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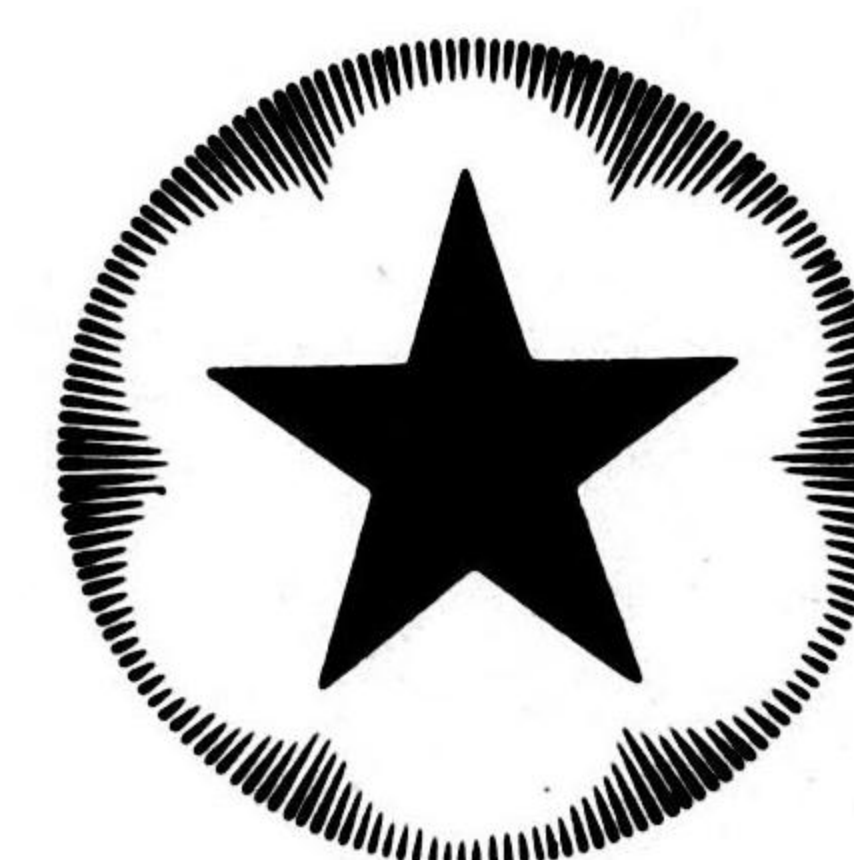
ARMY SERVICE FORCES MANUAL

M 354-9

CIVIL AFFAIRS HANDBOOK

JAPAN

SECTION 9: LABOR



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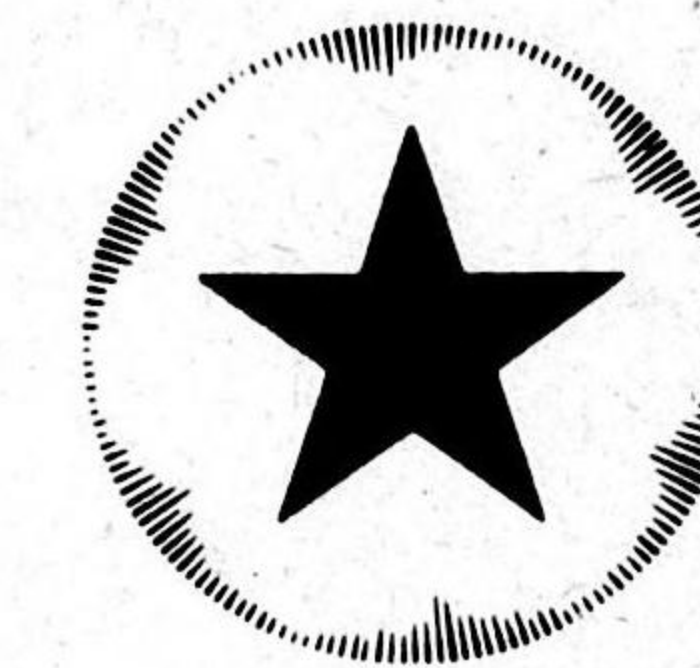
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The main subject matter of each Army Service Forces Manual is indicated by consecutive numbering within the following categories:

M1 - M99 Basic and Advanced Training
M100 - M199 Army Specialized Training Program and Pre-
Induction Training
M200 - M299 Personnel and Morale
M300 - M399 Civil Affairs
M400 - M499 Supply and Transportation
M500 - M599 Fiscal
M600 - M699 Procurement and Production
M700 - M799 Administration
M800 - M899 Miscellaneous
M900 - up Equipment, Materiel, Housing and Construction

* * * *

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INTRODUCTION

Purposes of the Civil Affairs Handbook.

International Law places upon an occupying power the obligation and responsibility for establishing government and maintaining civil order in the areas occupied.

The basic purposes of civil affairs officers are thus (1) to assist the Commanding General of the combat units by quickly establishing those orderly conditions which will contribute most effectively to the conduct of military operations, (2) to reduce to a minimum the human suffering and the material damage resulting from disorder and (3) to create the conditions which will make it possible for civilian agencies to function effectively.

The preparation of Civil Affairs Handbooks is a part of the effort of the War Department to carry out this obligation as efficiently and humanely as is possible. The Handbooks do not deal with planning or policy. They are rather ready reference source books of the basic factual information needed for planning and policy making.

Revision for Final Publication.

Significant area information is immediately needed (a) for civil affairs officers charged with policy making and planning, (b) for the use of civil affairs officers-in-training and (c) to make certain that organized data is in hand, whenever events require it.

Arrangements were therefore made with the cooperating agencies to organize all immediately available material in accordance with a prepared outline. Hence these sections on Labor Conditions in Japan Proper and Labor Conditions in Japanese Dependencies should be considered preliminary drafts. Current developments are forcing the Japanese government to considerably modify its labor policies and are leading to important shifts in manpower allocations. If enough data on recent labor changes in Japan, Korea and Manchuria can be obtained to make it worthwhile, a supplement to Section IX will be prepared, indicating recent changes in (a) labor controls and (b) manpower distribution.

OFFICERS USING THIS MATERIAL ARE REQUESTED TO MAKE SUGGESTIONS AND CRITICISMS INDICATING THE REVISIONS OR ADDITIONS WHICH WOULD MAKE THIS MATERIAL MORE USEFUL FOR THEIR PURPOSES. THESE CRITICISMS SHOULD BE SENT TO LT. COLONEL JAMES H. SHOEMAKER, MILITARY GOVERNMENT DIVISION, P.M.G.O., 2805 MUNITIONS BUILDING, WASHINGTON, D.C. (OR PHONE WAR DEPARTMENT EXTENSION 76370).

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CIVIL AFFAIRS HANDBOOKS

TOPICAL OUTLINE

1. Geographical and Social Background
2. Government and Administration
3. Legal Affairs
4. Government Finance
5. Money and Banking
6. Natural Resources
7. Agriculture
8. Industry and Commerce
9. Labor
10. Public Works and Utilities
11. Transportation Systems
12. Communications
13. Public Health and Sanitation
14. Public Safety
15. Education
16. Public Welfare

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JAPAN --- LABOR

Part I LABOR CONDITIONS IN JAPAN PROPER

Part II LABOR CONDITIONS IN JAPANESE DEPENDENCIES
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SUMMARY

Three characteristics of modern Japanese industrial life have had dominant influence on labor conditions and labor relations in that country. One is the newness of Japan's industrialization; most of it has taken place within 30 years. A second is the persistence of a deeply rooted paternalism carried over from the peculiarly intense type of feudalism which had remained substantially unchanged in Japan for centuries until a very few decades ago. A third is the fact that Japanese industry and finance are controlled by a half dozen family groups, such as the Mitsui and the Mitsubishi concerns, each of which is an "industrial empire" controlling factories, mines, transportation, banks, etc.

The sudden and successful appearance of Japan in the field of international industrial competition seems to rest primarily upon a policy of low wages and long hours, applied by a highly intelligent governing class to an industrious working population. It was not a matter of extensive natural resources, large capital, or superior mechanical equipment. In none of these respects has Japan been at all notable.

Labor force.—In imposing very rapidly a Westernized factory economy upon an age long agricultural economy, it was necessary on a large scale to make factory operatives of farm workers who, as a rule, had never been accustomed to even the simplest mechanical equipment. The average farm is only about 2½ acres in size—in itself too small to justify as a usual thing, the use of even animal power.

As a result Japan had and no doubt continues to have great difficulty in developing a force of industrial workers. The recruiting of labor through private agents had to be resorted to on a large scale. This was particularly true in the textile industry, the first and still the most important of the manufacturing industries. These textile factories were staffed almost entirely by young women from the farm areas for temporary employment only. They were housed in dormitories and treated with benevolent paternalism. Other industries, in lesser degree, followed the same system in recruiting workers.

The labor turnover was very large, not so much through the shifting of workers from plant to plant, as in the United States, as through the return of workers to the farms, with the necessity of still further recruiting to fill vacancies.

The war preparations of the past few years have greatly expanded the heavy industries in Japan and may have changed the pre-war labor practices. Definite information is lacking. But there is no reason to believe that the fundamental characteristics have changed.

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Employment conditions.—Prior to the present war, or more accurately, prior to her preparations for the attack on China and later on the United States, Japan was predominantly agricultural with manufacturing steadily growing but still consisting, in large part, of textiles and the making of domestic consumption goods in small workshops.

Thus in 1931 there were about 2,000,000 factory workers (i.e., in the larger factories). Thereafter, there was a very rapid growth—to some 3,000,000 in 1936 (just before the attack on China) and to 4,650,000 in 1939, two years before Pearl Harbor. Measured in terms of total population the increase in factory workers was also most striking—from 30.5 per 1,000 in 1931 to 63.9 per 1,000 population in 1939. During the same period mine workers increased from 196,000 to 534,000, or almost 175 percent.

The increase of some 2,000,000 in the total factory workers from 1931 to 1939 was due in only small part to the absorption of the unemployed into industry. The vast majority must have been recruited largely from farm workers, from workers in non-war industries, and from persons (including women and children) not previously on the labor market.

The increase in factory employment during the 1930's is still more significant when examined from the standpoint of the individual industries. The largest increases, as might be expected, were in the industries directly associated with war production. Thus the index for mechanical engineering (with 1929 as a base of 100) increased from 119.5 in 1933 to no less than 516.6 in August 1939. The manufacture of tools and instruments showed almost as great a rate of increase as mechanical engineering while shipbuilding, metal production and the making of medical supplies also showed extremely large advances.

No detailed data are available regarding employment changes after 1939. Reports of dubious accuracy indicate a sharp slackening in the rate of increase in all industrial employment from 1939 to November 1941. It is possible, however, that even though there was little increase in the total number of industrial workers the war industries may have continued to expand at the expense of the consumers' goods industries.

Women and children in industry.—An unusually large proportion of the factory workers in Japan are women and children (under 16 years of age) even in peacetime. In 1937, after war and war preparations were well under way, there were 1,209,480 females as against 1,727,032 males in factory employment; 831,155 females as against 201,355 males being in the textile industries, which still engaged about one-third of all factory workers. At the same time, there were 286,214 children under 16 in factory work (almost 10 percent of the total).

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Employment exchanges.—Japan introduced a national system of labor exchanges in 1921, with special exchanges later established for seamen and other specialized occupational groups. In 1936, just prior to the war on China, there were 605 exchanges in operation, handling about 1,800,000 job applicants and placing about 812,000 of them. These figures do not include the several hundred thousand so-called "day laborers" who were handled separately from the regular placement work.

Private employment agencies and direct recruiting by industrial establishments existed on a large scale, side by side with the official employment exchanges. At one time in the late twenties it was estimated that there were over 50,000 persons engaged in recruitment work in the rural areas, and in 1930 nearly 270,000 employees were thus privately recruited for industrial work. Various abuses arose under this system, and these the Government sought to control by official regulations.

In March 1938, the Government abolished all private employment agencies, including apparently the previous practice of labor recruiting by private plants.

Wages, hours, and working conditions.—The average wage of Japanese workers for some years prior to the present war was approximately 2 yen per day. At the yen's former gold parity value of 50 cents in United States currency, this would be equivalent to, roughly, \$1.00 per day with the average for male workers being, again very roughly, \$1.25 per day and for females about 75 cents per day.

The average earnings of the Japanese worker were somewhat higher than the money wage would indicate, because of the existence in Japan of various supplementary payments such as annual or semi-annual bonuses in times of business prosperity, the wide prevalence of payments in kind, and the almost universal practice of dismissal allowances. Also there is in Japan no Sunday or generally observed weekly day of rest. The most usual practice in private industry seems to be two rest days a month. The absence of weekly rest days tends, of course, to increase monthly earnings.

On the other hand, hours of labor are very high—ranging from 9 to 10 per day of actual work in normal times and running as high as 12 per day during the present war. With such long hours plus overtime even in peace time, and with a limited number of weekly rest days, the monthly earnings of workers are somewhat higher than the daily wage (the only wage figure compiled in Japanese statistics) would indicate. Also, to a similar extent the labor cost per unit of output would be reduced.

The variation in wage rates and working hours, when expressed in averages, between communities and industries and even between occupations, do not seem to be very considerable, but from limited data for one city—Nagoya—the wage variations within plants are very great.

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As in other countries, when war came, Japan experimented with various measures of wage and hour and price control. As regards hours, it became a matter of "ceilings" as the prevailing working hours were already so long that the attempt to increase production by increasing hours from 9 and 10 to 11 and 12, could not be very successful. On the other hand, wage rates were fairly well frozen while prices were less well controlled. As a result it has been estimated that real wages in 1940 were possibly as much as 40 percent lower than they were in 1936.

Income and standards of living.—Wages are of course the primary source of income for the workers in Japan as in other countries. But the standard of living is a matter of total family income. This is particularly true of Japan, where the family is traditionally a closely coherent unit.

An official inquiry made in 1936-37 showed that the average income of Japanese workers' families was 93.6 yen, roughly equivalent to \$47 in United States currency at the former gold exchange value.

While pre-war prices were lower in Japan than in the United States it is impossible to make exact comparisons because of differences in the consumption habits of the people and resulting differences in the types of commodities and services purchased. It is known, however, that the average Japanese worker's family obtains fewer of the necessities and physical comforts of life than does the American worker's family.

The diet of the Japanese family, for instance, is largely cereal and so simple and coarse as to be deficient in many things necessary to good health—such as milk and dairy products generally. As a result, bad teeth and bad vision are almost universal, and the death rate is 17.4 per 1,000 population as against 10.6 in the United States (1938).

Japanese housing and housefurnishings are of the utmost simplicity, but this may be attributed to differences in taste and do not necessarily reflect a lower standard of living. Overcrowding is very serious in many places.

Clothing is also simple, and seems insufficient for comfort and warmth.

In spite of the inadequacies of diet and of certain other items, the Japanese are a tough, wiry race. On the other hand the fact that they live so close to the narrow margin would seem to make it more difficult for them than for Americans to "tighten their belts" in time of emergency. From the standpoint of war this is somewhat analogous to the fact that the very long working hours in peacetime in Japan leaves little or no room to increase production by increasing the working hours of the individual.

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Labor administration.—The first special Government agency to deal with labor matters was set up in 1922, under the title of the Bureau of Social Affairs and was located in the Department of the Interior. This Bureau handled almost all labor affairs involving Government laws or regulations, including relationships with the International Labor Organization, but also had many strictly welfare activities.

In the years following there was continuous agitation by labor and liberal interests for the establishment of an independent Department of Labor. These efforts failed but a forward step was made in 1938 with the setting up of a new Department of Welfare, with a special Bureau of Labor therein. This new Bureau of Labor took on the labor activities of the former Bureau of Social Affairs, with many new ones, and Welfare activities were transferred to a new Bureau of Social Affairs within the same Department.

The Bureau of Labor, as set up in 1938, has charge of practically all labor affairs, factory hygiene, relations with the International Labor Organization and several other related matters. However, it does not have administrative duties in connection with the Social Insurance System, practically all of which is handled by a special section in the new Department of Welfare, with Post Office life insurance being handled by still another section.

Labor Organizations and collective bargaining.—During the 20 years or so preceding the present war Japanese trade-unionism had had a slow but fairly steady growth. With the coming of war, the militarist-fascist government of Japan followed the German Nazi precedent of abolishing the existing independent trade-unions and setting up a single closely Government-controlled organization known as the National Federation of Patriotic Industrial Associations. The change was apparently not made by a single law or order but rather through patriotic propaganda and internal pressure.

However, this dissolution of the old trade-unions was probably not such a shock to Japanese social and economic life as was the similar action in Germany by the Nazis, as the Japanese trade-union movement had never established itself very firmly.

The former director of Factory Inspection in the Bureau of Social Affairs described the Japanese trade-union movement a few years ago as still being a "movement toward the organization of labor" rather than one founded on the organization of labor.

This slow development of trade-unionism was due to several causes:—the country was primarily agricultural; a considerable part of manufacturing industry was in the stage of handicraft and small scale home industries; and the textile industry, the most important manufacturing industry, was staffed largely by young women and girls. All of these groups were difficult to "organize" in the trade-union sense. In addition was the fact that the traditional "family system" with its roots in paternalism was still strong within industry.

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Also to be considered is the fact that the trade-unions were never quite "free" in the Western sense of the word. The police always exercised, or at least reserved the right to interfere when it felt that a trade-union was becoming too liberal. Imprisonment of "agitators" was not infrequent.

Trade-unions reached their peak in 1936 when there were 973 unions and 420,589 members. At that time, however, there were only 122 collective agreements, affecting 136,000 union members, and two-thirds of these members were in the seamen's unions which were the best organized of any trades.

On the other hand the strength of Japanese trade-unionism prior to the war cannot be measured solely in terms of size nor its weaknesses by internal dissensions. The movement reflected many viewpoints and many economic theories, but in their main objective—improvement in the life of the workers—they were all agreed. Many of the leaders and members were enthusiastic social reformers and their influence carried far. In the post-war reconstruction of Japan it is possible that the older trade-unionists may be of great constructive service in the work of rebuilding.

Strikes.—Strikes (including lock-outs, which are not separately reported) were quite frequent in Japan prior to 1939. From 1923, when there were 933 strikes with 94,047 participants, there was an upward trend to 2,456 strikes with 154,528 participants in 1931. The decrease after 1931 is attributed to the Japanese seizure of Manchuria with the resultant stimulus to nationalism. But after a few years the number of strikes increased, chiefly as a protest against the rapid increase in cost of living, so that in 1937 there were 2,126 strikes with 213,622 participants. A sharp drop occurred after the invasion of China in 1937, and after Pearl Harbor strikes no doubt ceased as a result of State prohibition, although no exact data are available at the present.

Conciliation and arbitration.—A Labor Disputes Conciliation Act was adopted in Japan in 1926, and two years later a special tribunal to do with maritime labor disputes. Under the Labor Disputes Conciliation Act compulsory arbitration was apparently applied to railroads, other public utilities and State-managed navy yards. There is very little information available regarding the operations under these acts.

Cooperative movement.—The cooperative movement in Japan has benefited a large section of the Japanese people. In 1938 over a fourth of the population was served by cooperatives of one kind or another. The provision of credit has been the outstanding function of the cooperatives; nearly 90 percent of all associations make loans to members, in addition to whatever other kind of business they may be carrying on. Cooperatives have been favored and even promoted by the Government, but also very closely controlled by it. Only a small section of the cooperative movement—mainly the urban consumers' cooperatives operating on the Rochdale plan—can be said to be genuinely cooperative, independent, and self supporting.

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Social insurance.—Prior to the preparations for war against China and the United States, social insurance in Japan was limited to a fairly comprehensive scheme of sickness insurance for both wage earners and salaried workers, and a workmen's accident compensation system covering the factories, mines, and certain other employments with special hazards.

It should be noted, however, that Japan has had a long established national system of Post Office life insurance, which, while paid for by the policyholders, has played an important part in the field of social security.

As a result of war preparations social insurance was liberalized. Thus, just before the actual outbreak of the war against China a compulsory system of separation allowances was adopted, superseding the traditional practice of employers' voluntarily making cash payments on the discharge of employees; and a few months afterwards a special insurance system was established for seamen, covering sickness, accident, invalidity, retirement and death. Later schemes extended compulsory sickness insurance to commercial establishments and provided for a voluntary sickness insurance system for persons of small incomes, particularly for those in agriculture.

There is no unemployment insurance system in Japan, although certain municipalities have experimented with such measures, and the separation allowance system, to some extent, takes the place of unemployment insurance.

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1. EMPLOYMENT CONDITIONSThe Labor Force

"Labor is the chief industrial asset of Japan. With few resources in power or raw materials, a limited supply of capital, and no especial distinction in mechanical skill, Japan has built an industrial system upon cheap labor, and labor is the principal commodity that Japan is able to offer in international markets.

"Raw silk, the one abundant raw material of the country and its chief export, is largely the product of labor. Cotton textiles, of next importance in the industrial system and in trade, are fabricated from imported raw materials and the Japanese contribution to their manufacture is labor. For the iron and steel industry, the native supplies of coal are unsatisfactory and of iron ore, negligible.

"The remaining manufacturing industries of the country are either factory industries heavily subsidized to offset natural handicaps, or household industries consuming relatively insignificant quantities of raw materials and dependent upon the skill and the abundance and the cheapness of the labor supply." 1/

The above was written in 1930 before the recent territorial conquests and thus refers solely to Japan proper. Also, it was written before the great expansion of production incident to armament and war during the past decade. But the quotation does express quite vividly the fact that Japan's rapid industrial development rested primarily upon human labor rather than upon capital and machinery.

Barely a half century ago Japan's economy was essentially one of agricultural feudalism. Much of the feudalism remains but during that time several million farm workers had to be converted into industrial workers.

The transition was not an easy one. There was an abundance of farm labor. The country was overcrowded. The usual farm was only about 2½ acres in size. The rural standard of living was low.

1/ Japan's Economic Position. By John E. Orchard. New York, 1930. p. 339.

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Nevertheless Japan had and continued to have great difficulty in developing a force of industrial workers. The factory system had been imposed ~~on~~ without the gradual building up of a factory population. The people had their roots deep in the land and showed no enthusiasm to enter the factories and mills and mines. Recruiting had to be resorted to. The textile factories particularly had to make use of recruiting agents on a vast scale to induce young women from the farm areas to change their way of life.

Moreover, much of this recruited labor from the farm, especially the young women in the textile mills, regarded factory work as only temporary and returned to their home districts when they had accumulated a marriage dowry. As a result labor turn-over was very heavy but of an opposite character from that in the United States where the factory turn-over normally means shifting from one factory to another. In Japan the turn-over was due to a return to the farms. This in turn meant that more factory labor had to be recruited from the country. Also, especially in earlier days, labor was so scarce that the stealing of labor by one employer from another was not at all uncommon.

These conditions were particularly serious in the textile mills, but by no means absent from other industries. As late as 1926, a special study showed that in one large electrical equipment establishment almost one half of the employees had terms of service of less than one year.

A characteristic of Japanese industry is the large number of small shops. No exact statistics are available but scattered references indicate that comparatively recently the number of persons employed in small shops—usually less than 5 employees—may have been from 50 to 100 percent of the number in the larger plants. Many of these small shops continued to be run on a sort of feudal system under which a group of apprentices live in the home of the proprietor under very rigid discipline and at very low pay.

To attract farm labor to the factory the wages offered were higher than those paid on the farm but were still extremely low by Western standards. With these low wages and very long hours Japan possessed the "cheap labor" which so contributed to making her an important competitor in international trade. Whether this "cheap labor" was also efficient, low-cost labor is a matter upon which there is conflict of opinion.

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The war preparations of the past few years have greatly expanded the heavy industries in Japan and may have affected the labor attitudes and practices noted above. Information on these points is unsatisfactory. But there is no reason to believe that the fundamental characteristics have changed. There is a strain of paternalism still running through the whole of industrial life in Japan. This affects the working conditions and living conditions of the industrial population and particularly affects the relations between employers and employees. These points are developed more fully in later sections of this report.

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Occupational Distribution of the Population in Peacetime

The latest available Japanese census to report on the occupational distribution of the population was for the year 1930. At that time the total population of "Japan proper"^{2/} was 64,450,005 of whom 29,619,640 were reported to have gainful occupations. These were distributed as shown in table 1 by occupational group and by wage earners as distinguished from employers and self employed. These data show what may be called the normal peace time occupational set up of the population in the early part of the last decade.

According to this table, of the 29,619,640 persons with gainful occupations, almost exactly one half were engaged in agriculture and fishery, and approximately 20 percent (5,699,581) in industry, using the term "industry" to include manufacturing and mechanical trades. Mining of all kinds engaged 251,220 persons.

The number of wage earners in industry (including salaried workers which are not separately distinguished in the 1930 census) was reported as being slightly over 4,000,000. This number is in excess of other Japanese reports regarding industrial employment (see, for example, table 3 below).

This difference is due in part to the inclusion by the census of the unemployed with the employed if the former normally had gainful occupations; in part to the inclusion in the census of salaried workers with wage earners; and in still greater part, no doubt, to the fact that the other reports on industrial employment excluded the extremely large numbers of home and small work shops existing in Japan. In general, it may be said that the reports on labor statistics for Japan show considerable discrepancies, due to different sources, different methods of sampling, etc. These discrepancies, however, do not seriously affect the general picture.

^{2/} "Japan Proper" includes roughly the original Island Empire. It does not include Formosa (Taiwan), Korea (Chosen), Sakhalin (Karafuto), Kwangtung, the mandated and certain other small islands, the grand total of the population of the whole Empire being 90,396,043 in 1930. The industrial population of Japan Proper in 1939 was 72,876,000. Manchuria, through the fiction of its being an independent State, is not included by Japan in its so-called Empire.

Table 1.—Occupational Distribution of Population of Japan, 1930,
by Major Groups.

Occupational group	Total gainfully occupied (Both sexes)	Employers and self employed (Both sexes)	Wage earners and salaried employees		Total
			Males	Females	
Agriculture and fishing	14,686,731	5,238,738	3,444,541	6,003,454	9,447,995
Mines	251,220	9,790	200,496	40,934	241,430
Industry (manufacturing and mechanical)	5,699,581	1,661,900	2,808,985	1,228,696	4,037,681
Communications	1,107,574	182,306	848,020	77,248	925,268
Public administration and liberal professions	2,044,151	222,914	1,532,051	289,186	1,821,237
Commerce	4,478,098	2,195,542	1,299,831	982,725	2,282,556
Domestic Service	781,319	-	84,203	697,116	781,319
Other	570,966	34,601	457,982	78,383	536,365
Total	29,619,640	9,545,789	10,676,109	9,397,742	20,073,851

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A somewhat more detailed classification of the gainfully occupied population in 1930 is presented in Table 2. This shows the importance of the textile industry, with 1,361,153 occupied persons out of a total of 5,699,581 in all industries; and the relative importance of the group listed as "metal, machinery, shipbuilding, etc.," with 705,395 occupied persons, even prior to the beginning of active war preparations. The other largest groups—clothes, food stuffs, and "Bamboo, mats, etc."—were engaged primarily in the making of consumers' goods.

Table 2.—Occupational Distribution of the Gainfully Employed Population of Japan, 1930, by Sub-Groups.

Industry		Industry	
Total occupied	29,619,640:	Commerce	4,478,098
Agriculture	14,140,107:	Wholesale and retail	3,255,215
On the farm	13,549,491:	Banking and insurance	61,843
Stock-raising	60,630:	Entertainments	1,161,040
Sericulture	354,644:	Transportation and com-	
Forestry	175,342:	munications	1,107,574
Fisheries	546,624:	Transportation	935,922
Mining	251,220:	Communications	171,652
Coal mines	182,558:	Officials and free occupation	2,044,151
Mineral mines	31,873:	Officials, civil	436,293
Oil-fields	2,845:	Army and Navy officers	
Stone pits	33,944:	on service	242,796
Industries	5,699,581:	Judicial	7,492
Ceramics and stone cutting	169,414:	Educational	327,192
Metal, machinery, ship-	:	Religious	151,248
building, etc.	705,395:	Medical	266,637
Precision machinery	57,921:	Secretarial and scrivener	439,418
Chemical	127,537:	Writers, artists, actors, etc.	114,773
Textiles	1,361,153:	Others	58,302
Clothes	497,695:	Domestic	781,319
Paper and printing	265,263:	Miscellaneous	570,966
Leather, brush	33,119:	Total unoccupied	34,830,365
Bamboo, mat, etc.	703,325:	Those who have income	190,836
Salt	21,848:	Children, the aged, etc.	34,639,529
Foodstuffs	446,803:		
Building, etc.	1,000,078:		
Gas, electric, etc.	128,624:	Total population	64,450,005
Other industries	181,406:		

Source: The Japan Year Book, 1939-40, Tokyo (1940?), pp. 47-48.

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Effect of War Production on Industrial Employment

The two preceding tables dealt with the structure of the occupied population in 1930. There are no similar figures for later years for the whole occupied population. However, there are available fairly satisfactory statistics regarding (1) the number of "laborers" in a few major groups from 1931 to 1939; (2) index numbers for the certain important factory employments; and (3) index numbers for all factory employment up to November 1941. These figures do not always agree among themselves, due to differences of samples, etc., but collectively they give a fairly complete picture of the employment trend during the decade prior to Pearl Harbor.

(1) Number of laborers, by selected groups, 1931-39.

The compilation in Table 3, published in the Far Eastern Year Book for 1941, gives for each year 1931 to 1939 estimates of the number of "laborers" ^{3/} in factories, mines, and communications and transport, as also the number of "day laborers," the term "day laborers" being applied to workers who are employed on a day to day basis but who are not always "casual" laborers in the sense that word is used in the United States.

The striking feature of the table is the extremely sharp increase in the number of factory laborers from 2,026,000 in 1931 to 3,067,000 in 1936 (just before the invasion of China) and to more than 4,650,000 in 1939—a total increase of more than 125 percent in 8 years. Measured as a proportion of the total population the increase in factory operatives was also striking—from 30.5 per 1,000 in 1931 to 63.9 per 1,000 in 1939.

During the same 9-year period—1931 to 1939—mineworkers increased from 196,000 to 534,000, or almost 175 percent.

On the other hand employment in communications and transport decreased slightly and the number of "day laborers" declined quite sharply in 1939.

The increase of some 2,200,000 in the "grand total" was due in only small part—some 300,000—by the creation of jobs for the unemployed. The remainder must have been recruited largely from agricultural workers, from salaried employees and from persons previously not in the labor market.

^{3/} The report uses the term "laborers," but this term is apparently synonymous with "wage earners."

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Table 3.—Number of Laborers in Japan, by Selected Groups, 1931-1939.

Year	Popu- lation	Factory workers	Mining workers	Communi- cation and transport workers	Total	Day laborers	Grand Total	Unem- ployed
<u>Actual number (1,000)</u>								
1931	65,367	2,026	196	507	2,729	1,942	4,670	471
1932	66,297	2,101	161	521	2,813	2,047	4,860	463
1933	67,239	2,234	228	557	3,019	2,108	5,127	379
1934	68,195	2,539	247	555	3,342	2,423	5,764	361
1935	69,254	2,792	275	544	3,611	2,295	5,907	351
1936	70,258	3,067	320	565	3,953	2,137	6,090	341
1937	71,253	3,407	366	549	4,322	2,100	6,422	300
1938	72,223	3,855	436	545	4,836	1,929	6,765	242
1939	72,876	4,650	534	501	5,685	1,192	6,877	185
<u>Ratio per 1,000 population</u>								
1931		30.5	3.0	7.7	41.6	29.6	71.2	7.2
1932		31.6	2.4	7.9	42.5	30.9	72.5	6.9
1933		33.3	3.4	8.3	44.6	31.3	76.0	5.6
1934		37.2	3.6	8.2	48.9	35.6	84.3	5.3
1935		40.2	4.0	7.8	52.0	33.1	85.0	5.1
1936		43.6	4.5	8.1	56.1	30.4	86.5	4.8
1937		47.6	5.1	7.7	60.5	29.5	90.0	4.2
1938		53.1	6.5	7.5	67.0	26.7	93.5	3.4
1939		63.9	7.4	6.9	78.0	16.4	98.8	2.5

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(2) Trend of factory employment by major groups.

The increase in employment during the late 30's is still more significant when an examination is made of the changes which took place in individual manufacturing industries. These are shown in the form of index numbers for certain major factory industries in Table 4 for selected dates from 1929 to August 1939, similar figures not being available for later months.

From this table it is evident that the largest increases in factory employment were, as might be expected, in the heavy industries directly associated with war production. Thus, the index for mechanical engineering (with 1929 as a base of 100) increased from 119.5 in 1933 to 198.6 in 1936, to 251.2 in 1937 and to no less than 516.6 in August 1939. The manufacture of tools and instruments showed almost as great a rate of increase as mechanical engineering, while shipbuilding and metal production also showed very rapid advances, as did the making of medical supplies.

On the other hand, the consumer goods industries, such as textiles and food showed either decreases or only moderate advances.

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Table 4.--Industrial Employment Indexes, at Specified Dates,
1929-August 1939, by Industries.

(1929 = 100)

Industry	1930	1933	1936	1937	1938	August 1939
Mechanical engineering	95.7	119.5	198.6	251.2	377.8	516.6
Shipbuilding	90.0	70.9	126.0	165.4	204.9	243.6
Vehicles	92.4	78.4	115.2	124.0	151.7	204.9
Tools and instruments	97.8	116.5	186.1	225.5	302.0	406.7
Metalworking	94.0	93.5	135.7	156.8	189.8	242.8
Building materials	89.9	79.0	99.0	107.4	108.5	109.9
Lumbering, woodworking	93.1	83.4	92.4	92.2	90.7	88.0
Paper making	90.7	82.8	98.4	104.6	107.3	113.8
Printing and binding	97.6	92.8	100.3	101.5	100.5	101.5
Silk reeling	94.2	65.3	59.0	57.6	56.8	58.6
Cotton spinning	84.7	78.4	88.6	94.5	88.2	79.1
Weaving	86.7	89.2	99.0	102.6	97.8	93.3
Dyeing	86.8	91.0	123.5	126.1	117.7	112.7
Braiding and knitting	94.7	102.0	130.3	135.9	131.7	122.0
Rubber	98.8	123.8	127.5	132.4	119.3	110.7
Artificial manure	100.7	88.2	131.1	156.3	183.2	215.3
Medical products	95.4	102.7	143.4	159.4	181.7	219.4
Food and drink	95.5	89.9	102.4	107.3	116.4	121.5
All industries (including others not shown in the table).	86.1	95.9	126.3	142.9	157.3	175.3

Source: International Labor Office, Year Book of Labor Statistics, 1942, p. 43 (for industries indexes) and p. 31 (for all industries indexes).

(3) Trend in factory employment 1939-1941.

No detailed data are available regarding the changes in employment after 1939. However, reports of the International Labor Office are to the effect that the general factory employment rose some 7 percent from 1939 to November 1941, the month before Pearl Harbor. This figure is probably not very accurate, but, if only approximately so, would indicate a marked slackening in the speed of increase of factory employment. It is possible, however, that even though there was little increase in the total number of factory laborers, the heavy war industries may have expanded at the expense of the consumers' goods industries.

Employment of Women and Young Persons

A striking characteristic of Japanese industry is the employment of large numbers of women and children. The first major industry to be developed--textiles--has always been staffed primarily by female labor. Women are also employed in certain types of heavy work, such as coal mining, where normally they are not employed in the United States.

Up to about 1930 the females exceeded males in total factory employment in Japan. With the development of armament activities males were more in demand than females because of the character of the war industries, and by 1937, the latest date for which data are available, male factory workers exceeded females by some 50 percent.

The 1937 distribution of factory workers in the major groups by sex is shown in Table 5, as also the number of workers under 16 years of age. From this table it appears that out of a total of 2,936,512 employees, 1,209,480 (or 41.2 percent of the total) were females. The textile industries had about two-thirds of all females, but there were 110,848 in chemicals, 54,408 in the manufacture of machinery and tools, and 23,939 in metal making.

As regards young persons, 266,214, or almost 10 percent of the total factory workers, were under 16 years of age. Most of these were in textiles but 37,068 were engaged in the manufacture of machinery and tools, and 23,403 in the chemical industry and 9,749 in metal factories.

Table 5.—Number of Factory Laborers by Industry, Sex, and Age, Japan, 1937.

Industry	Total number	Percent by industry	Male	Female	Workers under 16 years of age
Textile	1,032,510	35.2	201,355	831,155	187,407
Metal	310,490	10.6	286,551	23,939	9,749
Machinery, tools, etc.	601,684	20.5	547,276	54,408	37,068
Ceramic	112,857	3.8	88,033	24,824	4,681
Chemical	322,796	11.0	211,948	110,848	23,403
Lumber and woodworking	107,869	3.7	96,564	11,305	3,167
Printing and binding	64,652	2.2	56,547	8,105	3,248
Foodstuff	185,508	6.3	140,364	45,144	4,181
Gas and electric	9,286	0.3	9,234	52	38
Miscellaneous	188,860	6.4	89,160	99,700	13,272
Total	2,936,512	100.0	1,727,032	1,209,480	286,214

Compulsory Education

Under the law as it existed up to 1937 children were required to attend school for a period of six years, beginning at the age of six. In 1937 Parliament was to vote upon a bill extending the period of compulsory school attendance by two years, but information is lacking as to the results of the voting.

2. EMPLOYMENT EXCHANGES

The Employment Exchange System dates back to an Act of April 1921 and the special Seamen Employment Exchanges to an act of the following year. In 1923 the establishment of public employment offices was stimulated by an Imperial Decree under which the Minister of the Interior might make it compulsory for any town with a population of over 30,000 to organize a free employment exchange. A State subsidy up to one-half of the initial cost of building and organizing such agencies and one-sixth for other expenses had already been provided.

These public agencies were free and on a national basis. Their work was carried on in collaboration with an Advisory Central Employment Exchange Commission and local employment exchange commissions, the membership of which included representatives of employers and workers. Later separate exchanges were established to deal with special categories of wage and salaried workers. Also, in 1934, the public employment exchange system was extended to rural areas.

All of these offices were given authority to make money advances to "day" laborers who used the facilities of the exchanges. These "day" laborers are persons who work on a day by day contract and are usually employed through middleman contractors. Payment of wages to such laborers were often irregular and as a result they were frequently in need of advances on wages, for which the money lenders charged heavy commissions. The importance of these advances is indicated by the fact that in one month of 1931, for which reports are available, 15 public employment exchanges advanced 536,000 yen to 353,000 workers.

Table 1 shows the number of public employment exchanges and their activities from 1933 to 1938. It includes only what are referred to as general workers and not the very large numbers of "day" laborers. The table shows that the number of vacancies, applicants and placements went up quite steadily. In 1936, just before the war on China, there were reported 2,297,000 vacancies and 812,000 placements. Males constituted about two-thirds of the total persons concerned. Reflecting the beginning of labor scarcity the number of applicants dropped in 1938 for the first time in the years covered by the table, while the number of vacancies and placements continued to rise.

Table 1.—Public Employment Exchanges in Japan, 1933-1938.

Year	Number of Exchanges	Vacancies		Applicants		Placements		Ratio of Placements to Applicants
		Total	Males	Total	Males	Total	Males	
		(In thousands)		(In thousands)		(In thousands)		Percent
1933	456	1,452	808	1,528	1,002	633	371	41.4
1934	522	1,794	956	1,570	1,068	672	426	42.8
1935	587	1,918	1,072	1,680	1,143	742	475	44.2
1936	605	2,297	1,333	1,778	1,219	812	526	45.7
1937	658	2,804	1,751	2,092	1,523	966	664	46.2
1938	362	2,931	2,002	2,048	1,509	971	695	47.4

Private Employment Agencies

Private employment agencies antedated the public agencies and were conducted in very large numbers. In 1923, when the Public Employment Exchange system was established, there were some 10,000 private fee-charging agencies with yearly clients totaling at one time as many as 1,000,000 per year. As in other countries, abuses were frequent in the private agencies in spite of the regulations of 1925, which required that all employment offices operated for profit be licensed and be subject to close supervision by public authorities.

Wartime Control of Placement

In March 1938, when the war with China was well under way, an Act was passed bringing all employment agencies under State control and forbidding anyone else to undertake placing work. Under this Act plans were made for the maintenance of 400 Government exchanges and a number of branch exchanges. A little later orders were issued instituting a register of vocational qualifications to serve as a basis for labor supply and demand in relation to the munitions industries.

Under this new wartime legislation it appears that the preceding extensive practice of labor recruitment by individual plants was terminated. This practice, as it existed for many years in Japan, is described below.

Recruitment of Labor

In the rapid development of Japanese industry the demand for factory labor greatly exceeded the local supply or the voluntary migration to the industrial centers. This was particularly true of the textile industry, where there developed an extensive system of recruiting labor from the rural districts. The recruiting was done by agents of the mills, who traveled through the country districts equipped with illustrated propaganda literature and even motion picture equipment. Factory life and factory wages were painted in glowing terms. In addition, promises were made to parents that part of the earnings of the boy or girl would be transmitted to them and advances were often made to parents in need of cash.

It has been estimated that at one time there were over 50,000 persons engaged in recruitment work, and that as late as the early nineteen thirties there were some 14,000 agents touring the country for the purpose of enlisting new operatives. The number of workers so recruited in 1930 was nearly 270,000. Although, as noted most of the recruiting was for the textile mills, similar practices were engaged in by coal mines, construction and other industries.

The textile mill recruiting was primarily for girls and young women and since the principal inducement for them entering the mills was the opportunity offered to accumulate a marriage dowry, the labor turn-over was high, with the resultant need of continuous recruitment.

The practice of recruitment naturally led to grave abuses. Agents competing among themselves, made promises which were not carried out. These abuses led to the enactment in 1924 of a law to control recruiting activities. Also, the development of the system of public employment exchanges helped the situation, but apparently the recruiting practice continued on a considerable scale until, as a result of war conditions, the Government, in 1938, as mentioned above, abolished all private employment agencies and placed all hiring of labor under State control. Presumably, the recruiting practices referred to were abolished as a result of this action by the State, but there is no definite information available on this particular point.

3. WAGES, HOURS, AND WORKING CONDITIONS

Japanese wage data are usually reported in the form of "daily wages," without its being made clear whether reference is had to wage rates or to earnings. Therefore, unless otherwise noted, the terms are used in this report without distinction. However, in considering the data presented, it is important to note that Japanese industrial practices are such as to make supplements to money wages much more important than in the United States. This subject is discussed in more detail in later pages under appropriate headings, but it seems desirable to note at this point the more important of the wage supplement and other working policies having a direct bearing on the workers' standards of living.

1. Bonuses, especially semiannual and annual bonuses are customary and of substantial amount in times of business prosperity.
2. Payments in kind—board, lodging, fuel, etc.—are quite frequent in almost all industries and almost universal in the textile industries, where the working staff consists chiefly of young women from the agricultural districts who are housed in dormitories and who ordinarily expect to work only until a sufficient marriage dowry is accumulated.
3. Dismissal or retirement allowances are practically universal by custom and were incorporated in legislation in 1937.
4. There is no Sunday or generally observed weekly rest day. The most usual practice in private industry is to have two rest days per month.
5. Hours of labor are very high—ranging from 9 to 10 hours per day in peacetime and even to 11 and 12 hours per day during the present war.

General Wage LevelValue of Japanese Money in United States Currency.

The monetary unit of Japan is the Yen, which consists of 100 Sen. Prior to the discontinuance of the gold standard by all industrial countries in the early 1930's the Yen, for a number of years, has had a value of 50 cents in United States currency. This exchange value declined to approximately 30 cents from 1932 to 1938 and by 1940 had dropped slightly below 25 cents. It is to be noted, however, that changes in the exchange values of "controlled" currencies, and all currencies have now been so controlled for approximately a decade, do not necessarily reflect changes in the purchasing power of a currency within the home country, nor necessarily affect the comparative wage levels of different countries. For practical purposes, the comparative wage levels in the United States and Japan can probably best be approximated by continuing to use the old gold parity value of the Yen equalling 50 cents in United States currency.

Wage Rates in Japanese and United States Money.

The average wage of Japanese industrial workers for some years prior to the present World War was approximately 2 Yen per day. At the Yen's former gold parity value of 50 cents in United States currency, this would be equivalent to, roughly, \$1.00 per day, with the average wage of male workers being equivalent, again very roughly, to \$1.25 per day and the wage of female workers to about 75 cents per day.

Average hourly wages were relatively still lower than in the United States because of the prevalence of the long working day in Japan. On the other hand monthly earnings in Japan were higher than the daily wage would indicate, because of the absence of a regular weekly rest day and the full or half day Saturday, both of which practices were quite usual in the United States before the war. Even in peacetimes Japanese industrial workers rarely had more than 2 rest days per month.

All the above estimates are very crude, and are intended to give only a very general idea of the comparative earnings of Japanese and American workers. More detailed data regarding Japanese wages are given below.

Trend of Wages 1929-1939

The general trend of industrial wages in Japan from 1929 to 1939 as compiled by the International Labor Office is shown in Table 1. The average wage over the period covered (as shown in column 1) was quite stable, dropping from 2.06 yen per day in 1929 to only 1.88 yen during the depression of the early thirties. During the same period the cost of living index, as shown in column 3, dropped more rapidly than money wages. As a result the "real wage" (i. e. the purchasing power of the money wage) in 1931 was 23 percent higher than in 1929. Thereafter the real wage dropped slowly and in 1937 it was exactly as it had been in 1929. Following a sharp upward movement in prices with the beginning of the China and European war, the cost-of-living index outdistanced the money wage with the result that "real wages" in 1939 were some 17 percent lower than in 1929, and no doubt dropped still lower in 1940, although wage data for that year are not available.

On the other hand it is probable that the daily wages shown in the table underestimate the actual earnings of the workers in the years of industrial activity, such as were induced by the war. At such times the bonuses of various kinds are more liberal. Also it appears that under the pressure of war the number of rest days per month were reduced with a resulting increase in the opportunity of the workers to earn more.

Table 1.—Trend of Money Wages and "Real Wages," in Japan, 1929 to 1939.

Year	Average earnings per day		Cost-of-living Index for Tokyo ^{1/}	"Real" wage Index ^{2/} 1929=100
	Yen	Index 1929=100		
1929	2.06	100.0	100.0	100.0
1930	2.00	97	85	114
1931	1.87	91	74	123
1932	1.91	92	78	118
1933	1.88	91	79	115
1934	1.89	92	81	114
1935	1.88	91	84	108
1936	1.90	92	91	101
1937	1.96	95	95	100
1938	2.06	100	103	97
1939	2.00	97	117	83
1940	^{3/}	^{3/}	138	^{3/}

^{1/} The Tokyo cost-of-living index is used here as it is the only one available as far back as 1929. It is probably fairly representative of the larger cities of Japan.

^{2/} I.e., the money wage index divided by the cost-of-living index.

^{3/} Not available.

Source: ILO Year Book of Labor Statistics, 1942, pp. 108 and 163

Wages by Industries

Average daily earnings by sex in certain major industries in Japan in the latter part of 1939 are shown in Table 2. The highest earnings for males occurred in the manufacture of leather, ivory and feather goods (3.28 yen per day) due no doubt to the artistic nature of this work. Among the manufacturing industries metallurgical goods showed the highest earnings for males, with textiles the lowest. Coal mining showed relatively high wages. The wages of females were generally less than one-half as large as those for males.

Table 2.—Average daily earnings in important industries in Japan, November 1939, by sex.

Industry	Adult males	Adult females
	Yen	Yen
Mining, total	2.632	-
Coal	2.847	-
Metalliferous	2.086	-
Oil wells	1.726	-
Industry (manufacturing and mechanical), total	2.566	.953
Metallurgy	2.953	1.112
Mechanical engineering	2.581	1.278
Shipbuilding, rolling stock	2.736	1.098
Precision instruments	2.607	1.132
Ceramics, glass, building material	2.416	1.033
Construction	^{1/} 1.851	^{1/} 0.542
Wood and bamboo	2.113	0.970
Paper and printing	2.368	1.054
Textiles	1.677	0.824
Clothing (and shoes)	2.191	1.136
Leather, ivory, feathers	3.280	1.067
Chemical products	2.198	1.030
Food, drinks and tobacco	2.089	1.005
Water, gas, electricity supply	2.701	1.047
Transport, total	2.292	1.266
Land transport	2.388	1.434
Maritime	2.126	-
Post, telegraph, telephone	1.754	1.194

^{1/} 1932. Latest year available.

Agriculture

Informed observers agree that while Japanese industry and trade made marked progress in the earlier decades of the present century the rural sections on the whole were impoverished and torn with social unrest. A discussion of agricultural labor is given in Civil Affairs Handbook Section 7 on agriculture in Japan (Army Service Forces Manual M 354-7). As there noted there are few rural wage earners in Japan, the number in 1930 being only 430,000 (including a heavy proportion of domestics), or about 3 percent of the total number of persons engaged in agriculture in that year.

The table below gives the daily wages of hired farm labor in 1929, 1935, and 1939, as compiled by the United States Office of Foreign Agricultural Relations. According to Dr. W. I. Ladejinsky of that office, the wages of workers hired by the year or seasonally are supplemented by subsistence and shelter and in some cases by clothing.

Daily wages paid to specified categories of farm workers and terms of employment, 1929, 1935, and 1939.

Category of workers and terms of employment	1929	1935	1939
	Yen	Yen	Yen
Employed yearly			
Men	0.66	0.48	0.83
Women	0.48	0.32	0.62
Employed seasonally			
Men	1.45	0.95	1.89
Women	1.08	0.78	1.45
Employed daily			
Men	1.35	0.85	1.65
Women	1.03	0.65	1.29

Office of Foreign Agricultural Relations. The Statistical Abstract of the Ministry of Agriculture and Forestry, 1936-37, and Norinsho Tokaihya, 1939.

Wages by Occupation and Locality13 Principal Cities

Occupational wages are not available for Japan in any very great detail. The most comprehensive picture is that presented in table 4 covering a limited number of occupations in 8 important industry groups in 13 principal cities. The original Japanese report from which the figures are taken states that the wages cited include other income than fixed money income--presumably the estimated value of payments in kind, such as board and lodging, when such exist.

Excluding textiles, largely staffed by young women, the table does not indicate any very wide range of wages between occupations, although a few occupations in the "machine and instrument" group and building construction have distinctly higher wages than the other groups. Also, it is probable that the wage differences between individual employees in the same occupation show the same wide variation as occurs in the report a few pages below for the Nagoya district.

Table 4.--Average Daily Wages in Various Occupations in
13 Principal Cities in Japan, 1934-1940 ^{1/}

(In Yen)

Occupation	1934	June 1939	June 1940
General average	1.74	-	-
Textile industry			
Silk reeling (females)	0.62	0.77	0.89
Cotton spinning (females)	0.67	0.85	0.95
Silk throwing (females)	0.63	0.81	0.93
Rayon yarn	1.42	2.15	2.37
Machines and instruments			
Casting	2.49	3.01	3.42
Steel plating	3.35	3.62	4.46
Blacksmiths	2.45	3.17	3.50
Lathing	2.56	2.79	2.91
Shaping	2.77	3.04	3.12
Grinding	3.02	3.13	3.63
Welding	2.52	2.81	3.17
Finishers	2.46	2.78	3.02
Ceramics			
Cement workers	2.05	2.56	2.76
Glass workers	1.68	2.03	2.30
Brick makers	1.27	1.78	2.19
Sulphuric acid workers	2.11	2.49	3.03
Chemicals			
Paper makers (Japanese)	1.48	1.80	2.26
Paper makers (Western)	1.71	2.09	2.20
Food stuffs			
Wheat flour millers	1.83	2.26	2.46
Beer brewers	2.23	2.81	2.78
Confectionery workers	1.46	1.79	1.92
Clothing			
Tailoring	1.83	2.19	2.37
Shoe workers	1.77	2.11	2.59
Furniture workers	1.72	2.52	2.90
Lacquerware workers	1.62	1.89	2.25
Printing and bookbinding			
Type compositors	2.17	2.33	2.46
Book binders	1.61	1.95	2.16
Building construction			
Carpenters	1.92	2.71	3.12
Plasterers	2.13	2.88	3.28
Stone masons	2.33	3.22	3.70
Painters	2.10	2.71	3.02
Day laborers	1.31	1.95	2.32

^{1/} Compiled from reports from the Chamber of Commerce and Industries, of the following 13 Japanese cities: Tokyo, Osaka, Kobe, Kyoto, Nagoya, Yokohama, Horoshima, Kanzawa, Otaru, Fukuka, Nŕgata, Kochi, and Sendai.

Tokyo

For the city of Tokyo occupational wage data are available in considerably greater detail than for the 13 combined cities shown above. The Tokyo data are given in table 5, which, in addition to showing average daily wages by occupations, also shows the average number of working hours per day for each occupation listed. The data relate to the year 1940. The figures on hours worked show the widespread existence of a very long working day.

Table 5.—Daily Wages and Daily Working Hours, by Occupation, Tokyo, 1940.

Industry and occupation	Average working hours per day	Average wages per day Yen
Textile industry		
Reelers, silk filature, female	10.07	.92
Spinners, cotton yarn, female	8.44	1.03
Spinners, silk thread, female	8.41	.94
Spinners, woolen yarn, female	9.02	.91
Throwers, cotton yarn, female	8.46	1.10
Throwers, silk, female	10.00	1.25
Weavers, cotton, power loom, female	8.45	1.09
Weavers, silk, power loom, female	9.52	1.50
Weavers, silk, hand, female	9.40	1.56
Weavers, rayon, power loom, female	-	-
Weavers, wool, power loom, female	9.20	1.35
Scourers and bleachers	11.43	3.33
Workers in printing, power	10.56	2.96
Workers in printing, hand	10.08	3.98
Finishers, cloth	10.44	3.40
Knitters	9.38	2.88
Knitters, female	10.07	1.20
Metal industry		
Open hearth and furnace workers	11.35	3.96
Founders	9.56	4.26
Rollers, bar mill	11.28	4.37
Gilders	9.43	2.36
Machines and instruments		
Blacksmiths	10.11	5.17
Wooden patternmakers	10.13	4.58
Lathe men	9.21	4.13
Milling men	9.09	4.13
Grinding machine operators	9.17	4.54
Welders	9.01	3.77
Riveters	9.42	4.97
Assemblers	10.01	3.93
Finishers	9.43	4.15

Table 5.—Daily Wages and Daily Working Hours, by Occupation, Tokyo, 1940—Continued.

Industry and occupation	Average working hours per day	Average wages per day Yen
Ceramics		
Cement workers	11.30	2.29
Glass makers	9.37	2.95
Potters	8.41	2.35
Brick patternmakers	10.00	1.76
Tile patternmakers	9.53	2.65
Chemical industry		
Workers in sulphuric acid manufacture	12.16	3.69
Match makers	7.30	2.09
Match makers, females	7.29	1.01
Makers of Japanese papers	11.14	2.44
Makers of printing papers	12.17	2.53
Workers in sulphate of ammonia manufacture	10.03	2.92
Workers in soap manufacture	10.23	2.99
Leather makers	10.30	5.05
Oil pressers	10.32	2.42
Foodstuff manufacture		
Flour millers	12.04	2.63
Brewery workers		
Beer	10.33	2.35
Soy	8.01	2.17
Sugar refining workers	11.35	3.13
Confectioners	10.55	2.67
Canners	9.06	2.55
Wearing apparel manufacture		
Tailors, foreign clothes	10.08	2.48
Hat makers	9.53	2.53
Shoemakers	10.01	2.45
Clog (Geta) makers	12.11	2.55
Woodworking industry		
Sawyers	10.07	2.70
Joiners	9.35	4.24
Lacquerers	9.12	2.76
Mat makers (Tatamisashiko)	8.48	3.12
Printing and binding		
Compositors	10.55	3.12
Bookbinders	11.52	3.21
Building industry		
Carpenters	-	3.24
Plasterers	-	3.50
Stone masons	-	3.77
Roofing tile layers	-	3.76
Workers in reinforced concrete	-	3.20
Bricklayers	-	4.03
Painters	-	3.22
Stevedores and day laborers		
Stevedores, shore	-	3.49
Stevedores, offshore	-	4.25
Day laborers, male	-	2.40
Day laborers, female	-	1.45
General average	10.02	2.38

Nagoya

Table 6 shows wages in certain occupations in the Nagoya district in 1937. The working hours in these occupations ranged from 8 to 12 per day. In some cases the difference between lowest and highest wages in the same occupation was very great. For example, the range for bicycle makers was 0.61 to 9.31 yen; for iron workers from 2.17 to 12.50 yen; and for boilermakers from 1.48 to 7.67 yen.

Table 6.—Daily Wages in the Nagoya District, December 1937.

Occupation ^{1/}	Working hours per day	Wages per day		
		Ordinary	Highest	Lowest
		Yen	Yen	Yen
Bakers ^{2/}	10	1.30	2.96	1.00
Bicycle makers	10	2.02	9.31	.61
Boilermakers	10	2.67	7.67	1.48
Clockmakers	9½	2.68	3.63	1.99
Clog makers, wooden ^{2/}	10	2.30	3.45	1.84
Clog makers, thong ^{2/}	10	2.00	3.00	1.20
Decorators, pottery and glass	10	2.65	4.58	1.30
Electricians	9½	1.69	3.81	.80
Folding-fan makers, male	11	1.90	3.80	1.40
Folding-fan makers, female	11	1.10	2.00	.60
Iron workers	11	4.25	12.50	2.17
Lantern makers, male	10	1.20	1.90	.80
Lantern makers, female	10	.40	.80	.15
Lithographers	9½	2.30	3.00	1.30
Machine and tool finishers	10	2.52	7.24	1.44
Musical-instrument makers	10	2.56	3.80	1.75
Rope makers	12	1.50	2.35	1.20
Tobacco makers, male	8	2.91	4.28	1.67
Tobacco makers, female	8	1.19	2.01	.78
Toy makers	12	1.30	1.80	.45
Type setters	9½	2.30	2.60	1.30
Weavers, cotton, hand, female	10	.73	.85	.42

^{1/} Where sex is not indicated, the workers are males.

^{2/} Receive allowances and other perquisites in addition to wages.

Certain significant comments on working conditions are contained in the original report on the Nagoya district. These are summarized below:

Textile industry.—Mills were generally closed on the 1st and the 15th of each month, while some mills closed 4 days a month. Many mills were decreasing working hours as a result of depressed industrial conditions; consequently, there was no overtime. Holidays were not paid for.

Bonuses, amounting to from 10 to 20 percent of the wages during the year, were paid semiannually.

Dormitories were provided free for both male and female employees; and from 10 to 15 sen for female employees and from 15 to 20 sen per day for male employees were deducted from wages for board. Houses at minimum rents were provided for married employees.

Food was sold at minimum prices. Certain mills supplied uniforms below cost. Medical attention was supplied at minimum rates. Companies usually provided sick rooms, with physicians, pharmacists, and nurses in attendance.

Recreational facilities were also provided for games and sports, and annual field days were held by the companies. Some mills had employees' clubs, equipped with billiard tables, ping-pong tables, chess, checkers, and other indoor games. Free lessons in sewing and manual arts were given to female employees. Libraries and occasional lectures were provided in some plants.

Kobe

Wages and working hours in various occupations in Kobe in July 1938 are shown in table 7.

Table 7.—Average Daily Wages and Hours in Kobe, July 1938

Occupation	Average daily wages		Working hours per day
	Highest	Lowest	
	Yen	Yen	
Camphor refiners	2.00	0.85	9
Chemical-factory workers	1.50	.60	10
Farm hands	.80	.80	-
Straw weavers	.75	.40	<u>1</u>
Rubber-factory workers, male	2.10	.95	10
Rubber-factory workers, female	1.15	.45	10
Shipbuilders	6.55	1.70	10
Steel-mill workers	3.65	1.55	10

1/ Home work.

Yokohama

Wage rates in certain occupations in Yokohama in March 1938 were as follows:

Table 8.—Basic Wages Paid in Yokohama, March 1938, by Occupation

Occupation	Unit of payment	Wages in
		March 1938
		Yen
Cabinetmakers	Day	2.30
Confectioners (foreign cake)	Month	40.00
Confectioners (Japanese cake)	Month	35.00
Copper-kettle makers	Day	2.30
Dyers	Month	45.00
Fancy-goods makers	Day	2.20
Goldsmiths	Day	2.70
Japanese-furniture makers	Day	2.50
Laundrymen	Month	40.00
Paper hangers	Day	2.50
Roofing layers	Day	2.20
Ship carpenters	Day	2.80
Turners for porcelain ware	Day	2.80
Vehicle makers	Day	1.50

Salaries of Clerical Workers.—The entrance salaries paid clerical workers employed in foreign trade firms in Yokohama in 1938 are reported to have been as follows:

	Monthly salary (yen)
University graduates	65 - 70
College graduates	50 - 60
Middle-school graduates	35 - 40

Wage Fixing Methods

Collective agreements are infrequent in Japan, where less than 10 percent of the workers were organized even before the present wartime restrictions upon labor unions were imposed by the Government. An official report issued in 1936 stated that there were then in existence 122 collective agreements covering approximately 136,000 workers or about one-third of those organized at the time and of whom about 117,000 were seamen. The undertakings which are parties to collective agreements are nearly all of small or medium size.

The wages of other workers are in most cases fixed by individual bargaining, which means in most cases by the employer. Prior to the war, there were no legal limitations on wages.

Overtime Pay

Extra wages, as a rule at progressive rates, are usually paid for overtime worked before or after the regular working hours and on holidays. This practice applies to both time and piece workers. There is no information available regarding overtime rates but scattered data indicate that overtime pay constitutes an important part of the earnings of workers in factories and mines—this in spite of the fact that the normal working hours are so very long by Western standards.

Time and Piece Work

Wage rates in Japan are in general based on the day, rarely on the hour or week. Time rates predominate, but the piece-rate system is widely practised and in many cases the daily-time rate is actually based on a task system, the rates rising as the output exceeds the stint designated for each worker per day. It is reliably reported that the piece-rates systems are often extremely complex and beyond the understanding of many workers, especially the uneducated girl operatives in the silk factories.

In some industries, particularly in mines, the contract system is in operation, the contracts for a specified amount of output being made with individuals, or with groups or through middlemen. In the latter case, the middleman pays the workers and makes such profit as he can.

Wage SupplementsBonuses

The payment of bonuses of various kinds is very widespread in Japanese industry: regular or full attendance bonuses, annual or semiannual bonuses, and bonuses for long or specially useful services. The regular or full attendance bonus is usually equal to one to three days' wages per month. Annual or semiannual bonuses vary with the prosperity of the establishments concerned. In some cases the bonus system has developed into a form of profit sharing, but without the employees' having any contractual rights, the payments being made or withheld at the will of the employer. A special study on wages in Yokohama in 1937 found that bonuses in that year averaged 4 percent of the total pay roll, the payments to individual workers depending on length of service.

Payments in Kind

In a large proportion of Japanese factories and mines money wages are supplemented by payments in kind. This practice is particularly frequent in the textile industry, where as already noted the working force is recruited largely from young girls from the agricultural districts who are housed in factory dormitories with food, clothing, and their other daily needs being furnished by the employing company. A comprehensive study made in 1927 showed that at that time the daily money wages in the textile industries averaged 94 sen while the payments in kind were estimated to cost 20 sen per day, thus making the total daily wage 1.14 yen.

The payment in kind system is also quite common in other factory industries and in mining, although usually the value of such payments is a lower proportion of the total wage than in textiles. The 1927 study also revealed the interesting fact that in the establishments which paid wholly in money, the daily wages averaged higher than in those paying partly in kind—1.92 yen as against 1.28 yen.

Value of Wage Supplements

No information is available as to the exact importance of supplementary payments to workers, but scattered reports, prepared some years ago, indicate that the additions to money wages may reach 20 percent or more in the case of the higher grade industrial and commercial establishments, but that for industry as a whole, including the very large number of small establishments, these supplements would amount to only about 5 percent of the money wages paid.

Dismissal or Retirement Allowances

In 1936 Japan introduced a system of retirement allowances for industrial workers. This incorporated into law a practice which had been so well established in Japan as to be almost universal.

Voluntary System of Dismissal Allowances

The practice of paying "dismissal" allowances to dismissed or retired workers was an expression of the paternalistic attitude of employers toward their workers which is so characteristic of Japanese industrial life. Employers, almost without exception, consider themselves to be under a moral obligation to grant such allowances. This obligation was carried at times to what may seem extreme lengths. For instance, cases are reported where employers paid dismissal allowances to workers who were dismissed because of strikes, the implication being that the employer should not penalize an employee who was led into striking by misguided labor leaders.

There never was any uniformity as regards the amount of the dismissal allowances paid. A study made a few years ago, covering 49 representative factories in Osaka, showed the following examples of maximum dismissal allowances: under 1 year's service, 32 days' wages; 4 to 5 years' service, 107 days; 10 to 15 years, 296 days; 20 to 25 years, 497 days.

Of recent years, the adequacy of the custom to meet the needs of discharged workers, especially when they have been discharged in large numbers, was questioned. Modern large scale industry led to conditions such as the sudden failure of a large plant where dismissal allowances could not be paid at least in sufficient amounts to be significant. Moreover, with the development of increasingly impersonal relations between employers and employees, the dismissal allowance tended to be formalized, with little regard to the needs of each individual.

As a result of these conditions, it came to be generally recognized that the old voluntary practice of dismissal allowances had had its day.

Retirement Allowances Under Act of 1936

The Act of 1936 formally recognized these changed conditions in industry and provided a definite scheme of retirement allowances for workers in mines or industrial establishments employing at least 50 workers. (See section on Social Insurance for details of this law.)

No information is available regarding the operation of the new retirement system.

Wage Deductions

The only important deductions from wages in Japan, other than those imposed by the employer for tardiness, etc., are the deductions made in connection with the health insurance laws, which provide for contributions by the workers of from 2 to 3 percent of their wages.

Wartime Control of Wages

Prior to the present war Japanese legislation concerning wages was limited to certain general protective provisions in the civil law. The character and periodicity of wage payments, saving funds, etc., were among the subjects included in such provisions, and the priority of wages over other liabilities in case of bankruptcy was recognized.

Following the attack on China in 1937 wage freezing and wage control methods were inaugurated. Under two draft ordinances approved by the National Mobilization Inquiry Commission on December 28, 1938, the Labor Inspectorate was empowered to control wage rates and working hours in certain factories and mines. In March 1939 a wage regulation system was introduced for the purpose of eliminating differences in rates of wages. This measure was applicable to industrial and mining concerns having more than 10 workers and provided for wage boards of officials and experts designated by the Government and local authorities. These boards were to be consulted by the ministers and prefects when wage decisions were made. Factories were required to furnish the prefect with copies of their records of wages showing the wage payment system used, the overtime rates paid, data on night work and holidays as well as the rates of wages. The prefect was authorized to change the rates of wages whenever he judged them to be unsuitable. It was estimated that the new regulation would affect 3,200 industrial and mining concerns and 1,447,000 workers.

In June 1939 the standard wage rates of employed inexperienced operatives for the latter half of 1939 were fixed at the average rates from April to December 1938 or from 10 to 20 percent below the prevailing rates for the first 6 months of 1939. As a result of these orders wages in factory employment, for a 10-hour day including a 1-hour rest period, ranged by prefectures from .40 to .55 yen for children from 12-13 to .85 to 1.15 yen for young persons from 19 to 20. For inexperienced labor in mines the range was .95 to 1.40 yen for the 16-17 age group and 1.25 to 1.85 yen for the 19-20 age group.

An Imperial Order of October 16, 1939 prohibited the employer from altering the rates of wages in force September 1939 in such a way as to raise their average level to the advantage of any of the workers in his employment. The prefects might, however, authorize changes in these rates in certain cases of force majeure, fundamental changes in working conditions, or extreme shortage of workers for seasonal work. Under another order of the same date salaries and other allowances could not exceed those in force on September 15, 1939, without the approval of the Government.

According to the Japanese Weekly Chronicle (Kobe) of May 8, 1941, a survey of the earning power of laborers and workers in factories by the Central Wages Committee of the Welfare Ministry indicated that the wages had increased at least 20 percent since adoption of the wage control regulations.

Family Allowances

To mitigate the effects of the wage control measures in the face of rapidly advancing cost of living, a system of family allowances for low-paid workers was decided upon in February 1940. Manual workers, salaried employees, public and municipal officials were included in the scheme. The Minister of Social Affairs sent a circular to the prefects and chiefs of the mine inspection office, which defined the method of application of the proposed family allowance scheme.

All workers whose earnings per month were not over 70 yen and who had one or more dependent children under 14 years of age were to be eligible for family allowances. The average monthly allowance rate was 2 yen per worker. The circular recommends that the local administrative authorities advise employers to establish as far as possible a system of benefits in kind involving distribution of the kinds of provisions most commonly consumed.

The number of manual workers in private undertakings who were scheduled to receive family allowance under the reported scheme was estimated early in 1940 as 1,600,000.

Hours of Labor

Working hours in Japan even in peacetime were very long, and showed no improvement over a period of years. Thus, according to the International Labor Office, the average actual hours of work (excluding rest and lunch periods) in Japanese industry were 9.83 in 1929, 9.85 in 1935, 9.94 in 1938, and 9.46 in 1939. Similar data from the Japan Year Book show still longer working hours, the actual hours reported in that publication being more than 10 per day for each of the 5 years 1934 to 1938. The following table, taken from that publication, shows average actual working hours for each of a number of occupations and trades, for the years 1934 and 1938. This table also shows the average working hours to have been less than 9 per day in only one occupation—cotton spinning—whereas employees in many of the occupations were working more than 10 hours and in several cases more than 11 hours per day.

Table 9.—Average Daily Working Hours in Japan,
1934 and 1938.

Occupation	1934		1938	
	Hours	Minutes	Hours	Minutes
Silk reeler (female)	9	56	9	58
Cotton spinner (female)	8	29	8	30
Rayon yarn (male)	8	09	9	07
Rayon textile (female)	10	10	10	03
Dyeing (printing) (male)	11	23	10	53
Hosiery (male)	9	58	10	12
Furnace (male)	11	59	11	48
Casting (male)	11	04	11	07
Lath-man	10	49	11	09
Polisher	11	13	11	05
Finisher	10	50	11	02
Cement	10	25	11	04
Potter	9	39	9	32
Vitriol-maker	10	49	11	09
Match maker (female)	9	06	9	14
Japanese paper maker (male)	10	50	10	48
Leather maker	9	17	9	55
Flour miller	10	53	10	59
Canner	9	53	10	16
Tailor (foreign clothes)	10	13	10	28
Sawyer	9	46	9	50
Printing, compositor	10	38	10	36
Stevedore (sea)	10	23	11	34
Yearly average (for 64 kinds)	10	05	10	13

Rest Days

Japan has nothing equivalent to the Western Sunday or Sabbath, which from the workers' standpoint has traditionally meant one rest day in seven in most kinds of employment. Japanese factory legislation requires that women and young persons under 16 years of age must be granted at least two rest days a month. An early International Labor Organization Convention made provision for a weekly rest period of 24 hours in Japan, but this Convention was not ratified by that country, nor is the weekly rest customary. Public institutions and some private establishments close on one day in the week, but most of the industrial and commercial establishments retain the old custom of giving two rest days a month. There are, in addition, several national holidays, such as New Year's day.

The existence of the practice of having only two rest days per month over most of industry tends, of course, to make actual long time earnings of the Japanese worker somewhat greater than is indicated by his daily wage.

Wartime Restrictions on Hours of Work

Prior to 1938 there were no legal limitations on hours of labor except in the case of women and minors, for whom a maximum 11-hour day had been in effect for a number of years, and in the case of underground miners for whom a 10-hour maximum day had been established in 1928.

Preparations for war, even before the invasion of China in 1937, greatly stimulated industry. As a result hours of labor were very generally increased until by 1937 the 12-hour day had become more or less universal in armament employments, with overtime above 12 hours not infrequent.

Very soon it was found that these very long hours had such a harmful effect on absenteeism, accidents, etc., as to be inefficient from the standpoint of production. Thereupon the Government made various efforts to secure the shortening of working hours in war plants, although the limits had in mind were still extremely high by Western standards.

Thus, recommendations under the title of "Guiding Principles" were issued about 1937. These, although not having the force of law, were expected to produce results through the voluntary cooperation of employers. These provisions urged that the normal hours of work, including overtime, should not exceed 12 per day, including mealtimes, and that even in the case of employment necessitating excessively long hours they should not exceed 14 per day. At least two days' rest should be granted during the month, as well as adequate daily rest periods during work. Where hours exceeded 12 per day employers were asked to make efforts to cut down hours of work through the installation of additional equipment, adoption of the shift system or other appropriate means.

Again, in August 1938 the Ministry of Social Welfare issued instructions to the prefectural governors to encourage the manufacturers of munitions to adopt the shift system, thereby reducing the daily hours of work for all workers, including the adult male members, to less than 12, including rest and overtime. Three shifts were recommended for industries engaged in processes dangerous or injurious to health, handling heavy materials, requiring particular attention or employing a large number of young persons or women. These and ^{other} efforts to induce employers voluntarily to reduce hours of work were fruitless; and the Government decided to establish compulsory ceilings on hours.

In the factories operated by the Army regulations were issued to take effect on July 1, 1938, restricting overtime employment to two hours, thus limiting the maximum working day to 12 hours. On a day following all-night employment a period of rest was to be granted. In the case of persons below 16 years of age, hours were limited to 9 per day including half an hour of rest.

A few months later, in March 1939, a general order was issued fixing daily limits on working hours in certain important war industries. The daily limit was set at 12 hours, including rest periods (the rest period to be 30 minutes when hours of work exceeded 6 and one hour when hours of work exceeded 10).

Women and Young Persons

Early factory legislation placed a limit of 11 hours a day, including a rest period of one hour, for women and young persons employed in factories where 10 or more persons were regularly employed. The weekly hours were not specifically limited, and there were certain exceptions made to the limit of 11 hours a day. It was not until the war period that these limits on working hours were applied to women and young persons were extended to stores, and then only to large stores.

Rest days

Women and young persons were entitled to two rest days per month under early factory legislation. Similar legislation regarding men was not enacted until March 1939, as part of the effort to reduce the excessively long working hours resulting from war conditions.

Night Work

Under an act of July 1929, night work is forbidden for women and young persons in factory employment. Night work in mines had been forbidden for women and young persons in 1928. Prior to that time such persons could work in mines on alternate day and night shifts. By night work is usually meant the time from 10 or 11 P.M. to 4 or 5 A.M. but other limits are permissible under certain circumstances.

Night work, except in continuous industries had not been customary other than in certain of the textile industries, where the relatively heavy investment in machinery led to the policy of running such machinery on two shifts, from 6 A.M. to 5 P.M. and from 6 P.M. to 5 A.M. Women and young persons had been employed on both shifts and it was because of the situation of this industry that the enactment of a law prohibiting night work for women and young persons had been delayed until 1929.

Income and Standards of Living

Wages are, of course, the primary source of income of the workers in Japan as in other countries. Preceding pages have dealt with Japanese wages in some detail.

But the standard of living of a people is not so much a matter of the individual's wage as it is of the total family income. This is particularly true of Japan where the family is traditionally a closely coherent unit.

An official inquiry into the income and expenditures of Japanese workers' families was made in 1936-37. It included salaried employees as well as wage earners but this probably had comparatively little effect on the results as salaried employees in Japan are usually paid little, if any, more than manual wage earners.

This inquiry found that the average income of the workers' families scheduled was 93.6 yen per month and average expenditures 82.2 yen, thus leaving a small surplus. Converting into United States currency at the former gold exchange value of 1 yen equaling 50 cents, this would mean that the monthly income of the average Japanese worker's family was roughly \$47 and its expenditures about \$41.

Prices in Japan are lower than in the United States. It is impossible to make an exact price comparison because the types of commodity and service purchased are for the most part so different in the two countries. In any case, however, the lower prices are known to be far from sufficient to compensate for the lower income. As a result the Japanese family obtains much fewer of the necessities and physical comforts of life than does the American family. In this sense the Japanese worker's family has a much lower standard of living than the American worker's family. But it is also to be noted that consuming desires and habits are so different in the two countries that direct comparison is not possible.

For instance, the diet of Japanese workers is simple and coarse. Like most Asiatics they are a rice-eating people. In the family budget inquiry above mentioned it was found that of the 30.38 yen spent per month for food, 11.48 yen went for rice and corn; 6.04 yen for sweet-meats and only 10.70 yen for other foods, the remainder of 2.66 yen being spent for meals outside the home. Considerable quantities of fish and native vegetables are eaten, but extremely little meat. Milk and eggs are also very scarce. In recent years an increasing amount of fruit has been used. Korea supplies apples; Formosa, citrus fruits; while Japan itself raises strawberries and other fruits. Also products derived from the soya bean, which is the staple crop of Manchuria, is an important food item.

It is probable that the inadequacies of the Japanese diet as above outlined are responsible in large part for the prevalence of bad teeth and bad eyes; for many deficiency diseases; for the small stature of the people; and, ultimately, for the relatively high death rate—17.4 per 1,000 population as compared with 10.6 in the United States (1938).

In the matter of housing and house furnishing, Japanese practices are also of the utmost simplicity. The typical house is small, picturesque in appearance, and built of simple materials such as bamboo and clay. It is without the mechanical equipment customary in the United States, and is also practically without furniture. Cushions and mats take the place of chairs and beds. But one cannot say that this type of home in itself represents a lower standard than that of the West. To a considerable degree the difference is a matter of taste, although reports agree that in Japan there is much poor housing, even according to local standards, and much serious overcrowding. Thus, of the 12,000,000 householders, averaging some 5 members each, included in the 1930 census, more than 11 percent were living in dwellings of only one room.

As regards clothing, the average Japanese wears the simplest, scantiest and cheapest sort of wearing apparel. In summer very little is worn and in winter the clothing is insufficient for warmth and comfort. The people have simply accustomed themselves to cold and exposure.

In spite of the inadequacies of diet and of living conditions generally, according to Western standards, the Japanese are a tough race, wiry and strong. This physical toughness, combined with their ability to live on a very scanty diet makes them a very formidable fighting force. On the other hand the fact that the people as a whole live on such a narrow margin of food makes it far more difficult for them to "tighten their belts" in time of emergency than for the people in the United States.

Effect of war on living standard

Cost of living in Japan began to rise immediately upon that country's invasion of China in 1937 and rose still more rapidly after the opening of the war in Europe. By 1940 the cost-of-living index for Tokyo had risen to 143 or almost 50 percent higher than it had been in 1936-37 when the family budget study referred to above was made. There was no corresponding rise in wages or in the total income of the worker's family, with the result that the standard of living of the people fell very sharply. Japanese economists indeed have estimated that by the close of 1940 the general living standard was some 40 percent lower than it had been in 1936.

By 1940, prices had been fairly well stabilized although there is evidence of a considerable deterioration in the quality of the commodities purchaseable. In addition there is scattered information to the effect that wage rates had also been fairly well frozen by 1940. With the increasing demands of the war, every effort was no doubt made to stimulate the workers. But here Japan, as already noted, was in an unfavorable position as the ordinary peacetime hours of work were so long—9½ to 10 per day—that they could not well be greatly increased without reducing efficiency.

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Wages are, of course, the primary source of income of the workers in Japan as in other countries. Preceding pages have dealt with Japanese wages in some detail.

But the standard of living of a people is not so much a matter of the individual's wage as it is of the total family income. This is particularly true of Japan where the family is traditionally a closely coherent unit.

An official inquiry into the income and expenditures of Japanese workers' families was made in 1936-37. It included salaried employees as well as wage earners but this probably had comparatively little effect on the results as salaried employees in Japan are usually paid little, if any, more than manual wage earners.

This inquiry found that the average income of the workers' families scheduled was 93.6 yen per month and average expenditures 82.2 yen, thus leaving a small surplus. Converting into United States currency at the former gold exchange value of 1 yen equaling 50 cents, this would mean that the monthly income of the average Japanese worker's family was roughly \$47 and its expenditures about \$41.

Prices in Japan are lower than in the United States. It is impossible to make an exact price comparison because the types of commodity and service purchased are for the most part so different in the two countries. In any case, however, the lower prices are known to be far from sufficient to compensate for the lower income. As a result the Japanese family obtains much fewer of the necessities and physical comforts of life than does the American family. In this sense the Japanese worker's family has a much lower standard of living than the American worker's family. But it is also to be noted that consuming desires and habits are so different in the two countries that direct comparison is not possible.

For instance, the diet of Japanese workers is simple and coarse. Like most Asiatics they are a rice-eating people. In the family budget inquiry above mentioned it was found that of the 30.38 yen spent per month for food, 11.48 yen went for rice and corn; 6.04 yen for sweetmeats and only 10.70 yen for other foods, the remainder of 2.66 yen being spent for meals outside the home. Considerable quantities of fish and native vegetables are eaten, but extremely little meat. Milk and eggs are also very scarce. In recent years an increasing amount of fruit has been used. Korea supplies apples; Formosa, citrus fruits; while Japan itself raises strawberries and other fruits. Also products derived from the soya bean, which is the staple crop of Manchuria, is an important food item.

It is probable that the inadequacies of the Japanese diet as above outlined are responsible in large part for the prevalence of bad teeth and bad eyes; for many deficiency diseases; for the small stature of the people; and, ultimately, for the relatively high death rate--17.4 per 1,000 population as compared with 10.6 in the United States (1938).

In the matter of housing and house furnishing, Japanese practices are also of the utmost simplicity. The typical house is small, picturesque in appearance, and built of simple materials such as bamboo and clay. It is without the mechanical equipment customary in the United States, and is also practically without furniture. Cushions and mats take the place of chairs and beds. But one cannot say that this type of home in itself represents a lower standard than that of the West. To a considerable degree the difference is a matter of taste, although reports agree that in Japan there is much poor housing, even according to local standards, and much serious overcrowding. Thus, of the 12,000,000 householders, averaging some 5 members each, included in the 1930 census, more than 11 percent were living in dwellings of only one room.

As regards clothing, the average Japanese wears the simplest, scantiest and cheapest sort of wearing apparel. In summer very little is worn and in winter the clothing is insufficient for warmth and comfort. The people have simply accustomed themselves to cold and exposure.

In spite of the inadequacies of diet and of living conditions generally, according to Western standards, the Japanese are a tough race, wiry and strong. This physical toughness, combined with their ability to live on a very scanty diet makes them a very formidable fighting force. On the other hand the fact that the people as a whole live on such a narrow margin of food makes it far more difficult for them to "tighten their belts" in time of emergency than for the people in the United States.

Effect of war on living standard

Cost of living in Japan began to rise immediately upon that country's invasion of China in 1937 and rose still more rapidly after the opening of the war in Europe. By 1940 the cost-of-living index for Tokyo had risen to 143 or almost 50 percent higher than it had been in 1936-37 when the family budget study referred to above was made. There was no corresponding rise in wages or in the total income of the worker's family, with the result that the standard of living of the people fell very sharply. Japanese economists indeed have estimated that by the close of 1940 the general living standard was some 40 percent lower than it had been in 1936.

By 1940, prices had been fairly well stabilized although there is evidence of a considerable deterioration in the quality of the commodities purchaseable. In addition there is scattered information to the effect that wage rates had also been fairly well frozen by 1940. With the increasing demands of the war, every effort was no doubt made to stimulate the workers. But here Japan, as already noted, was in an unfavorable position as the ordinary peacetime hours of work were so long--9½ to 10 per day--that they could not well be greatly increased without reducing efficiency.

4. LABOR LEGISLATION AND LABOR POLICIES

(a) Governmental Administrative Agencies

Prior to 1922, the administration of matters concerned with labor was divided among a number of authorities. In that year, largely as a result of the establishment of the International Labor Organization, a Bureau of Social Affairs was set up in the Department of the Interior, and it was assigned the handling of almost all the labor matters, including relationships with the International Labor Organization, and also including many other responsibilities of a social welfare character.

In the years following there was considerable agitation among labor and liberal interests for the establishment of an independent Department of Labor. These efforts were not fully successful but in 1938 an important forward step was taken by the establishment of a Department of Welfare, with a special Bureau of Labor. This Bureau of Labor was given authority in most matters affecting labor and its former social welfare duties were transferred to a new Bureau of Social Affairs within the Department of Welfare.

The activities assigned the newly created Bureau of Labor were specifically as follows:

Matters concerning labor conditions generally (except the employment exchanges which were in charge of the new Bureau of Social Affairs and matters affecting seamen which were left in the Department of Communications).

Labor hygiene in factories and mines.

Relations with the International Labor Organization.

To another division of the Department of Welfare--the section on social insurance--was assigned administrative duties in connection with social insurance; the administration of the Post Office life insurance was vested in a section with that title.

The local authorities play an important part in the administration of the labor laws and labor regulations. The local authorities head up in the governors of the Prefectures, Japan, for administrative purposes, being divided into forty-six prefectures. Most of the detail work of labor inspection is performed through the prefectural offices. The police system, which has played such an important part in industrial disputes in Japan, is nationally organized under the Department of Home Affairs.

(b) Labor Legislation

The Mining Act of 1905, the Regulation for the Employment and Relief of Miners, 1916, and the Factory Act of 1911 which came into operation in 1916, constitute the basic legislation for the protection of labor in Japan. The provisions of these three acts have been amended from time to time.

As previously noted Japanese labor legislation is a relatively recent development. So long as the Empire's economy and industrial relations were completely subject to a paternalistic ideology there was no occasion for labor laws.

It was not until Western industrial methods were finally adopted that it began to be recognized that the traditional procedures were inadequate and that the Government had a responsibility in the rapidly-growing number of operatives in power-driven plants.

Even before the breaking out of the war on China labor legislation in Japan was very restricted as compared with that in Europe and the United States. Moreover, in this connection the following statement by Prof. George C. Allen of the University of Liverpool, is of interest:^{1/} "It is always dangerous in Japan to take legislation at its face value for the Government is inclined to take for itself wide powers which it often uses only in the last resort, or not at all. Further, Japanese business men show ingenuity in evading the restrictions imposed on them, and there is evidence that the earlier (wartime) control measures were not effectively enforced in many industries."

A brief summary of the subjects dealt with in the original Mining and Factory Acts and of the amendments thereto, together with a list of important later labor laws, are given below. A considerable number of these texts are printed in English in the Legislative Series of the International Labor Office. (These are referred to by the letters L.S.) Most of these laws are discussed in greater detail in the sections of this report dealing with the particular subject covered.

Subjects Dealt With in Original Mining and Factory Acts

Mining Act, 1905 (L.S. 1924, Jap. 2. Footnote). Enforced from July 1, 1905. Mining police; rules of employment supervised; discharge certificate; wage payment; age and hours of work of miners; limitations on employment of women and young persons; workmen's compensation, etc.

Regulations for the employment and relief of miners, 1916 (L.S. 1926, Jap. 2 B). Rules of employment and labor of miners; minimum age, working hours, and night work of women and young persons; rest periods and holidays for women and young persons; exceptions in case of natural calamity; dangerous or unhygienic work of women and young persons; protection of sick persons and women after childbirth; compensation for injury, sickness and death of miners.

^{1/} Japanese Industry: Its Recent Development and Present Condition. Published by the Institute of Pacific Relations, New York, 1942.

Factory Act of 1911. (L.S. 1923, Jap. 1. Appendix). Minimum age of employment; working hours of women and young persons, overtime permitted for 15 years; prohibition of night work; holidays, rest hours and shifts; and exceptions in case of natural calamity, unavoidable and temporary necessity and busy seasons; prohibition of dangerous and unhygienic work for women and young persons; protection of maternity and sick persons; hygiene, morality and public welfare; factory inspection; compensation for injury, sickness, and death; apprentices, employment and discharge of workers; and employment agencies.

Apprentices and Vocational Education

The ordinance for the administration of the Factory Act 1916, included provisions for the education of young persons and concerning apprenticeship.

Decrees of March 31, 1939, for the introduction by employers of 3-year technical course for a certain proportion of their labor force.

Imperial Ordinance No. 130, March 30, 1939, concerns the compulsory training of technicians in the schools.

Child Labor

The Minimum Age of Industrial Workers Act of 1923, enforced as of 1926, fixed the minimum age of admission to industrial employment at 14 years with the exception of children over 12 years of age who have completed their elementary schooling.

The amended mining regulation of 1928 entirely prohibited the employment of women and young persons under 16 years of age in underground mine work as from September 1, 1933, except with the approval of the administrative authorities to work below ground where the coal seams are thin.

Act of March 31, 1933, prohibits the employment of children under 14 as beggars, and in acrobatic or dangerous performances; in certain types of trading and services, also the exhibition of deformed children.

(See sections on Hours, Night Work, Recesses and Rest Days, Seamen, and Women's Employment.)

Conciliation

Labor Disputes Conciliation Act of 1926 provided for practically compulsory conciliation of labor disputes in railways or tramways and other specified public utilities.

Cooperative Movement

The Cooperative Societies Act of 1900, with many amendments, provides for the organization of cooperative societies of various types.

Act No. 14 of March 17, 1938, concerning the modification of the law on the organization of the central fund of cooperative societies.

Act No. 15 of March 17, 1938, on the organization of the National Federation of the Autonomous Control of Cooperative Societies.

Law No. 27 of March 25, 1938, relative to the modification of the law regulating a certain type of cooperative societies.

Dismissal Allowances

An Act of 1936 makes mandatory the previous voluntary practice in Japan of providing retirement allowances.

Emigration

Emigration Protection Act of 1896 was devised to meet the problems of the increasing emigration of Japanese workers to Hawaii.

The Overseas Emigration Society Act of 1927, had for its object encouragement and assistance to emigrants.

Employment Exchanges

The Employment Exchanges Act of 1921, provides for the establishment of a system of free public employment exchanges.

Imperial Ordinance of 1924 creates an advisory Employment Exchange Commission.

Regulations for the control of profit making employment exchanges of 1925 were designed to eliminate undesirable labor market conditions.

An act of December 18, 1934, provided for the extension of the Employment Exchange Act to distressed rural districts.

An act of May 26, 1936, amended the Employment Exchanges Act of April 8, 1921, in placing such agencies under the supervision of the Minister of Home Affairs and the Prefectural Governors.

An act of March 1938, brought all employment exchanges under the control of the State and prohibited any one else to do placement work.

Orders of August 24, 1938 and January 7, 1939, provided for the registration of vocational qualifications, for the delivery of a vocational qualifications booklet to all registrants and the testing of such qualifications by the Prefect or Director of the local employment exchanges.

(See Hours of Work—Factories and Workshops, Requisition of Labor, and Seamen.)

Employment—Separation Allowances

An act dated June 2, 1936, legalized the previous common practice in Japan of providing dismissal and retirement allowances.

Family Allowances

A decision of the Imperial Cabinet of February 16, 1940 made provision for the institution of a system of family allowances for low paid workers.

A circular issued by the Minister of Social Affairs of February 16, 1940, defined the methods of applying the family allowance scheme.

Hours of Work, Factories and Shops

The Factory Act of 1911 as amended in 1923 reduced the hours of attendance in factories for women and young persons from 12 to 11 with a recess of at least one hour if they worked over 10 hours.

The Employment Exchanges Act promulgated March 25, 1938, regulates the closing of shops, prohibits the employment of children under 16 years of age, and of women for over 11 hours in shops in which more than 50 persons are employed. Further, employees must be allowed a recess of an hour if they work over 10 hours. During the busy season hours of work may be extended up to 60 days in the year subject to the agreement of the administration authorities.

Order of March 31, 1939, effective May 1, 1939, limits in principle the working day of adult males in specified industries to 12 hours, including a break of 30 minutes when the hours of work are more than 6 and a break of 1 hour when the hours of work are over 12.

Hours of Work, Miners

Amendment of 1928 to the Mining Regulations for the Employment and Relief of Miners limited for the first time the hours of work for men in Japan. It is provided that no man or woman in Japan should work in underground mines for more than 10 hours a day. In underground mines women and young persons must have a break of at least 30 minutes.

The amended Mining Regulations of 1928 also provide that the hours of women and young persons in mines above ground may not be more than 11 including a rest hour.

(See sections on Child Labor, Night Work and Women's Employment.)

Hygiene and Safety

Mining Police Regulations of 1892 constituted the basis for safety provisions in mines. These have been progressively improved by various amendments.

An act of 1921 prohibited the use of white phosphorus in the manufacture of matches.

An ordinance of 1927 regulated safety and sanitary conditions in dormitories connected with factories.

The Regulations for Accident Prevention and Hygiene in Factories, 1929, included very detailed rules for safety and hygiene for such work places.

An amending act of 1933 extended provisions for safety and hygiene already in operation in factories.

An Ordinance of the Department of Public Welfare of April 16, 1938, amends the regulations concerning accident prevention and hygiene in factories by providing for the appointment of safety supervisors and medical officers.

Labor Inspection

An ordinance of 1922 established the Bureau of Social Affairs in the Ministry of the Interior. This Bureau included an Inspection Section charged with the enforcement of the Factory Act, the Minimum Age of Industrial Workers Act, and the protection of mine workers.

Under two draft Imperial Ordinances of December 28, 1938, approved by the National Mobilization Inquiry Commission, the Labor Inspectorate will be obliged to take up two new subjects; the control of wage rates and hours of male adult workers in certain types of undertakings.

(See section on Labor Administration.)

Night Work

The Amended Factory Act of 1923 prohibited from July 1, 1929, the employment of women and young persons in specified factories between 10 p.m. and 5 a. m. instead of between 10 p.m. and 4 a.m. as in the basic Factory Act of 1911. Work might be extended until 11 p.m. with the permission of the administrative authorities.

An Ordinance dated September 1, 1928, abolished after September 1, 1933, the employment of women and children under 16 years of age in mines between 10 p.m. and 5 a.m. where two or more shifts are in operation.

Ordinance No. 22 of the Department of the Interior, dated July 6, 1936, amended the regulation for the employment and relief of miners and provided that women and children may, with the permission of the Chief of the Mines Inspection Bureau, be employed in coal mines and that females over 16 may be employed in other mines until 11 p.m., irrespective of preceding restrictions. However, these persons may not be employed from 11 p.m. to 6 a.m.

Regulations effective July 1, 1938, provided that overtime must not exceed two hours in army-operated factories in which the hours of work were restricted to 10 per day including a rest hour.

(See section on Hours, orders of March 30 and 31, 1939.)

Recesses and Rest Days

Under the original Factory Act women and children under 16 years of age employed in specified factories were entitled to a recess of at least 30 minutes if they worked over 6 hours and to at least an hour's recess if the working hours were more than 10 per day. The same group of workers were required to have two rest days per month.

The Regulations for the Employment and Relief of Miners of 1916 prescribe two days of rest per month for women and young persons under 16 years of age employed in mines, and 4 days of rest under certain circumstances for these workers when employed on night shifts.

An Act of July 1937, regulated the closing of Department Stores. Furthermore, three days rest in Department Stores in certain districts was prescribed and in other districts, a rest of at least one day.

The Employment Exchange Act of 1938 calls for at least one rest day a month for salaried employees in shops in which more than 50 persons are employed.

Order of March 31, 1939, concerning hours of work in certain industries provides for two rest days per month.

Requisitioning of Labor

Imperial Ordinances of August 24, 1938, and January 28, 1939, called for national registration--the first for various specified professional persons; the second for the professional qualifications of the general population.

An Imperial Ordinance of January 6, 1939, concerns the registration of the abilities of Japanese subjects.

An Act of April 12, 1939, empowering the Government to require data from individuals and corporations for the preparation of available human and material resources.

An Imperial Ordinance (No. 451) of July 7, 1939, instituting the conscription of Japanese subjects for State work.

An order promulgated by the Minister of Social Welfare of November 28, 1939, provided for regular inquiries on the labor market situation, the resulting reports to be sent to employment exchanges by local authorities.

Restrictions on Employment

An ordinance of December 29, 1924, regulated the recruitment of workers.

An Imperial Order issued March 31, 1939, under the Mobilization Act of 1938, placed certain limitations on engaging technicians and skilled workers.

An Imperial Order of July 8, 1939, provided for the creation of a compulsory labor service.

The National Work-Record Passbook Law of September 1940, prevents a worker from entering upon a legal labor contract with another employer unless he can present such passbook.

A Labor Mobilization Plan approved by the Japanese Cabinet's Planning Board, September 12, 1941, provided for the securing of a sufficient labor supply.

An Imperial Ordinance of 1941 controls labor in factories and work shops producing or repairing general mobilization goods.

(See Section on Employment.)

Right of Association

The Japanese Constitution announces the right of the subjects of Japan to form associations, but no law has been enacted to make such right effective.

The Public Peace Maintenance Act of 1925 was made more drastic by an urgent Imperial Order in 1928 when the organization of a revolutionary movement became a capital crime.

A ruling of the Minister of War in September 1936 prohibited workers in military arsenals from forming unions or continuing their affiliation with either the General Federation of Labor of Japan or the Japanese Congress of Trade Unions.

An order of August 24, 1938, encouraged the formation of a "patriotic trade-union" in every factory.

(See section of report on labor organizations.)

Right of Employment of Men After Military Service

An Act of April 1, 1931, provides under specified circumstances for the reinstatement by employers of men called to the armed forces.

Law No. 62, April 1, 1938, relative to a guarantee of employment for persons having served in the armed forces.

Seamen

The Merchant Marine Section of the Commercial Code of 1899 and the Mariners' Act of 1899 provided for the regulation of the working conditions of seamen.

The Seamen's Employment Exchange Act of 1922, provides for the placement of seafarers through public employment agencies.

An act respecting seamen, dated August 13, 1937, prohibits with exceptions, the employment of persons under 15 years of age as seamen or of persons under 18 years as trimmers or stokers and repeals preceding provisions with reference to minimum age.

An Imperial Ordinance dated March 24, 1938, for the issuance of regulations under the Seamen's Act of 1937.

An Imperial Ordinance of January 28, 1939, provides for the registration of the trade abilities of seamen.

An act promulgated April 5, 1939, provided for the introduction of compulsory insurance for the crews of registered Japanese ships of more than 500 tons, including sickness, accident, invalidity, retirement, and death benefits. This act was expected to go into effect in 1940.

Social Insurance

The original Health Insurance Act of 1922 was restricted to industrial undertakings within the scope of the Factory or Mining Act and provided for sickness, accident, maternity and death benefits.

Act No. 13 of March 24, 1934, amended the basic Health Insurance Act of 1922 as amended in 1929.

An Act of March 24, 1934, effective April 1, 1935, broadened the scope of compulsory sickness insurance to include all industrial undertakings usually employing five or more persons.

An Act of March 24, 1934, extended legislation under which maternity benefits were granted, to women in the personnel of establishments employing more than five persons. The previous provision was restricted to undertakings employing 10 persons.

An Act of March 2, 1938, established a voluntary system of health insurance for peasants and workers other than those employed in mines and factories.

Acts of April 5, 1939, provided for the introduction of two new social insurance schemes—one for salaried employees and one for seamen.

(See sections on Employment—Separation Allowances and Seamen.)

Unemployment

An Imperial Ordinance promulgated July 16, 1938, provided for an Unemployment Commission to include a Central and Prefectural Commission charged with the investigation of the more important matters regarding measures for coping with the problem in question.

Wages

The Civil Code, the Code of Civil Procedure and a number of provisions in factory and mining legislation relate to the character and periodicity of payments and to saving funds.

An Imperial Ordinance of March 30, 1939, under the General Mobilization Act of 1938, introduced a system for the regulation of wages for the purpose of eliminating excessive differences in rates. The measure is applicable to mining and industrial undertakings, (other than Government and prefectural) in which more than 10 workers are employed.

An Imperial Order, promulgated March 31, 1939, provided for the setting up by the Government and local authorities of wage boards of officials and experts, which are to be consulted by the Competent Minister or the Prefects when wage decisions have to be made.

Two orders, effective a year from October 19, 1939, contain additional wage and salary regulations excluding workers whose wages have been determined by wage boards. These measures provide respectively for the fixing of wages and salaries for specified wage earners and salaried workers at the level prevailing September 18, 1939.

Women's Employment

The Factory Act of 1911 prohibited the employment of women during 5 weeks after confinement.

An amendment of 1923 to the Factory Act forbids the employment of women four weeks before and six weeks after confinement. It also provides that the employer allow a woman two periods of 30 minutes each during working hours to nurse her child, if it has not completed its first year.

(See sections on Hours, Night Work and Recesses and Rest Days.)

Workmen's Compensation

The Mining Act of 1905 and the Mines Regulations of 1916 provided accident compensation for workers in private mines, and special ordinances for workers in State owned mines.

The Factory Act of 1911 and the amended Factory Act of 1923 applied the principle of accident compensation to factories normally employing 10 or more workers and also to factories carrying on dangerous or unhealthy work regardless of the number of workers.

Two laws of 1931 deal respectively with the relief of workers injured by accident, and with insurance against liability for the relief of workers injured in industrial accidents.

An Imperial Ordinance No. 448, dated December 19, 1936, concerned the administration of the Act for the relief of workers in case of industrial accident.

An act of December 21, 1936, amended preceding workmen's compensation provisions for factory workers, miners, and building and transport workers.

5. LABOR AND EMPLOYERS' ORGANIZATIONS

Trade-unionism in the modern sense came into existence in Japan shortly before the first World War, had a slow but at times encouraging growth during the next twenty-odd years, and then collapsed with the definite establishment of a military totalitarian Government following the invasion of China in 1937.

There were several reasons for the slow growth of trade-unionism in Japan, at least as conditions were prior to the present war. First, the country was primarily agricultural. Second, a considerable part of manufacturing industry was in the stage of handicraft and small scale home industry, where the need for combination is not felt by the workers. Again, the traditional "family system," with its roots in paternalism was still strong, and the textile industry, the country's most important industry, was staffed largely by young women and girls from the farming regions who for the most part regard their work as temporary. They, like the farm workers, are difficult to "organize" in the trade-union sense.

In 1920, when the International Labor Organization had its first conference, there were 273 trade-unions, but the total membership was stated by the Government as being only 30,000 and was certainly under 100,000. On the plea of this small membership, the Government did not consult the trade-unions in appointing the labor delegate to the Conference, but selected him by a system of "multiple elections" in the various plants. This resulted in the selection of a non-unionist.

The Japanese trade-unionists were greatly disappointed by this action on the part of the Government, but one result was to bring about a temporary union of the labor organizations and to strengthen the whole movement. Beginning in 1924 the workers' delegate to the International Labor Conference was chosen by the workers themselves.

Throughout its history, indeed, the International Labor Organization has played a very important part in stimulating the interests of Japanese workers in matters of social reform. The annual conferences of the International Labor Organization, at which labor from all parts of the world was represented, gave a certain prestige and standing to the trade-union movement in Japan, and also brought a certain pressure to bear on Japan to raise its labor standards to those of the West.

Growth of Trade-Union Movement

From 1921 there was an almost continuous increase in the number of trade-unions and in their total membership. In 1921 there were 273 unions with a total of 103,412 members; in 1936 there were 973 unions with 375,000 members. Details are shown in table 1 from 1933 to 1938. As a result of the Government's policy beginning in 1937 to convert the trade-unions into patriotic societies (later discussed in more detail) the number and membership of the unions began to decrease and also they gradually ceased to be trade-unions in the former sense.

Table 1.--Trade-Union Membership in Japan, 1933-38.

Year	Number of unions	Membership	
		Total	Women
1933	942	384,613	21,523
1934	965	387,964	21,046
1935	993	408,662	23,927
1936	973	420,589	24,685
1937	837	395,290	21,714
1938	731	375,191	23,423

The strongest organized groups were the seamen, who represented about a third of the total union membership. The other groups were divided into a number of industrial or craft unions (the industrial type greatly predominating) with sporadic but not very successful efforts toward close cooperation, and with wide differences in their objectives and "ideologies."

Political Activities of Trade-Unions

Following 1935 indeed many of the Japanese trade-unions apparently became preoccupied more with politics than with the betterment of labor conditions. This is attributed in reports of the International Labor Office to two causes: the introduction of manhood suffrage and the spread of communism.

Manhood suffrage was introduced in 1926 and increased the voting population from 3 million to 12 million persons. Most of the newly enfranchised were of the working class, and these saw opened before them the possibility of securing improvements in the conditions of work by political action. The moderate labor leaders attempted to combat the developing communist movement through the election of labor representatives to Parliament. The result was not successful, although the Social Mass Political Party, supported by most of the labor unions, did elect 37 representatives to the Lower House of Parliament in the early part of 1937.

Types of Unions

In general, the trade-unionist movement in Japan, as in many other countries, is divided into three groups—the Right, the Left, and the Center. The right-wing unions, on the whole, were the stronger and were fairly successful in forming a federation for unified action. In 1936 the Japan Trade-Union Council, composed for the most part of right-wing and moderate trade-unions, had a membership of 9 separate trade-unions, ~~with a total membership of 9 separate trade-unions~~, with a total membership of 263,914, or almost two-thirds of the total trade-union membership of the country.

Decline and Fall of the Independent Unions

The trade-unionist movement reached its peak in 1936 and early 1937, when a more or less concerted movement to secure wage increases of from 10 to 30 percent was successful in securing substantial wage increases. Also, it was at the general election of April 1937 that the Social Mass Party, as noted above, elected 37 members to the Lower House of Parliament, as against the former 18, and to do so polled a total vote of nearly 1,000,000. In general the first half of 1937 was very favorable to labor and the labor unions in both the economic and political fields.

The success was short lived. Japan's invasion of China in July 1937 put the country on a war footing in industrial as well as in a military sense. The militaristic-fascist Government frowned upon the trade-union movement, with its suggestion of democracy, and used its full powers to organize a new kind of "patriotic" union under the control of the State. The situation was not unlike that in Germany in 1933 when the Nazis, on coming into power, abolished all free trade-unions and established the so-called Labor Front to which every worker was automatically attached by Government edict. In Japan similar organizations were set up in 1938 known as Patriotic Industrial Associations and in 1939 these were consolidated under a National Federation of the Patriotic Industrial Associations. The total membership was reported as being several million.

According to Japanese reports the various trade-unions, in the face of war and the need of national units, voluntarily discontinued all their previous "class conscious" activities and affiliated themselves with the new patriotic associations. In any case, it does not appear that the Government took any formal action to abolish the trade-unions. They simply passed out of existence.

Weakness of Trade-Union Movement

Actually the dissolution of the trade-unions at the approach of war and with the coming into power of a definite Fascist Government was probably not such a shock to Japanese economic life as was the abolition of the German trade-unions by Hitler. The Japanese trade-union movement had never established itself very strongly. The former Director of Factory Inspection in the Bureau of Social Affairs, Mr. Yoshisaka, described the Japanese trade-union movement a few years ago as still being a "movement toward the organization of labor" rather than one founded on the organization of labor. ^{1/} John E. Orchard of Columbia University, after an intensive study of Japanese industrial life and writing in 1930, summarized his views on the trade-union situation as follows: ^{2/}

"In addition to the internal resistance to unionization, the Japanese labor movement has had to combat the active opposition of the Government. So persistent have been the efforts of the Government to suppress the movement that the antagonism of the employing class and their methods of combating unionism have taken second place in considerations of union policy. The Government has been the chief opponent of the movement. From the very beginning, it has opposed the development of labor unions and whenever a union has become at all powerful or radical or in any way troublesome, it has been dissolved by the Government forthwith.

"The police of Japan are national not local and are employed as a national body to keep constant watch for 'dangerous thought,' for the Government of Japan is very autocratic. The police attend all labor meetings. They watch the movements of labor leaders. Disguised as students, they attend the classes of liberal professors of economic thought. They report to the Home Minister on the activities of anyone and everyone who shows any interest in Japanese labor and Japanese labor unions.

"The police interfere in strikes and arrest the strikers. They raid the offices of labor unions and search for radical literature. They frequently prevent meetings where it is thought the speeches will be 'dangerous thought,' and break up those that do not conform to their thought standards."

^{1/} Industrial Labor in Japan. International Labor Office, 1933. page 112.

^{2/} Japan's Economic Position. By John E. Orchard. New York, 1930, p. 390.

In addition, it is to be noted that neither the trade-unions nor collective bargaining had support in the law of Japan. Always the Government had retained the authority to forbid any labor organizations or any of their activities which it felt were harmful to the State, and this power had been exercised not infrequently.

Influence of Trade-Unionism

In spite of the above-mentioned weaknesses in the Japanese trade-union movement, as measured by Western standards, it constituted a very important element in the national life of the country. To a large extent its difficulties and faults were due to its youth and the youth of Japanese industrial life. It was undoubtedly the leading force for the improvement of general social conditions and the leading influence toward democratization of social life. It was because of this that the trade-union movement was so strongly opposed by the military-fascist groups which finally secured control of the State.

In other words, the strength of Japanese unionism prior to the war cannot be measured solely in terms of membership nor its weakness by internal dissensions. The movement reflected many viewpoints and many economic theories, but in their main objective—improvement in the life of the workers—they were agreed. Also, many of the leaders and members were enthusiasts and their influence carried far. In the post-war reconstruction of Japan, it is possible that older trade-unionists may be of constructive aid in the work of rebuilding.

List of Japanese Trade-Unions

The following is a list of the major trade-union organizations in Japan about 1936 as published in the Japan Year Book for 1937. The list refers to the unions as they existed prior to the effort of the wartime Government to eliminate independent trade-unions in favor of the Patriotic Societies.

Kaigun Rodo Kumiai Renmei (The League of the Naval Workers' Unions). Established in 1924. Sukeichi Hayashi, director; membership, 7 unions with 39,810 members. Address: 15 Hondori 12, Kure.

Kaiin Kyokai (The Seamen's Union). Established in 1910. Hidekichi Koizumi, director; membership 14,000. Address: 8 Shimo Yamatedori, Kobeku, Kobe.

Kangyo Rodo Sodomei (The Federation of the Government Employees Trade Unions). Established in 1924. Ukichi Nishiura, director; membership, 8 unions with 18,783 members. Address: 860 Ecchumachi, Higashiku, Osaka.

Nippon Kaiin Kumiai (The Japan Seamen's (lower) Society). Established in 1921. Choei Horiuchi, director; membership 100,460. Address: Kaigandori, Kobe.

Nippon Kotsu Rodo Sorenmei (The League of the Japan Transportation Workers' Unions). Established in 1926. Suematsu Nohira, director; membership 6 unions with 17,370 members. Address: 8 Tsukiji 3-chome, Kyobashi, Tokyo.

Nippon Kowan Jugyoin Kumiai (The Federation of the Japan Port Workers' Unions). Established in 1933. Genki Taguchi, director; membership; 12,195. Address: 3 Kaigandori, Kobeku, Kobe.

Nippon Nomin Kumiai (The Japan Farmers' Union). Established in 1922. Genjiro Sugiyama, director. Address: Tamuracho 1-chome, Shiba, Tokyo.

Nippon Rodo Kumiai Kaigi (Japan Trade Union Council). Established in 1932. Komakichi Matsuoka, president; membership 10 unions and 296,682 members. Address: Kaigandori, Kobe.

Nippon Rodo Kumiai Sorengo (Japan Whole Trade Unions' League). Established in 1926. Kyuzo Takayama, president; membership, 41 unions with 27,126 members. Address: Shikokumachi, Mita, Shiba, Tokyo.

Nippon Rodo Sodomei (The Federation of the Japan Trade Unions). Established in 1912. Komakichi Matsuoka, director; membership 97 unions with 53,060 members. Address: Shikokumachi, Mita, Shiba, Tokyo.

Nippon Rodo Sorenmei (The League of the Japan Trade Unions). Established in 1922. Shinichi Yagi, director; membership 14 unions with 8,191 members. Address: 73 Aioicho, Kitaku, Osaka.

Nippon Sangyo Rodo Club (Japan Industrial Labour Club). Established in 1933. Kumazo Ishii, director; membership 18 unions with 20,282 members. Address: Shintsukuda-nahimachi, Kyobashi, Tokyo.

Nippon Zosen Rodo Kumiai (The Japan Ship-building Laborers' Union). Kumazo Ishii, director, Address: Tsukiji Shinmachi, Uragamachi, Kanagawa prefecture.

Shin Nippon Kaiin Kumiai (The New Japan Seamen's (lower) Society). Established in 1935. Sotaro Monji, director; membership, 4,700. Address: Sakaemachi, Kobe.

Zenkoku Rodo Kumiai Domei (The Federation of All-Japan Laborers' Unions). Established in 1930. Mitsu Kono, director; membership 36 unions with 46,512 members. Address: Higashi Fukudamachi, Kanda, Tokyo.

Zenkoku Nomin Kumiai (The All-Japan Farmers' Union). Established in 1928. Motojiro Sugiyama, director. Address: 663 Morikoji, Asahiku, Osaka.

Employers' Organizations

The large capitalist employers are very well organized. Moreover probably in no country has the concentration of wealth and industry been so great as in Japan. Most of the basic industries have long been controlled by a relatively small number of wealthy families, and this concentration progressively increased until some half dozen families controlled not only manufacture, but raw materials, transportation and banking. Each of the groups may be best described as an "industrial empire" with an extremely wide range of activities. The report "Industrial Labor in Japan," published by the International Labor Office gives several examples of these family "empires" as they existed in 1929. The following is the "set-up" of the Mitsubishi Company, not so well known as the Mitsui Company, but having control of a wider range of associated and collateral companies.

The Mitsubishi Company (Limited Partnership) Capital 120,000,000 yen (1928)

Associated Companies:

Mitsubishi Bank	50,000,000
Mitsubishi Trading Company	15,000,000
Mitsubishi Marine Fire Insurance Company	5,000,000
Mitsubishi Warehouse Company	10,000,000
Mitsubishi Mining Company	100,000,000
Mitsubishi Trust Company	30,000,000
Mitsubishi Paper Manufacturing Company	10,000,000
Mitsubishi Iron Foundry	25,000,000
Mitsubishi Shipbuilding Yards	50,000,000
Mitsubishi Electric Machines Manufacturing Company	15,000,000
Mitsubishi Aeroplane Manufacturing Company	5,000,000

Collateral Companies:

Japan Raw Silk Company	5,000,000
Meiji Life Insurance Company	2,000,000
Meiji Fire Insurance Company	10,000,000
Tokyo Marine Fire Insurance Company	30,000,000
Kyodō Shipping Company	600,000
Tōyō Weaving Company	1,500,000
Kyushu Coal Mining and Steamship Company	5,000,000
Ashiberi Coal Mining Railways	5,000,000
North Saghalien Mining Company	10,000,000
Tung Shan Agricultural Company	10,000,000
Tōa Kōgyo Company	20,000,000
North Saghalien Petroleum Company	10,000,000
Shantung Mining Company	5,000,000
Taigen Mining Company	2,000,000
Meiji Sugar Manufacturing Company	48,000,000
Kirin Beer Company	10,800,000
Tōyō Iron Foundry	40,000,000
Japan Battery Company	3,500,000
Asahi Glass Manufacturing Company	12,510,000
Shōkō Glass Manufacturing Company	3,000,000
Saghalien Lumber Company	510,000
Wakamatsu Harbor Company	3,660,000

6. INDUSTRIAL RELATIONS

In no field of activity is the changing status of labor in Japan more evident than in the matter of employer-employee relationships. The idea of political freedom itself did not have any considerable acceptance in Japan until the 1870's. There was then a sudden awakening and during the 1870's and 1880's there was a phenomenal sale of translations of such early political and social reformers as Rousseau and Montesquieu, as well as later social and economic philosophers such as Spencer, Bentham and the Mills.

Western ideas spread rapidly and from the latter part of the last century to the present war the labor history of Japan was a slow struggle on the part of Japanese liberals to adapt feudalism to modern industrialism. This meant a tremendous strain on the old personal relationship of "master and man" to the newer impersonal relationship of employer and employee.

(a) Collective Agreements

Collective bargaining developed in Japan even more slowly than trade-unionism neither of which institutions have been explicitly sanctioned by Japanese law, although the right of association is recognized in the Constitution of Japan. The first agreement providing for a minimum wage was negotiated by the Japan Seamen's Union in 1928. A report of the Bureau of Social Affairs, published in 1930, stated that there were then in existence 49 collective agreements, covering approximately 110,000 workers, or about one-third of those organized and of whom 100,000 were seamen.

During 1936 the Bureau of Social Affairs published a similar report on collective agreements. At the end of March of that year 122 agreements, covering 136,000 persons, were in existence. Collective agreements by seamen, however, accounted for 117,000 of the 136,000 persons affected. The other undertakings which were parties to collective agreements were nearly all of small or medium size; with very few exceptions, no agreements applied to large companies, and more than half of all those concluded covered undertakings employing less than 100 persons each. Classification by industry showed engineering (machinery and tools) first, with 31 agreements, a group of various

industries second, with 28, and transport third, with 22 agreements. As regards the substance of collective agreements, it is interesting to note an advance in the system of joint committees which determine conditions of employment and serve as a link between the employer and his staff within the undertaking.

(b) Industrial Disputes

The first recorded strike in Japan represented a clash of the old East and the new West. It occurred in 1883 in Tokyo and arose when the rickshaw men protested the introduction of a tramway system. It was about 10 years before another strike occurred, and in 1900 militant labor movements ceased for some years as a result of the Public Peace Police Act under which almost all labor agitation was suppressed as harmful to the State. The year 1907 witnessed a number of rather serious disputes and from then on, with the development of a more class-conscious labor movement, strikes took on more and more the form of organized protests, although there were few disputes after 1907 until the time of the First World War.

Following the panic of 1920, when unemployment first became an acute social problem, there was a 10-year period of fairly large strikes, including a number in the first few years in which violence and recklessness occurred—such as in the Yawata State Iron Foundry where the strikers let out the fires of the smelting furnace. Efforts at suppression by the police were only partially successful, but beginning about 1923, the year of the great earthquake, the trade-unions adopted a more moderate policy in their tactics.

In general there was a steady, although not uniform, increase in industrial disputes up to the latter part of 1937, when the China war began. The following table shows the number of strikes and the participants for selected years from 1924 to 1938.

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Table 1.--Labor disputes in Japan,
1924-1938.

Year	Totals of disputes		Disputes accompanied by strikes, sabotage or lockouts	
	Cases	Participants	Cases	Participants
1924	933	94,047	333	54,526
1925	816	89,387	293	40,742
1926	1,260	127,267	495	67,234
1927	1,202	103,350	383	46,672
1928	1,021	101,893	397	46,252
1929	1,420	172,144	576	77,444
1930	2,290	191,838	907	81,362
1931	2,456	154,528	998	64,536
1932	2,217	123,313	893	54,783
1933	1,897	116,733	610	49,423
1934	1,915	120,307	626	49,536
1935	1,872	103,962	590	37,734
1936	1,975	92,724	547	30,900
1937	2,126	213,622	628	123,730
1938	1,022	53,550	-	-

Source: The Japan Year Book, 1939-40, p. 716.

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The largest number of disputes and strikes occurred in 1931. The decrease after 1931 is attributed to the Japanese seizure of Manchuria, with resultant stimulus to nationalism. But after a few years disputes rose again in number as a result of sharp advances in cost of living as compared with wages. A sharp drop occurred after the invasion of China in 1937. Since Japan began war on the United States in December 1941, probably no strikes have occurred or been permitted, although information on this point is lacking.

A classification of industrial disputes in 1936, 1937, and 1938, by nature of the demands made by labor is given in table 2. The types of demands are not dissimilar from those in connection with disputes in the United States, but the numbers of disputes from demands for union recognition were relatively small, while the numbers involving establishment pensions were very high.

Table 2.--Labor disputes classified according to the
nature of demands, in Japan, 1936-1938.

	1936	1937	1938
Positive demands			
Increase of wages	561	998	429
Shorter hours	23	17	-
Recognition of freedom of trade-unions	15	11	-
Better equipments for laborers in factories	9	9	23
Rejection of overseers	44	50	-
Total	652	1,085	452
Negative demands			
Against lowering of wages	131	70	29
Against revision of working method, etc.	27	23	-
Against revision of the method of paying wages	70	55	29
For establishment or improvement of pension	397	299	207
Against dismissals	309	235	82
Total	934	682	347
Others	389	359	223

Source: The Japan Year Book, 1939-40, p. 717.

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The distribution of labor disputes, by industries, for the years 1934 to 1938, is given in table 3. The metal (machinery and tool) industry showed the largest number of disputes in each of the years covered, but the textile industry had a very high strike frequency particularly in view of the recognized difficulty in organizing the mass of girls and young women in that industry.

Table 3.--Labor Disputes in Japan, by Industry, 1934-1938.

Industry	1934	1935	1936	1937	1938
Metal, machinery and tool	281	323	408	394	203
Chemical	332	279	258	290	139
Textile	226	252	196	286	105
Foodstuff	68	71	55	85	39
Miscellaneous	204	173	313	277	132
Mining	85	79	102	120	78
Gas and electric	17	-	5	-	-
Transportation	201	255	260	348	166
Engineering and construction	179	115	115	100	61
Communication	5	-	-	-	-
Others	316	325	263	226	99
Total	1,915	1,872	1,975	2,126	1,022
Participants	120,307	103,962	92,724	213,622	53,550

Source: The Japan Year Book, 1939-40, pp 716-17.

(c) Conciliation and Arbitration

The first national legislation for the settlement of disputes by Conciliation Boards had to do not with labor disputes in the narrow sense of the term but with disputes between agricultural tenants and the landowners. These disputes began to assume serious proportions just after the First World War and resulted in the Tenancy Disputes Conciliation Act of 1924.

The success of the Tenancy Conciliation Board led to the application of the same type of legislation to industrial disputes, which had also become numerous and serious following the First World War. In April 1926, a Labor Disputes Conciliation Act was passed by the Diet and came into effect on July 1 of the same year. This was followed in 1928 by the establishment of the Joint Maritime Board with machinery for conciliation in disputes, specifically regarding seamen.

The Labor Disputes Conciliation Act provided that in disputes directly affected by a public interest—such as railroads, other utilities, and State managed navy yards—submission of a dispute to a conciliation board was practically compulsory. In other industrial undertakings such submission was voluntary. The Conciliation Boards were appointed by State authorities and consisted of equal representatives of employers, employees and the public. The findings of the Boards were not necessarily binding on the parties concerned.

It is not known to what extent the State conciliation machinery and practices have been abolished or altered by recent war regulations. Also, late information is not available regarding the effects of the Conciliation Act. During the early thirties it appears that there were few cases in which the Act was formally applied but very many cases in which disputes were settled by mediation in harmony with the spirit of the Conciliation Act. According to an observation of the Bureau of Social Affairs at that time, while the parties to a dispute do not like openly to ask for mediation they were glad to find mediators and some two-thirds of those chosen were conciliators of the Bureau of Social Affairs or other public officials, the remaining third being either private individuals or organizations. Shortly after the passage of the 1926 Act the Bureau of Social Affairs set up a special conciliation section, staffed with a force of trained conciliators.

In 1930, the latest year for which information is available, it was reported that of 1,823 industrial disputes 659 were handled by mediation.

The Joint Maritime Board, composed of equal representatives of ship-owners and the seamen's unions, was set up as a result of the International Labor Convention of 1920 for establishing facilities for finding employment for seamen. In addition to the employment exchanges operated

by it the Board was given other duties, including the mediation of disputes between the parties. The expenses of the Board are borne partly by the State and partly by the shipowners' and seamen's organizations.

Repeal of Certain Police Restrictions on Strikes

Following the passage of the Labor Disputes Conciliation Act in 1926, the Government repealed those parts of the Public Peace Police Act which had been alleged to constitute obstacles to the exercise of the right to strike. Neither this nor any other legislation explicitly recognizes the right to strike, but the Administration made a formal statement, in the course of the Parliamentary discussion of the Conciliation Bill, that implied that such right would be recognized. It is reported, however, that later police regulations on strikes were more stringent than those which had been repealed in 1926.

Private Conciliation Measures

According to the report of the International Labor Office on Industrial Labor in Japan (1933) an organization known as the Kyocho Kai (Harmonization Society) played a very important part in the conciliation of labor disputes, as well as in other social reform measures.

This nonofficial society was set up after the First World War, upon the recommendation of a Government Commission, to investigate and find a solution for the increasing tension in industrial relations. As a result of its investigations various reform measures were formulated. At an early date it organized and managed a national central office of labor exchanges as a temporary measure prior to the setting up of the State system of Public Employment Exchanges in 1921. It was largely as a result of the agitation of this Society that the Bureau of Social Affairs was originally set up in the Department of Interior. It also developed a set of model rules for plants works committees and urged their legislative adoption. This was not done but the model rules were followed in many plants and works committees established.

In addition this Society has carried out many research studies and was the first agency to develop cost-of-living statistics.

In the field of conciliation the Society does not intervene in industrial disputes, but upon request it has frequently and successfully acted as mediator.

The cooperative movement of Japan cannot be said to be either an entirely voluntary or self-contained movement; also it is highly diluted with pseudo-cooperatives of profit business and employer-dominated associations. Add to these the fact that the movement is in large part one imposed from above, by the Government, in what has been described as "part of a vast welfare program of the paternal Government," and it becomes plain that only a small section of the whole movement has been really independent, genuinely cooperative, or self-sustaining.

The Japanese cooperative movement has been closely controlled by the Government. It has also been favored in many ways—by subsidies, Government loans, and tax exemption.

Because of the confusion of definition, established with the enactment of the original cooperative law of 1900 and continued ever since, there has been no real cooperative standard. In consequence, private profit businesses have organized as cooperatives in order to obtain the advantages offered to the latter; employers have organized so-called "cooperatives" under their control, in the factories, banks, and commercial establishments; and the Government itself has started cooperatives for public employees, school teachers, etc., besides making cooperative membership compulsory in certain cases.

It may be said, therefore, that although the cooperative movement has benefited a very large section of the population, the consumers' distributive cooperatives of the Kagawa group and those of the workingmen constitute practically the only spontaneous independent, and genuinely cooperative portion of the movement. This fragment is, moreover, a very small part of the whole movement.

At the end of 1938 there were 15,328 active cooperative associations registered under the cooperative law. They had a total of 6,842,228 members, or about 9.5 percent of the total population of Japan. Counting families, over a fourth of the population was served by cooperatives in that year. Consumers' distributive cooperatives, however, accounted for only about 253,000 members or less than 4 percent of the total cooperative membership.

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Types of Cooperatives

Japan has had for centuries certain primitive credit associations, cooperative in nature, known as the Mujin and Hōtokusha associations. The modern cooperative movement of Japan, however, did not really begin until the enactment of the cooperative law of 1900.

The cooperative law at present authorizes the carrying on of four types of business: credit, purchasing, marketing, and "utility" or "utilization." Generally, several of these kinds of business are carried on by a single association. In 1924, of 14,444 associations in existence, nearly 90 percent had credit functions, slightly over 75 percent were doing purchasing of supplies, about 56 percent were marketing members' products, and about 28 percent had "utilization" activities. Less than 25 percent of the associations were carrying on only a single line of business.

Credit Associations.—About 70 percent of the loans made by the credit associations are without any security except the integrity of the borrower. Their interest rates vary from 8 to 12 percent—or about 1 to 2 percent less than current rates.

Only a small part of the credit associations are urban cooperatives and they, unlike the rural associations, are forbidden to combine the loan activities with any other type of business; they are, however, allowed to accept deposits from nonmembers as well as members. The formation of urban credit cooperatives is permitted only in 121 specified cities and 81 urban districts.

In 1932 there were 267 urban credit associations. Their business in that year formed less than 5 percent of the total loan business of Japanese cooperatives.

Marketing Associations.—Cooperative marketing ranks next in volume to cooperative credit. Among the commodities marketed by the cooperatives for their members are wheat, barley, soy beans, fresh vegetables, rice, cocoons, raw silk, tea, colza oil, and textiles, hosiery, pottery, timber, fuel, charcoal, fish, sugar, paper, etc..

In 1934 the cooperative marketing associations handled 27 percent of the total output of rice, 35 percent of the wheat, and slightly less than 12 percent of the cocoons in Japan.

Utilization Associations.—There were only 298 of these associations at the end of 1935. Under this classification the Japanese law includes not only associations that are generally classed as "service" associations, but also some that undertake productive

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or processing activities. Thus, the cooperative medical-care associations, the cocoon-drying associations, and associations providing machinery and plant for use by the members, are all regarded as associations for the common "utilization" of goods or services.

There are in Japan no associations corresponding to the cooperative labor-contracting associations or self-governing workshops found in other countries.

Purchasing Associations.—Two kinds of associations are classified as purchasing associations under the Japanese law: Associations purchasing supplies such as raw materials for farmers and other producers (including profit-making enterprises); and consumers' distributive cooperatives.

The development of the Japanese cooperatives, all types combined, from the passage of the cooperative law through 1938, is shown in table 1.

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Table 1.---Number, membership, and operations of Japanese cooperatives, all types, 1900-38.

Year	Associations	Membership	Paid in share capital	Amount of Business		
				Purchasing	Productive ("utilization")	Marketing
1900	25	(1/)	(1/)	(1/)	(1/)	(1/)
1910	7,308	789,264	19,348,734	27,121,109	38,925,376	108,237,870
1915	11,509	1,392,589	(1/)	(1/)	(1/)	(1/)
1920	13,442	2,290,235	554,605,957	155,174,000	192,474,000	984,476,000
1930	14,082	4,743,091	228,226,949	127,271,000	181,140,000	1,005,675,000
1931	14,163	4,813,140	234,572,589	105,881,000	202,839,000	1,017,632,000
1932	14,352	4,978,248	329,725,266	129,111,000	261,399,000	1,017,521,000
1933	14,651	5,238,253	243,968,997	155,992,000	(1/)	(1/)
1934	14,815	5,505,897	(1/)	(1/)	(1/)	(1/)
1935	15,316	6,265,904	348,300,000	426,400,000	749,600,000	1,095,800,000
1937	15,328	6,842,228	365,000,000			1,085,400,000
1938						

1/ No data.
 2/ Data relate only to reporting associations (about 90 percent of total).
 3/ As of June 30.

As the table shows, the total number of associations has shown a continuous increase, rising to 15,328 at the end of 1938. This, in a country as small as Japan, indicates practically a country-wide network of associations. At the end of 1936 it was reported that there were only 669 towns and villages, in all of Japan, that had no cooperative associations. Practically all of the cooperatives were rural; only 209 (or about 1.3 percent) of the 15,459 associations in existence were urban consumers' cooperatives, and about 2 percent were urban credit associations.

The membership also has shown an unbroken rise. Amount of business done showed some decrease during the depression, but a remarkable recovery, to well over predepression levels, was shown by 1938:

Consumers' Cooperatives

In comparison with the other branches of cooperation in Japan, consumers' cooperatives are relatively little developed. In fact, the Japanese cooperative law does not contain the phrase, "consumers' cooperatives," but terms distributive associations of this type "urban cooperative purchasing societies." It was reported, in 1935, that the consumers' cooperatives were planning a drive to have the law amended so as to recognize consumers' cooperatives in specific terms.

On an occupational basis the greater part of the cooperative stores may be classified as those of industrial (usually organized) wage earners, those established by employing companies as part of their welfare work, those of salaried employees, and those of faculty and students in colleges and universities. At the end of 1933 the occupational make-up of the urban consumers' cooperatives was as follows:

	Number	Percent
Manual workers	41,869	21.0
Civil servants and teachers	37,129	18.6
Bank and other employees	19,572	9.8
Private dealers and manufacturers	24,965	12.6
Members of liberal professions	4,329	2.2
Others	71,477	35.9
Total	199,341	100.0

One characteristic of the workingmen's consumers' cooperatives in Japan has been the great extent of their domination by the employing companies. In 1926, it was reported fewer than 30 percent were really independent autonomous associations and over 70 percent of the workers' cooperatives were employer-dominated.

According to their field of membership, consumers' cooperatives in Japan may be grouped as follows:

(1) Distributive associations formed in connection with labor unions of industrial workers, and admitting only unionists. It was estimated that at the end of 1932 there were 110 such associations, with a membership of about 33,000. With the decrease in union membership during the depression, the cooperative membership also fell off, but the amount of business increased somewhat.

(2) Associations of wage earners, not under union control. These associations have open membership, but were reported in 1933 as being sharply divided in policy and outlook. One group—those in the Kanto Federation (largely those of members of the mechanics and arsenal workers' trade-unions)—was reported as very active in its efforts to influence cooperative associations to break away from employer control. The Kanto Federation regarded the cooperatives mainly as an additional weapon in the class struggle and as a support to the workers in labor disputes. Kanto associations numbered about 24 with a membership of 6,800 in 1932. The other group (which had seceded from the Kanto Federation in 1930) represented the right-wing trade-unions and regarded the Kanto associations as socialistic, largely because several of the leaders in the group had socialistic leanings. The secession group had its own federation and operated strictly on Rochdale principles. There were 10 of these associations in 1932, with about 3,000 members.

(3) Village associations originated by the farmers' unions. It was estimated that at the end of 1933 there were about 40 of these, with some 3,700 members.

(4) Medical cooperative associations. These associations date from 1921, when health conditions resulting from the depression following the first World War made some provision of medical care imperative. Until about 1929 the medical-care associations were found chiefly in areas where there were no regular doctors. Some 400-500 families would form an association and engage the services of a single doctor and nurse. The depression that began in 1929 hastened the spread of these associations to the small and medium-sized towns. This, in turn, aroused the antagonism of the medical profession which started a campaign against them, lasting more than a year. The associations were able to hold their position and it is reported that the campaign even resulted in their expansion, presumably as a consequence of the publicity. Thereafter larger associations began to be formed; one started in 1932 had a membership of 10,000.

The number of physicians in relation to the populace was still small in 1935, averaging only 0.56 per thousand of population in the towns and villages. Further, the uniform scale of fees was so high as to be above the reach of the poor people. Consequently a

movement was started for the extension of medical cooperatives to even the poorest and especially to those regions where facilities were most inadequate.

At the end of August 1933 there were 65 registered under the cooperative law, 16 additional associations were in process of organization, and 28 others were not registered. During the year 1934-35 the associations were operating 1,067 infirmaries with 1,085 beds, and had a staff of 246 physicians. Persons treated during the year numbered 227,605, and the income from treatments amounted to 1,481,581 yen. The associations maintain maternity clinics, summer schools for children of pre-school age, and nursing service.

In April 1932, some 23 of the medical-care cooperatives (with a membership of 79,399) established their own central body, the National Council for Medical Cooperatives. Its function is educational and protective. At the end of 1937 the National Federation had in affiliation 30 district federations and 1,277 local associations, the latter having a total of 679,824 members.

It is reported that the antagonism of the medical profession toward the medical-care cooperatives has largely disappeared.

The passage of the Japanese Health Insurance Act in 1937, making medical care available to millions of Japanese farmers, was credited largely to the efforts of cooperative leaders. The act also provided that "after two-thirds of the qualified residents have voted to form a health cooperative, the remaining number may be compelled by the Government to do so."

The trend of development of the consumers' cooperatives from 1925 through 1936 is shown in table 2.

Table 2.—Number, membership, and operations of consumers' cooperatives.

Year	:Number :of asso- :ciations:	:Membership :	:Paid in share:		:Amount of business	
			: capital	:	: Distributive	:Loans granted
			: Yen	:	: Yen	: Yen
1904	1:	(1/)	(1/)	:	(1/)	(1/)
1911	19:	9,269:	(1/)	:	(1/)	(1/)
1921	85:	59,142:	(1/)	:	(1/)	(1/)
1925	129:	119,946:	(1/)	:	21,372,081:	(1/)
1926-27	147:	125,188:	1,917,724:	:	20,690,158:	2,679,928
1927-28	159:	133,036:	1,832,904:	:	21,684,581:	1,473,751
1930-31	151:	137,679:	2,036,970:	:	19,945,144:	1,818,897
1931-32	163:	138,169:	2,035,870:	:	17,188,412:	1,921,907
1932-33	185:	189,014:	2,438,509:	:	18,411,896:	1,743,041
1933-34	177:	199,281:	2,633,021:	:	22,119,365:	2,234,494
1936	206:	253,000:	(1/)	:	33,000,000:	(1/)

The consumers' cooperatives have their own federation, the National Union of Consumers' Cooperatives, formed in 1931. At the end of 1937 this organization had in affiliation 80 local associations which had a combined membership of 126,854 and an annual business of 25,467,000 yen.

National Cooperative Federations

Each of the separate branches of the cooperative movement—credit, consumers, agricultural, medical, etc.—has its own federation.

In addition there is a general cooperative federation, the Central Union of Cooperatives, which accepts into membership all types of associations. The union was formed at the end of 1905. Its functions are mainly educational and advisory, and includes the publication of a periodical and the running of the Cooperative College which was opened in 1926. It has been very active in furthering the expansion of the cooperative movement. In 1911 the Emperor publicly expressed his appreciation of its work and bestowed upon it the sum of 20,000 yen. The main part of the federations' funds come from the cooperative movement, but it also receives a yearly grant of 50,000 yen from the Ministry of Agriculture and Forestry.

1/ No data.

In 1938, of the total of 15,328 cooperative associations in Japan, 11,741 with 6,252,000 members were affiliated to the Central Union. These accounted for nearly 77 percent of the total associations and about 90 percent of the entire cooperative membership.

There is also the Cooperative Wholesale Association of Japan, started in 1923, which serves the associations doing a distributive business. This organization has had a very rapid growth, as table 3 shows. Its volume is mainly in fertilizer and other farm supplies, as the greater part of its membership consists of agricultural cooperatives.

Table 3.—Membership and business of Cooperative Wholesale of Japan, 1923-24 to 1938.

Year	:Membership		:Amount of business
	:Federations:	:Local : :association:	
			: Yen
1923-24	104:	592:	1,634,626
1927	99:	909:	2,957,315
1932	78:	5,085:	35,555,745
1936	(1/)	2/ 5,485:	99,390,100
1938	58:	5,400:	3/ 121,675,000

Among the credit cooperatives there are 4 central organizations with national coverage. They are as follows:

(1) National Association of Urban Credit Cooperatives formed in 1934. At the end of 1937 this organization was composed of 276 associations which had 356,566 members.

(2) National Association of Federation of Credit Cooperatives, formed in 1931, which had in affiliation 47 federations in June 1938.

(3) Federation of Credit Societies of the Hotokusha System, formed in 1875. It consisted of 499 local associations, with 29,160 members at the end of 1937.

1/ Included with local associations.

2/ Includes federations.

3/ Data relate to 1937.

(4) The Central Cooperative Bank, established in 1923, with a capital of 30,000,000 yen, half contributed by the cooperative associations and half by the Japanese Government. At the end of 1937 the Bank had in affiliation 154 federations and 11,701 local credit associations. The latter had a combined membership of 6,235,355 persons. The bank's loans to its affiliates in 1937 amounted to 547,640,000 yen.

Cooperatives and the Government

Cooperative associations are under the supervision of the Japanese Ministry of Agriculture and Forestry as well as the governors of the various prefectures. Urban associations are, in addition, subject to the supervision of the Ministry of Finance.

The cooperatives, although closely controlled and supervised, have been accorded certain advantages by the Government. The cooperative law specifies that associations formed under it shall be exempt from income tax, registration tax, and taxes on corporation profits. The associations have also been able to obtain Government loans at lower-than-current rates. In addition, associations doing a warehousing business under the Agricultural Warehouse Act have received direct State subsidies, as has also the Central Cooperative Union.

Public officials have often held office in local associations and the prefectural governors have usually acted as honorary chairmen of the cooperative prefectural leagues.

This close relationship with the Government has been both an advantage and a hindrance. The Central Union's officers have been reported to be conscious of the difficulties arising from this liaison but it is stated that "only a basic and radical change could break the bonds of 40 years." Nevertheless, especially among the consumers' cooperatives, numerous associations are independent of the Government, although maintaining cordial relations with it.

As would be expected, all of these things aroused the antagonism of the private businesses, the more especially since a large proportion of the associations organized under the cooperative law consisted of other business men (dealers, manufacturers, etc.) who, by organizing as cooperatives, were able to obtain the cooperative advantages besides realizing their usual profits.

In 1933 the Japan Chamber of Commerce and Industry Federation started a campaign against "the excessive protection of cooperative societies by the Government"---a tendency which had become more pronounced recently. It pointed out that many small businesses were

"being blighted by cooperative societies." The Government was urged to make an end to its "legal protection" of cooperatives, to which the Government authorities replied that they had no intention of doing so, but were preparing measures for the relief of small dealers by the formation of trade guilds and other means.

The Central Union of Cooperatives issued a statement, attributing the plight of the private dealers to the depression and the competition of the department stores and chain stores, rather than to the cooperatives.

Cooperatives in Wartime

The first "incident" in the Sino-Japanese War occurred in September 1936, but a full state of war did not develop until late in the summer of 1937. As more and more men were required in the conflict, a general mobilization act was passed which covered both manpower and material resources. At that time it was reported that the General Mobilization Law of 1938 would fundamentally affect the cooperative movement and that the Government was clearly planning to rely largely on the aid of cooperatives in the mobilization of the country's resources.

In June 1938 it was reported that the fishermen's associations were soon to become cooperatives, and this, it was estimated, would increase the membership of cooperatives by 630,000.

An Order of the Ministry of Agriculture and Forestry of July 12, 1938, to prefectural governors provided for the organization within approximately 6 weeks of cooperatives in the towns and villages in which such societies did not exist. The Government was to extend grants in aid to these newly formed organizations. On July 13, 1938, the National Liaison Committee of Cooperatives formulated plans for the carrying out of this order.

As the civilian manpower situation---especially on the farms---became more serious, a survey was conducted by the cooperatives in 12 prefectures, which disclosed that in some sections, especially those near industrial centers, the farm workers were, for the most part, old men, women, and children. The cooperatives endeavored to meet this problem (1) by the organization of squads of laborers to assist farm, forestry, and fishery families; (2) by making available cheap credit and supplies of fertilizer; and (3) by the assisting in mechanization of farming. In 1938 the Minister of Agriculture and Forestry was planning the purchase and operation of machinery by the cooperative societies. At that time only a restricted number of farmers had machinery of this kind. The Agricultural Land Adjustment Law also made it possible for the first time for cooperatives and certain other rural associations to own and operate farm lands.

The increased mortality of farm people, as a result of overwork, induced the Government to promote a health program for the rural areas. The cooperatives were accorded the chief responsibility in overseeing the health activities of civic officials, schools, physicians, midwives, etc.. Included in the newer schemes under the program were the organization of medical cooperatives and cooperative cooking by farm families during seasonal pressures of work, with a view to economizing time and money and to the improvement in the quality of food.

An April 1940 amendment to the Agricultural Association Labor Law made it obligatory for every farmer to become a member of a cooperative association or guild.

It was reported that the workingmen's consumers' cooperatives were regarded as "antibureaucratic," and had made several attempts to obtain Government approval to withdraw from the Central Union of Cooperatives. The authorities, however, would never agree because they were fearful of "the alleged anticapitalistic and radical purposes of the consumer cooperative leaders." After the beginning of the Sino-Japanese War, however, this group in the cooperative movement was reported as tending to abandon its separatist tendency. Kagawa, who made no secret of his desire for peace and his sympathy for the sufferings of the Chinese people, was arrested by the Government in August 1940, under the military law, but was later released and left Japan.

List of Central Organizations

Central Union of Cooperatives (Sangyō Kumiai Chūō Kai). Address: 9-1 chōme, Yūroku-chō, Kōjimachi-ku, Tokyo. President, T. Tukida; manager, K. Sengoku; secretary, M. Kanai.

Central Bank of Cooperatives (Sangyō Kumiai Chūō Kinko). Address: 9-1 chōme, Yūroku-chō, Kōjimachi-ku, Tokyo. President, T. Ishiguro; secretary, T. Ikawa.

Cooperative Wholesale Association of Japan (Zenkoku Kōbai-kumiai Rengōkai). Address: 9-1 chōme, Yūroku-chō, Kōjimachi-ku, Tokyo. President, K. Sengoku; General manager, K. Tabuchi.

National Union of Consumers Cooperatives (Zenkoku Shōhi Kumiai Kyōkai). Address: 9-1 chōme, Yūroku-chō, Kōjimachi-ku, Tokyo. Secretary, I. Fujita.

National Association of Medical Cooperatives (Zenkoku Iryō-riyokumiai Kyōkai). Address: 9-1 chōme, Yūroku-chō, Kōjimachi-ku, Tokyo. President, M. Hamada; secretary, T. Kurokawa.

National Association of Urban Credit Cooperatives (Zenkoku Shigaichi Shinyōkumiai Kyōkai). Address: 9-1 chōme, Yūroku-chō, Kōjimachi-ku, Tokyo. President, Y. Watanabe; secretary, S. Imaizumi.

Federation of Credit Societies, Hōtokusha System (Dai-Nippon Hōtokusha). Address: 937 Kakegawa Machi, Ogasa-gori, Shizuokaken. President, K. Ichiki; secretary, S. Sasai.

Sources: The data on which this section is based are from the following publications: The Cooperative Movement in Japan, by Kiyoshi Ogata (London, P. S. King & Son, Ltd., 1923); Japan-Manchoukuo Yearbooks, 1920-21 and 1937; International Cooperative Bulletin (International Cooperative Alliance, London), issues of November 1911, February-March 1918, September 1924, March and May 1925, and July 1927; Review of International Cooperation (International Cooperative Alliance, London), issues of April 1929, May 1933, April 1934, and February 1938; People's Yearbooks (English Cooperative Wholesale Society, Manchester, England), 1930, 1933, 1936, 1938, 1940, and 1941; Cooperative Review (Cooperative Union, Ltd., Manchester, England), May 1938; Cooperative Information (International Labor Office), No. 10, 1932, Nos. 3 and 11, 1935, and No. 12, 1937; International Labor Review (International Labor Office), February 1921; International Directory of Cooperative Organizations (International Labor Office), 1939; Pacific Affairs (Institute of Pacific Relations, Camden, N. J.), December 1938; and Economic Problems of War, edited by George A. Steiner (New York, J. Wiley & Sons, 1942).

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8. SOCIAL INSURANCE

Prior to the preparations for war against China and the United States, which seem to have begun in the middle thirties, social insurance in Japan was limited to a fairly comprehensive scheme of sickness insurance for both wage earners and salary workers, and a workmen's accident compensation system covering factories, mines, and certain other employments with special hazards.

It should be noted, however, that Japan has had a long established national system of Post Office life insurance, which, while paid for by the policyholders, has played an important part in the field of social security.

As a result of war preparations social insurance was liberalized. Thus, just before the actual outbreak of the war against China a compulsory system of separation allowances was adopted, superseding the traditional practice of employers' voluntarily making cash payments on the discharge of employees; and a few months afterwards a special insurance system was established for seamen, covering sickness, accident, invalidity, retirement and death. Later schemes extended compulsory sickness insurance to commercial establishments and provided for a voluntary sickness insurance system for persons of small incomes, particularly for those in agriculture.

It is reported that in 1941 a new general social insurance bill passed both houses of the Diet, but information is lacking as to subsequent developments.

There is no unemployment insurance system in Japan, although certain municipalities have experimented with such measures, and the separation allowance system, to some extent, takes the place of unemployment insurance.

(a) Sickness Insurance

Wage earners in factories, mines, etc.

Coverage.—Prior to 1934 the compulsory sickness insurance system covered wage earners generally in factories employing fewer than 10 persons, and in mines when the total annual earnings of the individual did not exceed 1,200 yen.

An act of March 24, 1934, effective April 1, 1935, extended compulsory sickness insurance to certain salaried employees (see next section) and to enterprises ordinarily employing 5 or more workers in—

Undertakings in which goods are manufactured, worked, sorted, packed, repaired, or demolished;

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Undertakings for the extraction or warehousing of mineral substances;

Undertakings for the generation or transmission of electricity; and

Undertakings covered by the railways act or the tramways act and other transport undertakings specified by imperial order.

Contributions.—The State pays 10 percent of the insurance cost (up to 2 yen per insured person per annum), and also the administrative expenses of the main office. The remaining costs are met by contributions from the employers and the insured workers, each paying one-half of the expense, except in poorly paid or hazardous occupations, in which the employer is responsible for two-thirds and the insured persons for one-third of the costs. The contribution of the insured person may not be more than 3 percent of his wages.

Benefits.—Benefits under the health insurance act include (1) a cash allowance amounting to 60 percent of the wage in case of sickness or injury, irrespective of the cause (in cases of incapacity not due to the employment, however, benefits do not begin until the fourth day), and (2) free medical attention, hospital treatment, medical appliances (not including spectacles) and dental service, and on the approval of the fund or office involved, free nursing, ambulance facilities, and operations costing over 20 yen.

Maternity benefit is paid for confinement occurring after 180 days of insurance and within 180 days after the insurance has ceased. This benefit consists of midwife attendance and a cash allowance of 20 yen and 60 percent of the wage and is paid for the 4 weeks previous to and the 6 weeks following confinement.

In every case all benefits are restricted to 6 months. The employer's responsibility for industrial accidents causing incapacity for work for not more than 6 months has been taken over by the health insurance system.

The family of the insured receives no medical or maternity aid. In case of death a small sum is payable to the survivors as funeral benefit.

In general, the system of medical benefits in Japan is that of free selection from a panel of physicians, dentists, and pharmacists. As far as health-insurance offices are concerned, the Japan Medical Association, the State or public hospitals, and hospitals set up by municipalities have the responsibility for all medical services exclusive of dentistry. Under a contract between the Japan Medical Association and the Government, all the association's members are "insurance doctors" for the purposes of the health insurance act.

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As a result of war conditions an amending act of April 5, 1939, empowered insurance funds with sufficient financial resources to allow medical benefits to the families of persons who are insured and of persons who, having been called for military service, are no longer insured.

Salaried Employees

Coverage.--The amending Compulsory Health Insurance Act of 1934 covered into the system salaried employees in mining and industrial undertakings whose annual salaries did not exceed 1,200 yen, and an Act of April 5, 1939, brought in salaried employees receiving 1,200 yen or less per annum in commercial establishments.

Contributions.--A joint contribution of $3\frac{1}{2}$ percent of salaries, the employer and employee each paying half.

Benefits.--The Act of April 5, 1939, also provides for medical benefits, cash allowances in case of sickness and accident, a funeral benefit, and, so far as resources permit, medical benefits for dependants.

(b) Seamen: Sickness, Accident, Invalidity, Retirement and Death

The Commercial Code of 1899 laid down the right of seamen to compensation in cases of illness or injury and to funeral expenses.

On April 5, 1937, a compulsory insurance act was promulgated for these workers.

Coverage.--Under this legislation of 1939 the crews of registered Japanese ships of more than 500 tons are covered by compulsory insurance providing sickness, accident, invalidity, retirement, and death benefits.

Contributions.--It is provided that the major part of the expenses under the insurance act for seamen will be defrayed by equal contributions from the employers and employees concerned. The State, however, will share in the cost of pensions. Administration of the system will be a Government function.

Benefits.--Medical and cash allowances are to be granted for 6 months. If the sickness or injury is incurred in the ship's service, the benefits will begin upon the expiration of the 3-month period during which the owner of the ship is liable under the Seamen's Act. A pension for invalidity may be granted on the completion of a 3-year

qualifying period. Old-age pensions are provided at the age of 50, after 15 years of service. Both invalidity and old-age pensions are fixed at 25 percent of the average annual earnings of the seaman. In case of death, or withdrawal from sea service without a pension, a lump sum is payable.

A law reported having passed the Diet in 1941, providing for superannuation allowances for the benefit of workers as a whole, is said to have modified somewhat the superannuation provisions for seamen.

(c) Workmen's Compensation

Workers in Factories, Mines, Quarries, Etc.

Provision concerning workmen's compensation in Japan may be found in the following legislation:

Factory act of March 28, 1911, amended March 29, 1933; mining act of March 8, 1905, amended July 22, 1924; health insurance act of April 22, 1922, amended March 27, 1926; workmen's compensation insurance act, dated April 1, 1931, and an act of the same date for insurance against liability for relief to workers in case of accidents.

Coverage.--Workers receiving the protection of workmen's compensation include all those under the factory and mining acts and (since the workmen's compensation act of 1931 came into operation in 1932) workers in quarrying, building and construction, railways, tramways, motor transportation, loading and unloading of vessels and the handling of goods. ^{1/}

As a consequence of the enforcement of this latter legislation, approximately 1,750,000 additional workers became entitled to relief which raised the total coverage at that time to approximately 4,000,000 or nearly all workers in industrial undertakings. The act includes only the heavier liabilities namely those for death and permanent disability.

This insurance is compulsory for employers in the more hazardous of the new lines of activity covered by the act but is optional for other employers.

^{1/} In an Imperial Ordinance dated November 27, 1931, it is stated that relief need not be granted to operatives and miners to whom the factory and mining acts apply.

Contributions.--Under the act of April 1, 1931, for insurance against liability for relief of workers in case of accidents, the employer becomes liable for compensation and medical expenses except that in occupations covered by the health insurance system which assumes responsibility during the first 180 days of disability.

Benefits.--Several important workmen's compensation provisions came into force January 1, 1937, amending respectively the Factory Act, the Miners' Regulation, and the Workers' Relief Act for building and transport workers. These amendments increased the compensation rates and made them uniform for the different classes of workers covered. The position is taken that all temporarily incapacitated workers are entitled to a benefit equal to 60 percent of their wages until they recover (previously the benefit for factory and mine workers was cut from 60 to 40 percent after 180 days' incapacity). Furthermore, the lump sums allowed for permanent disability and death are increased, respectively, from 540 to 600 days' wages and from 360 to 400 days' wages.

(d) Employment Separation Allowances

Coverage.--On January 1, 1937, an act became effective which made compulsory the already quite common practice among employers in Japan of granting allowances to workers leaving their employment. Previous to the promulgation of this act there was no assurance that retirement allowances would be paid, as business organizations were not obliged to set aside reserve funds for these grants, and a firm could go into bankruptcy without paying such benefits to its employees.

Contributions and Benefits

Provision is made for three types of fund in each establishment covered: A retirement-reserve fund, a retirement-allowance fund, and a dismissal-allowance fund.

(1) The retirement-reserve fund for each worker is constituted by the deduction of 2 percent of his wage each pay day. This amount is deposited in the Government Savings Bank in his name and is returned to him with accrued interest when his employment ceases. The refund of these savings is subject to no restriction, and the workers' creditors have no claim upon them.

(2) The retirement-allowance fund is composed of contributions by the employer, made at least once a year and consisting of a sum equivalent to 2 percent of the total wages paid, plus a supplementary contribution which varies for different concerns. In each case the Government must approve the amount of this additional contribution, which depends upon profits, but may not be more than 3 percent of the wages paid.

(3) The dismissal-allowances fund consists of the unexpended balances of retirement-allowances funds. When all or a part of the retirement-allowance fund accumulated in behalf of any worker is for some proper reason withheld, this amount is transferred to the dismissal-allowance fund, made up of such unexpended balances, from which an additional allowance is paid to a worker dismissed for reasons concerning the operation of the establishment and without fault on the worker's part. The allowance is to be 20 days' wages when the period of service in the establishment is more than 1 and less than 3 years, and 35 days' wages when it is 3 years or more.

Administration.--Provision is made for the establishment of a local committee in each prefecture to supervise the allowance funds and of a central committee at the Bureau of Social Affairs. These committees will include workers' and employers' representatives and officials, the exact membership and method of appointment to be regulated by decree. Any worker who is not satisfied in regard to the payment of allowances can first make complaint to the local committee, then to the central committee, and finally to the courts. A special supervisory officer is also to be appointed.

(e) Voluntary Health Insurance

Peasants and Persons of Small Means

Coverage.--An act effective July 1, 1938, provided for the establishment of a voluntary health insurance scheme for persons of small means and their dependents, especially the agricultural community, not included in the compulsory system. It was forecast that by the close of 1938 that the number of insurance societies under the act would reach 120 and the number of persons insured 500,000.

Contributions.--The law provides that in each city, town, and village an autonomous health insurance society be set up, membership being open to householders of small income. It is provided that these societies be financed by contributions from the insured and from local and central authorities. The Government may make affiliation compulsory with such societies in certain sections of the country.

Benefits.--Complete medical, pharmaceutical, and hospital services in illness and confinement with restricted choice of physician are provided.

(f) Post Office Life Insurance and Annuities

Table 1 shows the very rapid growth and large coverage of Post Office Life Insurance in specified years from 1920 to 1940 in which period the number of contracts increased from 1,599,715 to 37,357,913 and the amount of premiums from 696,000 yen to 33,712,000 yen.

Table 1.--Post Office Life Insurance Contracts in Force in Japan at Close of Specified Years Ending March 31, 1920-1940.

Close of year (March 31)	Number of contracts	Premiums	Sums
		(thou- sands)	insured (thou- sands)
		Yen	Yen
1920	1,599,715	696	153,169
1930	14,528,019	11,580	1,949,938
1936	13,756,709	19,496	3,223,178
1940	37,357,913	33,712	6,752,862

Post-office life insurance, established by a law enacted in 1916, is managed by the Bureau of Post Office Life Insurance, in the Ministry of Communications. The actual receipt of applications for policies, the collection of premiums, and other necessary matters are carried on by post offices throughout the empire. The canvassing and other business concerning life insurance are supervised by the regional directors of communications.

Types of policies written.--There are three kinds of policies: whole life, endowment, and children's insurance, the last mentioned benefits having been provided under a law which became operative October 1, 1931.

Adults' endowment policies run for periods of 15, 20, 30, or 40 years, children's endowment policies for 15 or 20 years.

Rates of premium.--The premium rates for adult policies issued after October 1, 1938, are based on the mortality table of the Post Office Life Insurance experience from 1930-31 to 1934-35.

Maximum insurance.--In September 1922 the maximum life insurance which could be carried on one life was increased from 250 yen to 350 yen. In May 1926 the maximum amount of policy was increased from 350 to 450 yen. The maximum in the year ended March 31, 1940 was 750 yen.

The applicant for a policy is not required to take a medical examination but must be personally interviewed by a post-office official.

Legal protection and welfare services.--The post-office life insurance committee of inquiry gives free legal advice to policyholders concerning their contracts.

For the purpose of preserving and improving the health of the persons insured, health consultation services were set up in 1922. In the year ended March 31, 1940, 240 health consultation stations were in operation. The scope of the work carried on in these district offices is not very different from that conducted in the central office. Guidance and counsel are available to policyholders in connection with the maintenance and promotion of health.

Revenues and investments.--Since the original grant made by the Treasury at the inauguration of the post-office life insurance the system has been self-supporting. The insurance fund is under the control of the Minister of Communications who with the advice of a special committee may use such fund for projects for social reform and of public interest.

Post-Office annuities.--In accordance with an approved legislative measure, the post-office annuity scheme began to operate October 1, 1926--the tenth anniversary of the post-office life insurance system.

Persons eligible to become annuitants must be between 40 and 80 years of age in the case of immediate life annuities and between 12 and 60 years of age in the case of deferred life annuities.

The maximum amount of annuity that may be purchased on the life of any individual is 2,400 yen.

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Preliminary Draft

CIVIL AFFAIRS HANDBOOK

on

J A P A N

Section Nine, Part II

on

LABOR CONDITIONS IN JAPANESE DEPENDENCIES

Prepared by

**U. S. BUREAU OF LABOR STATISTICS
DEPARTMENT OF LABOR**

for

**THE MILITARY GOVERNMENT DIVISION
PROVOST MARSHAL GENERAL'S OFFICE**

Preliminary Draft

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LABOR CONDITIONS IN JAPANESE DEPENDENCIES

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1. EMPLOYMENT CONDITIONSLabor and Industrial Background

The industrial as well as the political life of Formosa has been under Japanese control since 1895, when the island was taken from China by Japan as one of the spoils of the 1894-95 war. Control, however, was not easily secured. Excluding several thousand aborigines, the native Formosans are of Chinese racial stock with a different language and cultural background from those of the Japanese. They were bitterly opposed to Japan's taking over Formosa and carried on an armed resistance for some 6 or 7 years.

Moreover, the antagonism of the two races continued and was not softened over the years by the Japanese policy of administering Formosa primarily for the benefit of Japan. From the beginning of Japanese occupation Formosa had a centralized military form of Government. Practically all important administrative posts are held by Japanese. Schools were greatly increased in number, but this apparently was a part of the program of Japanizing Formosa by teaching the younger generation to use the Japanese language and otherwise indoctrinating them with Japanese "culture."

In industry, the Japanese control the great majority of the important productive enterprises of the island and the profits in large part flow back to Japan. Native enterprises, while large in number, are mostly of the small shop type.

Industrial Distribution of the Population

The total population of Formosa in 1938 was estimated at 5,747,000 of whom 308,900 (about 5 percent) were Japanese, practically all the remainder being native Formosan Chinese. The limited number of "foreigners" were chiefly Koreans and Chinese from Southern China. The labor force, except for the higher paid technical jobs filled mostly by Japanese, is made up almost entirely of native Formosan-Chinese.

The latest official information on the industrial distribution of the population is from the Census of 1930. After that time there was a general increase in the total population, but, it is believed, no important changes occurred in the relative distribution by types of employment.

In 1930, according to the Census, there were about 1,700,100 persons in Formosa having gainful occupations. The percentage distribution of these persons by major employment groups and by race is shown in table 1.

Table 1.—Percentage distribution of the population of Formosa, 1930, by types of employment.

Industry	Formosa			Japan Proper
	Japanese	Formosans	All, including others	
	Percent	Percent	Percent	
Agriculture and forestry	4.8	71.4	67.0	47.7
Fishing	1.8	1.6	1.6	1.8
Industry and mining	16.8	8.6	9.7	20.0
Trade	20.0	9.0	10.0	15.1
Communications	10.1	3.0	3.5	3.7
Public service and professions	41.5	2.2	4.2	6.9
Other	5.0	4.1	4.1	4.5
Total	100.0	100.0	100.0	100.0

The most striking fact in the table is the high proportion of persons engaged in agriculture (including fishing)—67.0 percent as against 47.7 percent in Japan proper, while only 9.7 percent of the Formosan gainfully occupied population was in industry and mining, as against 20.0 percent in Japan proper during the same year.

The table not only shows the essentially agricultural character of Formosa, but also that the Japanese are almost entirely in other than agricultural work. Actually, as already pointed out, the Japanese in the island are in the position of a superior race, occupying almost all of the administrative and technical posts in both industry and Government.

As regards the general industrial development of Formosa, the Japanese Government early announced rather ambitious plans. In practice it seems that these were never carried out at all fully; partly, it appears, because the Japanese industrialists preferred to keep Formosa in the position of a supplier of raw materials and a consumer of Japanese goods rather than to develop there the heavy manufacturing industries. Between 1930 and 1937, for instance, industrial production measured in money values, increased only 94 percent in Formosa as against 155 percent for Japan.

As regards the distribution of factory workers in Formosa data are available for as late as 1935. At that time there were 7,006 factories (excluding home and small workshops and government plants) with a total of 68,520 workers. Of this total 3,177, or 4.64 percent, were Japanese, employed as noted above almost entirely in administrative and technical positions; 64,161, or 93.64 percent, were Formosan-Chinese, and 1,182 (1.73 percent) were Chinese from the mainland. The details by industries and race are presented in table 2.

Table 2.—Number of factories and workers in Formosa by industries (not including government operated factories), December 31, 1935.

Chief industries	No. of factories	Number of workers								Grand Total
		Japanese		Formosans		Chinese		Total		
		Men	Women	Men	Women	Men	Women	Men	Women	
Textile	72	14	5	506	2,100	27	—	547	2,105	2,652
Metal works	108	251	1	1,474	206	47	2	1,772	209	1,981
Machinery and implements	211	500	1	2,152	20	89	—	2,741	21	2,762
Ceramics	638	100	2	7,660	1,394	51	5	7,811	1,401	9,212
Chemical industry	485	380	23	3,240	1,090	18	—	3,638	1,113	4,751
Saw mills and woodworking	309	98	3	2,089	155	131	5	2,323	163	2,486
Printing and binding	153	161	1	1,956	265	—	—	2,117	266	2,383
Food	4,668	1,411	31	23,448	11,452	302	115	25,156	11,598	36,754
Other industries	362	185	10	1,204	3,750	352	38	1,741	3,798	5,539
Total	7,006	3,100	77	43,729	20,432	1,017	165	47,846	20,674	68,520

This table shows that almost one half of the factory workers (36,754) were in food establishments, 9,212 in ceramics (mostly brick and cement), 2,652 in textiles, 1,981 in metal works (largely gold and silver) and only 2,762 in the production of machinery and implements. The production of hemp and jute goods was the most important branch of the textile industry.

These figures of employment by principal manufacturing and mechanical industries are also of interest as indicating the probability of a skilled labor scarcity, for the dominant industries are not those employing large numbers of skilled mechanics.

Size of factories

Of the number of factories listed, those employing less than 30 workers on December 31, 1935, numbered 6,687, those with 30 to 49 workers numbered 125, those with 50 to 99 workers numbered 96; there were 75 factories employing between 100 and 299 workers, 18 factories employing from 300 to 499 workers, and only 5 factories with more than 500 workers.

Thus 95 percent of the total number of factories in Formosa employ less than 30 workers, which gives an indication of the small scale industrial set-up.

Character of Labor Supply

Most of the Formosan factory workers and laborers come from rural districts, and very few of them possess any technical training. Except for the few employed in small workshops under individual contract, most of the workers are contract laborers managed by a "coolie-foreman system." Under this system a foreman contracts with an employer to supply so many workmen at a given price, and deducts 5 or 10 percent for his services.

On the other hand, a bulletin of a Formosa bank made the following statement a few years ago:

"Most of the Formosan Chinese are of the Han race. The people of Han are notorious for their thrift and even stinginess, and their desire for ownership is strong. Their efficiency is accordingly highest when engaged on piece work."

Employment Other than Farm and Factory

Information regarding employment in the trades and professions of Formosa other than farming and factory work is even less satisfactory than that for those two types of employment. However, miscellaneous data for other trades and professions are brought together in table 3.

Table 3.—Number of employees in various trades (other than farm and factory), Formosa, 1935.

Trades	Number of employees
Fishermen (not including part time)	34,586
Coal miners (14,911 men; 1,590 women)	16,501
Camphor	8,356
Lighterage men (longshoremen)	2,076
Government factories (principal ones)	
Tobacco	854
Camphor	189
Salt	99
Liquor	1,364
Railway shops	1,402
Total	3,908
Oil well workers (1933)	590
Government officials and clerks (1933)	38,433
Physicians and dentists (1933)	2,181
Total	106,631

Women and Children in Industry

Women and children are rather extensively employed in Formosan factories; in 1935 some 30 percent of the Formosan-Chinese workers were females and some 7 percent were not over 15 years of age.

The smaller proportion of women factory workers in Formosa as compared with Japan proper is attributed to the smaller importance of the textile industries in the island. Excluding textile workers, the proportion of female workers would probably be considerably larger in Formosa than in Japan proper.

Unemployment

Because of the fundamentally agricultural character of Formosa, unemployment does not appear to have been at any time a serious social problem in the Western sense. Available data on the subject relate only to the three years 1936, 1937, and 1938. These data show that in 1936 there were 13,845 unemployed; in 1937, 10,373; and in 1938, only 6,919. By 1938, indeed, there was much complaint by employers of a shortage of labor, which they wished to correct by bringing in immigrants from such sources as South China and Korea. This suggestion was opposed by the military Government and by the police authorities for fear of causing social unrest.

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2. EMPLOYMENT OFFICES

According to available reports there are no public employment offices in Formosa. There was considerable discussion among the industrialists of Formosa in the late thirties regarding the establishment of some sort of public labor office. But the interest clearly was not in servicing the unemployed but in securing labor for Formosan industries during the period of relative labor scarcity during the period of war and preparation for war.

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3. WAGES, HOURS, AND WORKING CONDITIONS

There are no data regarding wages and hours of labor in Formosa later than 1938. Therefore, the figures and remarks in this section apply to conditions in that year, but there is no reason to believe that there have been any important changes, except no doubt some increases in wages arising out of war conditions.

Practically all of the laborers in Formosa are Formosan Chinese and their wages are considerably lower than those of similar workers in Japan proper. In those industries where Japanese laborers, as well as Formosan Chinese, are engaged the wages paid the former are a good deal higher than those paid the latter, averaging about 45 percent more than the wages paid the Formosan Chinese workmen.

The working day is practically the same in all industries, amounting to around ten to eleven hours per day and seven days a week, with about two days of rest per month. Overtime is paid for at the same rate as regular time.

Wages are fixed on an individual basis, as there is no collective bargaining.

Wages, July 1938

Statistics covering wages in all the various industries in Formosa are not available but the following figures are illustrative of some of the wages paid common laborers in the principal cities in July 1938. The information covers only the Formosan-Japanese laborers, few Japanese being engaged in the occupations listed.

Japanese Wages in Terms of United States Currency

The unit of currency in Formosa is the Japanese yen, consisting of 100 sen. The gold parity of the yen, before practically all the nations of the world went off the gold basis in the early 1930's, was 1 yen = 50 cents in United States currency. From that time up to the time of Pearl Harbor (no quotations since then) the yen fluctuated considerably in value—mostly downward—and in 1938 was valued at about 30 cents in United States currency. However, as the fluctuations in exchange rates are due to many causes other than the relative purchasing power of the two currencies, it seems desirable, in making comparisons, to continue regarding the yen as worth about 50 cents in United States currency.

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On this rough basis it appears that the daily wage of unskilled labor in Formosa (from about $\frac{1}{2}$ to 1 yen) would be equivalent to about 25 to 50 cents in United States currency, while the wage of the skilled workers might range as high as \$ 1.00 per day or even slightly higher.

Current Daily Wages in Formosa
July 1, 1938
(Unit - Japanese Yen)

Occupation	City				
	Taihoku	Shinchiku	Taichu	Tainan	Takao
Railway stevedore	1.00	1.10	1.20	—	.98
Truck stevedore	1.00	1.10	—	1.00	.95
Carpenter	2.30	1.60	2.50	1.50	2.00
Type-setter	1.80	.80	1.00	1.10	1.60
Miner	1.30	—	—	—	—
Tea refining	.80	1.10	—	—	—
Tea sorting (female)	.27	.50	—	—	—
Rice field worker	1.40	1.35	.70	.60	1.00
Rice husking	1.00	1.10	.80	.70	.90

Detailed Wage Rates, 1936

Somewhat more detailed wage rates are available for the year 1936 than for 1938 as cited above. These are shown in the following table for the city of Taihoku. Separate rates are shown for Japanese and Formosan-Chinese workers.

Daily Wages (in Yen) in Taihoku, Formosa, 1936

Industry & Occupation	Japanese	Chinese
Metal workers & machinists:		
Lathe workers	—	1.30
Finishers	1.50	1.20
Metal casters	—	1.50
Blacksmiths	—	1.20
Mold makers	2.30	1.50
Tin can makers	—	1.20
Spinning and Weaving		
Spinners - female	—	.45
Cotton underwear knitters	—	.30
Ceramics:		
Potters	—	1.00
Glassmaking:		
Inspectors	—	.70
Blowers	—	1.10
Brick makers	—	.80
Tile makers	—	1.10
Chemicals & explosives:		
Drug making	—	.75
Firecrackers	—	.80
Oil extracting	—	.70
Leathers & hides	—	1.10
Foodstuffs:		
Flour making	—	.90
Vermicelli making	—	.90
Soy bean oil making	—	.95
Bean paste making	—	1.00
Sugar making	2.47	1.57
Rice huskers	—	1.00
Confectionery making	1.50	.83
Tea refining	—	1.00
Tea sorting, female	—	.25
Tea picking, "	—	.40
Clothes and accessories:		
Tailors, foreign clothes	2.00	1.20
" , Japanese "	1.20	—
" , Formosa "	—	1.00

Daily Wages (in Yen) in Taihoku, Formosa, 1936
(Continued)

Industry & Occupation	Japanese	Chinese
Clothes and accessories:		
Palm bark coat making	—	.60
Shoe makers	2.20	.90
"Geta" (Clog) makers	1.20	.70
Gold- and silversmiths	1.50	.60
Dyers	1.70	1.50
Building and construction:		
Carpenters	3.50	2.30
Plasterers	3.50	1.60
Stone cutters	3.50	1.80
Brick layers	2.80	2.00
Tile layers	3.00	2.30
Painters	2.50	1.80
Wood-working and strawmat making:		
Lumber sawyers, hand	3.50	.80
" " , machine	2.00	1.20
Furniture makers	1.50	1.00
Door and screen making	3.00	2.00
Lacquerware making	2.00	1.00
Bamboo ware making	—	.80
Japanese mat making	3.00	1.80
Vehicle making	—	1.00
Tub making	—	1.00
Straw matting making, female	—	.30
Printing and binding:		
Type setters	2.50	1.80
Lithographers	2.70	1.30
Binders	2.40	1.30
Miscellaneous:		
Shipbuilders 1/	2.95	1.75
Stevedores	1.50	1.20
Longshoremen 1/	2.35	1.85
Cart pullers, manual	—	1.00
" " , with oxen	—	2.00
Paperhangers	2.80	1.50
Sculptors or carvers	—	.90

1/ For city of Keelung, not available for Taihoku.

Daily Wages (in Yen) in Taihoku, Formosa, 1936
(Continued)

Industry & Occupation	Japanese	Chinese
Miscellaneous:		
Electricians	1.69	1.38
Pushcart men	—	.90
Car loaders	1.50	1.00
Fishermen 1/	1.08	.80
Miners	—	1.00
Farm laborers, male	—	1.00
" " , female	—	.50
Rice farmers, male	—	1.40
" " , female	—	.50
Gardeners	3.00	2.00
Coolies, male	1.50	.80
" " , female	—	.80
Servants: Yen per month.		
Male	—	—
Female	18.00	6.00

1/ For city of Keelung, not available for Taihoku.

Railroad and other workers.

Wages paid in industries other than those given in the above tables are not available inasmuch as the Government was not willing to make such statistics public. This is particularly true of the railroads, which are a Government monopoly. The trainmen are practically all Japanese and are paid approximately 60 percent higher wages than similar workers in Japan proper as well as being given free housing and longer vacations with pay.

4. LABOR LEGISLATION AND LABOR POLICIES(a) Governmental Administrative Machinery

Formosa is administered by a Governor General appointed by the Emperor of Japan. The Governor General has almost unlimited power, both civil and military. There is no effective participation by native Formosans in the Government. There are various administrative agencies under the Governor General, but none concerned with labor protection or labor welfare.

(b) Labor Legislation

There is no protective labor legislation in Formosa.

5. LABOR AND EMPLOYERS' ORGANIZATIONS

There are no labor unions in Formosa. The Japanese controlled Government has never tolerated labor organizations of any kind.

Employers are well organized for business purposes, but because of the absence of labor organizations there is no occasion for employers' associations to act in the field of industrial relations.

6. INDUSTRIAL RELATIONS

There are no organized systems of industrial relations in Formosa.

Labor unions being forbidden there is no basis for collective bargaining. There are no legal restrictions upon the manner in which the employer conducts labor matters in his establishment.

There being no labor organizations there are few strikes in the Western sense of the word, and no machinery established for settling grievances on the part of labor. Sporadic strikes do occur but are handled as police matters.

Various organizations among the Formosan-Chinese for betterment of their social position and frequently for the overthrow of the Japanese Government have been suppressed, or at least driven underground.

7. COOPERATIVES

According to Andrew J. Grajdanzev, in his recent book, Formosa Today, the Formosan Chinese have demonstrated their ability to organize and manage successful cooperative associations, there being in 1935, 462 cooperative associations of all kinds, with 342,122 members, and with paid up capital of some 15 million yen. Commenting on the situation, the author of the above mentioned book says:

"In 1936 the urban credit cooperatives had deposits of 20.7 million yen, while the rural cooperatives had 64.3 million yen. In May, 1940 the corresponding sums were 36.4 million yen and 122.7 million yen. All this is the more remarkable because the cooperatives were developed by the Chinese with little help from the Japanese or from the cooperative associations of Japan, and because the government put so many obstacles in the way of the development. The managerial and controlling staffs of the cooperatives in Taiwan must be approved by the government-general, so that "undesirable" elements can be eliminated from the movement. The active members of the societies were often arrested and imprisoned and obstacles were put in the way of the creation of a powerful central body for the cooperative movement. But in spite of all obstacles the population of the island succeeded in building up a strong and useful organization.

"Since the start of the present war, however, through increasing supervision and various regulations, the government has turned the cooperatives into a piece of bureaucratic machinery. The chief function of the agricultural cooperatives, which form the backbone of the movement, has become the collection of rice and other products and their transfer to the government."

8. SOCIAL INSURANCE AND SOCIAL SECURITY

Formosa has no social insurance legislation and private systems of plant welfare activities are apparently very undeveloped.

Medical treatment is usually provided for workmen injured on the job and in case of death or disability occurring during working hours consolation money, of no predetermined amount, is usually paid by the employer.

It is customary to give a worker either 30 days prior notice or 30 days' pay when being discharged.

Year end bonuses are paid only by the larger firms and as a rule only to the office workers and those holding the higher positions in the factories.

REFERENCES ON LABOR CONDITIONS IN FORMOSA

Andrew J. Grajdanzev, Formosa Today, 1942. Institute of Pacific Relations. 1942.

Japan Year Book.

These are the only general recent references in English or in any language other than Japanese and Chinese. Most of the material in the present report is from confidential sources.

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1. EMPLOYMENT CONDITIONSLabor and Industrial Background

The industrial history of Korea, since its annexation by Japan in 1910, is not unlike that of Formosa. The Koreans are of a different race from the Japanese, with an old culture of their own, with little modern industrial development and hostile to the new Japanese "order." This hostility has continued and has affected the whole labor situation, especially as the Japanese workers in Korea were given a favored status.

Korea offered an opportunity for industrial exploitation by the Japanese industrialists, who saw in Korea a vast reservoir of labor accustomed to work at even lower wages than the Japanese workers at home. As a result there was considerable industrial development under the Japanese, but mostly in the lighter manufacturing lines, such as textiles, and the exploitation of natural products, such as fertilizer works. It seems, although no definite evidence is available, that the Japanese colonial policy, like the German Nazi policy, has been to centralize the heavy industries, involving much skilled labor, in Japan proper, and to use the colonial possessions as sources of raw material and the manufacture of lighter consuming goods, where cheap unskilled or semiskilled labor can be used most advantageously.

Industrial Distribution of the Population

The labor force of Korea consists primarily of native Koreans. Of the total population of 22,633,851 at the end of 1938, 21,950,716 were Koreans (97 percent), 633,320 were Japanese (about 3 percent) and 49,815 were "foreigners," the vast majority of these being Chinese. The 3 percent of the Japanese are largely in administrative and technical positions.

The distribution of the population by types of industrial employment is not known with any exactness as the 1938 Census classified all the nonworking members of a family as of the same occupation as the head of the family. The results of this census distribution are given in table 1.

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Table 1.--Population of Korea, by Industry of Head of Family, 1938 ^{1/}

Industrial group	Japanese	Koreans	Other	Total	
				Number	Percent
Total	633,320	21,950,616	49,815	22,633,751	100.0
Agriculture, forestry and fishing	43,175	16,940,082	10,519	16,993,776	75.0
Manufacturing industry	105,190	585,589	7,180	697,959	3.1
Commerce and transportation	185,351	1,619,192	16,007	1,820,550	8.0
Civil and professional group	241,263	646,248	4,562	892,073	3.9
Others	33,092	1,788,915	11,399	1,833,406	8.1
Without occupation	25,249	370,590	148	395,987	1.7

^{1/} Members of the family who are not gainfully employed are included in the same occupational group as the head of the family.

As noted, the absolute figures in this table are meaningless as an indication of the number of persons gainfully employed, but the relationships have a definite significance. Thus, it appears from the table, that while 75 percent of the population were engaged in agriculture or were members of farm families, only 3.1 percent were in manufacturing, and as this 3.1 percent included family members not at work, the total number of gainfully employed in manufacturing industries might have been only 400,000 or 500,000 persons.

Moreover, the majority of the workers in manufacturing industries must have been in the household and small workshops, the total number of employees of Korean factories employing 5 or more persons being officially reported as 212,459 in 1941.

The distribution of these 212,459 factory employees reported in 1941 by type of factory and also the number of factories of each type is shown in table 2.

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Table 2.—Factories and Factory Employees, by
Industry, Korea, 1938.
(Excluding plants with less than 5 employees)

Industry	Factories	Employees
Spinning and weaving	608	47,384
Metal work	295	13,672
Machine and tools	613	24,745
Ceramic work	342	11,310
Chemical industries	1,618	52,293
Lumbering and woodwork	360	7,485
Printing and binding	313	7,905
Foodstuffs	2,348	35,547
Gas and electricity	34	939
Miscellaneous	422	12,179
	6,953	212,459

The fact, as shown in the above table, that 6,953 factories employed only 212,459 persons—an average of about 30 persons per plant—would indicate the relatively small average size of Korean factories, even after plants employing less than 5 persons have already been excluded.

Also, the table indicates the relative importance of the individual industries. Thus the chemical industries had the largest number of employees, some 52,000. It is not clear just what was included under the term "chemical industries" but fertilizer manufacture apparently played a very important part.

The "metal work" group employed only 13,672 persons and the machine and tool group less than 25,000. As the metal and machine groups would certainly include the heavy industries connected with war production, the relatively small number of workers in these groups would in turn indicate that such production was not highly developed in Korea as late as 1941.

There are large deposits of coal and various metals in Korea. Up to the present war at least, these had not been at all extensively developed, and there are no data regarding the number of persons employed in such work.

2. EMPLOYMENT EXCHANGES

There is no system of public employment exchanges in Korea, according to such information as is available to the Bureau of Labor Statistics.

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3. WAGES, HOURS, AND WORKING CONDITIONS

There are no continuous series of wage data for Korea over a period of years. However, fairly comprehensive figures on wages and hours of labor are available for the year 1938, and limited information for 1941 indicate the trend of wages up to that time.

General Wage Level

The monetary unit of Korea is the Japanese yen, which has had the same exchange fluctuation in Korea as in Japan. The gold parity value of the yen was 50 cents in United States currency prior to the general abandonment of the gold standard in all countries in the early 1930's. However, for reasons explained in the report on Japan proper, the continued use of the former gold parity value of 1 yen = 50 cents seems desirable in those cases where it is desired to make a rough conversion of Korean wages into United States currency. ^{1/}

The daily wages and daily working hours of Korean labor in 1938, by principal industries, by sex, and by the two major races are shown in table 1.

From this tabulation it appears that the average daily wage for male Japanese workers was 2.03 yen per day (equivalent to about \$1.00 in United States currency) and for Korean workers 1.03 yen per day (equivalent to about 50 cents per day). The daily wages of women workers averaged about one half the amount paid male workers in the same racial group.

^{1/} Certain writers have voiced criticism of Korean wage reports as showing higher wages than are actually paid. There is no way to evaluate such criticism.

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Table 1.—Average Daily Wages and Hours of Workers Over 16 Years of Age in Korea, 1938.

	Males				Females			
	Wages		Hours		Wages		Hours	
	Japa- nese Yen	Kore- ans Yen	Japa- nese Hr.Min.	Kore- ans Hr.Min.	Japa- nese Yen	Kore- ans Yen	Japa- nese Hr.Min.	Kore- ans Hr.Min.
All industries	2.03	1.03	10 00	10 00	0.99	0.49	9 40	10 40
Textiles:								
Cotton ginning	1.95	.76	11 00	10 30	.83	.40	11 00	10 50
Dyeing	1.15	.62	10 00	10 00	-	.50	-	10 00
Flax preparing	2.00	.82	9 50	9 00	1.55	.56	9 30	9 00
Hosiery	-	.90	-	11 30	-	.77	-	11 30
Net making	1.57	.77	10 00	10 20	.95	.61	11 00	9 50
Reeling	1.51	.69	11 00	10 50	.79	.46	10 50	10 50
Spinning and weaving	1.96	.65	11 00	11 00	.97	.46	11 00	11 30
Metals:								
Casting and iron work	2.59	1.14	11 00	10 50	1.35	.53	10 00	10 00
Machine and tools	2.46	1.14	10 20	10 20	-	.55	-	9 50
Weights and measures	2.52	1.79	9 30	9 30	-	.44	-	10 00
Stone, glass, and clay:								
Brick	1.84	.94	9 50	10 00	-	.46	-	9 50
Cement	2.27	.98	8 30	8 50	.81	.53	9 00	9 20
Enameled ironware	2.73	.86	11 00	10 50	.69	.31	10 00	11 00
Glass and glassware	-	.63	-	10 20	-	.33	-	10 00
Lime	-	.67	-	9 30	-	-	-	-
Porcelain and earthenware	-	.91	-	10 00	-	.45	-	10 00
Slate	2.90	.96	11 00	10 00	1.32	.62	11 00	10 00
Electric bulbs	-	1.17	-	10 00	-	.70	-	10 00
Chemical:								
Coal liquefaction	1.97	1.16	8 00	8 00	1.20	1.05	8 00	8 00
Fertilizers	1.88	1.08	8 00	8 00	1.04	.57	8 00	8 00
Leather (tanning)	2.33	1.10	10 30	10 30	-	.70	-	9 30
Magnesium	1.38	.88	8 00	8 00	.92	.60	8 00	8 00
Matches	1.89	.92	10 00	9 50	1.03	.49	9 30	9 50
Oil	1.63	1.09	10 20	10 30	1.07	.51	9 30	10 00
Rubber manufacture	1.78	.86	10 00	10 30	.70	.65	10 00	10 00
Paper:								
Paper	1.90	.92	11 50	12 00	.96	.34	9 40	11 00
Paper cases	-	.65	-	12 00	-	-	-	-
Pulp	1.89	.82	12 00	12 00	.61	.40	11 00	11 00
Lumber and woodworking:								
Furniture	2.09	1.39	9 00	9 30	-	.65	-	9 40
Lumbering	1.73	.83	10 30	10 20	.87	.41	9 00	10 00

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Table 1.—Average Daily Wages and Hours of Workers Over 16 Years of Age in Korea, 1938—Continued.

Industry	Males				Females			
	Wages		Hours		Wages		Hours	
	Japa- nese	Kore- ans	Japa- nese	Kore- ans	Japa- nese	Kore- ans	Japa- nese	Kore- ans
Yen	Yen	Hr.Min.	Hr.Min.	Yen	Yen	Hr.Min.	Hr.Min.	
Food and drink:								
Brewing	2.29	.93	10 00	10 00	1.11	.45	10 00	10 00
Canning	1.19	.85	10 00	10 50	.72	.48	10 00	10 00
Confectionery	1.51	.79	10 40	10 50	.60	.41	10 00	10 30
Flour	1.92	.34	12 00	12 00	—	.40	—	12 00
Rice cleaning	1.91	.95	10 50	11 00	.83	.48	10 30	10 50
Starch and animal feed	2.16	1.37	7 50	7 50	—	.52	—	6 20
Sugar	2.11	1.16	10 40	10 40	—	—	—	—
Tobacco	2.07	1.08	10 00	10 00	1.07	.58	10 00	10 00
Clothing								
Caps and hats	1.50	1.00	10 00	10 00	—	.50	—	10 00
Sewing	1.66	1.54	9 30	10 00	1.06	.67	7 50	9 50
Electricity	1.88	1.13	10 00	10 00	—	.43	—	9 20
Printing	2.42	1.38	9 00	9 00	.72	.50	8 50	9 30
Other:								
Atheletic supplies	2.50	1.02	11 00	10 00	—	.30	—	8 00
Briquettes	1.00	1.31	11 00	11 30	—	—	—	—
Cork manufactures	1.32	.62	11 40	10 40	—	.45	—	10 50
Hair work	—	.99	—	10 30	—	.47	—	10 00
Rope	—	.58	—	9 50	—	.50	—	9 00
Rubber tubes	2.13	1.02	9 00	9 30	—	.45	—	9 00
Vehicles	2.17	1.42	9 50	10 00	—	—	—	—
Vessels	2.85	1.58	9 50	10 00	—	.65	—	9 40

Wage variations by race

The higher wage scale of the Japanese workers—about double that of the native Koreans—was fairly uniform in all industries, but was due no doubt in considerable part to the fact that the Japanese monopolized the higher supervisory and technical positions. No statistical evidence exists, but it seems clear that there was little or no competition of Japanese workers in the lower-skilled and lower-paid jobs.

Wage variations by industries

There was considerable variation in wages by industries, the differences as shown in table 1 paralleling fairly closely the experience in Japan proper, ranging roughly in the case of Korean males from about .75 yen to about 1.50 yen per day.

Wages in Mining

No recent data are available for wages of mineworkers. A report prepared in 1930 stated that at one large mining center, mine machinists received a maximum of 3.70 yen per day, a minimum of .50 yen, or an average of about 1 yen. Surface transport workers received a maximum of 3.50 yen, a minimum of .56 yen, or an average of about .62 yen.

Hours of Labor

Long working hours, even in peacetime, were prevalent in Korea as in Japan proper, the average daily hours for male workers (as shown in table 1) being 10 per day and running as high as 11 and 12 in certain industries. Hours for females were also very long, the average per Korean female worker being 10 hours and 40 minutes per day. It is not clear from the reports whether the hours quoted included rest periods. Possibly there was no uniformity of practice, the larger establishments having shorter hours than the small workshops. In any case, it may be assumed that in the later years of the present war working hours were increased in all industry.

In modern mines, it was reported about a decade ago, that the 10-hour day was quite general, including a rest period of one or one and a half hours.

Wartime Wage Conditions

Although exact information is lacking it is known that as a result of war conditions wages in Korea, as in Japan proper, increased but not as rapidly as the increase in prices and cost of living. For 1941 an authoritative report shows the average hourly wage in manufacturing industries to have been .124 yen, the details by industries being as follows:

Table 2.—Wages per hour in Korea, 1941.

Industry	Wages per hour
	Yen
Spinning and weaving	0.075
Metal work	.195
Machines and tools	.158
Ceramic work	.130
Chemical industries	.157
Lumbering and wood work	.121
Printing and binding	.128
Foodstuffs	.098
Gas and electricity	.175
Miscellaneous	.107

The figures in the above table are for hourly earnings, and for this and other reasons cannot be compared accurately with the wage figures for 1938, as given in a previous table, but analysis indicates that there was a substantial increase in wages between 1938 and 1941. Similar trends are shown in a report for the City of Seoul, where the wage rate index of 109 in June 1938 had risen to 141 in 1941—an increase of 29.3 percent.

What happened after 1941 is not known, but there is every reason to believe that wages continued to increase.

Annual Earnings

For a single year—1941—an official Korean report gives annual per capita earnings of all factory workers by industries. The average for all industries was 303 yen (about \$150), the industry variations (as shown in table 3), being from a low of 191 yen in spinning and weaving to 730 yen (about \$365) in gas and electricity. These figures were derived by dividing total general pay rolls by average number of workers on the pay rolls, and are thus probably subject to a considerable margin of error.

Table 3.—Annual Per Capita Wages in Manufacturing Industries in Korea, 1941.

Industries	Per capita earnings
	Yen
Spinning and weaving	191
Metal work	526
Machines and tools	436
Ceramic work	335
Chemical industries	304
Lumbering and wood work	449
Printing and binding	397
Foodstuffs	219
Gas and electricity	730
Miscellaneous	256
Average	303

Women and Children in Industry

Many women are employed in Korean industry but no figures are available. The wages paid women have been shown in a previous table.

Child labor is also used in most industries, although, as in the case of women, exact statistics are missing. As regards the wages of children, the same differences exist between Japanese and natives as with adults. Thus in 1930, the average daily wage for Japanese male workers under 16 years of age was 0.90 yen, and the average hours per day were 8½. For Korean boys in the same age group, the corresponding average was 0.40 yen for a day of 10 hours and 50 minutes. The average daily wage for Korean boys under 16 was as low as 0.24 yen in the furniture industry, and as high as 0.66 yen in the magnesium industry, the

average daily hours of Korean boys in these two industries being 9 hours and 50 minutes and 8 hours, respectively. In certain other industries, male Korean children were working an average of 11 or 12 hours per day.

The average rate for Japanese female children was 0.62 yen for a 9-hour day and for Korean female children 0.36 yen for 11 hours.

Standards of Living

It is not possible to relate Korean wages with purchasing power as there are available no satisfactory figures on Korean prices and no authoritative studies of Korean standards of living. However, all first-hand observers of conditions in that country agree that the living standard of the native Koreans is extremely low.

Efficiency of Labor

The productivity of Korean labor, it seems generally agreed, is quite low. This is commented upon in a report by Ta Chen, prepared in 1950. (See reference to this report on next page.)

"Because of their meager education Korean workers have not that industrial training which modern factory work so often requires, and are therefore unable to command high wages. This gives rise to the complaint against them frequently made by Japanese industrialists, i.e., that the Koreans are mentally lazy and naturally inefficient. To attribute the mental lethargy of the Koreans to their biological nature is probably untenable, and the inefficiency of the Korean workers may be accounted for in other ways, such as their lack of education and industrial training.

"That industrial inefficiency is closely related to education and training is plainly seen in the labor turnover in Korea. Certain data were recently gathered by the Government on the length of service of the 38,173 male and 9,870 female employees of 664 industrial establishments. Of these employees about 40 percent have been in service less than 6 months, about one-third less than 2 years, and about one-fifth less than 5 years. This shows a high degree of instability of employment. A closer analysis has revealed the fact that labor turn-over in Korea is highest in agricultural work and miscellaneous occupations where skill is not an important qualification for the job holder, and that shifting of occupations is therefore very common. As likely as not, separations and dismissals in these occupations are due to the whims of the employees or the prejudices of the management. On the other hand, in factories, postal service, and transportation labor turn-over is relatively low, for training and experience are requisites for the employee, and a relatively high degree of stable employment is maintained."

4. LABOR LEGISLATION AND LABOR POLICIES

All legislation in Korea is by decrees and subject to change at the will of the Governor-General. So far as can be ascertained there is no legislation for the protection of labor, and no special office or agency concerned with the handling of labor matters, other than the police whose activities are essentially repressive.

5. LABOR AND EMPLOYERS' ORGANIZATIONS

The subject of labor organization is discussed in the following section dealing with industrial relations.

No data are available regarding employers' organizations.

6. INDUSTRIAL RELATIONS

The most authoritative commentary on the status of the labor movement in Korea is that contained in a report prepared by Ta Chen, then professor in Tsing Hua University, Peiping, China, for the United States Bureau of Labor Statistics. Although this report was prepared in 1930, there is no reason to believe that there were any substantial changes in the situation up to the war with China in 1937. Thereafter, anything savoring of a free labor movement was suppressed by the Japanese Government.

According to Ta Chen, unsatisfactory economic and social conditions paved the way for manifestations of social unrest in sections of Korea. Sporadic attempts were made by the comparatively more intelligent workers to improve their lot through organized action, such as strikes.

Labor unions along modern lines slowly came into existence. Some were loosely organized and died a natural death after a precarious existence of a short period; others, imbued with radical ideas, were forced to dissolve by the police. In July, 1930, the chief of police in Seoul reported that about 480 unions had been found to exist in Korea at one time or another, but few were strong and influential.

In fact, doubt was expressed whether there was a genuine desire on the part of substantial portions of the Korean workers for combination and organization among themselves. In 1924, the Civil Engineering Society of Korea included in a questionnaire a question on the need and functions of labor unions. Among those answering the questionnaire were a group of Japanese and Chinese workers who favored labor organizations and insisted upon the right to organize them, but on the other hand, many of the Korean workers were rather indifferent toward this question. This, however, may have been due to a feeling of hopefulness of anything worth while being done.

The prime movers in the labor movement were a small group of liberal thinkers and also a group of intelligent workers who for some years had been agitating for a better social order. During the first World War, industry and commerce expanded rapidly in Japan, and certain Japanese capitalists went into Korea for further industrial opportunities, and with them also went Japanese workers. As Japanese workers were by and large better informed of the labor movement in Japan and in the West than the Koreans, they frequently demanded better treatment in the Korean factories under Japanese control. Very often when declaring strikes they sought the support and cooperation of the Korean workers. In this way the newcomers joined hands with the old group in their struggle for the improvement of the relations between employers and employees. There was a short period, especially between 1918 and 1920, when Japanese laborers in Korea, in close association with Korean workers, became conspicuously active in demonstrations and strikes. Thereafter, Japanese industrialists gave special favors to the Japanese workers in their employ, and the Japanese workers thereafter became quiet in labor matters. The Japanese-Korean Friendship Society's (Naisen Yuwai Kai) activities were along the line of improving the relations between employers and employees of these two nationalities.

Strikes in Korea usually involved a small number of workers and lasted a short time only, two or three days per strike being very common. The Genzan strike of January 1929 was the most complex and outstanding struggle between capital and labor in all Korea. Intimidation and violence by the strikers were charged by the police and courts, and arrests were made. On April 21, the Federation of Labor Unions of Genzan was ordered by the police to close its doors and the strike ended. The direct economic losses of the strike were considerable. At its most serious stage, especially between January 14, and February 3, about 2,000 workmen were involved whose average daily wage was about 40 cents. There was a complete tie-up of cargo, which adversely affected shipping in Kobe, Shanghai, and Dalny. During the strike warehouses were closed and banking and general business were seriously interrupted.

On the surface the workers of Genzan lost their strike, but the effect of the strike on the Korean labor movement was far-reaching. During the strike labor bodies in Japan and China expressed sympathy with the strikers in Genzan, and fellow-workers in Korea sent financial aid to them. When the federation was dissolved by order of the police, the workers and their sympathizers at once realized the importance of further organization and immediately embarked upon the creation of a new organization.

While labor in Korea, as above indicated, made considerable progress in organization and collective action there is no record of any collective agreements between employers and employees.

7. COOPERATIVE MOVEMENT

Credit cooperation is more developed in Korea than other branches of the movement. After the absorption of Korea into the Japanese Empire, one of the first acts of the government was a law (1904) providing for the formation of credit cooperatives. This was part of the government's program to rehabilitate agriculture. From the first, the credit cooperatives developed rapidly, under close governmental supervision, as the accompanying table shows.

Membership and Operations of Korean Credit Associations

Year	Number of associations	Number of members	Paid-in share capital	Savings deposits	Loans granted
1907	10	5,613	—	—	16,267
1915	240	65,386	177,689	197,990	2,127,696
1927	547	449,576	6,510,278	54,505,478	76,082,639
1931	663	729,321	9,278,270	88,775,813	123,842,819
1936	698	1,408,678	1/2,800,000	140,000,000	196,000,000

1/ 1935.

Of 732 cooperatives affiliated to the Central Union of Credit Cooperatives in 1932, credit associations numbered 674, and there were 43 rural distributive associations, and 15 fishermen's cooperatives. By June 1936, the number of credit cooperatives had increased to 698. They had a combined membership of 1,408,678. Savings deposited with these associations amounted to more than 140,000,000 yen; loans granted during 1935-36 amounted to 196,000,000 yen.

These credit associations also carry on the collective purchase of farm supplies.

The address and officers of the Central Union of Credit Cooperatives in Korea (Chosen Kinyukumiai Rengokai): are as follows: Address: 1 chome, Takezoe-cho, Keijo, Korea. President, E. Yanabe; Manager, S. Kohno.

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8. SOCIAL INSURANCE

There is no social insurance legislation in Korea.

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1. EMPLOYMENT CONDITIONS

The industrial life of Manchoukuo^{1/} is conditioned by the fact that of a total population of some 37 million (at the end of 1937) the vast majority are agricultural in their way of life and in their industrial experience. This is equally true of the native Chinese, of the large number of Chinese who migrated to Manchoukuo after it was set up as a puppet State in 1932, and of the million or more Korean immigrants. The Japanese are primarily nonagricultural but in total numbered only some 400,000 at the end of 1937.

The Japanese Government has made numerous attempts to place Japanese immigrants on Manchoukuoan farmlands but up to the time of the present war at least with only very limited results.

Industrial Distribution of the Population

There are no satisfactory data regarding the industrial distribution of the population of Manchoukuo, but a rough indication is given in table 1, taken from the Far Eastern Yearbook for 1941. This table distributes the population at the end of 1937 by principal industrial groups and by race. However, the relatively small proportion listed as "without occupation" (14.5 percent) would indicate that the figures cited include, in some cases at least, members of families not normally at work or that in Manchoukuo an unusually large proportion of women and young children are industrially employed. Thus, it seems probable that the number of persons listed as in manufacturing--1,109,593--was much larger than the actual number of factory employees in the Western sense, but this may be due to the fact that under the term manufacturing are included large numbers of home and handicraft workers producing consumers' goods and working under primitive conditions with more or less primitive equipment. In the case of mining, however, the number of persons reported as employed--namely 204,064--seems not excessive in view of the known primitive character of much of the mining practice in Manchoukuo.

As regards racial distribution table 1 is chiefly significant in showing that the Japanese were engaged primarily in industrial and commercial occupations. In addition, the Japanese tended to monopolize the administrative offices, and the supervisory and technically skilled positions in industry generally.

^{1/} The Kwantung Leased Territory, with between 1½ and 2 million population and the South Manchuria Railway Zone, are administratively separate, but from the industrial and labor standpoint may be regarded as part of Manchoukuo.

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Table 1.--Industrial Distribution of the Population of Manchoukuo, December 1937.

Industry	Manchoukuans	Japanese	Koreans	Others	Total	
					Number	Percent
Agriculture and forestry	21,722,254	10,098	527,463	8,728	22,268,543	60.2
Aquatic	50,053	235	5,428	293	56,009	0.2
Mining	172,773	25,638	5,331	322	204,064	0.5
Manufacturing Industries	1,032,967	39,910	30,057	6,659	1,109,593	3.0
Commerce	1,636,297	73,134	40,676	6,270	1,756,377	4.5
Transportation	109,455	29,194	5,075	3,388	147,112	0.3
Official and free occupations	1,317,560	78,413	37,657	9,322	1,442,952	3.9
Domestic workers	2,638,110	22,014	62,882	12,670	2,935,676	7.8
Other occupations	1,701,209	40,876	55,052	9,479	1,806,616	4.9
Without occupations	4,953,053	98,788	161,999	9,190	5,223,030	14.5
Total	35,533,731	418,300	931,620	66,321	36,949,972	100.0

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Probably a much more accurate guide to the degree of "industrialization" of the population of Manchoukuo is that presented in table 2 from the Japan-Manchoukuo Year Book of 1937. This was prepared some 4 years before Pearl Harbor and was thus probably less tainted with the element of propaganda than some of the later publications in English by Japanese agencies appear to be.

Table 2.--Factories and Employees, by Industry, 1933-1934,^{1/}
Manchoukuo, Kwantung Leased Territory and South
Manchuria Railway Zone.

Industry	Number of factories			Number of employees		
	Man- choukuo	Kwantung L.T. and So. Man. Railway Zone	Total	Man- choukuo	Kwantung L.T. and So. Man. Railway Zone	Total
Textiles	1,139	128	1,267	33,389	10,750	44,149
Metal	745	116	859	7,635	2,667	10,302
Machine and tool	328	181	509	4,617	12,425	17,042
Ceramics	405	184	589	16,430	9,733	26,163
Chemical	601	223	824	8,339	9,267	17,606
Food and drink	711	413	1,124	6,708	7,453	14,161
Gas and electric	-	15	15	-	1,151	1,151
Lumber and woodware mfg.	526	121	647	6,287	2,884	9,171
Printing and bookbinding	275	117	392	4,859	2,392	7,251
Miscellaneous	1,777	237	2,014	20,891	4,792	25,683
Grand total	6,505	1,733	8,240	109,155	63,524	172,979

^{1/} Kwantung Leased Territory and South Manchuria Railway Zone figures as in December 1933, excepting the figures for No. of factories, December 1934. All figures of Manchoukuo as in December 1934.

This table shows for Manchoukuo, and separately for the Kwantung Leased Territory and the South Manchuria Railway Zone combined, the number of factories and the number of employees, by manufacturing industry in 1933-34. At that time there was a total of 6,240 factories, with a total of 172,979 employees.

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An examination of the employment by industries and also of the text matter in the Year Book referred to, would indicate only a relatively small development of the heavy industries or of those associated with war preparations. Thus the machine and tool industry was reported as employing only 17,042 persons, and it is of interest to note that about three quarters of those were in the Kwantung Leased Territory and the South Manchuria Railway Zone. The figures, moreover, do not indicate that there was any large force of skilled labor in these Japanese controlled areas. It is possible, of course, that there was an expansion in the war industries after 1933-34, but scattered references would not indicate that this could have been on a very large scale.

This conclusion is somewhat at variance with certain published statements in American periodicals (for example see Business Week of June 26, 1943) that Japan has been developing in Manchoukuo a sort of "Ruhr" of heavy industries and particularly those concerned with the making of military products. There seems to be no way in which the complete facts may be developed from the sources available to the Bureau of Labor Statistics.

Unemployment

No data are available to the Bureau of Labor Statistics regarding unemployment in Manchoukuo.

Women and Children in Industry

The limited data regarding labor conditions in Manchoukuo do not distinguish between male and female workers. Also the only reference found with regard to child labor is a provision in the Labor Control Law of December 1, 1938, forbidding the recruitment of workers under 13 years of age. The fact that such a provision was included in the Labor Control Law would indicate that the industrial employment of very young children was not uncommon in Manchoukuo. This, moreover, would be entirely in line with the existing practice in the other Japanese possessions as well as in Japan proper.

Coolie Labor

There are two classes of unskilled workers: free day laborers who seek work wherever it is offered by employers; and "coolies" who are ordinarily under the direction of coolie masters, each of whom has 2 or 3 second masters, the latter in turn supervising several third masters. This scheme is usually followed in cases in which 200 or more coolies are employed on a project. The head coolie master, unlike his aids, rarely remains on the first line of work but usually assumes its general direction. The wage scale descends as responsibility decreases, being lower for third masters than for second and still lower for coolies. Among the duties of the headmaster is that of interesting himself in the private affairs of all his employees, extending aid and offering counsel. Moreover, he must be an expert in his trade. The head master has a secretary who handles the financial side of the labor group, a cook, and a boy assistant. All the coolies share the cost of board and when they can afford it collectively employ a barber.

Whenever the group of coolies employed is large, collective lodges are made available to them. The more recently constructed dormitories are reported to be fairly well planned to provide various comforts. Others are most rudimentary, a mat-rush on the floor constituting about all the material comfort to be had. Each dormitory, however, usually has a booth at which every day necessities are sold. Such shops are run on a subsidized or business basis or managed collectively by the employees.

The coolies on civil engineering projects live in dugouts. Bedding usually consisting of a single cotton wadded coverlid is provided for each man. When he travels he carries his cooking utensils and foot-gear rolled up in his bedding which is tied with a string and slung across his shoulder. Unless a migrant coolie has this amount of personal property no inn will let him in.

Migrant Workers

The influx of Chinese migrants into Manchuria began some 30 years ago and in 1927 reached a higher level than in any preceding year. In 1935 the Government of Manchoukuo took measures to restrict Chinese immigration. As a consequence, fewer entries were recorded for the 2 following years. When the 5-year Industrial Plan was inaugurated in 1937, however, the demand for Chinese labor rose and in 1939, 1,175,603 immigrants, including family members, swarmed to Manchoukuo. In the same year 453,567 departed from that country while 722,036 remained—a record annual excess for recent years. Indeed, it is reported by Japanese sources that Manchoukuo has been heavily dependent upon the seasonal tides of coolie labor from North China but the climate of Manchoukuo

particularly in the northern areas, is too cold for outdoor work in the winter. Consequently, the stream of coolies to Manchuria in the early spring recedes to North China in the fall. However, the augmenting demand for coolies in the mines and factories of Manchoukuo had its influence on these seasonal movements and more coolies were being permanently employed there.

Females constitute from 5 to 15 percent of this immigration. However, of recent years it is reported that the number of woman immigrants among the coolies showed a tendency to increase, which is indicative of a trend from seasonal sojourning to permanent settlement.

In table 3 immigrants entering Manchoukuo from North China are classified according to their industrial engagement. In 1939 a larger proportion of these immigrants were engaged in civil works and construction works than in 1937—29.97 percent as compared to 24.77 percent and those engaged in mining constituted 10.95 percent in 1939 and only 4.26 percent in 1937. In agriculture, however, the percentage was reduced from 15.48 in 1937 to 9.01 in 1939.

Table 3.—Percentage Distribution of Immigrants into Manchoukuo from North China, 1937 and 1939, According to Industry.

Industry	1937	1939
Total number of immigrants into Manchoukuo from North China	323,689	1,012,148
Percentage distribution	100.0	100.0
Agriculture	15.48	9.01
Forestry	0.04	0.13
Fishing	0.17	0.11
Mining	4.26	10.95
Commerce	9.85	7.01
Civil and construction works	24.77	29.97
Manufacturing	27.62	19.29
Transportation	4.99	8.56
Miscellaneous	12.87	14.97

Effect of war on migration

The exodus back to North China of imported seasonal coolie laborers which commenced in the summer of 1940 as a result of the laborers' discontent over the rising cost of living, restrictions against their transfer of earnings to North China and other factors, continued in an abnormally heavy volume; and it was evident from frequent admissions in the press that the Manchurian authorities were greatly concerned over the serious effects which the movement was having on the production of mines and other essential industries. Certain concessions in the way of increasing the amount of money which laborers may send and take back to China were reportedly made as of November 1, but it appeared doubtful that they would be sufficient to improve the situation appreciably, and the local press emphasized the necessity of finding means to prevent laborers from "escaping" from their employment. It was admitted that the output of Manchurian coal mines, including the great Fushun mine, had continued below expectations owing to labor and equipment shortages. The authorities appeared to be in a quandary as to the solution of the problem, some contending that more labor should be imported from North China and others asserting that Manchuria could no longer hope to rely on the importation of adequate seasonal labor from China and that the only remedy lay in a more effective mobilization of the native labor supply and in the offering of inducements to persuade seasonal laborers to remain in Manchuria as permanent residents.

There have been no recent figures on the number of laborers coming to Manchuria from North China, and the Mantetsu Chose Geppo, published by the South Manchuria Railway Company, which formerly published detailed figures monthly on arrivals and departures, has ceased the publication of such statistics, possibly because they revealed too clearly the breakdown of the plans to import large numbers of laborers.

Colonization

The establishment of the Empire of Manchoukuo presented an attractive opportunity for the revival of Korean and Japanese emigration to that area. The general Government of Korea, under Japanese control, devised a scheme for the emigration over a 10-year period of farmers to North Manchuria and estimated that this project would call for an expenditure of 50,000,000 yen.

Two immigration companies were organized—one for the promotion of Korean emigration to Manchoukuo and the other for stimulating an exodus of the Japanese to the same destination. The Chosen Colonization Company's objective was the settling of 1,000,000 Koreans in the new Empire, while the Manchuria Colonization Company was constituted in 1935 to aid in the settlement of Japanese in Manchoukuo.

There is conflicting information as to the results of these colonization schemes, but it appears they did not meet with any considerable success.

Wartime Labor Control Measures

The National Mobilization Act of February 26, 1938, is basically similar to the Japanese law on the same subject. The Manchoukuo legislation provides for the control and utilization of manpower and materials; for governmental management and use of factories; the issuance of orders regarding wages, etc.

The Labor Control Act, promulgated December 1, 1938, effective February 20, 1939, empowers the People's Welfare Department to issue necessary orders to persons employing or supplying laborers, with a view to protecting and guiding these workers. Under this legislation the State was to supervise labor control agreements. Actually the protection which the laborer gets from the Government under the control law, according to a confidential report, "is no more nor less than that which his employers choose to give him." The same report states that this law has no social significance whatever but is designed solely to provide an adequate supply of labor for State enterprises and by eliminating competition for labor among employers to keep wages at low levels.

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2. EMPLOYMENT AGENCIES

In the pre-war period private employment agencies operated in Manchoukuo, but under the Labor Control Act, effective February 20, 1939, only a local public body or the Manchuria Labor Association may operate or supervise a labor exchange. This association is a semiofficial organization established after the outbreak of the war with China, for the concentrated recruiting of labor and the conducting of employment exchanges in important centers. The Tatung Kungsu, a special agency which had been recruiting and regulating foreign labor since 1935, was merged with the Manchuria Labor Association.

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3. WAGES, HOURS, AND WORKING CONDITIONS

Available wage data for Manchoukuo are extremely limited and entirely from unverifiable Japanese-controlled sources. What seems to be the best available statement on the subject of wages is contained in an article in the 1941 issue of the Far Eastern Yearbook. This shows daily wage rates for several skilled trades and for "free" laborers^{1/} by race, from 1935 to 1938 in 5 important cities. The details for the year 1935 and for December 1938 are shown in table 1.

The wage rates given in the table are in terms of the Manchoukuo yuan, which is "tied" to and has the same approximate exchange value as the Japanese yen. As explained in a previous section of this report, the yen, and thus the Manchoukuoan yuan, may be regarded as worth approximately 50 cents in United States currency for purposes of rough comparisons between the two countries.

Examination of the table indicates that native Manchoukuoan unskilled labor received from 0.60 to 1.00 yuan per day (equivalent to about 30-50 cents), while in the skilled trades native labor received about twice the wage rates of the unskilled natives. The Japanese workers, on the other hand, received very roughly twice as much as native laborers of similar skills. These racial differentials are in line with those existing in Formosa and Korea.

^{1/} The term "free" laborers is used to distinguish this group from the contract "coolie" labor.

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Wage Scales in Dairen (Kwantung Leased Territory)

In the preceding table the city of Dairen in the Kwantung Leased Territory was included along with the 4 strictly Manchoukuoan cities. Further details regarding the range of wage rates by occupation in the city of Dairen in March 1938 are given in table 2. This table shows the same favored position of the Japanese workers as compared with the native workers in the matter of wage ranges as did table 1 in the case of average wage rates.

Table 2.--Daily Wages in Dairen (Kwantung Leased Territory), March 1938.

Occupation	Daily wages					
	Japanese			Manchoukuoan		
	Highest	Lowest	Average	Highest	Lowest	Average
	Yen	Yen	Yen	Yen	Yen	Yen
Bricklayers	4.50	3.00	3.50	1.50	0.90	1.30
Plasterers	4.50	2.50	3.50	2.00	1.10	1.60
Painters	4.00	3.00	3.50	2.00	1.00	1.50
Stonecutters	4.00	3.00	3.50	1.50	.90	1.30
Tinsmiths	4.50	2.50	3.20	1.90	1.00	1.50
Cabinetmakers	4.00	2.50	3.20	1.90	1.00	1.50
Carpenters	4.00	2.50	3.20	1.90	1.00	1.50
Glassmakers	4.00	2.50	3.20	1.90	1.00	1.50
Roofers	4.00	2.50	3.20	1.90	1.00	1.50
Blacksmiths	4.20	1.65	2.63	2.55	.44	.92
Molders	4.36	1.50	2.55	1.73	.50	1.02
Type makers	5.78	1.50	2.77	2.65	.70	1.49
Cotton spinners, male	3.84	.55	2.45	1.25	.30	.51
Cotton spinners, female	1.60	-	1.60	.72	.28	.42
Casters	4.02	1.20	2.42	1.97	.40	.99
Cement makers	4.32	1.32	2.38	1.75	.36	.60
Electricians	4.00	1.43	2.35	1.70	.59	.99
Tailors	4.00	2.00	2.50	3.20	1.00	1.70
Shoemakers	3.00	1.00	2.00	2.00	.50	1.25
Laborers	-	-	-	-	-	.60

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Table 1.--Average Daily Wages in 5 Cities of Manchoukuo, 1935 and 1938. (Unit: Manchoukuo yen)

Occupation and date	Dairen		Mukden		Hsinking		Harbin		Tsitsihar	
	Manchou-kuoans	Japa-nese	Manchou-kuoans	Japa-nese	Manchou-kuoans	Japa-nese	Manchou-kuoans	Japa-nese	Manchou-kuoans	Japa-nese
Carpenters:										
1935	1.38	3.20	1.37	3.38	1.58	3.61	1.61	3.25	-	-
1938 (December)	1.50	3.20	2.10	3.50	1.70	4.30	1.60	4.20	2.00	4.00
Plasterers:										
1935	1.66	3.50	1.47	3.42	1.81	3.95	1.63	3.33	-	-
1938 (December)	1.50	3.50	2.10	4.50	1.75	4.00	1.70	4.20	2.00	4.20
Blacksmiths:										
1935	1.18	2.94	1.38	3.43	1.78	3.98	2.07	7.00	-	-
1938 (December)	1.70	2.70	1.80	4.00	2.00	5.00	2.00	4.20	1.80	4.00
Stone masons:										
1935	1.29	3.50	1.52	3.50	1.55	3.95	1.63	-	-	-
1938 (December)	1.20	3.50	1.60	4.00	1.70	4.00	2.00	2.00	1.80	3.80
Shoemakers:										
1935	1.38	2.58	1.50	2.28	1.60	2.50	1/60.00	120.00	-	-
1938 (December)	1.50	2.00	1.50	2.50	1.70	2.50	55.00	120.00	2.00	3.60
Tailors:										
1935	1.84	2.49	1.96	2.04	1/50.00	75.00	1/65.00	120.00	-	-
1938 (December)	1.50	2.50	2.00	2.00	100.00	-	65.00	120.00	2.00	3.80
Printers:										
1935	1.45	2.84	0.88	1.50	1.15	3.31	1/60.00	120.00	-	-
1938 (December)	1.50	3.00	0.90	1.50	1.31	2.93	60.00	120.00	1.60	3.40
Free laborers:										
1935	0.84	1.50	0.60	2.50	0.70	2.50	0.80	1.94	-	-
1938 (December)	0.60	2.00	1.10	3.50	1.00	2.70	0.80	2.80	1.00	2.60

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Wages for tailors in Hsinking and for shoemakers, tailors and printers in Harbin are monthly. Source: Far Eastern Yearbook, 1941.

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It was reported, by a reliable source, in connection with the above tabular statement that in Dairen the police enforced compliance with the factory laws of Japan in connection with local Japanese workers, although those laws had no official application in the Kwantung Leased Territory. This was not done in the case of native workers.

Trend of Money Wages

Information is lacking to show the trend of wage rates in Manchoukuo over a period of years. Between the years 1935 and 1938, as shown in table 1, there were no changes of significance. However, reports for later years indicate that by 1940 money wages had risen substantially in Manchoukuo as in the rest of the Japanese Empire, and measures were thereupon taken by the Government to "freeze" wage rates at existing or predetermined levels.

Trend of Real Wages and Cost of Living

As in the case of money wages there is not available sufficient information to indicate the trend of "real wages" (i. e. the index of money wages divided by the index of cost of living) over a significant period of years. Cost of living indexes, however, are available for the period 1936 to June 1940, for 3 cities, and these indicate a very sharp rise in the cost of living from 1938 onward. In the case of Mukden the increase from 1936 to June 1940 was almost 130 percent. As a result of these price increases various efforts were made by the Government to control prices, but no information is available regarding the results of such efforts. Details by items and cities are shown in table 3.

As already noted the course of money wages over the same period as that shown for the cost of living is not known, but the wage rates fixed in the "freeze" orders of 1940 would indicate that increases in the cost of living far outstripped the increases in money wages. Also, according to Japanese-controlled sources the cost of living went up much faster in Manchoukuo than in Japan, the increase in Manchoukuo being 178 percent from 1936 to November 1939 as against 126 percent in Japan proper over the same period.

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Table 3.—Indexes of Cost of Living in 3 Cities in Manchoukuo.

(1936 = 100)

City and date	Average	Food and drink	Clothing	Housing	Fuel and light	Miscellaneous
<u>Hsinking</u>						
1936 - average	100.00	100.00	100.00	100.00	100.00	100.00
1937 - average	106.76	110.97	106.59	102.45	100.96	105.35
1938 - average	124.54	124.19	142.29	107.66	110.62	127.36
1938 - June	126.48	122.56	159.29	105.03	109.18	128.25
1939 - average	158.84	160.81	205.19	138.37	137.34	145.68
1939 - June	156.31	156.22	203.96	138.98	129.51	144.82
1940 - June	222.19	229.80	337.21	170.72	168.19	186.69
<u>Mukden</u>						
1937 - average	107.30	110.89	107.92	101.13	99.89	106.43
1938 - average	128.98	131.21	148.52	104.40	117.88	126.40
1938 - June	130.08	129.83	157.61	103.21	116.92	127.07
1939 - average	167.12	175.23	200.32	133.13	161.76	149.87
1939 - June	164.65	171.70	199.11	134.76	154.63	147.64
1940 - June	229.71	252.20	304.60	158.47	191.91	189.71
<u>Harbin</u>						
1937 - average	106.49	112.39	105.90	102.23	96.14	106.26
1938 - average	125.59	126.87	140.86	101.88	96.89	139.94
1938 - June	127.92	125.02	161.03	101.93	96.18	140.45
1939 - average	156.70	168.12	193.97	123.48	109.88	157.53
1939 - June	155.71	164.48	196.37	126.99	104.97	156.85
1940 - June	205.71	236.83	266.65	138.53	128.72	199.50

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Hours of Labor

Working hours in Manchoukuo as in Japan and the other Japanese possessions have always been very long by Western standards. The latest investigation of this subject was in 1933. At that time the average working hours per day were from approximately 9 to 10½ in Japanese enterprises and from 9½ to 11½ in Manchoukuoan enterprises. There is no separation by sex, and no information regarding rest days per month. The details, by industries, are shown in table 4.

Table 4.—Average Working Hours per Day in Manchoukuo, 1933.

Industry	Japanese		Manchoukuoan	
	Hrs.	Min.	Hrs.	Min.
Cotton mills	9	36	10	30
Ceramics	8	54	10	6
Chemical	8	54	11	30
Machinery	10	30	10	24
Foodstuffs	10	36	9	30
Other industries	9	54	10	30

Source: Far Eastern Year Book, 1941.

Although the data of the above table are for 1933, it may be assumed that there was no reduction in hours with the beginning of war conditions shortly after 1933, and when war production was later speeded up to its maximum, the 12 hour day was introduced quite generally.

Wartime Wage Control

A wage control order of 1940 fixed standard wage rates for male unskilled labor for a 12-hour day, by provinces, as shown in table 5. These standard rates may be modified according to type of work. Those engaged in excavation work are allowed 120 percent above standard rates; carpenters and bricklayers 185 percent more; sawyers and roofers up to 195 percent more. Entrepreneurs are allowed to enter into wage agreements about the maximum and minimum rates within the range of 8 to 12 percent of the standard schedule, so that they may have some freedom in making labor contracts.

Table 5.—Scheduled Standard Wages for Male Unskilled Labor, 1940.

(Unit: Manchoukuoan yuan)

Province	Wage Class			
	1st	2nd	3rd	4th
Jehol	0.75	0.80	0.85	-
Chinchow	0.80	0.85	0.90	-
Fengtien	0.85	0.90	0.95	1.00
Tunghua	0.95	1.00	1.05	-
Hsinking)	1.00	1.05	1.10	-
Kirin)				
Chientao)	1.10	1.15	1.20	-
Pinkiang)				
Mutankiang	1.20	1.25	1.30	-
Tungan)	1.25	1.30	1.35	1.40
Sankiang)				
Hsingan S.	0.95	1.00	1.05	1.10
Lungkiang	1.05	1.10	1.15	1.20
Peian)	1.15	1.20	1.25	1.30
Hsingan E.)				
Heiho)	1.30	1.35	1.40	1.45
Hsingan N.)				

Source: Far Eastern Year Book, 1941.

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4. LABOR LEGISLATION AND LABOR POLICIES(a) Governmental Administrative Agencies

The administrative machinery of the Manchoukuoan Government provides for certain agencies to deal with labor matters. However, in view of the lack of protective labor legislation or regulations in Manchoukuo, it is not clear just what are the activities of the State labor agencies. Apparently, their chief concern is in the handling of labor from the standpoint of recruitment, migration and colonization.

The following is a brief account of the public labor agencies above mentioned:

Before the reorganization of the State Administration of Manchoukuo in July 1937, which resulted in the establishment of the Department of People's Welfare, the functions of that department were divided between the Department of Civil Affairs and the Department of Education. The new department included a labor branch which in July 1939 was expanded into a Labor Guidance Section and in January 1940 through a further expansion became the Labor Affairs Bureau.

On September 10, 1938, a Labor Committee had been created as a subcommittee of the State Planning Committee. This subcommittee was to plan and "deliberate" concerning labor matters.

The Manchuria Labor Association which began its activities in 1938 is a subsidiary Government organization on labor affairs and has an endowment of 400,000 Manchoukuoan yuan, half of this amount being furnished by the Government. The principal duty of this agency is reported to be adjustment of labor demand and supply within the country. In July 1939, a semiofficial organization known as Tatung Kungsu which since 1935 had been responsible for the recruiting and regulation of foreign labor was merged with the Manchuria Labor Association.

Local labor affairs bureaus have also been established in the Governments of several important Provinces. The prefectures and larger cities also have branch agencies to deal with labor affairs.

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(b) Labor Laws and Regulations

With the exception of certain measures for the administration of labor affairs and the Mining Law of 1935, which includes certain safety and sanitary provisions, pre-war protective legislation in Manchoukuo seems almost negligible.

Various labor measures adopted after 1937 are concerned primarily with labor control and only secondarily with labor protection. (See section on Labor Control Measures.)

5. LABOR ORGANIZATIONS

According to such information as is available there are no labor unions in Manchoukuo.

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6.—INDUSTRIAL RELATIONS

Industrial relations in Manchoukuo are in a primitive, rather feudalistic state, especially as regards native labor. As noted in section 5, there are no labor unions. There is, thus, lacking the usual basis for collective bargaining. The term collective agreements is frequently used, but apparently has reference simply to the arrangements made between labor contractor and the workers, usually coolies, whom he employs, and to similar arrangements in connection with colonization and related schemes.

Strikes

In spite of the lack of formal organization among the workers, industrial disputes, resulting in strikes, do occur, but not very frequently and usually on a very small scale and for brief periods. This is indicated by the strike statistics as presented in Table 1, for certain years from 1932 to 1936. In 1936, for instance, only 13 strikes were reported, with only 1,129 participants, and the average duration was only 3.5 days. In considering these figures, however, it is to be remembered that they are from Japanese-controlled sources.

Table 1.—Labor Disputes, 1930 to 1936.

Year	: Number of : cases	: Total number : of partici- : pants:	: Average number : of days per case
1930.....	35	: 2,785	: 3.3
1932.....	8	: 1,134	: 2.9
1934.....	11	: 863	: 4.7
1936.....	13	: 1,129	: 3.5

Conciliation and Arbitration

No formal machinery exists for the conciliation or arbitration of labor controversies.

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7.—COOPERATIVES

The beginnings of the cooperative movement in Manchuria may be traced back to the Manchuria Railway Cooperative Society which was organized some years before the Government of Manchoukuo was established. On March 31, 1938, the society had 74 branch stores—all supplied from its distributing center at Dairen; its total membership, including 85,254 family members was 134,225; and its paid-up capital aggregated 1,067,565 yen. In 1937 the income of the society was 25,868,151 yen. Interest at the rate of 10 percent is paid on shares and a patronage refund of 3 percent on purchases.

The organization handles foodstuffs, general merchandise, and personal goods. Various commodities are manufactured by the society. Its prices are in general from 12 to 20 percent below the current market prices. Its membership is estimated as about one-fourth of the Japanese population of Manchuria.

Approximately 30 other cooperative societies or similar organizations in Manchuria are operating under the leadership of the SMR association. Furthermore there is a strong liason between the SMR Cooperative and the many recent immigrant settlements.

In 1938 the SMR Cooperative was supplying articles of daily necessity and agricultural implements to immigrants but plans for the future distribution of settlement products have already been adopted.

Credit Cooperative Societies

After some successful experimenting in Manchoukuo, with 2 credit cooperative societies, 11 similar organizations were created, and in September 1934, a Credit Cooperative Societies Act was promulgated by the Central Government at Hsinking. Under this legislation societies were organized in various parts of Manchoukuo. In November 1934, the Federation of Credit Cooperative Societies was established.

"The operating funds of the societies consisted of money invested by members, deposits, and loans from the Government and the Central Bank of Manchoukuo. The maximum amount loaned to any member was, in the case of the rural societies, 500 yuan without collateral, and 1,000 yuan with collateral, in addition to an amount up to 500 yuan on the security of staple farm products."

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At the close of 1937 the number of these organizations had increased to 107 (including 6 urban associations) with a total membership of 258,580.

According to a recent Manchoukuo report, "These associations are, needless to say, self-governing, but since they have not yet reached the stage where they are able to support themselves, the Government, from a social standpoint, is according the associations every assistance and protection by granting subsidies and making loans, as well as exempting them from the application of the Déed Tax Law." At the close of 1937 there were also 35 credit societies for Korean farmers in Manchoukuo with a membership of 79,284.

Agricultural Cooperative Associations

For the furtherance of the economic progress of the farm population and to facilitate the carrying out of the 5-year industrial plan, farm cooperative societies were organized first in 1937 under Government direction. At the close of 1938 they numbered 105 and by December 31, 1939, totaled 164.

In a report on agricultural cooperative associations in the "Empire of Manchoukuo, 1939," it is stated that "the motive behind these societies is based upon the principle of mutual assistance and beneficence, the people are the backbone of the organizations and the Government the supervisor and guide." Undoubtedly, the cooperative movement is under close Government control. To what extent the members of the cooperatives constitute "the backbone" of the societies is not so obvious.

In April, 1940, a development Cooperative Society Law was promulgated for Japanese colonies in Manchoukuo, which provides for the economic organization and management of Japanese settlement villages after the original associations of colonists have been liquidated. After a settlement has been in operation for 5 years, it is dissolved and is reconstituted as a village or town community and cooperative society. The societies provided for in the new law, however, differ entirely from the industrial associations or usual cooperative societies, the guiding spirit of these associations of Japanese settlers being based on a totalitarian conception.

The Bureau of Agricultural Administration includes in its activities the supervision of Agricultural Cooperatives.

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8.—SOCIAL INSURANCE

There is no general system of social insurance in Manchoukuo, but Government officials are provided with medical treatment at home, hospitalization and compensation for injuries.

Post Office Life Insurance which operates under the Postal Life Insurance Act and Regulations of October 1937, provided for both whole and life endowment policies at low cost.

In April 1941, the per capita sum insured ranged from 50 to 800 yuan. Up to May 10, 1941, the new policies taken out numbered 350,000.

The need for some system of social insurance is recognized in Article 8 of the Labor Control Law, effective February 20, 1939, which provides that the Minister of People's Welfare may issue to operators employing or supplying labor under the Act, necessary orders concerning the protection of labor, including provisions for the protection of workers in case of illness, accident or death.

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JAPANESE SAGHALIEN (KARAFUTO)

When the lower part of Saghalien Island was ceded to Japan by Russia in 1905, and given the name Karafuto, it was a land of extreme primitiveness, with a few thousand industrially backward natives (chiefly Ainus) without agricultural development.

By 1938, the population was 339,352, of whom practically all (98 percent) were Japanese. Of the total population of 339,352, 147,220 were reported as having gainful occupations (excluding an unknown number who did not report).

During the period 1905 to 1938 agriculture had developed very considerably, but was still of much less importance relatively than in the other Japanese dependencies and in Japan proper. Fishing, especially herring fishing, and forestry were highly important. Manufacturing had grown fairly rapidly, the leading manufacturing industries being paper pulp manufacturing, canning, brewing, starch manufacturing and butter making--i. e., industries of the lighter type. There appear to be no heavy industries requiring the more skilled types of labor.

Table 1 shows the distribution of the population by principal industrial groups, and table 2 gives a check on the importance of the industrial groups by showing the value of output.

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Table 1.--Industrial Distribution of Population of Karafuto, December 1938.

Industry	Population	Percent of total population
Total	1/339,352	100.0
Agriculture and forestry	38,565	11.3
Fishing	13,613	4.0
Mining	12,622	3.7
Manufacturing industries	20,397	6.0
Commerce	28,062	8.3
Communications	7,750	2.3
Civil Service	9,577	2.9
Other occupations	14,166	4.2
Domestic servants	2,473	0.7
Unregistered and without fixed work	192,132	56.6

1/ As given in the report from which this table is taken; the total of items is 339,357.

Table 2.--Value of Production in Karafuto, 1938.

(Unit: 1,000 yen)

Industry	1938
Total	197,326
Agriculture	6,085
Stockbreeding	1,892
Forestry	33,423
Fishing	13,194
Mining	-
Manufacturing industries	142,732

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Wages, Hours, and Working Conditions

There is no available information regarding wages but inasmuch as the labor force is almost entirely Japanese, emigrating from Japan proper, it may be assumed that the wage levels are not very different from those in Japan. This is probably also true of hours of labor and working conditions generally.

Other Labor Conditions

There is no information available regarding other labor conditions, or labor relations, nor is it clear to what extent Japanese labor legislation and social insurance extend to Karafuto.

Cooperatives

It is known that there is both a credit and a distributive movement in Karafuto and that each of these branches has its own central federation.

The Central Union of Cooperatives was formed in 1931. At the end of 1933, it had 181 affiliated associations with 6,820 members. Their combined business in that year amounted to 462,000 yen, of which 247,000 yen was in distributive sales and 215,000 yen represented the marketing of members' produce. The Federation of Credit Cooperatives was established in 1925. Sixty associations belonged to it at the end of June 1935.

The addresses of the central organizations follow:

Central Union of Cooperatives of Saghalien (Karafuto Sangyō Kumiai Kyōkai). Address: Karafuto-chō, Chihō-ka. Vice president, T. Imamura; secretary, T. Ueno.

Federation of Credit Cooperatives (Karafuto Shinhyō Kumiai Rengōkai). Address: Karafuto-chō, Chihō-ka.

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JAPANESE MANDATED ISLANDS

Japan's Mandated Islands, with a total area only one-fourth that of the State of Delaware spread over several hundred islands, with a total population of about 100,000 and with an extremely primitive economy at the time of their being mandated to Japan, present a rather simple picture from the standpoint of labor conditions and labor relations.

The most significant economic accomplishment by the Japanese has been the development of the sugar industry. In addition the copra trade has become increasingly important, the production of the phosphate mines has been expanded, a fair-sized fishing industry has been carried on and alcohol manufacture has been developed.

The total trade between these islands and Japan in 1917 was 2,030,000 yen and in 1936, 44,340,000 yen.

The labor problems of these islands, however, are basically concerned with only two of the major export industries--the sugar industry in the Saipan district and phosphate mining on Anguar Island. And the major problem as regards labor is the result of the lack of adaptation of the natives to regular industrial work and the non-natives' general unfitness for tropical labor.

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1. EMPLOYMENT CONDITIONS

In the sugar industry large numbers of laborers of Japanese nationality have been imported from the Loochoo Islands between Formosa and the mainland of Japan. The standard of living of these laborers is reported to be lower than that of the workers in Japan proper.

In the phosphate mines native workers recruited from neighboring islands predominate.

In 1937 the sugar industry employed about 21,000¹ (mostly Japanese immigrants) distributed approximately as follows:

Engaged in connection with operation of sugar refining plants, transportation of raw materials and clerical work	4,520
Working on plantations under direct management of the Company	6,500
Adults belonging to 2,555 households, growing sugarcane under tenancy contracts on Company land.	9,700
Adults from 95 households of independent Japanese farmers and adults from 41 households of independent native farmers, raising sugarcane on their own land to sell to the Sugar Corporation	340

The sugar refineries do not regularly employ women. At the peak season, however, they are hired to sweep and clean.

The development of the economic resources of the Mandated territory, particularly sugar, supplied increasing opportunities for the employment of Japanese immigrant labor. In 1930 the Japanese community numbered 19,935; by 1937 it had increased to 62,305,

Several years it was reported that in the Saipan district--an area of only 185 square kilometers--4,145 natives were competing for a living against over 10 times that number of Japanese immigrants. The odds were heavily weighted against the natives. The Sugar Company did not employ them in its refineries nor engage them as laborers or tenants on its plantations. And, along the same line, the Mandate Commission expressed the fear that in the not far distant future the natives would be replaced by an entirely Japanese population.

¹/ Labor problems in the Pacific Mandates. By John Alvin Decker. London and New York, 1940.

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From 1922 to 1936 the phosphate mines were carried on as a Government undertaking but in the latter year were transferred to the South Sea Industrial Company, a semipublic corporation. In 1937, the personnel of this mining company included 40 Japanese office workers and technical experts, 2 Chinese overseers, and about 400 natives, most of whom were Kanaka laborers. The Company continued to be largely a Government enterprise and its daily operations were supervised by the Japanese Minister of Overseas Affairs.

Employment of Women and Children

Ordinance provisions for the Anguar mines stipulate that no one under 15 years of age may work in these undertakings. Women and children 15 to 16 years of age may be employed in the mines during the regular work period but may not be employed overtime or on night shifts except in disasters. Both groups of workers are prohibited from performing specified types of hazardous work.

In case of child birth women may be absent from their work from 3 to 5 weeks. This measure is of no practical importance for native women as they do not work in the mines.

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2. EMPLOYMENT EXCHANGES

So far as information is available there is no system of employment exchanges in the Mandated Islands.

However, the recruiting of labor for work in the Islands is carried on extensively, and a limited amount of protection from abuses is provided such immigrants by law. There is no satisfactory information as to the extent to which such legislation is enforced.

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3. WAGES, HOURS, AND WORKING CONDITIONS(a) The Sugar Industry

The wages of contract laborers in the sugar industry are paid twice a month on a daily basis for the actual days worked. The official wage scale in the indenture contract, unchanged from 1922 to the late 1930's provides for from 1 to 1.20 yen a day for male laborers and from 0.60 to 0.80 yen for women laborers. Actual wages as shown in published annual reports have changed somewhat from year to year--some workers being paid more than the fixed maximum and others less.

In 1937 the maximum was 3.30 yen a day, the great majority of men being paid over 1 yen a day and women and a few men less than a yen a day. The cost of a laborer's food was estimated at that time at 7 to 15 yen a month. It is suggested that a frugal worker in the higher paid groups might be able to save 15 yen a month. In such a case it would take him at least 2 months to repay the cost of his passage to the islands, and his yearly savings would be very meager.

Food is not supplied by the sugar company. The labor contracts, however, stipulate that rent-free houses are to be provided for employees, but the type of house is not specified nor is there any guarantee there will be special housing facilities for families or for women.

The indenture agreement of 1922 for the sugar industry provided for a 10-hour day with no weekly rest periods or other holidays. As a result some of the workers failed to return to the Islands after their first indenture period. Although the original ordinance was not changed, the laborers, according to a recent report, are allowed, during the normal working season, the official Japanese holidays and the first and third Sundays of the month.

The time for meals and for daily rest periods was slightly extended so that the working day was reduced to 8½ hours; 9½ hours, however, being regarded as normal in the busiest season.

A 10 percent addition to wages was paid for overtime.

(b) The Phosphate Mining Industry

In the Anguar phosphate mines the Kanakas usually do unskilled work and are paid about 0.75 yen without free food. The Chamorros are more skilled and sometimes are engaged as minor overseers. Average daily wages in 1937 in these mines were: Japanese, 2.30 yen; Chinese, 2.35 yen; Chamorros, 1.10 yen and Kanakas 0.71 yen.

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The provision of free food for the Kanakas was abolished in 1937. Free housing is a part of the wages of native labor, the Chamorros living in cottages and the Kanakas in residence compounds.

Specific additions to wages are paid for overtime, dangerous work, night shifts and for work in rainy weather.

In case of unavoidable stoppages of work caused by storms, transport breaks, engine difficulties or epidemics, resulting in the shutting down of the mines, the workers continue to receive wages although in some instances the rates are reduced.

The working day in the mines is fixed by ordinance at 8½ hours, broken by rest periods. It is reported that in practice the laborer work only 8 hours with Sundays off, 4 national Japanese holidays and a 4-day holiday at New Year's. A worker is also permitted one day off to pay homage to his dead father or mother, and 2 or 3 days in the case of other close relatives. Wages are paid for all these free days with the exception of Sundays.

A health service has been established at the mines although not provided for by ordinance. The mining company has a medical officer who is responsible for looking after the health of the mine workers.

Enforcement of Labor Contracts

The labor contract is considered, in law, as a wholly voluntary civil agreement; but if a laborer refuses to comply with his bargain he can be compelled to carry out his agreement as an alternative to fine or imprisonment. Furthermore, a Kanaka laborer cannot very well desert his job as it is next to impossible to return over wide stretches of water to his native island.

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4. LABOR LEGISLATION AND LABOR POLICIES(a) Administration

Under the general supervision of the Minister of Overseas Affairs in the Imperial Cabinet of Japan the Director of the South Seas Bureau is largely responsible for labor regulations and protection both in the sugar and phosphate industries, although upon highly important matters the Cabinet itself issues Imperial ordinances.

(b) Labor Legislation and Regulations

As indicated in other sections of this report, protective labor regulations in the Mandated Islands have been extremely limited, and, according to such reports as are available, very little protection is afforded the native workers.

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5. LABOR RELATIONS

So far as information is available there is no collective bargaining between employers and workers, nor is there record of any strikes.

6. LABOR ORGANIZATIONS

No mention of labor unions among the immigrant laborers is made in the annual reports of the Permanent Mandates Commission and a recent book by Prof. Clyde on the Japanese Mandate contains no reference to such organizations. Another recent writer, however, states that the Loochoo Islands have "effective trade unions."

7. COOPERATIVES

There is no information regarding the existence of cooperative associations of any kind.

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8. SOCIAL INSURANCE

The nearest approach to social insurance in Japan's Mandated Islands are provisions in certain ordinances for workmen's compensation in case of illness, or accident, or death.

One of these ordinances provides that when an immigrant laborer, without gross negligence on his part, falls ill, or is injured, or killed, his employer shall supply the necessary medical treatment or pay for it, and shall support such worker and his family.

Another ordinance provides sickness and accident allowances for Government laborers in the phosphate mines.

John Alvin Decker states in Labor Problems of the Pacific that "it seems obvious that the mining station makes little real attempt in its system of 'compassionate allowances' to provide free medical care for its native force."

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