOTTEKI, TOYAMA, TOYOKASHI, YAMATA, YOKOHAMA, AND YUBARI.

NOTE: OCTOBER 1947 DATA REVISED.

SOURCE: CABINET BUREAU OF STATISTICS CONSUMER PRICE SURVEY OF A RANDOM SAMPLE OF APPROXIMATELY 5,000 URBAN FAMILIES.

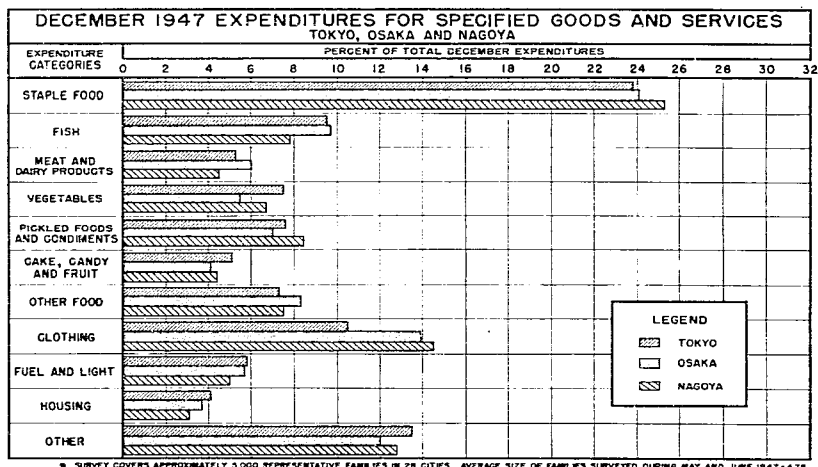
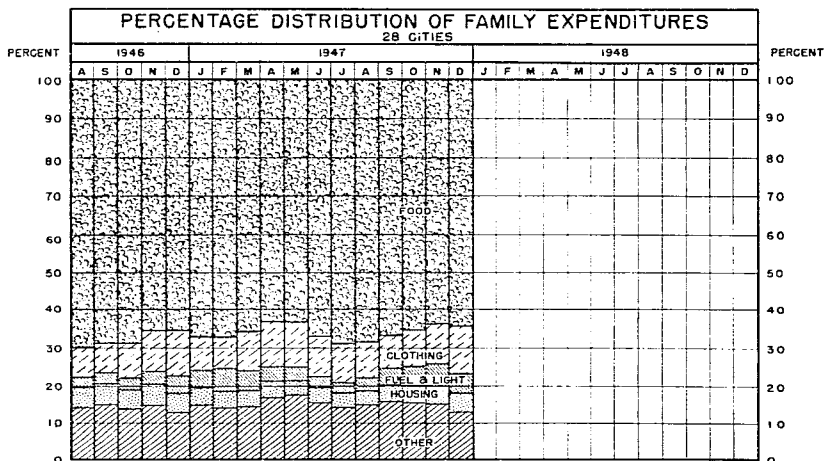
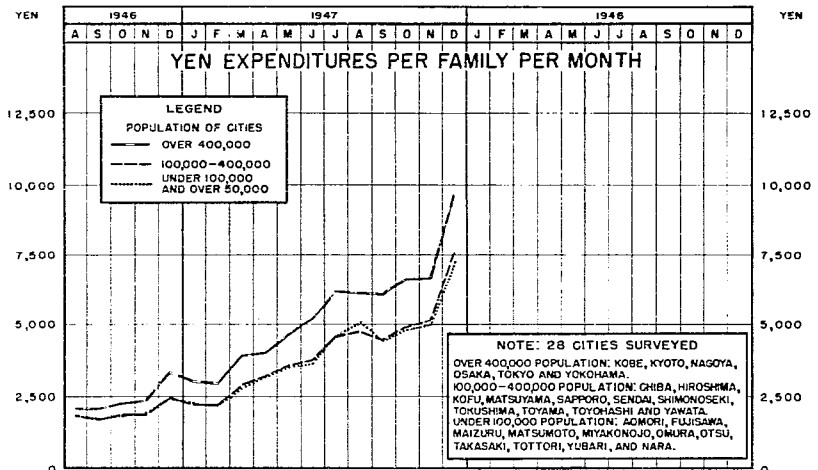
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URBAN FAMILY EXPENDITURES*

AVERAGE AMOUNT EXPENDED PER FAMILY PER MONTH IN SPECIFIED CITIES SINCE AUGUST 1946



* SURVEY COVERS APPROXIMATELY 3,000 REPRESENTATIVE FAMILIES IN 28 CITIES. AVERAGE SIZE OF FAMILIES SURVEYED DURING MAY AND JUNE 1947: 4.73.

SOURCE: CABINET BUREAU OF STATISTICS CONSUMER PRICE SURVEY.
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and there was a leakage of products from the rationing route, causing occasional ration purchases at prices above the official ceiling.

Miscellaneous Enforcement Measures

29. There were 110,973 rationing violations reported from 42 prefectures in January. Violations of staple-food regulations numbered 54,864 cases or 49 percent of the total, while those involving other foods numbered 40,542; fuels, 7,105; textiles, 4,549; and miscellaneous, 3,913.

30. In January 323,122 tons of imported foods and 514,829 tons of domestic foods were transported over the railways with a net loss of 950 kilograms, 0.0003 percent, and 698 kilograms, 0.0001 percent, respectively.

31. Police confiscated 6,835 kilograms of staple foods at freight stations and check points and placed them in legal channels in January. Cases involved numbered 357.

32. Illegal transportation and sale of coal and coke numbered 20 cases in January, 35 less than the December record. Tonnage involved was 191 metric tons compared with the previous month's 5,198.

33. Sixty cases of smuggling were reported in January involving 236 persons compared with the December total of 18 cases.

34. Hoarded and concealed goods recovered by the Economic Stabilization Board and Domestic Affairs Bureau were valued at ¥ 20,969,295 at official prices.

HOARDED AND CONCEALED GOODS RECOVERED

January
(yen)

	<u>Value</u>
Foodstuffs	2,309,222
Fuels <u>a/</u>	699,622
Textiles	8,638,014
Miscellaneous	<u>9,322,437</u>
Total	20,969,295

a/ Coal, kerosene, charcoal and firewood.

SOURCE: Economic Stabilization Board.

SECTION 11

FINANCE

C O N T E N T S

	Paragraph
Money and Banking	1
Liquidation	8
Public Finance.	10

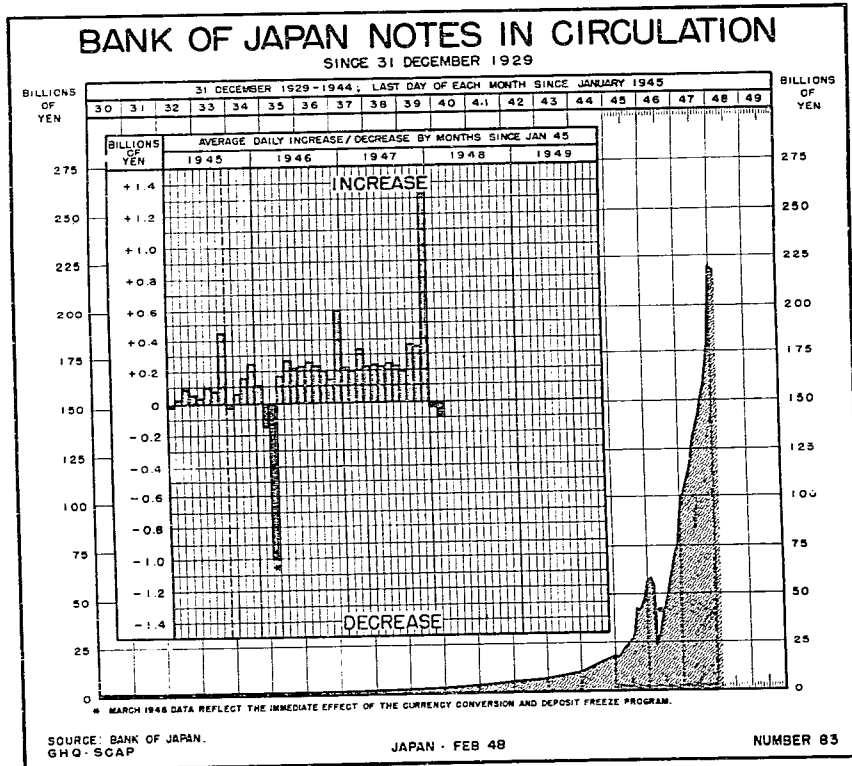
MONEY AND BANKING

Foreign Exchange

1. The Netherlands Trading Society, a Dutch banking organization, was licensed to open a branch in Tokyo. Authorization had previously been given to open an Osaka branch.

Currency

2. Bank of Japan notes outstanding at the end of February totaled ¥ 215,319,000,000, a decrease of ¥ 2,730,000,000 during the month.



Month-end note circulation has decreased since 31 December due to revenues from increased tax collections, restrictions on government expenditures and relatively abundant funds in financial institutions due to increased deposits following large year-end disbursements.

Bank of Japan

3. National Government securities held by the Bank of Japan decreased ¥ 29,654,000,000 in February due to the Government's redemption of short-term treasury bills. This chiefly accounted for an increase of ¥ 11,937,000,000 in loans outstanding at the end of the month. Note the chart opposite.

Reconstruction Finance Bank bonds and advances to the Government increased ¥ 2,241,000,000 and ¥ 3,600,000,000 respectively.

Note issue accounted for 84.3 percent of the liabilities of the Bank of Japan on 29 February.

BANK OF JAPAN
Condensed Statement
(millions of yen)

<u>Assets</u>	<u>31 January</u>	<u>29 February</u>
Securities		
National Government	122,762	93,108
Reconstruction Finance Bank	35,955	38,196
Loans	38,749	50,686
Advances to Government	55,522	59,122
Agency accounts	995	989
Cash and bullion	3,264	3,265
Other assets <u>a/</u>	<u>7,838</u>	<u>9,982</u>
Total	265,085	255,348
<u>Liabilities</u>		
Note issue	218,049	215,319
Government deposits	10,008	11,075
Other deposits	25,269	17,923
Paid capital, reserve and surplus	2,762	3,027
Other liabilities	<u>8,997</u>	<u>8,004</u>
Total	265,085	255,348

a/ Excludes ¥ 55,000,000 in unpaid capital stock.

SOURCE: Bank of Japan.

Other Financial Institutions

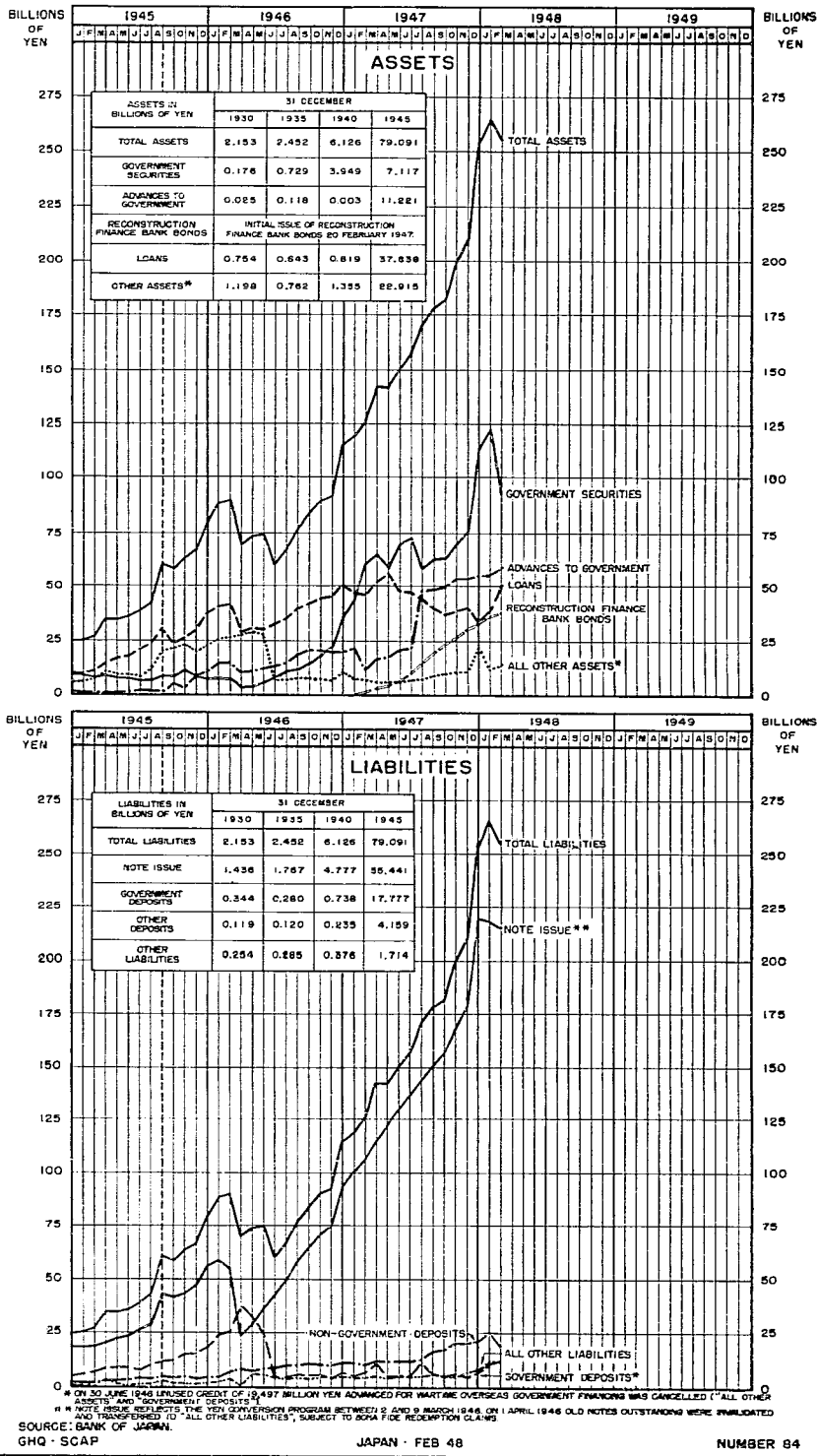
4. New-account deposits of all ordinary banks increased ¥ 35,173,000,000 in December due to large Government year-end disbursements. Loans registered an increase of ¥ 15,209,000,000 chiefly due to grants to essential businesses principally in the coal, chemical, steel and electrical industries.

Old-account securities decreased ¥ 3,014,000,000 as War Indemnity Insurance bonds were transferred to the new account under the Financial Institution Reconstruction and Reorganization Law.

Deposits in the new account of special banks increased

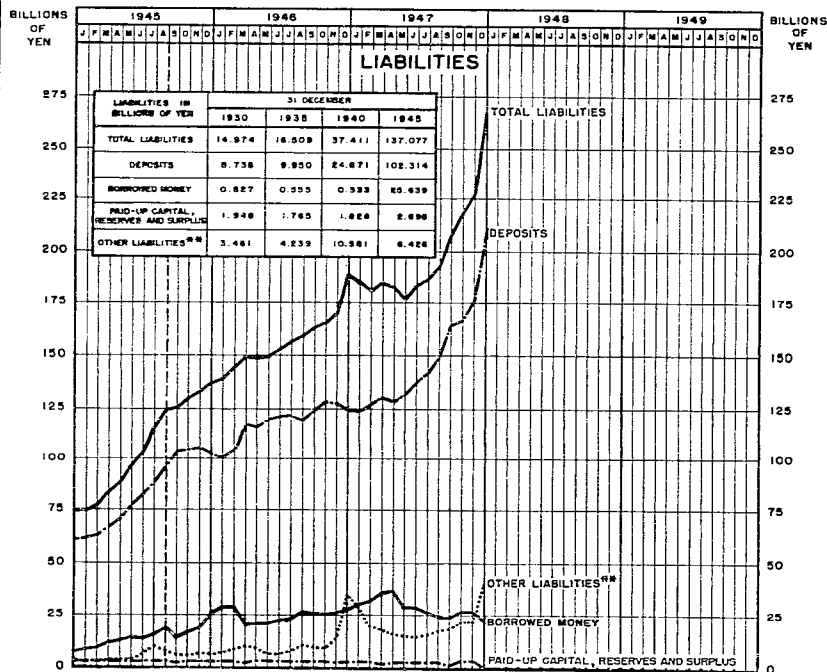
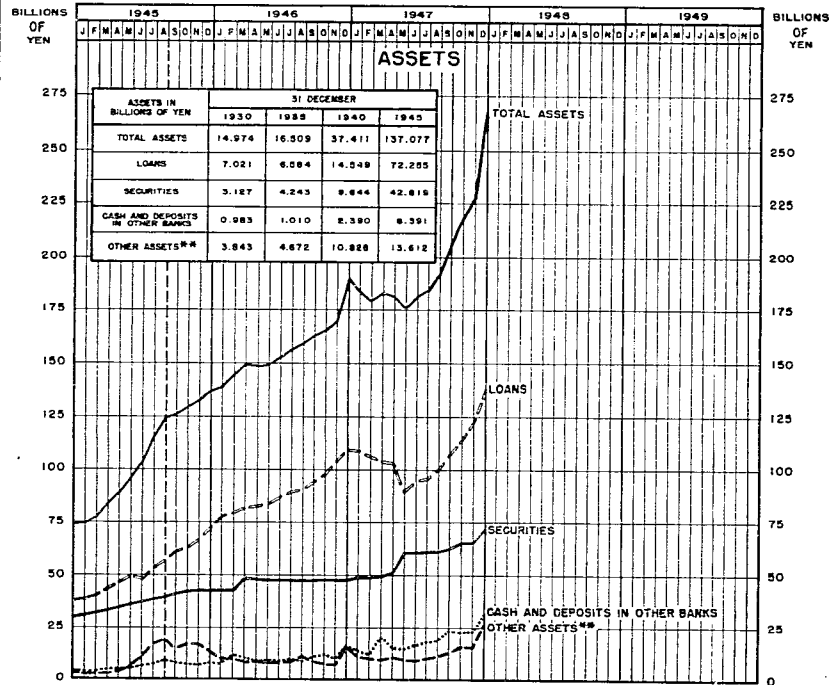
BANK OF JAPAN

ASSETS AND LIABILITIES REPORTED MONTHLY SINCE 31 DECEMBER 1944



ORDINARY BANKS*

ASSETS AND LIABILITIES REPORTED MONTHLY SINCE 31 DECEMBER 1944



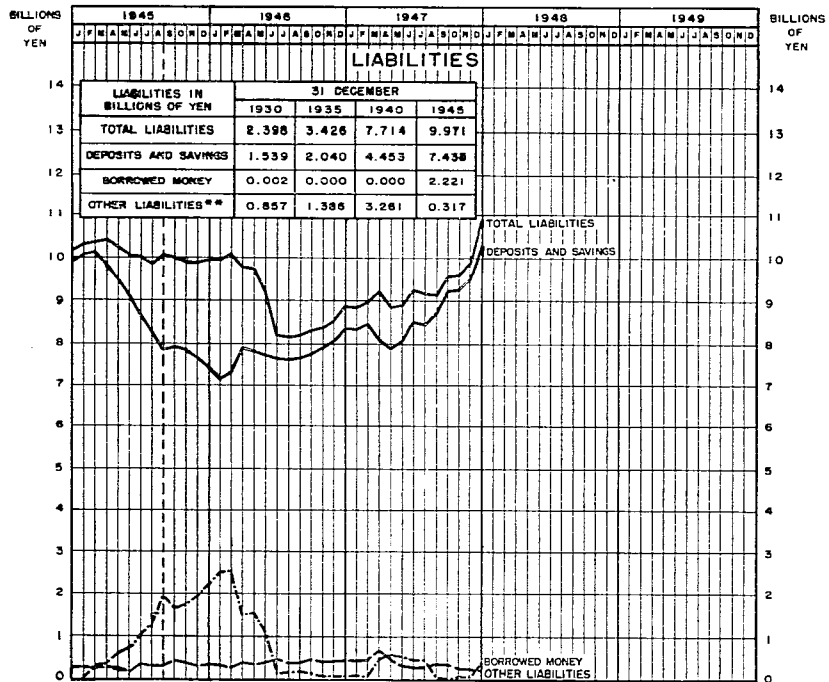
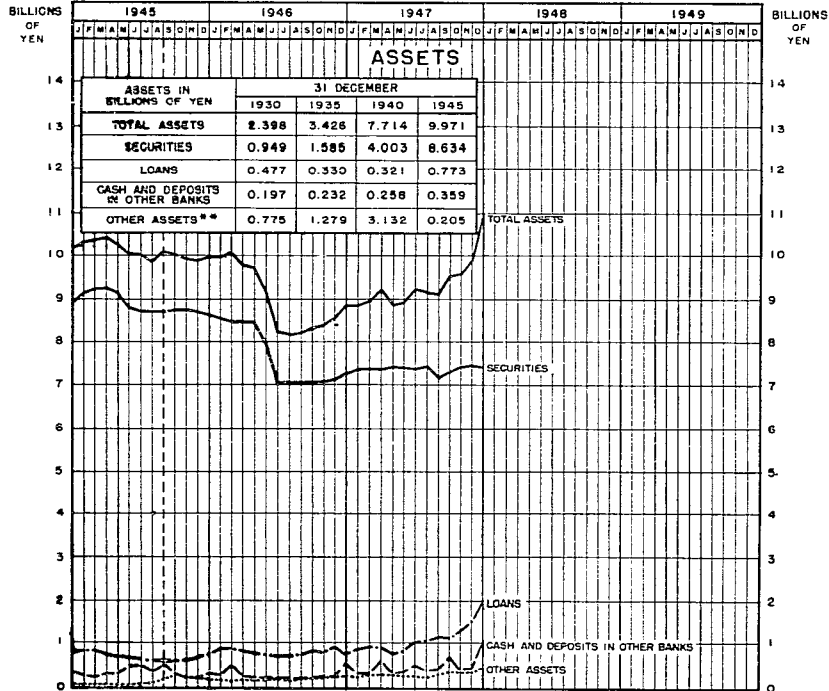
* FIGURES PRIOR TO 1942 INCLUDE ALL ORDINARY BANKS IN THE JAPANESE EMPIRE AND THEIR FOREIGN BRANCHES. SUBSEQUENT FIGURES INCLUDE ONLY ORDINARY BANKS WITH HOME-ISLAND HEAD OFFICES AND INCLUDE ONLY THEIR HOME-ISLAND BRANCHES.
 ** FROM TO 1945, "OTHER ASSETS" AND "OTHER LIABILITIES" INCLUDE INTERDISTRICT CLAIMS BETWEEN HOME-OFFICE BANKS AND THEIR BRANCHES. BEGINNING WITH 1945, ONLY UNSETTLED INTEROFFICE CLAIMS ARE INCLUDED.

SOURCE: PRIOR TO 1942 MINISTRY OF FINANCE; SUBSEQUENTLY BANK OF JAPAN.
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SAVINGS BANKS*

ASSETS AND LIABILITIES REPORTED MONTHLY SINCE 31 DECEMBER 1944

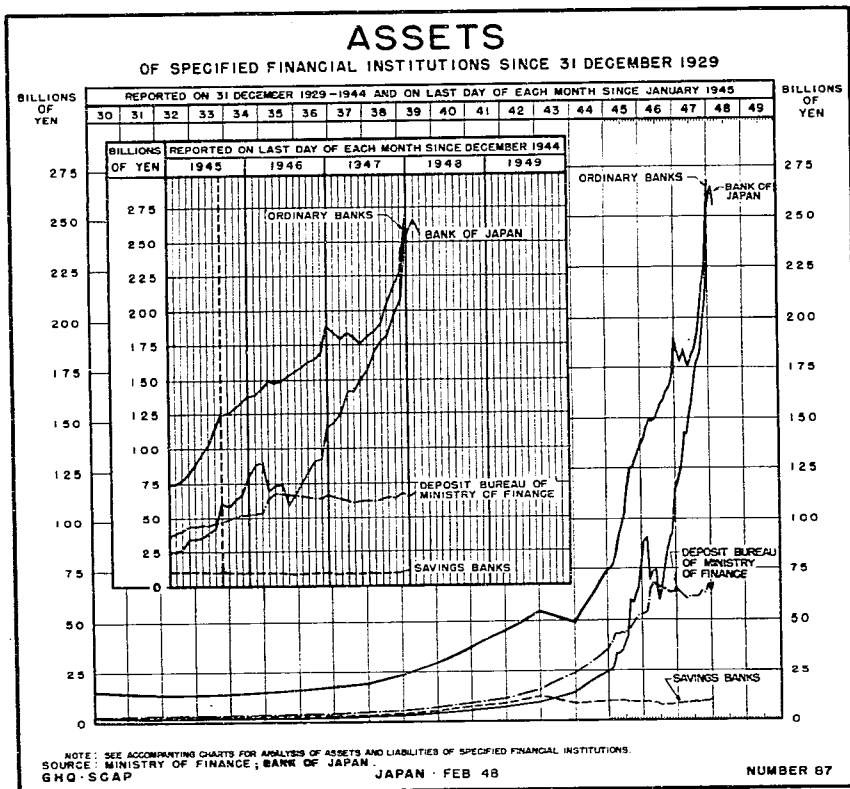


* FIGURES PRIOR TO 1942 INCLUDE SAVINGS BANKS AND BRANCHES IN FORMOSA AND KARAFUTO. SUBSEQUENT FIGURES INCLUDE ONLY SAVINGS BANKS WITH HOME-ISLAND HEAD OFFICES AND THEIR HOME-ISLAND BRANCHES.
 ** PRIOR TO 1943, "OTHER ASSETS" AND "OTHER LIABILITIES" INCLUDE INTERDISTRICT CLAIMS BETWEEN HOME-OFFICE BANKS AND THEIR BRANCHES. BEGINNING WITH 1943, ONLY UNSETTLED INTEROFFICE CLAIMS ARE INCLUDED.

SOURCE: MINISTRY OF FINANCE; BANK OF JAPAN; FINANCE CONTROL ASSOCIATION.
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¥ 11,941,000,000, loans granted rose by ¥ 8,847,000,000 and security holdings increased by ¥ 3,688,000,000 in December.



ORDINARY, SPECIAL AND SAVINGS BANKS
31 December
(millions of yen)

	<u>New Accounts</u>	<u>Old Accounts</u>
Ordinary banks		
Deposits	195,957	12,929
Loans	100,236	37,266
Securities	66,766	5,177
Borrowings	22,059	0
Special banks		
Deposits	48,188	632
Loans	68,606	17,601
Securities	19,479	3,706
Borrowings	8,101	0
Savings banks		
Deposits	9,232	1,059
Loans	1,890	100
Securities	6,255	1,167
Borrowings	382	0

SOURCE: Bank of Japan.

5. Postal savings and National Government securities held by

the Deposit Funds Bureau of the Ministry of Finance increased ¥ 2,130,000,000 and ¥ 2,762,000,000 respectively in January. Note the chart on next page.

DEPOSIT FUNDS MANAGEMENT BUREAU
(millions of yen)

	<u>31 December</u>	<u>31 January</u>
Postal savings deposits	46,978	49,108
Securities of National Government	46,187	48,949
Loans to National Government	2,685	2,685
Securities of and loans to prefectural and local governments	6,721	6,733
Securities of and loans to special banks	4,407	4,408
Securities of and loans to special companies	2,858	2,858

SOURCE: Ministry of Finance and Ministry of Communications.

Reconstruction Finance Bank

6. The Reconstruction Finance Bank on 31 January had 7,426 loans outstanding aggregating ¥ 48,472,350,000 of which 472 amounting to more than ¥ 50,000,000 accounted for ¥ 28,983,837,000. Of the total loaned by 31 January ¥ 27,525,661,000 or 56.8 percent was granted to provide operating funds.

Loans outstanding increased ¥ 4,261,994,000 in January of which 57.1 percent was for the purchase, rehabilitation or expansion of capital equipment.

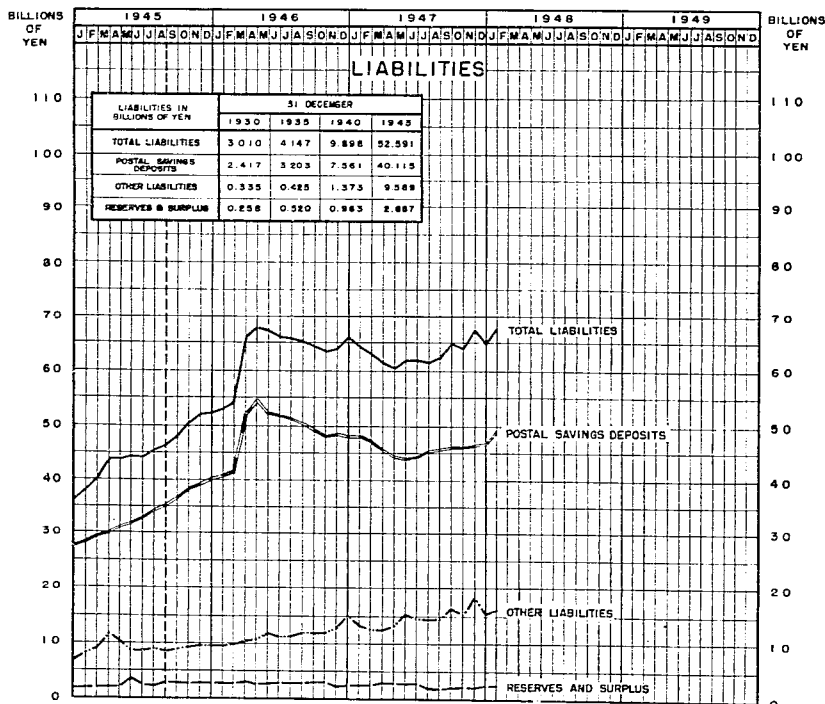
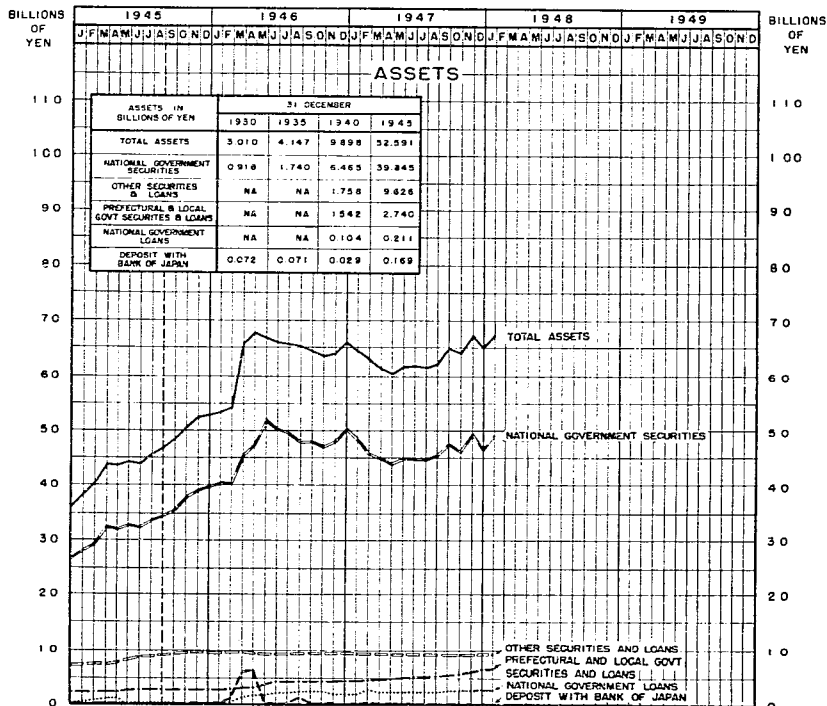
RECONSTRUCTION FINANCE BANK
Loans Outstanding
(thousands of yen)

	<u>31 December</u>	<u>Increase January</u>	<u>Total 31 January</u>
Mining	16,670,694	1,341,825	18,012,519
Chemical	3,919,563	520,970	4,440,533
Marine products	2,290,725	242,345	2,533,070
Machinery	2,098,697	145,694	2,244,391
Metal	1,633,372	147,196	1,780,568
Transportation	1,266,136	127,630	1,393,766
Electric	1,166,515	119,650	1,286,165
Textile	490,300	78,941	569,241
Ceramic	148,929	5,210	154,739
Gas	23,815	0	23,815
Other	999,495	9,196	1,008,691
Government corporations (kodans)	<u>13,502,115</u>	<u>1,522,737</u>	<u>15,024,852</u>
Total	44,210,356	4,261,994	48,472,350

SOURCE: Ministry of Finance.

DEPOSIT BUREAU OF MINISTRY OF FINANCE

ASSETS AND LIABILITIES REPORTED MONTHLY SINCE 31 DECEMBER 1944



NOTE: NA = DATA NOT AVAILABLE; REPORTING CATEGORIES NOT COMPARABLE.
SOURCE: MINISTRY OF FINANCE, MINISTRY OF COMMUNICATIONS.
GHG-SCAP

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Securities Coordinating Liquidation Committee

7. In February the Committee received from liquidating agencies 319 disposal plans involving 6,485,701 shares.

Between 7 July and 20 February the Committee disposed of 4,510,367 shares for ¥ 390,502,185 of which February proceeds accounted for 61.7 percent.

LIQUIDATION OF SECURITIES
Securities Coordinating Liquidation Committee
7 July 1947 - 20 February 1948

<u>Method of Disposition</u>	<u>Number of Shares</u>	<u>Proceeds (yen)</u>
Liquidation 1-20 February		
To employees	134,197	5,668,482
By tender		
National	846,171	234,086,021
Local	<u>27,049</u>	<u>1,049,659</u>
Total	1,007,417	240,804,162
Previous total	<u>3,502,950</u>	<u>149,698,023</u>
Total to date	4,510,367	390,502,185

SOURCE: Securities Coordinating Liquidation Committee.

LIQUIDATION

8. In January 64 control organizations were closed and placed under the jurisdiction of the Closed Institutions Liquidating Commission.

Organizations closed and dates of closure were:

- (1) Aichi Prefecture Sake Makers' Unions Federation (Aichi Ken Shuzo Kumiai Rengokai), 20 January.
- (2) Akita Prefecture Sake Makers' Unions Federation (Akita Ken Shuzo Kumiai Rengokai), 20 January.
- (3) Aomori Prefecture Sake Makers' Unions Federation (Aomori Ken Shuzo Kumiai Rengokai), 20 January.
- (4) Chiba Prefecture Sake Makers' Unions Federation (Chiba Ken Shuzo Kumiai Rengokai), 20 January.
- (5) Ehime Prefecture Sake Makers' Unions Federation (Ehime Ken Shuzo Kumiai Rengokai), 20 January.
- (6) Fukui Prefecture Sake Makers' Unions Federation (Fukui Ken Shuzo Kumiai Rengokai), 20 January.
- (7) Fukuoka Prefecture Sake Makers' Unions Federation (Fukuoka Ken Shuzo Kumiai Rengokai), 20 January.
- (8) Fukushima Prefecture Sake Makers' Unions Federation (Fukushima Ken Shuzo Kumiai Rengokai), 20 January.

- (9) Gifu Prefecture Sake Makers' Unions Federation (Gifu Ken Shuzo Kumiai Rengokai), 20 January.
- (10) Gumma Prefecture Sake Makers' Unions Federation (Gumma Ken Shuzo Kumiai Rengokai), 20 January.
- (11) Hiroshima Prefecture Sake Makers' Association (Hiroshima Ken Shuzo Kumiai), 20 January.
- (12) Hokkaido Frozen Marine Products Association (Hokkaido Suisanbutsu Reitogyokai), 29 January.
- (13) Hokkaido Sake Makers' Association (Hokkaido Shuzo Kumiai), 20 January.
- (14) Hyogo Prefecture Sake Makers' Unions Federation (Hyogo Ken Shuzo Kumiai Rengokai), 20 January.
- (15) Ibaraki Prefecture Sake Makers' Unions Federation (Ibaraki Ken Shuzo Kumiai Rengokai), 20 January.
- (16) Ishikawa Prefecture Sake Makers' Unions Federation (Ishikawa Ken Shuzo Kumiai Rengokai), 20 January.
- (17) Iwate Prefecture Sake Makers' Association (Iwate Ken Shuzo Kumiai), 20 January.
- (18) Japan Agar-agar Control Company, Ltd. (Nippon Kanten Tosei K. K.), 29 January.
- (19) Japan Baby Nourishment Association (Nippon Nyuyoji Eiyochin Kyokai), 20 January.
- (20) Japan Beer Brewers' Association (Nippon Biiru Shuzo Kumiai), 20 January.
- (21) Japan Charcoal and Firewood Company, Ltd. (Nippon Shintan K. K.), 29 January.
- (22) Japan Fruit Wine Brewers' Association (Nippon Kajitsushu Shuzo Kumiai), 20 January.
- (23) Japan Imitation Sake Brewers' Association (Nippon Gosei Seishu Shuzo Kumiai), 20 January.
- (24) Japan Medicine Distribution Company, Ltd. (Nippon Iyakuhin Haikyu K. K.), 6 January.
- (25) Japan Miscellaneous Liquors Distillers' Association (Nippon Sasehu Shuzo Kumiai), 20 January.
- (26) Japan Ships' Stores Supply Company, Ltd. (Nippon Senyohin K. K.), 9 January.
- (27) Japan Tungsten and Molybdenum Products Industrial Association (Nippon Tangusuten Moribuden Seihin Kogyo Kai), 8 January.
- (28) Kagawa Prefecture Sake Makers' Unions Federation (Kagawa Ken Shuzo Kumiai Rengokai), 20 January.
- (29) Kagoshima Prefecture Lumber Company, Ltd. (Kagoshima Ken Mokuzai K. K.), 27 January.

- (30) Kagoshima Prefecture Sake Makers' Unions Federation (Kagoshima Ken Shuzo Kumiai Rengokai), 20 January.
- (31) Kanagawa Prefecture Sake Makers' Association (Kanagawa Ken Shuzo Kumiai), 20 January.
- (32) Kochi Prefecture Sake Makers' Unions Federation (Kochi Ken Shuzo Kumiai Rengokai), 20 January.
- (33) Kumamoto Prefecture Sake Makers' Unions Federation (Kumamoto Ken Shuzo Kumiai Rengokai), 20 January.
- (34) Kyoto Prefecture Sake Makers' Unions Federation (Kyoto Fu Shuzo Kumiai Rengokai), 20 January.
- (35) Mie Prefecture Sake Makers' Unions Federation (Mie Ken Shuzo Kumiai Rengokai), 20 January.
- (36) Miyagi Prefecture Sake Makers' Association (Miyagi Ken Shuzo Kumiai), 20 January.
- (37) Miyazaki Prefecture Sake Makers' Unions Federation (Miyazaki Ken Shuzo Kumiai Rengokai), 20 January.
- (38) Nagano Prefecture Sake Makers' Unions Federation (Nagano Ken Shuzo Kumiai Rengokai), 20 January.
- (39) Nagasaki Prefecture Sake Makers' Unions Federation (Nagasaki Ken Shuzo Kumiai Rengokai), 20 January.
- (40) Nara Prefecture Sake Makers' Unions Federation (Nara Ken Shuzo Kumiai Rengokai), 20 January.
- (41) National Liquor Sales Unions Federation (Zenkoku Shuhan Kumiai Rengokai), 20 January.
- (42) National Reparation Excelsior Manufacturing Association (Zenkoku Baisho Mokuno Seisan Kyokai), 29 January.
- (43) National Truck Carriers Association Federation (Zenkoku Kamotsu Jidosha Unso-Jigyo Kumiai Rengokai), 6 January.
- (44) Niigata Prefecture Sake Makers' Unions Federation (Niigata Ken Shuzo Kumiai Rengokai), 20 January.
- (45) Oita Prefecture Sake Makers' Unions Federation (Oita Ken Shuzo Kumiai Rengokai), 20 January.
- (46) Okayama Prefecture Sake Makers' Unions Federation (Okayama Ken Shuzo Kumiai Rengokai), 20 January.
- (47) Osaka Prefecture Sake Makers' Unions Federation (Osaka Fu Shuzo Kumiai Rengokai), 20 January.
- (48) Saga Prefecture Sake Makers' Unions Federation (Saga Ken Shuzo Kumiai Rengokai), 20 January.
- (49) Saitama Prefecture Sake Makers' Association (Saitama Ken Shuzo Kumiai), 20 January.
- (50) Sake Makers' Central Association (Shuzo Kumiai Chuo Kai), 20 January.

- (51) Sanitary Materials Company, Ltd. (Eise Zairyo K. K.),
6 January.
- (52) Shiga Prefecture Sake Makers' Unions Federation
(Shiga Ken Shuzo Kumiai Rengokai), 20 January.
- (53) Shimane Prefecture Sake Makers' Unions Federation
(Shimane Ken Shuzo Kumiai Rengokai), 20 January.
- (54) Shizuoka Prefecture Sake Makers' Unions Federation
(Shizuoka Ken Shuzo Kumiai Rengokai), 30 January.
- (55) Sieve Silk Export Association (Furuiginu Yushutsu-
kai), 13 January.
- (56) Tochigi Prefecture Sake Makers' Unions Federation
(Tochi Ken Shuzo Kumiai Rengokai), 20 January.
- (57) Tokushima Prefecture Sake Makers' Unions Federation
(Tokushima Ken Shuzo Kumiai Rengokai), 20 January.
- (58) Tokyo-to Sake Makers' Unions Federation (Tokyo-to
Shuzo Kumiai Rengokai), 20 January.
- (59) Tottori Prefecture Sake Makers' Unions Federation
(Tottori Ken Shuzo Kumiai Rengokai), 20 January.
- (60) Toyama Prefecture Sake Makers' Unions Federation
(Toyama Ken Shuzo Kumiai Rengokai), 20 January.
- (61) Wakayama Prefecture Sake Makers' Unions Federation
(Wakayama Ken Shuzo Kumiai Rengokai), 20 January.
- (62) Yamagata Prefecture Sake Makers' Unions Federation
(Yamagata Ken Shuzo Kumiai Rengokai), 20 January.
- (63) Yamaguchi Prefecture Sake Makers' Unions Federation
(Yamaguchi Ken Shuzo Kumiai Rengokai), 20 January.
- (64) Yamanashi Prefecture Sake Makers' Association
(Yamanashi Ken Shuzo Kumiai), 20 January.

9. Cumulative proceeds of liquidation on 31 December aggregated ¥ 15,118,595,000 of which receipts from advances, accounts receivable and loans and merchandise and stock inventories accounted for 64.7 and 19.9 percent respectively. Proceeds amounted to 103.1 percent of the book value of liquidated assets.

Cost of liquidation to 31 December was ¥ 262,467,000.

PROCEEDS OF LIQUIDATION
(thousands of yen)

	<u>Previously Received</u>	<u>Received in December</u>	<u>Total</u>
Advances, accounts receivable and loans	9,539,011	248,421	9,787,432
Customers' liabilities and guarantees	47,354	5,498	52,852
Bonds, Japanese Government	<u>45,834</u>	<u>0</u>	<u>45,834</u>
Subtotal	9,632,199	253,919	9,886,118

	<u>Previously Received</u>	<u>Received in December</u>	<u>Total</u>
Carried forward	9,632,199	253,919	9,886,118
Machinery and equipment	145,724	4,156	150,086
Bonds, nongovernment domestic	504,053	0	504,053
Stocks, domestic	258,653	1,529	260,182
Real estate	99,659	10,751	110,410
Merchandise and stock inventories	2,993,883	9,845	3,003,728
Furniture and fixtures	13,044	1,171	14,215
Miscellaneous assets	1,773	47	1,614
Sundry income; interest, dividends, etc.	<u>1,093,458</u>	<u>94,731</u>	<u>1,188,189</u>
Total	14,742,446	376,149	15,118,595

SOURCE: Closed Institutions Liquidating Commission.

PUBLIC FINANCE

Taxation

10. Tax receipts during the first three quarters of the 1947-48 fiscal year totaled ¥ 46,463,000,000 of which income tax and liquor tax payments accounted for 46.4 and 17.3 percent respectively.

December collections amounted to ¥ 7,654,000,000, a 26.3-percent increase over November receipts.

NATIONAL GOVERNMENT TAXATION (millions of yen)

	<u>Tax Receipts</u>			<u>Estimated Budget tax Revenue Fiscal Year 1947-48</u>
	<u>April- November</u>	<u>December</u>	<u>Total</u>	
Income tax	18,403 <u>a/</u>	3,143	21,546	68,501
Liquor tax	6,240	1,812	8,052	23,870
Increased income tax	4,115 <u>a/</u>	284	4,399	9,000
Commodity tax	3,123	691	3,814	7,845
Non-war-sufferers' special tax <u>b/</u>	0	0	0	6,541
Admission tax	2,195	431	2,626	6,518
Corporation tax	1,916	705	2,621	6,300
Other	<u>2,817</u>	<u>588</u>	<u>3,405</u>	<u>5,298</u>
Total	38,809 <u>a/</u>	7,654	46,463	133,873

a/ Revised.

b/ Bill passed by the Diet on 29 November:

SOURCE: Ministry of Finance.

National Budget

11. Supplementary Budgets Nos. 14 to the General Account and 8 to the Special Accounts for the 1947-48 fiscal year were approved by the Diet on 24 February. These budgets were necessary to pay government employees an 0.8-month special allowance amounting to ¥ 3,396,000,000. The funds were obtained chiefly by reducing previously approved appropriations and revising estimates of receipts from the increased income tax and the alcohol monopoly.

National Debt

12. The national debt on 31 January amounted to ¥ 386,229,000,000 of which 53.6 percent represented domestic National Government bonds.

National bonds outstanding increased ¥ 2,467,000,000 in January with bonds issued amounting to ¥ 2,605,000,000.

NATIONAL DEBT 31 January (millions of yen)

Government bonds, domestic	206,860
Government bonds, external <u>a/</u>	881
Bank loans	100,828
Expenditures in occupied areas	43,832
Borrowing by Government Railway account	16,066
Overdraft on Bank of Japan <u>b/</u>	150
Other loans	40,780
Rice bills and food certificates	40,140
Treasury bills	37,000
Firewood and charcoal certificates	<u>500</u>
Total	386,229

a/ Issued in foreign currencies converted at 1923 gold par rates.

b/ Overdraft resulting from withdrawal of Occupation currency type B from circulation.

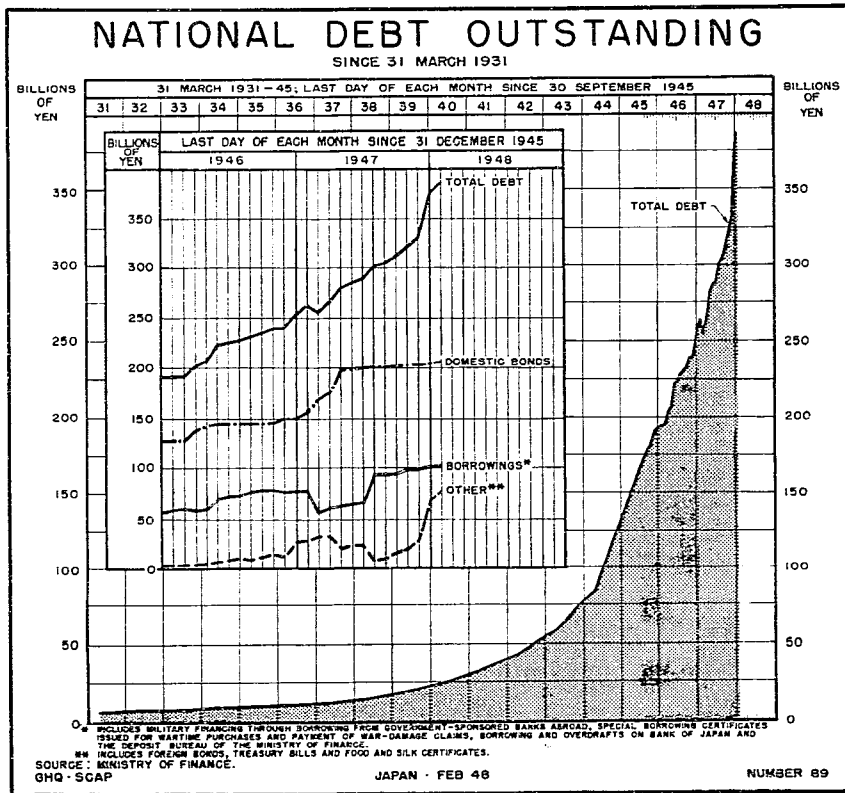
SOURCE: Ministry of Finance.

13. Government borrowing amounting to ¥ 5,474,636,000 was authorized between 20 January and 20 February. The Government Railways Enterprise Special Account was given permission to borrow ¥ 2,112,000,000 to provide funds for the construction subaccount and the Communications Enterprise Special Account was authorized to borrow up to ¥ 2,500,000,000 for the construction and ¥ 862,636,000 for the operation subaccounts respectively.

Transfers from the General Account Reserve Fund amounted to ¥ 180,137,000 during the period. These transfers were necessary to finance nonappropriated programs or to finance budgetary deficiencies. The unexpended balance of the Reserve Fund on 20 February was ¥ 253,565,000.

Local Government Finance

14. Members of the Local Finance Committee appointed by the Prime Minister were Giichi Takeda, Minister of State, Gentaro Takeya,



member of the House of Representatives, Seichiro Yasui, governor of the Tokyo metropolitan area, Masao Kambe, mayor of Kyoto, and Wahei Ikuta, chairman of the Town and Village Headmen Association.

The Committee estimated that local tax receipts by the end of February amounted to ¥ 14,900,000,000 against estimated budgetary tax revenue of ¥ 23,200,000,000 for the 1947-48 fiscal year.

SECTION 12

PROPERTY CONTROL AND REPARATIONS

C O N T E N T S

	Paragraph
Property Control.	1
Antitrust and Cartels	8
Reparations	26

PROPERTY CONTROL

Looted Property

1. Looted property valued at ¥ 1,506,000 was newly reported; most of this property was under the jurisdiction of the Japanese Government pending restoration.

Restitution of one statistical machine and one automobile to the Netherlands and Philippine Governments respectively was effected between 21 January and 20 February.

STATUS OF LOOTED PROPERTY

20 February

(thousands of yen) a/

Japanese Government custody	
Warehoused	7,562
Immovable, not warehoused	14,272
Allied custody	
Official use or in storage, Bank of Japan	<u>1,166</u>
Total	23,000

a/ Valuations, based on exchange values as of 6 December 1941 in yen worth \$ 0.2343, include only those items on which yen value has been placed.

2. Between 21 January and 20 February the steamship "Ho Shun" was returned to China. By 20 February notification of receipts by claimant nations of 23 ships aggregating 12,663 tons, principally of Korean and Chinese registry, had been received.

One Chinese and six British vessels were reported as sunk and additional British and Chinese ships of unknown status were recorded during the period.

LOOTED SHIPS REPORTED a/
20 February

	<u>Sunk b/</u>		<u>Under Repair</u>		<u>Status Unknown</u>		<u>Miscellaneous c/</u>	
	<u>Number</u>	<u>Tons</u>	<u>Number</u>	<u>Tons</u>	<u>Number</u>	<u>Tons</u>	<u>Number</u>	<u>Tons</u>
China	33	69,241	1	2,499	0	0	5	7,315
Denmark	2	6,804	0	0	0	0	0	0
England	38	94,999	7	19,983	11	20,009	4	3,163
Finland	1	5,067	0	0	1	2,768	0	0
France	11	78,497	1	9,877	4	9,110	0	0
French Indo-								
China	1	2,251	0	0	0	0	0	0
Germany	10	66,958	0	0	8	35,074	1	1,230
Greece	3	12,141	0	0	12	24,224	0	0
Italy	9	31,706	0	0	3	9,508	3	25,267
Korea	0	0	1	1,281	2	467	3	2,559
Netherlands	22	66,340	0	0	19	47,020	3	5,200
Norway	7	12,184	0	0	4	6,926	0	0
Panama	3	5,530	2	4,029	1	3,892	2	4,156
Philippines	1	1,160	1	1,243	0	0	1	1,253
Portugal	1	3,826	0	0	0	0	0	0
Siam	0	0	0	0	1	1,458	0	0
Sweden	1	6,079	0	0	0	0	1	1,544
United States	10	26,445	1	3,521	3	10,400	2	3,126
Unknown	<u>2</u>	<u>13,601</u>	<u>0</u>	<u>0</u>	<u>4</u>	<u>8,851</u>	<u>0</u>	<u>0</u>
Total	155	502,829	14	42,433	73	179,707	25	54,813

Tonnage Unknown

China	6	0	0	1
England	23	0	2	3
France	2	0	1	0
Netherlands	0	0	0	0
Unknown	<u>1</u>	<u>0</u>	<u>14</u>	<u>0</u>
Grand total	187	14	90	29

a/ Revised; exclusive of restored vessels.

b/ Sunk in various naval engagements.

c/ Various stages of restitution, possibly salvable, etc.

SOURCE: Civilian Merchant Marine Committee.

SCAP Custody Account

3. The Custody Account for SCAP increased ¥ 3,034,056 between 21 January and 20 February due chiefly to proceeds from Japanese dissolved organizations and pay and allowances due Allied prisoners of war and civilian internees.

CUSTODY ACCOUNT FOR SCAP
21 January - 20 February
(yen)

Allied

Prisoners of war and civilian internees	1,428,717
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German

Accounts receivable	55,000
Dividends	29,140
Impounded cash	1,841
Property rentals	8,358
Property sales	6,000
Royalties	271,052

371,391

Japanese

Dissolved organizations	<u>1,233,948</u>
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Total	3,034,056
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Balance 20 January	<u>253,884,955</u>
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Balance 20 February	256,919,011
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SOURCE: Bank of Japan.

Patents and Copyrights

4. Between 21 January and 20 February the American patent royalty account was credited with ¥ 120,227 and the German account with ¥ 152,904. Four British accounts were revised downward by ¥ 5,024 as erroneous reports were corrected.

Deposits for American patents and copyrights accounted for 56.3 percent of the total royalties on 20 February.

PATENT AND COPYRIGHT ROYALTY DEPOSITS
20 February
(yen)

American	5,457,721
Patents	5,239,572
Copyrights	218,149
British	1,544,315
Patents	1,380,028
Copyrights	164,287
German	1,465,343
Patents and copyrights	1,465,343
Other	1,234,506
Patents	1,138,524
Copyrights	95,982
Total	9,701,885

SOURCE: Bank of Japan, Patent Office and Teikoku Bank.

Properties Released from Custody

5. Between 21 January and 20 February 200 cases of cotton and rayon goods, 38 bales of raw silk and 213 cases of shell buttons, detained in Japan by the outbreak of war, were restored to an American and two Swiss firms respectively.

Bank deposits and securities valued at ¥ 580,000 were restored to an Austrian firm in Japan, subject to Japanese financial controls.

Twelve statistical machines, 77 books and books and records were returned to the Netherlands, British and Chinese Governments respectively.

Property consisting of two hospitals, a kindergarten and two homes was restored to the Japan Mission of the Evangelical and Reformed Church of America.

House, land and household effects were restored to a British firm in Japan.

6. Releases from stocks of Koeki Eidan, wartime procurement agency, included 241 lots of copper wire for sale to the Egyptian Government, 1,000,000 pieces of Jintan patent medicine for manufacture of end products and 173,594 yards of rayon fabrics for export; and 9,413 cartons and 2,419 bottles of patent medicines and 7,055,856 bottle caps for domestic consumption.

7. The release of 21,925.9 grams of gold and 127,988 grams of silver, chiefly liquid gold and gold and silver dust, was authorized for manufacture of export items.

A total of 1,250,000 grams of silver was released from SCAP custody for sale to the Central Purchasing Office.

ANTITRUST AND CARTELS

Restricted Concerns

8. SCAP offered no objection to 334 applications by restricted concerns to effect transactions not construed to be in the normal course of business, including expenditures of ¥ 561,339,238 for the rehabilitation and reconstruction of essential industries.

9. In the mining industry the Japan Mining Company, Ltd., was authorized to borrow ¥ 31,897,140 to cover additional costs incurred for the previously authorized reconstruction at its Hitachi mine, Ibaraki Prefecture. The Dowa Mining Company, Ltd., was permitted to expend ¥ 8,202,761 to restore its flood-damaged Kosaka mine, Akita Prefecture, and to borrow ¥ 21,698,230 and use machinery on hand valued at ¥ 1,614,565 to rehabilitate its flood-damaged Hanaoka mine, Akita Prefecture. The Seika Mining Company, Ltd., was authorized to borrow ¥ 4,830,800 to rehabilitate fire-damaged facilities and to install fire-preventive equipment at its Beashi copper mine, Kochi Prefecture.

No objection was offered to the Japan Iron Mining Company, Ltd., borrowing ¥ 7,696,376 to renovate crushing plants and construct iron ore separating equipment at its Kamaiishi mine, Iwate Prefecture, and to construct roads, aerial tramways and employees' quarters at its Kutchan and Tokushumbetsu mines, Hokkaido, and Akatani mine, Niigata Prefecture.

10. In the textile industry the Kanegafuchi Cotton Spinning Company, Ltd., was authorized to borrow ¥ 5,250,000 to transfer woolen spinning and weaving machines from Tokyo to its Merima mill. No objection was offered to the Imperial Textile Company, Ltd., borrowing ¥ 58,311,780 to rehabilitate its Ogaki mill and the Nitto Cotton Spinning Company, Ltd., expending ¥ 1,193,960 to rehabilitate equipment at its Koriyama No. 2 plant, Fukushima Prefecture.

Permission was granted the Gunze Silk Manufacturing Company, Ltd., to borrow ¥ 2,833,301 for construction and repair at its Imaichi plant, Shimane Prefecture; Kochi plant, Kochi Prefecture; and Tsuyama and Kuse plants, Okayama Prefecture. No objection was offered to the Nisshin Cotton Spinning Company, Ltd., borrowing ¥ 7,800,000 to expand dyeing facilities at its Miai mill, Aichi Prefecture.

11. In the chemical industry the Nisshin Chemical Industry, Ltd., was authorized to borrow ¥ 50,953,135 to complete rehabilitation of its Oji, Komatsugawa, Makodate, Fushiki, Nagoya, Kizugawa, Onoda and Kagami superphosphate fertilizer plants. The Ube Industrial Company, Ltd., was permitted to borrow ¥ 50,483,213 to rehabilitate its Ube fertilizer factory and the Kureha Chemical Industry Company, Ltd., was authorized to expend ¥ 12,370,000 to cover added costs of its fertilizer rehabilitation project.

Nisshin Chemical Industry, Ltd., was given permission to borrow ¥ 16,500,000 to cover added costs arising from wage increases and official prices of materials to complete rehabilitation of its chemical fertilizer productive facilities. No objection was offered to the Konoshima Chemical Industry, Ltd., borrowing ¥ 4,884,731 to finance additional rehabilitation of its Konoshima sulfuric acid plant, Okayama Prefecture.

12. In the fishing industry the Taiyo Fishing Company, Ltd., was authorized to expend ¥ 6,142,050 from its free yen account to purchase engines for three bonito fishing vessels and ¥ 524,900 to repair the vessel No. 5 Azuma Maru.

13. In the shipping industry no objection was offered to the Kansai Steamship Company, Ltd., borrowing ¥ 7,000,000 and withdrawing ¥ 12,450,000 from its free yen account to repair 14 vessels. The Oriental Steamship Company, Ltd., the Hokoku Coastwise Steamship Company, Ltd., and the Nitto Steamship Company, Ltd., were permitted to expend a total of ¥ 45,953,632 for the construction of two vessels and completion of salvage operations on the S/S Fukuei Maru.

No objection was offered to the Nisshin Coastwise Shipping Company, Ltd., borrowing ¥ 5,700,000 for the construction of an F-type cargo vessel and the Hokkai Steamship Company, Ltd., borrowing ¥ 4,700,000 and withdrawing ¥ 1,000,000 to construct a small steel boat.

14. In the electrical industry the Matsushita Electric Industrial Company, Ltd., was authorized to borrow ¥ 1,429,372 to expand its dry battery plant at Moriguchi, Osaka Prefecture, and the Tokyo Shibaura Electric Company, Ltd., was permitted to withdraw ¥ 1,742,150 from its first restricted account to enlarge its Shonan dry battery plant, Kanagawa Prefecture, and its Washizu dry battery plant, Shizuoka Prefecture.

15. In the steel industry the Japan Iron and Steel Company, Ltd., was authorized to withdraw ¥ 1,196,375 from its free yen account and use labor and materials valued at ¥ 961,625 to construct a concrete duct and relay cable at its Yawata Iron Works, and to

expend ¥ 3,065,230 to complete construction of 21 employees' houses and an ore yard at its Kamaishi iron works.

Control Organizations

16. In February the Closed Institutions Liquidation Commission was directed to close and liquidate 109 nationwide control organizations and 566 local control groups. These organizations had been previously designated under the Temporary Demand and Supply Adjustment Act as temporarily necessary to the Japanese economy.

Major organizations ordered closed included:

- (1) The Japan Feedstuffs Control Company and affiliated prefectural organizations which controlled the distribution of fodder and feedstuffs. The Fodder and Feedstuffs Corporation, a public corporation (kodan) activated on 21 February, will assume temporary control functions over the distribution of fodder and feedstuffs.
- (2) The Imperial Oil and Fats Company and the Vitamin Oil Industry Company which monopolized the distribution of vegetable oil and fish oil products and the raw materials necessary to manufacture these products. The Oil and Fats Corporation, a kodan, will temporarily handle the distribution of these necessary oils.
- (3) Six nationwide organizations and 75 prefectural control companies which controlled the distribution of dairy products, canned goods, soy sauce, bean paste, sugar and amino acid. The Grocery Corporation, a kodan, will temporarily distribute these items.
- (4) Eight associations, two federations and one company which have monopolized the distribution of rice, barley, wheat flour and other staple foodstuffs. The Staple Foodstuff Corporation, a kodan, will temporarily assume the functions of distributing staple foodstuffs.
- (5) Two national salt producers' associations. The local cooperatives consisting principally of farmers and small industrialists were affiliated with prefectural organizations and united in these two national associations. Membership was compulsory and the members were dependent on the associations for necessary raw materials.
- (6) Twenty-eight national control associations in the chemical industry which controlled the allocation of materials to manufacturers of methanol, carbon black, ethylene, synthetic resin, cellulose nitrate, organic acids, glauber salt, carbon bisulfate, sodium silicate, oxygen, pitch, magnesium carbonate and other chemicals.
- (7) Twenty-two associations which controlled the allocation of raw materials to manufacturers of various types of machinery, saws, files, gears, radiators, oiling appliances, electric bulbs and storage batteries.

- (8) Fifteen associations which controlled the distribution of miscellaneous raw materials necessary to manufacture paint, soap, medicines, photographic film and paper and spark plugs.

Holding Company Liquidation Commission

17. The Holding Company Liquidation Commission designated 257 industrial concerns and 68 distributive and service organizations as excessive concentrations under the Elimination of Excessive Concentration of Economic Power Law.

The standards approved by the Commission for the designation provide that any private enterprise or combination of such enterprises conducted for profit will be considered an excessive concentration if it:

- (1) Produces or has capacity to produce a sufficient portion of the total supply of a commodity or service so that a substantial price increase or withdrawal of supply would result in hardship to potential buyers or to the general public.
- (2) Distributes sufficient supply of a commodity or commodities so that a substantial price increase or withdrawal of supply would result in hardship to potential buyers or to the general public.
- (3) Has sufficient influence and power in its field to take action which would make it difficult for another organization to enter the same field with reasonable opportunity to compete successfully.
- (4) Has acquired other organizations, operating units or concerns and enjoyed special monopolistic privileges and dominating controls as a result of war mobilization policy since 1937.
- (5) Has sufficient cumulative influence and power through its activities in unrelated fields of operations to restrict competition or impair opportunity for others to engage in business independently.

Among the 325 companies designated were the following organizations and their principal field of activity:

Iron mining	Japan Steel Tube Mining Co., Ltd. (Nippon Kokan Kogyo K. K.) Japan Iron Mining Co., Ltd. (Nittetsu Kogyo K. K.)
Coal mining	Mitsui Mining Co., Ltd. (Mitsui Kozan K. K.) Mitsubishi Mining Co., Ltd. (Mitsubishi Kogyo K. K.)
Iron and steel	Japan Iron and Steel Co., Ltd. (Nippon Seitetsu K. K.) Japan Steel Tube Co., Ltd. (Nippon Kokan K. K.) Fuso Metal Industry Co., Ltd. (Fuso Kinzoku Kogyo K. K.)

Chemical	Nippon Soda Co., Ltd. (Nippon Soda K. K.) Nissan Chemical Industries Co., Ltd. (Nissan Kagaku Kogyo K. K.) Showa Electrical Industries Co., Ltd. (Showa Denko K. K.) Nisshin Chemical Industries Co., Ltd. (Nisshin Kagaku Kogyo K. K.) Mitsui Chemical Industries Co., Ltd. (Mitsui Kagaku Kogyo K. K.) Mitsubishi Chemical Industries Co., Ltd. (Mitsubishi Kosei Kogyo K. K.)
Cement	Nippon Cement Co., Ltd. (Nippon Semento K. K.)
Petroleum	Imperial Oil Co., Ltd. (Teikoku Sekiyu K. K.)
Rubber	Japan Rubber Co., Ltd. (Nippon Gomu K. K.) Yokohama Rubber Co., Ltd. (Yokohama Gomu Seizo K. K.)
Textiles	Dai Nippon Cotton Spinning Co., Ltd. (Dai Nippon Boseki K. K.) Kanegafuchi Cotton Spinning Co., Ltd. (Kane- gafuchi Boseki K. K.) Katakura Industry Co., Ltd. (Katakura Kogyo K. K.) Gunze Silk Manufacturing Co., Ltd. (Gunze Seishi K. K.) Imperial Rayon Co., Ltd. (Teikoku Jinzo Kenshi K. K.) Toyo Rayon Co., Ltd. (Toyo Rayon K. K.)
Food products	Japan Marine Products Co., Ltd. (Nippon Suisan K. K.) Taiyo Fishing Co., Ltd. (Taiyo Gyogyo K. K.)
Power machinery	Hitachi Engineering Works, Ltd. (Hitachi Seisakusho K. K.) Mitsubishi Electric Manufacturing Co., Ltd. (Mitsubishi Denki K. K.)
Electric machinery	Tokyo Shibaura Electric Co., Ltd. (Tokyo Shibaura Denki K. K.) Fuji Industrial Co., Ltd. (Fuji Sangyo K. K.)
Electrical appliances	Matsushita Electrical Industrial Co., Ltd. (Matsushita Denki Sangyo K. K.)
Electric wire and cable	Furukawa Electrical Co., Ltd. (Furukawa Denki Kogyo K. K.) Sumitomo Electrical Industry Co., Ltd. (Sumi- tomo Denki Kogyo K. K.)
Electrical communica- tions equipment	Nippon Electric Co., Ltd. (Nippon Denki K. K.) Oki Electric Co., Ltd. (Oki Denki K. K.)
Heavy machinery	Mitsubishi Heavy Industry Co., Ltd. (Mitsubi- shi Jukogyo K. K.)
Shipbuilding	Kawanami Industry Co., Ltd. (Kawanami Kogyo K. K.) Kawasaki Heavy Industry Co., Ltd. (Kawasaki Jukogyo K. K.)

Machine tools	Riken Industrial Co., Ltd. (Riken Kogyo K. K.) Mitsui Precision Tool Co., Ltd. (Mitsui Seiki K. K.)
Paper and pulp	Oji Paper Manufacturing Co., Ltd. (Oji Seishi K. K.)
Optical products and instruments	Japan Optical Industrial Co., Ltd. (Nippon Kagaku Kogyo K. K.)
Warehousing and express	Mitsubishi Warehouse Co., Ltd. (Mitsubishi Soko K. K.) Mitsui Warehouse Co., Ltd. (Mitsui Soko K. K.) Sumitomo Warehouse Co., Ltd. (Sumitomo Soko K. K.) Nippon Express Co., Ltd. (Nippon Tsu-un K. K.)
Cold storage	Japan Cold Storage Co., Ltd. (Nippon Reizo K. K.)
Amusement	Shochiku Co., Ltd. (Shochiku K. K.) Toho Co., Ltd. (Toho K. K.)
Trading	Daiken Co., Ltd. (Daiken Sangyo K. K.) Iwai Industrial Co., Ltd. (Iwai Sangyo K. K.) Oriental Cotton Trading Co., Ltd. (Toyo Menka K. K.)
Utilities	Japan Electric Generation and Transmission Co., Ltd. (Nippon Hassoden K. K.) Tokyo Gas Co., Ltd. (Tokyo Gasu K. K.) Osaka Gas Co., Ltd. (Osaka Gasu K. K.)
Department stores	Mitsukoshi Co., Ltd. (Mitsukoshi K. K.) Matsuzakaya Co., Ltd. (Matsuzakaya K. K.)
Milk processing	Hokkaido Dairy Farm Cooperative, Ltd. (Hokkaido Bekuno Kyodo K. K.)

18. All the industrial designees made their formal appearance before the Commission and received written instructions for proceeding with the submission of reorganization plans and supporting information.

19. In February the Commission exercised voting rights on behalf of 522 companies. Income from transferred properties held by the Commission for holding companies and designated persons amounted to ¥ 21,372,291 by 20 February.

Antitrust Legislation

20. The defendants in five cases pending before the Fair Trade Commission submitted forms of proposed consent-decisions admitting the respective charges, waiving formal hearings and closing the dockets.

The organizations involved are the Japan Sporting Clothes Commercial and Industrial Guild, the Japan Clasp Industrial Cooperative Association, the Shochiku, Daiei and Toho Companies, the Reparatations Packing and Shipping Association and the National Sanitary Materials Association.

Under the proposed consent-decision, the Shochiku, Daiiei and Toho Companies, three of the largest motion picture producers in Japan, would abrogate all agreements and conditions prohibiting double feature programs in theaters throughout Japan and submit periodical reports to the Commission indicating the number of drama films exhibited on each program by motion picture operators renting films from or otherwise doing business with the defendants.

In the other four cases the proposed consent-decisions would dissolve the associations and restrain their members from participating in any control activities or from joining any association in their respective field for two years.

21. Between 15 January and 15 February 11 reports under Government Order No. 238 and 50 reports under Government Order No. 239 were filed and pending with the Commission, bringing the respective totals to 175 and 304. These Government Orders require control organizations and holding companies, prohibited by Articles 5 and 9 of the Antitrust Act, to file informational reports and suggested plans of dissolution with the Commission.

An analysis of the initial 283 returns filed under Government Order No. 239 indicated that 20 companies admitted a holding company status and offered no objection to their dissolution and liquidation; 85 had resolved to dissolve and liquidate prior to filing their reports and suggested plans; and 178 claimed that they were not holding companies within the context of Article 9 of the Antitrust Act.

22. Two hundred sixty-nine applications were filed under Article 6 under which the Commission examines proposed foreign trade agreements to ascertain if they contain any restrictive provisions inconsistent with the Antitrust Act. By 15 February 563 applications had been received and 337 approved. The agreements dealt principally with textile items and provided for the appointment of Japanese residents as agents or trade representatives to negotiate with the Board of Trade (Boeki Cho).

23. In compliance with Articles 10, 14 and 15 of the Antitrust Act the Commission received two applications to own stocks in subsidiary companies, 20 applications to merge with other companies, 12 applications to transfer their business and 15 applications by directors to hold stock in competing companies at the time of assuming office.

Seventeen transfers of business applications were approved during the period.

24. Government Order No. 43 was promulgated pursuant to Articles 107, 108 and 110 of the Antitrust Act. This Order requires the filing of informational reports and suggested disposal plans for stocks and debentures held in violation of the Antitrust Act.

Articles 10, 11, 12 and 14 of the Act prohibit nonfinancial companies from owning stocks in other companies; financial institutions from owning stocks in competitive enterprises; financial concerns with assets over ¥ 5,000,000 from holding more than five percent of the stock of other companies; and any company from holding more than 25 percent of the total issue of debentures of any other company.

In addition individuals owning over 10 percent of the total issue of capital stock of two or more competing companies and directors holding stock of a competing company at the time they assume office are required to file reports with the Fair Trade Commission.

25. The Commission is investigating restraint-of-trade activities in the book distribution field. It is alleged that publishers and distributors compel retailers to purchase generally undesirable books as a condition for receiving desired books.

The Commission investigated trade practices in the advertising industry in the Osaka area and discovered that outside independent advertising agencies have been excluded from posting advertisements on electric light poles.

REPARATIONS

26. The Chinese, Netherlands, Philippines and United Kingdom delegations completed inspections of the laboratory and miscellaneous equipment at the Tokyo First Army Arsenal.

Items not immediately accepted were reserved for barter or later claim.

LABORATORY AND MISCELLANEOUS EQUIPMENT
Tokyo First Army Arsenal

<u>Claimant</u>	<u>Machines</u>		<u>Percent Accepted</u>
	<u>Assigned and Inspected</u>	<u>Accepted</u>	
China	1,710	1,690	98.8
Netherlands	571	555	97.2
Philippines	567	501	88.4
United Kingdom	<u>575</u>	<u>452</u>	78.6
Total	3,423	3,198	93.4

27. Approximately 2,000 machine tools and secondary metal-working machines were packaged in the designated advance transfer arsenals in February to complete the initial phase of the advance transfer program, except for supplemental acceptances.

MACHINE TOOLS AND SECONDARY METALWORKING EQUIPMENT a/
17 Arsenals

<u>Claimant</u>	<u>Machines</u>		<u>Percent Accepted</u>
	<u>Assigned and Inspected</u>	<u>Accepted</u>	
China	9,395	6,943	73.9
Netherlands	3,121	1,637	52.5
Philippines	3,266	3,016	92.3
United Kingdom	<u>3,250</u>	<u>1,262</u>	38.8
Total	19,032	12,858	67.6

a/ Revised to include supplementary allocations.

28. Four shipments of these tools to the advance transfer claimants took place in February. Shipments departed 5 and 20 February to the Philippines, 27 February to China and 28 February to the Netherlands East Indies.

A total of 3,250 packages weighing 7,294 metric tons had been shipped to the advance claimant nations by the end of the month.

SHIPMENTS TO ADVANCE TRANSFER CLAIMANTS
Machine Tools and Secondary Metalworking Equipment
February

<u>Recipient</u>	<u>Tools</u>	<u>Packages</u>	<u>Metric Tons</u>
China	450	479	1,654
Netherlands	135	137	785
Philippines	<u>659</u>	<u>951</u>	<u>1,721</u>
Total	1,244	1,617	4,160

29. One hundred four inspections, chiefly of 15 arsenals not designated for advance transfer removal, were made by the reparations and restitution delegations.

SECTION 13

SCIENCE AND TECHNOLOGY

C O N T E N T S

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ORGANIZATIONS

Renewal Committee for the Organization of Science

1. The sixth general meeting of the Renewal Committee for the Organization of Science was held at the National Academy in Tokyo on 30-31 January. The chief purpose of the meeting was to organize the results of the deliberations of the past several months prior to formal presentation to the Diet in March.

Discussions were held on the extent of the deliberative body's administrative jurisdiction, the organization of the deliberative body, disposition of existing science organizations, plans for the administrative body, elections and number of members to comprise the organization.

Scientific Research Institute, Ltd.

2. The Riken Institute of Physical and Chemical Research was granted authority to operate under the name of Scientific Research Institute, Ltd., a title which more nearly describes its present activities. Provision was also made for the parenthetical use of the subtitle, "Formerly Institute of Physical and Chemical Research," for a period of one year. Plans and charter for the new institute were approved under Law No. 131, promulgated 17 November 1947.

Japan Association of Engineering Liaison

3. The 12th general meeting of Japan Association of Engineering Liaison was held on 9 February in Tokyo. Members heard a discussion of several Japanese proposals aimed at solving or alleviating the problems which will confront private industrial research as a consequence of the application of the decentralization law.

The engineers were urged to take the initiative in changing the present attitude of industrialists toward foreign property rights in technology entering the country, since foreign industrialists will be reluctant to allow their modern technology to be introduced unless they have some assurance that their property rights will be respected.

4. At the meeting it was reported that approximately 300 items had been considered in the Association's program of analyzing new technical developments applicable to industry. Reports are being prepared on the items considered so far for forwarding to the Ministry of Commerce and Industry.

Japan Invention Association

5. On 22 January the Standing Directors of the Japan Invention Association and those of the Association of Japanese Patent Attorneys held a round-table conference to discuss the operation and strengthening of the Invention Association.

6. Five new research projects started during January bring the total number of projects currently under way to 17. The new projects undertaken were trial manufacture of (1) a small decorative electric light bulb with permanent nonfading paint, (2) a machine for analyzing differential equations, (3) an emergency lamp, (4) a medicine for the treatment of skin diseases and (5) synthetic coumarin spices.

Japanese Technical Association of the Pulp and Paper Industry

7. The first symposium of the Japanese Technical Association of the Pulp and Paper Industry was held in Tokyo 15-17 January. Representatives of pulp mills from all parts of Japan attended. Papers on the chemistry of the sulfite and semichemical pulping process were presented by representatives of paper and pulp companies. The papers aroused considerable interest since sulfite wood pulp accounts for more than 90 percent of the chemical wood pulp produced in Japan.

8. The Association, formed in January 1947, has given the technical men of the industry an opportunity to discuss freely the basic scientific plans of the industry and to compare procedures of the various companies. Free flow of information was not previously available. Before the Occupation 80 percent of the pulp made in Japan was produced by one company which closely held and controlled technical information.

9. Major activities of the Association have been establishment of specifications for paper and aid in providing testing facilities for mills. In cooperation with the Japanese Government Printing Bureau, which provides the paper requirements of the Government, the Association has begun work on a joint testing and research laboratory.

PATENTS AND STANDARDS

10. During January 61 Japanese Standards were promulgated by the Minister of Commerce and Industry; 28 Emergency Japanese Engineering Standards and one Japanese Engineering Standard were abrogated.

Thirty-two of the new standards were in the mechanical field and concerned primarily details of jig parts. These were in large part revisions of Emergency Japanese Engineering Standards which had been abrogated.

Sixteen new standards in the chemical field covered dimensions for roll photographic film and other photographic standards.

Four standards were promulgated for use in connection with products intended for export, a new classification of Japanese Standards. Three of the standards are test methods for watches and clocks while one is for sodium glutamate.

NUMBER OF JAPANESE STANDARDS IN EFFECT
1 February

	<u>Japanese Standards</u>	<u>Emergency Japanese Engineering Standards</u>	<u>Japanese Engineering Standards</u>	<u>Total</u>
Agriculture and wood industry	0	2	2	4
Automotive engineering	15	34	21	70
Building	3	0	0	3
Ceramics	1	38	0	39
Chemical	506	169	85	760
Electrical engineering	93	160	29	282
Export	4	0	0	4
Mechanical engineering	140	186	57	383
Metal industries	103	0	0	103
Metallurgy and mining	6	72	35	113
Packing	12	0	0	12
Pulp and paper industry	0	12	5	17
Railway	2	0	0	2
Shipbuilding	8	2	42	52
Textile industry	57	5	2	64
Transportation	1	7	0	8
Miscellaneous	<u>2</u>	<u>8</u>	<u>4</u>	<u>14</u>
Total	953	695	282	1,930

SOURCE: Ministry of Commerce and Industry, Bureau of Patents and Standards.

11. The Bureau of Patents and Standards reported that 153 patents and 260 utility model registrations were granted during January.

PATENTS AND UTILITY MODELS
January

	<u>Patents</u>	<u>Utility Models</u>
Agriculture, forestry, animal and food products, processing and devices	21	40
Ceramics, inorganic compounds, processing and devices	16	1
Electrical apparatus, devices, etc.	28	48
Engineering devices and equipment	22	35
Fuels, organic compounds, processing and devices	21	12
Mechanical and physical devices	10	31
Medical, sanitary and safety materials and devices	20	8
Textile and clothing materials, processing and devices	7	11

	<u>Patents</u>	<u>Utility Models</u>
Transportation and communication	0	12
Miscellaneous, including cultural devices, household equipment, etc.	<u>8</u>	<u>62</u>
Total	153	260

SOURCE: Ministry of Commerce and Industry, Bureau of Patents and Standards.

12. Seven recent inventions which are considered by the Patent Office to offer the best prospects for industrialization are listed below. Specifications have been published and patents will be granted unless objections are presented and sustained during the two-month waiting period provided by law.

- (1) an improved method for washing inorganic gel (silica, alumina, iron oxide).
- (2) A method for the preparation of sulfonated detergents and soap from fish and whale oils with fishy odor removed.
- (3) A method for manufacturing reinforced hollow concrete building units.
- (4) A universal range finder for cameras.
- (5) Methods for preparing chlorosulfonic acid in the gas phase in the presence of a catalyst without the use of fuming sulfuric acid.
- (6) A method for reclaiming rubber at moderate temperature, obviating the degradation incurred by alkali treatment at high temperature.
- (7) A method for manufacturing yeast of high amylase and Vitamin B content by cultivating a new yeast species which grows in liquids containing bran, straw, wood and other waste.

13. During the month the Bureau of Patents and Standards awarded subsidies totaling ¥ 700,000, the final increment of the ¥ 2,950,000 appropriated for the encouragement of inventions for this fiscal year. The subsidies went to 10 inventors who were not able to finance the development and industrialization of inventions which had been selected by the Inventions Encouragement Committee as the most likely to be of greatest assistance to the Japanese economy. The awards ranged from ¥ 10,000 to the inventor of a machine for the manufacture of wire netting of various mesh sizes to ¥ 165,000 to the inventor of an electron microscope.

RESEARCH ACTIVITIES

14. A recent collection of fishes found in the waters around Miyako Island, Southern Ryukyus, contains 99 species, 20 of which are said to be previously unknown in the waters of Japan Proper and the Ryukyu Islands. The new species are classified as follows by Dr. Hyozi Aoyagi of Bunrika University and Dr. Katsushige Nagahama of the Tokyo Higher Normal School:

Clupea sindensis Day
 Holocentrus prasin Lacepede
 Holocentrus punctatissimus Cuvier et Valenciennes
 Apogon monochroa (Bleeker)