RG 331 (Allied Operational & Occupation
Headquarters, World War II)

SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Central Files Branch

National Diet Reports File
1947-52

Transportation Ministry to House of
Representatives Bill

Box No. 2206

GHQ/SCAP Records(RG 331)
Description of contents

(1) Box no. 2206

(2) Folder title/number: (1)
Transportation Ministry - 7th Diet

(3) Date: Jan. 1950 - Apr. 1950

(4) Subject:

Classification	Type of record
632	d, m

(5) Item description and comment:
Includes Contents List

(6) Reproduction: (Yes) No

(7) Film no. Sheet no.

Title	Comment
1. Amendments to Law for Compensation to Shipoweners for Payment of Retirement Allowances to Seamen of the Civilian Merchant Marine Committee	CTS (Ogden) No obj LS (Goodman) No obj ESS (Mossler) No obj PHW (Sullivan) No obj
2. Amendment to Japanese National Railways Law	ESS (Gregory) No obj CTS (Ogden) No obj
3. Amendments to Warehousing Business Law	ESS (Salwin) No obj LS (Goodman) No obj CTS (Ogden) No obj
4. Shipbuilding Bill	LS (Steiner) No obj CTS (OGden) No obj ESS (Wingo) No obj GS/CS (MacCoy) No obj
5. Amendment to Law Governing Japanese Government Railway Fares and Charges	LS (Goodman) No obj ESS (Shabsin) No obj CTS (Ogden) No obj
6. Amendments to Ministry of Transportation Establishment Law	ESS (Welsh) Obj LS (Goodman) obj CTS (ogden) No obj G2 (pulliam) No obj
7. Bill for Hydrographic Activities	ENGR (Bennett) Obj LS (Goodmnan) No obj CTS (Ogden) No obj G2 (Pulliam) No obj
8. Amendment to Mariner's Employment Secuñity Law	LS (Goodman) No obj CTS (Delaney) No obj ESS (McVoy) No obj G2 (Pulliam) No obj
9. Amendments to Marine Transportation Law	LS (Bruncknorst) No obj CTS (Delaney) No obj ESS (Salwin) No obj
10. Amendments to Ministry of Transportation Establishment Law and Japanese National Railway Law	CTS (Ogden) No obj LS (Goodman) No obj
11. Amendment to Road Transportation Law	ESS (Eisenstein) Obj GS/CS (MacCoy) Obj Ls (Appleton) No obj GS/PA (Hauge) Obj
12. Amendments to Maritime Safety Agency Law	LS (Appleton) No obj ESS (Gregory) No obj CTS (Delaney) No obj G2(Pulliam) No obj GS/CS (MacCoy) Obj
13. Port and Harbor Bill	GS/PA (Matuskata) Obj CTS (ogden) No obj ESS (Lassiter) Obj ENGR (Gerardi) Obj LS (Smith) OBj

Bill

to be submitted for GS approval
Legislative Affairs Section, FOM
(TEL.57-6010)

January 24, 1950

1. **FOM Number:** 29

2. **Name of Bill:** Bill for Partial Amendments to the Law for compensation to Shipowners for payment of Retirement Allowance to Seamen of the Civilian Merchant Marine Committee

3. **Competent Ministry:** Ministry of Transportation

4. **Date of Cabinet Approval:** January 19, 1950

5. **SCAP Section concerned:**
Mr. J. R. Mossler
Finance Div., E.S.S., G.H.Q., SCAP

6. **Remarks: (Reference:)**
(A) Law Concerning compensation to shipowners for payment of retirement allowance to CMMC seamen (Law No. 97 of 1949) (Extra No. 47, Tuesday, May 24, 1949)
(B) Mariners Law (Law No. 100 of 1947) (Extra No. 1 Monday, September 1, 1947)
(C) Cabinet order for the Administration over Ship's Operation (Cabinet Order No. 26 of 1949) (Extra No. 9 Wednesday, January 26, 1949).....
.....

7. G.S Reviewers:

GS: ESS
AS/AMJ
CTS
PHW

Received by GS

Date 1/24/50

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CN/JH/JH/CPS/vs

Subject: Draft Legislation

Note No.	From: Govt Sec To: CTS Date: 25 January 1950 Capt. Guida 26-6075
1.	1. Immediate introduction of the attached draft bill in the Diet is proposed by the Transportation Ministry. 2. Your prompt comment is requested. 1 Incl Partial Amendments to Law for Compensation to Shipowners for Payment of Retirement Allowance to CMMC Seamen C. W.
2	From: CTS To: Govt Sect Mr. Ogden 26-6086 Date: 8 FEB 1950 CTS concurs 1 Incl w/d - - - - - - - - - - - - - - - - - - - H. T. M. - - - - - - - - -

(1)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CS/JS/JW/CFC/vs

Subject: Draft Legislation

Capt. Guida
26-6075

Note No.	From: Govt Sec To: LS/LiJ Date: 25 January 1950
1.	1. Immediate introduction of the attached draft bill in the Diet is proposed by the Ministry of Transportation. 2. Your prompt comment is requested. 1 Incl Partial Amendments to Law for Compensation to Shipowners for Payment of Retirement Allowance to CMMC Seamen C. W.

P & P DIV

Subject: Partial Amendments to Law for Compensation to Ship-Owners for Payment of Retirement Allowance to CMMC Seamen.

From: LS To: GS

F.C.Goodman-2635-269
Date: 6 February 1950

2. 1. This Section has no legal objection to subject bill.

2. The bill amends the Law for Compensation to Ship-Owners for payment of Retirement Allowance to Seamen of the Civilian Merchant Marine (Law No. 97 of 1949) by extending the date of retirement from March 31, 1950 to March 31, 1951. The bill also changes the formula for payment of retirement allowance to said seaman. The amendments are technical in nature and of primary concern to ESS/Finance, CTS and SCAJAP.

1 Incl. w/d

- A.C.C.- - - - - - - - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JH/JW/CFG/vs

Subject: Draft Legislation

Capt. Guida
26-6076

Note No.	From: Govt Sec. To: ESS Date: 25 January 1950
1.	1. Immediate introduction of the attached draft bill in the Diet is proposed by the Transportation Ministry. 2. Your prompt comment is requested. 1 Incl Partial Amendments to Law for Compensation to Shipowners for Payment of Retirement Allowance to CMMC Seamen C. W. 010(25 Jan 50)ESS/PF WFM/EMR/AMM/JRM/eb Mr. Mossler, 26-6148 From: ESS To: Govt Sec 7 FEB 1950
2	There is no objection to the immediate introduction to the Diet of the attached draft bill for Partial Amendments to Law for Compensation to Shipowners for Payment of Retirement Allowance to CMMC Seamen as proposed by the Ministry of Transportation. 1 Incl: n/c - W.F.M. - - - - - - - - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JH/JW/CPC/vs

Subject: Draft Legislation

Note No.	
1.	Capt. Guida 26-6076 From: Govt Sec To: PHAW Date: 25 January 1950 1. Immediate introduction of the attached draft bill in the Diet is proposed by the Transportation Ministry. 2. Your prompt comment is requested. 1 Incl Partial Amendments to Law for Compensation to Shipowners for Payment of Retirement Allowance to CMMC Seamen C. W.

P & P DIV

CHECK SHEET

CW/JN/JW/CFG/vs

Subject: Draft Legislation

From: Govt Sec To: PH&W

Capt. Guida 26-6076
Date: 25 Jan 50

1 1. Immediate introduction of the attached draft bill in the Diet is proposed by the Transportation Ministry.

2. Your prompt comment is requested.

1 Incl
Partial Amendments to Law for Compensation to Shipowners for Payment of Retirement Allowance to CMMC Seamen

C. W.

From: PH&W To: Govt Sec

Mr. Sullivan 26-7057
Date: 30 January 1950

2 PH&W enters no objection to the introduction in the Diet of the draft bill, "Partial Amendments to Law for Compensation to Shipowners for Payment of Retirement Allowance to CMMC Seamen", in the form enclosed with Note #1.

1 Incl
w/d

Read GS
1/31/52

C. F. S.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Public Health and Welfare Section
APO 500

LRA/GFP/fh
24 January 1950

MEMORANDUM TO: Administrative Division.

FROM : Social Security Division.

SUBJECT:

1/31/52

Bill

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to be submitted for GS approval
Legislative Affairs Section, PGM
(TEL. 67-6010)

February 10, 1950

1. PGM Number: 85

2. Name of Bill: **Bill for Partial Amendment to the Japanese National Railways Law**

3. Competent Ministry: **Ministry of Transportation**

4. Date of Cabinet Approval: **February 7, 1950**

5. SCAP Section concerned:
Mr. W. L. Ogaden, C.T.S.
Mr. J. R. Harrison, Finance Div., E.S.S.

6. Remarks: (Reference:)
Japanese National Railways Law.....
(Law No. 256 of 1948), Official Gazette dated....
Dec. 20, 1948.....
.....
.....

7. G.S. Reviewers:

GS: ESS
CTS

Received by GS

Date 2/10/50

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JH/SR/CHN/vs

Subject: Draft Legislation

Note No.

From: Govt Sec To: KSS Capt. Norris 26-6076 Date: 10 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Ministry of Transportation.

2. Your prompt comment is requested.

1 Incl
Partial Amendments to the Japanese National Railways Law

C. W.

P & P DIV

(2)

010(10 Feb 50)ESS/FF

From: ESS To: Govt Sec

WFM/ESR/AMH/HG/eb
Mr. Gregory, 25-6142
21 FEB 1950

There is no objection to the immediate introduction in the Diet of the attached draft bill, Partial Amendments to the Japanese National Railways Law, as proposed by the Ministry of Transportation.

1 Incl:
n/c

Rec'd GS 2/21

- - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JM/JW/CHM/vs

Subject: Draft Legislation

Note No. 1

From: Govt Sec To: CTS Capt. Norris 26-6076
Date: 10 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Transportation Ministry.

2. Your prompt comment is requested.

1 Incl
Partial Amendments to the
Japanese National Railways
Law

C. W.

2 From: CTS To: Govt Sec Mr. Ogden, 26-6086
Date: 14. FEB. 1950

CTS concurs.

1 Incl w/d

H. T. M.

Bill

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to be submitted for GS approval
Legislative Affairs Section, FOM
(TEL.57-6010)

February 14, 1950

1. FOM Number: 101

2. Name of Bill: Bill for Partial Amemdments to the Warehousing Business Law

3. Competent Ministry: Ministry of Transportation

4. Date of Cabinet Approval: February 10, 1950

5. SCAP Section concerned:
Mr. P. E. Richers, Water Transportation Div., CTS, GHQ

6. Remarks: (Reference:)
1. Warehousing Business Law (Law No. 41 of 1935)
.....
is attached herewith.
.....
.....
.....
.....

7. G.S Reviewers:

cs &: CTS
ESS
LS/LVT
~~CS/CS~~

Received by GS

Date 2/14/60

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CHN/vs

Subject: Draft Legislation

Note No.	From: Govt Sec To: ESS	Capt. Morris 26-6076 Date: 15 February 1950
1.	1. Immediate introduction of the attached draft bill in the Diet is proposed by Transportation Ministry. 2. Your prompt comment is requested. 1 Incl Partial Amendments to the Warehousing Business Law	

C. W. _____

P & P MV

(3)

Trans
Warehousing Bus law
2/15

WFM/ECW/LMS/ld
L. M. Salwin 26-6671

From: NSS To: GS Date: 6 March 1950

2. NSS offers no objection to passage of the attached draft bill by the Diet.

1 Incl
n/c

- W. F. M. - - - - - - - - - - - - - -

Rec'd GS 3/6/50

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JR/JR/CHR/vs

Subject: Draft Legislation

Capt. Norris

26-6076

Note No.	From: Govt Sec To: LS/LAJ Date: 15 February 1950
1.	1. Immediate introduction of the attached draft bill in the Diet is proposed by the Transportation Ministry. 2. Your prompt comment is requested. 1 Incl Partial Amendments to the Warehousing Business Law

C. W.

P & P DIV

2/41

Subject: Partial Amendments to the Warehousing Business Law

(Trans 2nd)

From: LS To: GS F.O.Goodman-2635-269
Date: 2 March 1950

2. 1. This Section has no legal objections to subject bill.

2. The basic law, the Warehousing Business Law, (Law No. 41 of 1935, as amended by Law No. 223 of 1947) provides in Article 4 thereof that "The Competent Minister may, if he deems it necessary, attach restrictions or conditions to the license as provided in Article 1 when he grants it." While Legal Section did not review the basic law, nor the previous amendment thereto, it is considered that the above quoted article may open the door to favoritism. It is, therefore, suggested that this article be deleted or the restrictions or conditions be spelled out in the law itself.

Recd GS 3/3/50

1 Incl. w/d

- A.G.C.- - - - - - - - - -

Referred thru CLCO 3/7

Accepted. See revised text 3/10

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CHM/vs

Subject: Draft Legislation

Note No.	
1.	From: Govt Sec To: CTS — Capt. Norris 26-6076 — Date: 15 February 1950 1. Immediate introduction of the attached draft bill in the Diet is proposed by the Transportation Ministry. 2. Your prompt comment is requested. 1 Incl Partial Amendments to the Warehousing Business Law C. W.
2.	Mr. Ogden 26-6086 Date: 17 FEB 1950 From: CTS To: Govt Sec CTS concurs. 1 Incl w/d H. T. M.

Need by 2/18/50

Bill

to be submitted for GS approval
Legislative Affairs Section, FOM
(TEL.57-6010)

February 14, 1950

1. FOM Number: 102

2. Name of Bill: Shipbuilding Bill

3. Competent Ministry: Ministry of Transportation

4. Date of Cabinet Approval: February 3, 1950

5. SCAP Section concerned:
   Mr. E. C. Wingo, Economic and Scientific Section,
   Industry Division.

6. Remarks: (Reference:)
   None

7. G.S Reviewers:

Cst: CTS
ESS
LS/LWS
GS/CS

Received by GS

Date 2/14/50

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JK/JW/ [illegible] FG/vs

Subject: Draft Legislation

Note No.

From: Govt Sec To: LS/LAJ

Capt. Guida
26-6076
Date: 14 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Transportation Ministry.

2. Your prompt comment is requested.

1 Incl
Shipbuilding Bill

C. W.

P & P DIV

U

4

Subject: Shipbuilding Bill

~~3-7-50~~
2/16

1.

K. Steiner
2635-479

2. From: LS/LAJ To: Govt Sec Date: 8 March 1950

1. Legal Section objects to the bill for the following reasons:

a. The bill lacks standards and procedural provisions. The Minister of Transportation is authorized to issue or deny permits for the establishment of shipbuilding facilities and shipbuilding equipment. This decision may be based on his determination of the total requirement for Japan or for the locality in question for the facilities applied for. It is believed that this standard is so vague and so devoid of the possibility of counter proof that it opens all doors to arbitrary action by the Ministry. No provision is made for any notice, public hearing, or review of the decision.

b. The bill leaves matters of substantive law to ministerial ordinance. Thus, Article 3 states that the permission of the Minister of Transportation shall be necessary for the establishment, enlargement or removal of certain shipbuilding equipment, as designated by ministerial ordinance. Article 14 contains a penal provision for violation of this provision.

Article 6 allows for subsidies to be given by the government for research and shipbuilding techniques and trial constructions. No standard is set in the law and the method of granting the subsidies

2. (Cont'd) is left completely to ministerial ordinance.

Legal Section believes that these provisions are contrary to the contents of Staff Memo No. 81 of 1 October 1947, subject, "Curtailment of Scope of Japanese Cabinet Orders."

c. Article 11 authorizes the Minister of Transportation to demand reports on the status of the business of any person engaged in ship construction or repair, including construction, repair or sale of hulls, marine engines, ships equipments and parts or accessories thereof. Article 15 contains a penal provision for failure to submit a correct report. Unless a provision is added that the report shall be inadmissible in a criminal procedure against the person submitting it, Article 11, in conjunction with Article 15 would be unconstitutional as violating the safeguards against self incrimination.

2. As to the policy behind the bill, Legal Section feels that the rigid governmental controls provided therein go far beyond the need for information on shipbuilding. The permission of the Minister of Transportation will have to be obtained for almost all activities in the field of shipbuilding such as establishment of facilities, building or repair of larger vessels and for establishment, enlargement or removal of certain equipment by the person who either owns or rented shipbuilding facilities. The Minister of Transportation has to be notified by any person who commences, suspends or discontinues the business of constructing or repairing steel vessels or larger non-steel vessels or of managing marine propelling machinery or marine boilers. The Minister may demand reports of business and may conduct investigations and inspections. He performs the propulsion tests in experminental tanks or on the spot, as well as the engine performance tests. If desired, this may easily be turned into a state monopoly for ship testing. The Minister may make recommendations in regard to business operations and make the "necessary recommendations" regarding any techniques, modernization of equipment, etc.

The provisions enumerated above show an autocratic tendency apparent throughout the bill. This bill is only one among a number which either have been enacted recently or which are to be submitted to the present Diet and aim at regulating almost any field of enterprise drastically. This tendency will result in total regimentation of the Japanese economy and in a dangerous revival of bureaucratic police power.

1 Incl:
w/d

- A. C. C. - - - - - - - - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JM/JW/CPG/vs

Subject: Draft Legislation

Note No.

From: Govt Sec To: CTS Capt. Guida 26-6076 Date: 14 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Transportation Ministry.

2. Your prompt comment is requested.

1 Incl
Shipbuilding Bill

C. W.

From: CTS To: Govt Sec Mr. Ogden, 26-6086 Date: 25 FEB 1950

1. The Chief, Civil Transportation Section objects to the promulgation of the proposed Shipbuilding Law in its present form.

2. As written, Articles 2 and 3 require the permission of the Minister of Transportation to establish shipbuilding or repairing facilities or to make changes in shipyards. These articles should be amended so as to require notification only to the Ministry of Transportation. This change is deemed essential to protect the principle of free enterprise. It is, however, desirable that the Minister of Transportation be informed at all times of shipbuilding and ship repairing capacity.

3. Article 6 as written permits the Government to grant a bounty (subsidy) for construction of hull, marine engines, ship's equipment or accessories. Any new vessel with a slight change in design or any modification or refinement of a marine engine could be considered "trial construction". This article opens the door to national subsidy of ship construction. The Chief, CTS is firmly opposed to the granting of construction subsidy in Japan where shipbuilding costs, largely due to abundance of comparatively low-priced labor, have always been and presumably

Recd GS 2/25

will continue to be lower than in the United States or other maritime nations. The theory behind ship construction subsidies is to equalize or partially offset construction costs in countries where such costs exceed costs of construction in other countries.

1 Incl
w/d

- H. T. M. - - - - - - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CFG/vs

Subject: Draft Legislation

Capt. Guida
26-6076

Note No. | From: Govt Sec To: [illegible] Date: 14 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Transportation Ministry.

2. Your prompt comment is requested.

1 Incl
Shipbuilding Bill

C. W.

P & P DIV

Transportation

E. C. Wingo, 26-8571
MMC/HBO/WT/mlb

From: ESS To: Govt Sec 25 FEB 1950

2

There is no objection to the proposed draft ship-building bill.

1 Incl
n/c

Recd 9S
2/25/50

- - - - - - - - - - - - - - - - - - W. F. M. - - - - - - -

CIVIL SERVICE DIVISION
Government Section

15 February 1950

MEMORANDUM TO: Parliamentary and Political Division,
Government Section

SUBJECT : Shipbuilding Bill

The Civil Service Division has no objection to subject bill.

W. PIERCE MacCOY
Acting Chief,
Civil Service Division

Att.
WPM:GWP:rj

Mid 95
2/16/50

SHIPBUILDING BILL POM 102

1. Articles 2 and 3 require the permission of the Minister of Trans portation to establish shipbuilding or repairing facilities. These articles should be changed so as to require notification only to the Minister. Change Art 14.

2. Article 6 provides for government subsidies. No subsidies should be granted in Japan where shipbuilding costs, largely due to the abundance of low-priced labor, have always been and presumably will continue to be lower than any other maritime nation.

3. Article 11 authorizes the Minister to demand reports of the status of the business of any person engaged in ship construction, etc. Art 15 contains a penal provision for failure to file such reports. Unless a provision is added that the report shall be inadmissable in a criminal procedure against the person submitting it, Art 11 inconjunction with Art 15 would be unconstitutional.

4. The rigid governmental controls provided in this bill go far beyond the need for information on shipbuilding. The whole bill is so ~~xxxxx~~ worded as to leave the door open for government control and monopoly over private enterprise.

5. The proposed bill lacks standards and procedural provisions. Too much is left to the use of Cabinet orders. No provision is made for any notice, public hearing, or review of decisions.

- -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CFG/vs

Subject: Draft Legislation

Capt. Guida
26-6076

Note No. From: Govt Sec To: LS/LAJ Date: 17 March 1950 revised

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Ministry of Transportation.

2. Your prompt comment is requested.

1 Incl
Shipbuilding Bill

Cy to CTS

C. W.

P & P DIV

Revised

Shipbuilding Bill

From: LS To: GS

K. STEINER-2635-479
Date: 20 March 1950

2. No legal objections.

Incl: w/d

- A.C.C - - - - - - - - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JW/JW/CHN/vs

Subject: Draft Legislation

Capt. Norris
26-6076

Note No. | From: Govt Sec | To: CTS | Date: 17 March 1950 revised

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Ministry of Transportation.

2. Your prompt comment is requested.

1 Incl
Shipbuilding Bill

Cy to LS/L&J C. W.

2 | From: CTS | To: Govt Sec | Mr. Ogden, 26-6086 Date:

The Chief, Civil Transportation Section concurs.

1 Incl
w/d

- H. T. M. - - - - - - - - - - -

Need GS
3/18/50

Bill

to be submitted for GS approval
Legislative Affairs Section, FO.
(TEL. 67-6010)

March 8, 1950

1. FO# Number: 171

2. Name of Bill: Bill for Partial Amendment to the Law Governing Japanese Government Railways Fares and Charges

3. Competent Ministry: Ministry of Transportation

4. Date of Cabinet Approval: March 8, 1950

5. SCAP Section concerned:
Mr. Ogaden, Mr. Bergen,
Program Division, C.T.S.

6. Remarks: (reference:)
Law governing Japanese Railways Fares and Charges (Law No. 112 of 1948) is attached herewith.

7. G.S. Reviewers:

LS:
CTS
ESS
LS/LJ

Received by GS

Date 3/8/50

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JK/JM/CMM/ehm

Subject: Draft Legislation

Note No. From: Govt Sec To: LS/LAJ Capt Morris 26-6076 Date: 8 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by Ministry of Transportation

2. Your prompt comment is requested.

1 Incl

Amendments to Law Governing Japanese Government Railways Fares and Charges

cys to CTS, GS C. W.

D

AID P & D

Transportation
3/8

Subject: Amendments to Law Governing Japanese Government Railways Fares and Charges

From: LS To: GS F.C.Goodman-2635-269
Date: 16 March 1950

2. 1. This Section has no legal objections to subject bill.

2. The proposal to change passenger and ferry fares and express rates is a policy question upon which this Section makes no comment.

3. It is noted that in the English translation the fractional figures mentioned are erroneous and should be corrected to conform with the Japanese text.

1 Incl. w/d

- A.C.C.- - - - - - - - - - -

Recd GS
3/21/50

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JM/JW/CMH/ehm

Subject: Draft Legislation

Capt Morris

Note No. 25-6076 From: Govt Sec To: ESS Date: 8 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by Ministry of Transportation

2. Your prompt comment is requested.

1 Incl
Amendments to Law Governing Japanese Government Railways Fares and Charges

cys to CTS, IS

C. W.

P & P DIV

Transportation

Roadways Fares + Charges

3/8

Draft Legislation

2

From: ESS To: Govt Sec

WFM/FLM/VLB/HNS/hlb
Mr. Shabain 26-6323
18 MAR 1950

ESS offers no objection to the attached draft bill.

1 Incl
N/C

- -H.F.H.- - - - - - - - - - - - - - - - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CHN/ohm

Subject: Draft Legislation

Note No. | From: Govt Sec | To: CTS | Capt. Norris 26-6076 | Date: 8 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by **Ministry of Transportation**

2. Your prompt comment is requested.

1 Incl

Amendments to Law Governing Japanese Government Railways Fares and Charges

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cys to ESS, LS C. W.

2

From: CTS **To: Govt Sec** **Mr. Ogden, 26-6086**
Date: 18 MAR 1950

1. The Chief, Civil Transportation Section concurs in the proposed amendments to the Law Governing Japanese Government Railways Fares and Charges.

1 Incl w/d

-H. T. M.-

Recd 6 5
3/18/50

Bill

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to be submitted for GS approval
Legislative Affairs Section, FOM
(TEL. 87-6010)

February 2 ,1950

1. FOM Number: 48

2. Name of Bill: Bill for Partial Amendments to the Ministry of Transportation Establishment Law

3. Competent Ministry: Ministry of Transportation

4. Date of Cabinet Approval: February 1, 1950

5. SCAP Section concerned:
C.T.S. Program Div. Mr. Wm L. Ogden

6. Remarks: (reference:)
1. Ministry of Transportation Establishment Law ...(Law No. 157 of 1949), Official Gazette No. Extra 60, May 31, 1949.
2. Mariners' Employment Security Law ...(Law No. 130 of 1948), Official Gazette No. Extra July 10, 1948.

7. G.S. Reviewers:

GS:
CTS
ESS
LS/LJ
G-2/PSD

Received by GS

Date 2/2/50

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CPG/vs

Subject: Draft Legislation

Note No.	From: Govt Sec To: ESS Date: 2 February 1950
I.	1. Immediate introduction of the attached draft bill in the Diet is proposed by the Ministry of Transportation. 2. Your prompt comment is requested. 1 Incl Partial Amendments to Ministry of Transportation Establishment Law, etc.

Capt. Guida
26-6076

C. W. _____

P & P DIV

2/2

Amdmts to Min. of Trans. Et Law

(Trans. Mcn)

From: ESS To: GS

WFM/ECW/gg
E.C. Welsh, 26-6561
23 February 1950

2. 1. Reference is made to C/N 1 from GS to ESS, dated 2 February 1950, on subject of Draft Legislation, i.e., Partial Amendments to Ministry of Transportation Establishment Law, etc. Reference is also made to SCAPINs 1108 of 6 August 1946, 1394 of 11 December 1946, and 1860 of 16 February 1948. Such SCAPINs, as well as Cabinet Order No. 56 of 1948 and ESB Instruction No. 3 of 16 June 1947, deal with policy against control associations and substitutes therefor, such as industry councils.

2. Reference Bill, concerning which request for comments is made by GS, is divided into two parts: a) Article 1 treats with amendments to the Ministry of Transportation Establishment Law and b) Article 2 deals with amendments to the Mariners Employment Security Law.

3. ESS has no objection to Article 1, i.e., that portion of the Bill dealing with amendments to the Ministry of Transportation Establishment Law. However, this Section does have objection to the Ministry of Transportation Establishment Law in its other provisions which deal with advisory councils.

Rec'd GS 2/24

4. ESS does object to Article 2 of reference Bill, i.e., the amendment to the Mariners Employment Security Law. Such amendment deals directly with the Employment Security Council which consists

(2 Feb 50)ESS/FTP,
Subj: Draft Legislation

23 FEB 1950

of representatives of ship owners, etc., appointed by the Minister for the purpose of deliberation on matters concerning the enforcement of the Law. Since the existence of this Council conflicts with the objectives of reference SCAPINs and with the recently re-emphasized policy of Headquarters regarding industry councils, it is not appropriate or consistent to fail to object to such amendments.

5. It is recommended, therefore, that the Japanese Government be advised that

a. there is no objection to Article 1 of reference Bill which deals with the Transportation Establishment Law;

b. there is objection to the Transportation Establishment Law to the extent that it provides for industry councils, and

c. there is objection to Article 2 which deals with the Mariners Employment Security Law,

since such amendments recognize the appropriateness of and provide for advisory councils.

2 Incls
n/c

W. F. M.

Informally transmitted

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CFG/vs

Subject: Draft Legislation

Capt. Guida
26-6076

Note No. From: Govt Sec To: ESS Date: 2 February 1950

1. 1. Immediate introduction of the attached draft bill in the Diet is proposed by the Ministry of Transportation.

2. Your prompt comment is requested.

26-6671
26-6694

1 Incl
Partial Amendments to Ministry
of Transportation Establishmnet
Law, etc.

- C. W. - - - - - - - - - - - - - - - - - -

Mr. L.S. Salwin, 26-6671
PPH/ECG/LNS/sm
Date: February 1950

2. From: ESS To: GS

1. References are:

a. C/S 1 above from GS to ESS, dated 2 February 1950, subject: Draft Legislation, requesting comment on Bill for Partial Amendments to the Ministry of Transportation Establishment Law and the Mariners Employment Security Law.

b. SCAPIN 1108, AG 090(6 Aug 46)ESS/AC, dated 6 August 1946.

c. SCAPIN 1394, AG 400(11 Dec 46)ESS/AC, dated 11 December 1946.

d. SCAPIN 1860, AG 004(16 Feb 48)ESS/AC, dated 16 February 1948.

e. Cabinet Order No. 96 of 1948, promulgated 16 March 1948.

f. ESS Instruction No. 3, dated 16 June 1947.

g. National Public Service Law: Law No. 120 of 1947, as amended by Laws Nos. 222, 258 and 265 of 1948, and Laws Nos. 2, 125 and 174 of 1949, Articles 101, 103 and 104.

h. Informal Memorandum for ESS from ESS/C, dated 17 March 1949.

i. Informal Memorandum from Prime Minister's Office, dated 1 December 1949, Subject: Adjustment of Councils, etc.

(1) Objection to Advisory Council in Maritime Employment Security Law & Objection to Advisory Council in Establishment Law.

2. ~~No~~ objection is offered to the ~~text of~~ the amendments proposed in reference 1a, above. ~~However~~, for the reasons set forth below, ESS oppose the enactment of such legislation until such time as the Japanese Government takes steps to rectify objectionable ~~provisions~~ of the basic laws, relating to advisory councils.

3. Chapter 2 of the Ministry of Transportation Establishment Law creates a Transportation Council, composed of the Vice Minister and six members appointed by the Prime Minister with the consent of the Diet (Articles 5 through 18). The members of this Council are vested with direct governmental authority. They may (1) hold public hearings; (2) order submission of reports from carriers; (3) require the presence of witnesses; and (4) must be consulted, and are entitled to have their decisions carried out, by the Minister in respect to the following: establishment of rates charged by national railways, private railways, tramways, truck, bus and other motor carriers, and warehouses; fixing of cargo handling charges in the port and harbor business; and issuance or cancellation of franchises to conduct, expand or merge private railways, motor carriers, tramways or other carriers (Article 6). The Minister is commanded to "expeditiously carry out necessary measures with regard to the recommendations of the Transportation Council." (Article 6) Members of the council receive the pay of a Vice Minister (Article 12).

4. Articles 9 and 14 of the Establishment Law provide for the eligibility, and restrictions against outside activities, of members of the Transportation Council. Article 14 only provides that they may not engage "in any other occupation with remuneration, nor conduct trade or other business for monetary profit, unless the approval of the Transportation Council and the consent of the Minister of Transportation are obtained."

5. It has been traditional practice for the Japanese Government to delegate governmental functions, such as inspections, allocations, licensing, tax collections, etc., to specially privileged private individuals or groups. Such delegation has taken various forms, such as trade associations, advisory committees composed of industry representatives, or private individuals in the employ of commercial enterprises or associations lent to the government for

undesirable, and had caused the Japanese to take legislative action to prevent. These various actions by the Japanese have, in large measure, been designed to weaken or evade legislation sponsored by the Occupation. Certain proposals have actually been made to Headquarters to see if it were considered appropriate to weaken established policy on this matter, and those individuals in Headquarters primarily concerned with the development of democratic capitalism, freedom of enterprise, etc., have rejected them. For instance, on 17 March 1949, Chief, [redacted], in a memorandum to the Director General of [redacted] (reference 1h) rejected a proposal to have private organizations act as temporary auxiliary allocation organs. The memorandum re-affirmed the conditions governing the selection and scope of operation of advisory committees in allocation procedures.

7. The two laws mentioned in reference 1a are typical of many bills which were introduced into the Diet in 1949 providing for the statutory establishment of Advisory Councils or Committees. Their functions and scope of authority are vaguely defined, and the Councils are actually used as devices to revive the power of Shokutaku (abolished in 1948) and [redacted] control associations in formulating and implementing Government policy. Significantly, these provisions do not preclude the appointment of purgees and officials of trade associations bent on the performance of control functions.

8. The Deputy Chief, [redacted] was recently informed by representatives of the Prime Minister that the establishment of Advisory Councils performing Government functions had occurred without his knowledge, and that the Prime Minister would take steps to correct this situation.

9. In view of the foregoing, it is recommended that the Japanese Government be advised that Chapter 2 of the Ministry of Transportation Establishment Law violates the letter and spirit of references 1h through 1i, above.

a. Members of the Transportation Council, regardless of whether or not there is receipt of remuneration or profit, should be (as they are not now), prohibited from concurrently holding the position of an officer, advisor, or councillor of, or having any similar connection with, any transportation industry association or company, or other organization established for the purpose of carrying on a commercial, industrial, financial, or other private enterprise. They should be prohibited for a period of two years after leaving their service from accepting or serving in any position with a profit-making enterprise which involves a close

connection with the Ministry of Transportation, especially organizations to which they were formerly attached prior to separation from service. They should be prohibited from holding stocks or debentures in any profit-making enterprise, especially companies engaged in the transportation business. They should be required to devote their full working-time and occupational attention to the performance of their governmental duties. In addition to the existing prohibition against their serving as officers of any political party (Article 9), they should be prevented from soliciting or receiving, or being in any manner concerned in, the solicitation or receipt of any funds or subscriptions for any political party, or actively engaging in political activity other than the exercise of the right to vote.

b. The Vice Minister who acts as a member of the Transportation Council must, as an official in the regular government service, not only undergo competitive examination, but is subject to strict rules on outside activities and industry connections similar to those described in paragraph 9a, above. It is indeed strange, and unjustifiable, that the six other members, who possess majority control over government decisions which must be carried out by the Minister, are not likewise governed by the same regulations established in the public interest.

10. Chapter 4 of the Mariners Employment Security Law provides that members of the Employment Security Council should consist of representatives of shipowners or mariners, and men of learning and experience, appointed by the Minister (Article 57). The purpose of the Council is "to deliberate on matters concerning the enforcement of this law". The Council may "request the Minister of Transportation or Director of the Maritime Bureau to make reports on the matters concerned." The Minister "shall ask for opinions of the Mariners Employment Security Council on important matters pertaining to the enforcement of this law."

a. Matters entrusted to the regulatory discretion of the Minister, about which he must consult the Council, include the licensing of private mariners employment agencies, the placing of restrictions upon the method by which and the number of mariners that may be recruited by shipowners in a particular area, and the licensing of private employment exchanges to operate eating or lodging houses, or to sell daily necessaries (Articles 5, 34 38, 44 and 60).

(2 Feb 50)CS
Subj: Draft legislation

b. It is also recommended that the Japanese Government be notified that the central and local marine employment security councils, provided for in Article 57 of the Mariners Employment Security Law (Law 130 of 1948), should be abolished or drastically revised to conform with references 1h to 1i.

2 Incls
n/c

- - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CFG/vs

Subject: Draft Legislation

Capt. Guida

Note No.	From: Govt Sec To: LS/LAJ Date: 2 February 1950 26-6076
1.	1. Immediate introduction of the attached draft bill in the Diet is proposed by the Ministry of Transportation. 2. Your prompt comment is requested. 1 Incl Partial Amendments to Ministry of Transportation Establishment Law, etc.

C. W.

P & P DIV

From Omi 2/2

Subject: Partial Amendments to Ministry of
Transportation Establishment Law, Etc.

From: LS To: GS

F.C.Goodman-2635-269
Date: 18 February 1950

2.

1. The provisions of subject bill deal with administrative changes within the office of the Ministry of Transportation and are in the main technical in nature.

2. It is to be noted that this Section by Check Sheet of 29 April 1949, set forth numerous discrepancies in the basic law (Law No. 157 of 1949). The subject bill does not cover any of the discrepancies mentioned in the aforesaid check sheet and, therefore, Legal Section maintains the points therein set forth.

1 Incl. w/d

---------- A.C.C. ----------

Rec'd GS 2/24

C
O
P
Y

(Ministry of Transportation Establishment Law)

From: LS To: Govt Sec

F.C.Novotney; 2635-269
Date: 29 April 1949

2. 1. In Article 4, Item (8) the building of quarters is a function of the Ministry of Construction.

2. In Article 4, Item (24) the power to decide minimum wages is a matter for Diet action. Delegation of the power to the Minister would violate Staff Memorandum No. 81, 1947.

3. Article 4, Item (33): The word "require" should be changed to "request". Under the provisions of the Public Corporations Labor Relations Law, the Prime Minister removes a member of the Committee upon request of the Minister of transportation.

4. In Article 4, Items (35) to (37) inclusive the powers relating to tramways duplicate those conferred to the Minister of Construction.

5. In Article 17, Par. 2, the determination of amount to be paid to witnesses involves an expenditure of public funds which should be fixed by the Diet.

6. In Article 19, Pars. 2 to 5 inclusive, the creation of Divisions is not authorized unless the proposed amendment to the National Government Organization Law is enacted by the Diet.

7. Article 21, Par. 3 is indefinite and incomplete. It should be noted that Article 5 sets up a Transportation Council of seven members to act in public carrier matters. The Councillors mentioned in Article 21 are to "participate in the affairs of the Ministry", an apparently overlapping function. Their duties should therefore be clearly defined so as not to conflict with those of the Transportation Council. Provision should also be made for their methods of operations, i.e., will they function as a body or individually.

8. In the Supplementary Provisions, Par. 17, Sub-Par. 4, objection is made to the word "several". The number of members should be fixed.

9. Due to the limited time available for review, the above represent only the more apparent discrepancies.

1 Incl:
n/c

- -C.R.L.- - - - - - - - - - - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) GW/JN/JW/CFG/vm

Subject: Draft Legislation

Capt. Guida

Note No.	
1.	From: Govt Sec To: CTS Date: 2 February 1950 26-6076 1. Immediate introduction of the attached draft bill in the Diet is proposed by the Ministry of Transportation. 2. Your prompt comment is requested. 1 Incl Partial Amendments to Ministry of Transportation Establishment Law, etc.
2	C. W. From: CTS To: Govt Sec Mr. Ogden, 26-6086 Date: 9 FEB. 1950 CTS concurs. 1 Incl w/d - H. T. M. - - - - - - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CFG/re

Subject: Draft Legislation

Capt. Guida

26-6076

Note No.	From: Govt Sec To: G-2/PSD Date: 2 February 1950
1.	1. Immediate introduction of the attached draft bill in the Diet is proposed by the Ministry of Transportation. 2. Your prompt comment is requested. 1 Incl Partial Amendments to Ministry of Transportation Establishment Law, etc.

C. W.

AMD 2, DIV

Memo by J Transportation Establishment Law

From: G-2 To: GS G-2/PSD/HEP/sd
Date: 4 Feb 1950

2 G-2/PSD offers no objection to subject legislation.

1 Incl
w/d

---------- G.A.W. ----------

Hand GS 2/7/50

SUBJECT : Opinion on the Views of GS on the Bill for Partial Amendment to the Ministry of Transportation Law and the Original Law

REFERENCE :

(1) SCAPIN 1108, 6 Aug., 1946
Subject: Dissolution of Control Associations (Tosei Kai) and Authorization to Establish Government Allocation Agency together with Necessary Control Organ within Specific Industries.

(2) SCAPIN 1394, 11 Dec., 1946
Methods of Control under the Temporary Demand and Supply Adjustment Act.

(3) SCAPIN 1860, 16 Feb., 1948
Memorandum concerning Interpretation and Implementation of Policy concerning the Elimination of Control Association.

(4) Cabinet Order No. 56 of 1948
Cabinet Order concerning the Abolition of the "Shokutaku" System.

(5) ESB Instruction No. 3, 16 Jun., 1947
The Regulation concerning the Operation of Advisory Committee and Industry Association.

In connection with the Bill for Partial Amendment to the Ministry of Transportation Establishment Law, we shall be much obliged if we could have your advices on the following points.

(6)

A The Memo. of GS reads:

1. "2. Objection is made to this Law to the extent that it provides for industry councils."

"3. Objection is made to Article 2 which deals with the Mariners' Employment Security Law."

2. Article 2 of the Amendment Bill is designed to make necessary adjustments in the provisions concerned of the Mariners' Employment Security Law, accompanying the abolishment of the special District Mariners' Employment Security Councils.

3. The industry councils as mentioned in paragraph 2 of the Memo. seems to indicate the Mariners' Employment Security Council. The Mariners' Employment Security Council is of the same nature as the Employment Security Council for land laborers which is based on the Employment Security Law. The Employment Security Council consists of the representatives from both employers and employees and the Mariners' Employment Security Council likewise consists of the representatives of shipowners who are employer and mariners who are employees. The Mariners' Employment Security Council is a council whose function is to deliberate on important matters concerning the enforcement of the Mariners' Employment Security Law and accordingly does not seem to fall under the category of industry council as set forth in the Memo. to be objectionable.

4. The Special District Mariners' Employment Councils are to be abolished in accordance with the decision of the Cabinet Meeting which also abolished the Special District Employment Councils for land laborers as provided in paragraph 1, Article 12 of the Employment Security Law.

The Central Mariners' Employment Security Council and the District Mariners' Employment Security Councils which are to continue to exist after this revision will have almost the same organizational

structure as the Central Employment Security Council and District Employment Security Councils for land laborers.

5. This Amendment Bill includes partial amendments both to the Ministry of Transportation Establishment Law and to the Mariners' Employment Security Law. But it is only a matter of convenience to consolidate these two amendments in one legislation.

B. The Memo. of GS reads as follows in connection with the Original Law:

"4. In the original law certain discrepancies were noted which have not been corrected by proposed draft."

(We will hereunder quote the Memo. and give our views of explanations for each point.)

(1) "(a) In Article 4, Item (8) the building of quarters is a function of the Ministry of Construction."

The phrase "to build and maintain quarters to rent to personnel" in the first English version of the Ministry of Transportation Establishment Law was corrected as "to establish and maintain housing to be rented to personnel" to represent the accurate meaning of the Japanese version thereof, after consultations with the Legislative Affairs Section, Liaison Bureau, Ministry of Foreign Affairs, last July and this revised English version was published on the official gazette.

(2) "(b) In Article 4, Item (24) the power to decide minimum wages is a matter for Diet action. Delegation of the power to the Minister would violate Staff Memorandum No. 81, 1947."

2. The Power of the Minister to decide the minimum wages of mariners is based on Article 59 of the Mariners Law which stipulates:

(Minimum Salary or Wages)

The competent authorities may, if they deem it necessary, fix the minimum amount of salary, wages or any other remunerations in accordance with the provisions of Ordinance, with the consent of the Labor Commission

organized under the Labor Union Law (hereinafter called the Mariner's Labor Commission.)

The shipowner shall not employ a mariner at a salary, wages or any other remuneration lower than the minimum amount provided for in the preceding paragraph.

Similar provision is laid down in Article 4, Item (26) of the Ministry of Labor Establishment Law which reads:

To determine the minimum wage for the workers engaged in specific enterprises or occupations.

(3) "(c) Article 4, Item (32): The word "require" should be changed to "request". Under the provisions of the Public Corporations Labor Relations Law, the Prime Minister removes a member of the Committee upon request of the Minister of Transportation.

The word "require" in the former English version of the Ministry of Transportation Establishment Law mispresented the accurate meaning of the Japanese version. This was already corrected in the same manner as stated in (a).

The present English version reads:

To request the Prime Minister to remove a member of the Public Corporation Arbitration Commission.

(4) "(d) In Article 4, Items (34) to (37) inclusive, the powers relating to tramways duplicate those conferred to the Minister of Construction."

(A) Items (34), (35) and (37), Article 4 of the Ministry of Transportation Establishment Law read:

(34) To grant franchise or charter to private railways and tramways, and to give permission or approval to private railways concerning their business;

(35) To authorize mortgaging of the railways and tramways and to register them;

(37) To grant franchise to industrial railways, and ropeways and to charter trolley buses;

(B) These powers are based on the Tramways Law and the Enforcement Regulations of the Tramways Law and placed under the joint jurisdiction of the Minister of Transportation and the Minister of Construction. We believe, therefore, that these provisions are correct and no adjustment in this connection is necessary.

(5) "(e) In Article 17, Par. 2, the determination of amount to be paid witnesses involves and expenditure of public funds which should be fixed by the Diet."

(A) Paragraph 2, Article 17 of the Law provides:

2. A person concerned or a witness whose presence is requested according to the provision of the preceding paragraph item (3) may request the travelling expense and allowance as provided for by Cabinet Order.

Article 75 of the Law relating to Prohibition of Private Monopoly and Method for Preserving Fair Trade likewise provides that the amount to be paid witnesses to appear in a hearing of the Fair Trade Commission is to be fixed by orders.

Article 75 of the above-mentioned Law reads:

Witnesses or experts who have been ordered to appear to give expert testimony in a hearing in accordance with the provisions of item 1 or item 2 of paragraph 1 or paragraph 2 of Article 4 may claim such travelling expenses and allowances as provided for by separate order.

In this connection, the Cabinet Order No. 270 (July 16, 1949) was

already issued to implement the provision of Article 17 paragraph 2 of the Ministry of Transportation Establishment Law.

(6) "(f) In Article 19, Pars. 2 to 5 inclusive, the creation of Divisions is not authorized unless the proposed amendment to the National Government Organization Law is enacted by the Diet."

(A) Article 19 paragraph 2 to 5 inclusive of the Ministry of Transportation Establishment Law read:

2. The Tourist Industry Division shall be established in the Minister's Secretariat.

3. The Maritime Coordination Division shall be established in the Maritime Transportation Bureau.

4. The National Railways Division and the Private Railways Division shall be established in the Railway Supervision Bureau.

5. The Transportation Division and the Supply and Equipment Division shall be established in the Highway Transportation Bureau.

(B) The Annexed Table No. 2 of the National Government Organization Law which lists Divisions authorized to be established, does not include the Tourist Industry Division in the Minister's Secretariat and the Maritime Coordination Division in the Maritime Transportation Bureau.

This is attributable to an inadvertency at the time when the National Government Organization Law and the Ministry of Transportation Establishment Law were being discussed at the 5th Diet session, which is scheduled to be made good with an amendment to the National Government Organization Law.

(7) "(g) Article 21, Par. 3 is indefinite and incomplete.

It should be noted that Article 5 sets up a Transportation Council of seven members to act in public carrier matters. The Councillors mentioned in Article 21 are to "participate in the affairs of the

Ministry," an apparently overlapping function. Their duties should therefore be clearly defined so as not to conflict with those of the Transportation Council. Provision should also be made for their methods of operations, i.e., will they function as a body or individually."

(A) Article 21 paragraph 3 of the Ministry of Transportation Establishment Law reads:

"3. The Ministry of Transportation shall have the Ministry of Transportation Councillors of not more than twenty, who shall participate in the affairs of the Ministry."

(B) The said Councillors are mere advisors whose function does not overlap that of the Transportation Council. Their function is not so important that it must be clearly defined.

"(h) In the Supplementary Provisions, Par. 21, Sub-par. 4, objection is made to the word "several". The number of members should be fixed."

(A) Paragraph 21 item (4) of the Supplementary Provisions of the Ministry of Transportation Establishment Law reads:

"The Road Transportation Council shall be composed of several members."

(B) This provision is only a transitory provision and to be amended by the Bill for Partial Amendments to the Road Transportation Law which is scheduled to be presented to the 7th Diet session.

Mr. T. H. Delaney, 26-624

Bill for Partial Amendment to the Ministry of Transportation Establishment Law

CTS ESS

21 MAR 1950

1 1. References are:

a. Ministry of Transportation Establishment Law #137 of 1949.
b. International Labour Conference "Draft Convention..... Employment for Seamen."
c. The Mariners Employment Security Law #130 of 1948.
d. The Employment Security Law #141 of 1947.

2. Subject bill was referred back to its drafters by Government Section for further consideration as exception was taken by GS to certain provisions of the proposed amendment and of the basic law itself. The Chief, Civil Transportation Section, has examined these objections and takes this means of explaining the effects of the proposed amendment and of stating a plan of action to overcome remaining objectionable features of the basic law.

3. In addition to clarifying certain Research Institute functions, to which no objection was made, subject bill abolishes the Special District Mariners Employment Security Council. It creates no new Councils or similar bodies. The functions originally intended for the Special District Councils are being performed satisfactorily by one Central and the various Local Employment Security Councils respectively. Both are provided for by basic laws approved by this Headquarters (References 1 a and 1 c), and are patterned after similar Councils under the Employment Security Law (Reference 1 d) for land labor.

4. All Councils referred to in the preceding paragraph are patterned on the "International Convention for Establishing Facilities for Finding Employment for Seamen" (Reference 1 b) stemming from the Treaty of Versailles and ratified by International Labor Organization. They are made up of equal representations from labor, employer, and public appointees, have no governmental authority, but inform or advise the authorities of any means of improving hiring practices at employment agencies.

5. At recent conference with ESS/FEP, reference laws and treaty were submitted by CTS together with the views of this Section concurred in by ESS-Labor Division (Mr. Collett orally), that the Councils here involved do not conflict with SCAP policy and are in fact operating successfully. The Chief, CTS, therefore requests ESS to withdraw its objections to the subject bill and to notify Government Section of such withdrawal.

6. Legal Section objections apply not to subject bill, but only to basic

Copy: Government Section

law. (Reference 1 c). They will be considered in a study by OTR of desirable revision to said law other than the revisions covered in the subject bill. LS offers no objection to such procedure according to telephone conversation of 7 March 1950 between Mr. Ogden, OTR, and Mr. Goodman, LS. Since [redacted] criticisms likewise concern the same basic law, OTR requests [redacted] concurrence in the proposed course of action so as not to delay passage of the current amendment.

---------- H. T. H. ----------

Copies furnished:
Govt Section
[redacted]/Labor

Bill

to be submitted for GS approval
Legislative Affairs Section, HQ
(TEL. 87-6010)

February 9 ,1950

1. HOM Number: 81

2. Name of Bill: Bill for Hydrographic Activities

3. Competent Ministry: Ministry of Transportation (Maritime Safety Agency)

4. Date of Cabinet Approval: February 7, 1950

5. SCAP Section concerned:
Mr. G.H. Rettew, Maritime Branch, P.S.D., G-2.

6. Remarks: (reference:)
The Law for the Hydrographic Survey Mark.....
(Law No. 38 of May 27, 1890) is attached herewith.
.....
.....
.....
.....

7. G.S. Reviewers:
CS: G-2/PSD
CTS
AS/AJ.

Received by GS
Date 2/9/50

Mr Bennett 26-7848

AG 061( ) Bill for Hydrographic Activities

1 MAR 1950

Engr Govt Sec

1 MAR 1950

1. 1. Reference is made to "Bill for Hydrographic Activities" being considered by GS before submission to the Japanese Diet by the Ministry of Transportation.

2. It is recommended that the following sentence be added at the end of Article 2: "This will not authorize Land Surveys in contradiction with the Survey Law of 1949."

3. This addition has the concurrence of Mr Rettew, Maritime Safety Section, Public Safety Division, G-2 and Mr F. C. Goodman, Legal Section.

- J. G. C. - - - - - - - - - - - - - - - - - - -

Referred to Mr. Yoshida, CLC.

3/1 CB

Accepted. See revised text.

CB 3/2

(7)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CHR/vs

Subject: Draft Legislation

Capt. Morris
26-6076

Note No.

From: Govt Sec To: LS/L&J Date: 9 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Transportation Ministry.

2. Your prompt comment is requested.

1 Incl
Bill for Hydrographic Activities

C. W.

P & P DIV

Transportation

Subject: Bill for Hydrographic Activities

From: LS To: GS F.C.Goodman-2635-269
Date: 27 February 1950

2. 1. This Section has no legal objections to subject bill.

2. Subject bill is of primary concern to Public Safety Division, G-2. It is also suggested to coordinate the bill with the Engineer Section, GHQ.

Recd GS 3/1/50

1 Incl. w/d

- A.C.C. - - - - - - - - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CHN/vs

Subject: Draft Legislation

Note No. 1

From: Govt Sec To: CTS Capt. Norris 26-6076
Date: 9 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Transportation Ministry.

2. Your prompt comment is requested.

1 Incl
Bill for Hydrographic
Activities

C. W.

From: CTS To: GS Mr. Ogden 26-6086
Date: 3 FEB.1950

2

1. Although Civil Transportation Section will interpose no objection to the passage of the proposed legislation, it is desirable to point out that Articles 24 and 25 should be revised. The present wording of Article 24 would prevent the use of hydrographic charts without obtaining prior approval from the Director of Maritime Safety Agency. Article 25 would prohibit any agency, including a planning group for a port city, a harbor master or harbor director, from publishing any kind of chart showing hydrographic data.

2. In counseltation with the Ministry of Transportation, Civil Transportation Section has been assured that the intent of the legislation was not so far reaching as the present wording implies, and the Ministry has indicated its intention to modify these two Articles.

1 Incl
Bill for Hydrographic
Activities

H. T. M.

Referred to Mr. Hoff, CLO

See reversing test. 3/1 G.
permission of M.S.A.
must be obtained to ensure accuracy of data. CL

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CHW/vs

Subject: Draft Legislation

Capt. Norris
26-6076

Note No. | From: Govt Sec To: G-2/PSD Date: 9 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Transportation Ministry.

2. Your prompt comment is requested.

1 Incl
Bill for Hydrographic
Activities

C. W.

P & P DIV

Hydrographic Actuates Trans

2 From: G-2 To: Govt Sec CIS/PSD/HEP/sm
Date: 10 Feb 50

PSD/G-2 concurs in proposed draft legislation.

Incl 1 w/d

----------C.A.H.----------

Rec'd 2/13/52

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CHN/gb

Subject: Draft Legislation

Capt. Norris

Note No. From: Govt Sec To: Engr. Date: 26-6076 25 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the House of Councillors.

2. Your prompt comment is requested.

1 Incl
Proposed Amendments to
Bill for Hydrographic
Activities

Cy to G-2/PSD, CTS, LS/LJ C. W.

2.

From: Engr To: Govt Sec Mr Kurosaka 26-5191

The proposed amendment is recommended. 30 MAR 1950

1 Incl
n/c

Cy to G-2/PSD, CTS, LS/LJ

J. G. C.

Recd 6 S
3/31/50

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JM/JW/CHM/gb

Subject: Draft Legislation

Capt. Norris

Note No. From: Govt Sec To: CTS 26-6076
Date: 25 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the House of Councillors.

2. Your prompt comment is requested.

1 Incl
Proposed Amendments to
Bill for Hydrographic
Activities

Cy to G-2/PSD, LS/LJ, ENGR. C. W.

From: CTS To: Govt Sec Mr. Delaney, 26-6126
Date:

2 Chief, Civil Transportation Section, concurs.

1 Incl
w/d

H. T. M.

Rec'd 6 S
3/31/50

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JM/JW/CHM/Cb

Subject: Draft Legislation

Office No. From: Govt Sec To: G-2/PSD Capt. Norris
26-6076
Date: 25 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the House of Councillors.

2. Your prompt comment is requested.

1 Incl
Proposed Amendments to
Bill for Hydrographic
Activities

Cy to LS/LJ, CTS, ENGR.

C. W.

P & P DIV

1+C

Amendment to Hydrographic Bill
3/25

From: G-2 To: Govt Sec CIS/PSD/EBR/HEP/sm
Date: 28 March 1950

2 PSD/G-2 concurs in the proposed amendment to the Bill for Hydrographic Activities.

Incl 1 w/d

C.A.W.

Recd 6S
3/28/50

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JM/JW/CHM/gb

Subject: Draft Legislation

C025-6076rin

To: Govt Sec To: LS/LJ Date: 25 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the House of Counsellors.

2. Your prompt comment is requested.

1 Incl

Proposed Amendments to Bill for Hydrographic Activities

Cy to G-2/PSD, CTS, ENGR.

C. W.

P & P DIV

3/45

Subject: Proposed Amendment to Bill for Hydrographic Activities.

HC Trans.

From: LS To: GS F.C.Goodman-2635-269
Date: 27 March 1950

2. 1. Article 30 is objectionable because, in effect, this provision would create a conclusive presumption of guilt on the part of the employer (natural or juridical) for the unlawful acts of his employees or agents even in cases where, in reality, the individual employer or the responsible officers of the juridical person are completely innocent.

2. It is suggested that said article be phrased in the following manner: "In case where any representative of a juridical person, proxy, employee, or the other worker of a juridical person or of a natural person commits a violation under the provision of Article 29, Paragraph 5, for the business of the juridical person or the natural person, not only the offender shall be punished, but the juridical person or the natural person concerned shall be liable to the fines under said article, unless it is proved that due care and supervision has been exercised over the business in order to prevent the aforesaid violation committed by his proxy, employee, or the other worker".

Recd GS 3/28

1 Incl. w/d

- - - -

Bill

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to be submitted for GS approval
Legislative Affairs Section, FOR
(TEL. 57-6010)

March 27, 1950

1. FOR Number: 190

2. Name of Bill: Bill for Partial Amendment to the Mariners' Employment Security Law

3. Competent Ministry: Ministry of Transportation

4. Date of Cabinet Approval: March 24, 1950

5. SCAP Section concerned:
Mr. Macvoy, Labour Division, ESS

6. Remarks: (Reference:)
Mariners' Employment Security Law, Official Gazette Extra Saurday, July 10, 1948.

7. G.S. Reviewers:

GS:
GTS
ESS
LS/LS
G2/PSD

Received by GS

Date 3/27/50

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JH/JW/CHM/gb

Subject: Draft Legislation

Capt. Morris

Office No. From: Govt Sec To: LS/LJ Date: 26-6076 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Ministry of Transportation.

2. Your prompt comment is requested.

1 Incl
Amendments to Mariners' Employment Security Law

Cy to CTS, ESS, G-2/PED

C. W.

P & P DIV

8

3/27

Subject: Amendments to Mariners' Employment Security Law

(Frank Nash)

From: LS To: GS F.C.Goodman-2635-269
Date: 4 April 1950

2. This Section has no legal objections to subject bill. No comment is offered on the policy matters involved which are of primary concern to HSS and CTS.

1 Incl. w/d

- A.G.C.- - - - - - - - - - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JM/JW/CHN/gb

Subject: Draft Legislation

te No. From: Govt Sec To: CTS Capt. Norris 26-6076 Date: 27 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Ministry of Transportation.

2. Your prompt comment is requested.

1 Incl

Amendments to Mariners' Employment Security Law

Cy to ESS, LS/LJ, G-2/PSD C. W.

2 From: CTS To: Govt Sec Mr. Delaney. 26-6124 Date: 4/3

Chief, Civil Transportation Section, concurs.

1 Incl
w/d

H. T. M.

Rec'd GS 4/3

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JN/JW/CHN/gb

Subject: Draft Legislation

Capt. Norris
26-6076

Note No. From: Govt Sec To: ESS Date: 27 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Ministry of Transportation.

2. Your prompt comment is requested.

1 Incl
Amendments to Mariners' Employment Security Law

cy to GS, LS/LJ, G-2/NSD C. W.

File No. 010(27 Mar 50) ESS/LAB

Mr. McVoy, 26-8458
WFM/RTA/ECM/il
Date: 30 MAR 1950

From: ESS To: GS

2 ESS has no objection to the introduction of the attached draft bill.

1 Incl
n/c

W. F. M.

Read by
3/31/50

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JW/JW/CHN/cb

Subject: Draft Legislation

Capt. Morris
26-6076

Note No. From: Govt Sec To: G-2/PSD Date: 27 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Ministry of Transportation.

2. Your prompt comment is requested.

1 Incl
Amendments to Mariners' Employment Security law

cy to GHS, ESS, LS/LJ C. W.

P & P DIV

Transportation
Mariners Employment Security
3/27

From: G-2 To: Govt Sec CIS/PSD/EBR/HEP/sm
Date: 28 March 1950

2 PSD/G-2 concurs in the proposed Amendments to Mariner's Employment Security Law.

Incl 1 w/d

C.A.W.

Read GS
3/29/50

Bill

to be submitted for GS approval
Legislative Affairs Section, FOA
(TEL. 87-6010)

March 25, 1950

1. FOA Number: 188

2. Name of Bill: Bill for Partial Amendments to the Marine Transportation Law etc.

3. Competent Ministry: Ministry of Transportation

4. Date of Cabinet Approval: March 22, I950

5. SCAP Section concerned:
Mr. P. E. Richers, Water Transportation Div., CTS

6. Remarks: (reference:)
1. Marine Transportation Law, (Official Gazette Extra No. 68 (Jun., 1 1948).....
2. Provisional Ship Administration Law (Law No. 93 of 1937) (Extract) is herewith attached.....
3. Ordinance concerning Restriction of Navigation, etc., issued under the Imperial Ordinance No. 542 of 1945 (Ministry of Transportation Ordinance No. 40 of 1945) (Extract) is herewith attached.....

.....

7. G.S. Reviewers:

GS: CTS
LS/LJ
ESS

Received by GS

Date 2/25/50

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JE/JW/[illegible]/gb

Subject: Draft Legislation

Capt. Norris

Note No. From: Govt Sec To: LS/LJ 26-6076 Date: 25 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Ministry of Transportation.

2. Your prompt comment is requested.

1 Incl
Amendments to Marine
Transportation Law,
Etc.

Cy to CTS, ESS C. W.

P & P DIV

3/25

Amendments to Marine Transportation Law, Etc.

(Transmitted)

From: LS/L&J To: GS R.T. BRUNCKHORST-2635-420
Date: 12 April 1950

2.

1. Subject bill tightens government control on marine transportation and provides in particular, that any person of Japanese nationality intending to buy or lease a vessel owned by a foreigner or any person of Japanese nationality intending to sell or lease a vessel to a foreigner must obtain the permission of the Minister of Transportation. The Minister of Transportation shall grant permission in both cases unless the supply of vessels exceeds the demands and the "development of the shipping industry will come to be remarkably hampered".

2. It is suggested that Articles 44-2-2 and 44-3-2 be re-written to provide that a public hearing be held before the Minister of Transportation with the right of the applicant to have counsel and present evidence to sustain his position. When the decision is adverse to the applicant, the Minister of Transportation should make a written findings of fact and give reasons for the judgment. This should be made available to the applicant. Thereafter, within a time limit set by law, the applicant should be given the right to file suit against the adjudication of the Minister before a review court. The findings of fact by the Minister of Transportation should be conclusive on the court only when the court decides that the facts are supported by substantial evidence.

Rec'd GS 4/13

Objections Withdrawn by Brunckhorst - phone 4/14

(9)

LS/I&J CS 12 April 1950

2. (Contd) 3. According to CTS, the requirement of permission of 44-2-2 and 44-3-2 will only be temporary and the exercise of that power will be under constant control by the occupation. It should, however, be noted that Para. 2 of the supplementary provisions only provides that 44-2-2 will become null and void after the lapse of one year. If para. 2 of the supplementary provisions would be amended to cover 44-3-2, LS, in the light of the control by the occupation, would withdraw its objection as to absence of a public hearing. However, provisions for appeal to the court as outlined in the preceding paragraph should be included.

Incl: w/d

---A.C.C.---

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JM/JW/CHN/gb

Subject: Draft Legislation

Capt. Norris

Office No. From: Govt Sec To: CTS 26-6076 Date: 25 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Ministry of Transportation.

2. Your prompt comment is requested.

1 Incl
Amendments to Marine
Transportation Law,
Etc.

Cy to LS/LJ, ESS

C. W.

2 From CTS To: Govt Sec Mr. Delaney, 26-6124
Date: 10 APR 1950

The Chief, Civil Transportation Section, concurs.

1 Incl
w/d

H. T. M.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) GW/JH/JW/CEH/gb

Subject: Draft Legislation

Note No. | From: Govt Sec | To: ESS | Capt. Morris 26-6076 | Date: 25 March 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Ministry of Transportation.

2. Your prompt comment is requested.

1 Incl

Amendments to Marine Transportation Law, Etc.

Cy. to CTS, LS/LJ C. W.

P & P DIV

Transportation
Marine Trans Law
3/25

2

From: ESS To: GS

L.N. Gulwin, 26-6671
WPH/ECW/LNS/am
Date: 29 March 1950

1. Reference is C/N 1 from GS to ESS dated 25 March 1950, requesting comment on amendments to Marine Transportation Law.

2. ESS interposes no objection to reference legislation.

Incl
w/d

Recd GS
3/29/50

- -W.F.M.- - - - - - - - - - - - - -

Transportation
Marine Trans Law
3/25

2

From: ESS To: CS

L.N. Gulwin, 26-6671
WPT/ECW/LNS/sm
Date: 29 March 1950

1. Reference is C/N 1 from CS to ESS dated 25 March 1950, requesting comment on amendments to Marine Transportation Law.

2. ESS interposes no objection to reference legislation.

Incl
w/d

- - - -

Bill

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to be submitted for GS approval
Legislative Affairs Section, FOM
(TEL. 57-6010)

April 25, 1950

1. FOM Number: 208

2. Name of Bill: Bill for Partial Amendments to the Ministry of Transportation Establishment Law and the Japananese National Railways Law.

3. Competent Ministry: Ministry of Transportation

4. Date of Cabinet Approval: April 25, 1950

5. SCAP Section concerned:
Program Division Mr. W. L. Ogden

6. Remarks: (reference:)

.....
...See Attached Paper.....
.....
.....
.....
.....

7. G.S. Reviewers:

GS:

CTS
4/25/50

Received by BS

Date 4/26/50

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JM/JW/OHN/gb

Subject: Draft Legislation

Note No. From: Govt Sec To: CTS Capt. Morris 26-6076
Date: 25 April 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Transportation Ministry.

2. Your prompt comment is requested.

1 Incl
Amendments to Ministry of Transportation Establishment Law and Japanese National Railways Law

Cy to LS/LAJ C. W.

2. From: CTS To: GS Mr. Ogden 26-6066
Date:

The Chief, CTS, concurs.

1 Incl
w/d

H. T. H.

Rec'd GS 4/4

(10)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JM/JW/CMM/gb

Subject: Draft Legislation

Capt. Morris
26-6076

Note No. From: Govt Sec To: LS/L&J Date: 25 April 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Transportation Ministry.

2. Your prompt comment is requested.

1 Incl
Amendments to Ministry of Transportation Establishment law and Japanese National Railways Law

Cy to CTS C. W.

P & P DIV

5

Transportation
4/25

Subject: Amendments to Ministry of Transportation Establishment Law and Japanese National Railways Law.

From: LS To: GS

P.C.Goodman-2635-269
Date: 27 April 1950

2.

1. Subject bill amends the Ministry of Transportation Establishment Law (Law No. 157 of 1949) and the Japanese National Railways Law (Law No. 256 of 1948) to provide a general rule as to how to proceed with regards to appointment under said laws which require the consent of both Houses of the Diet in case the Diet is not in session or the House of Representatives is dissolved. In such cases, the appointing officer, or the Prime Minister, whichever the case may be, may make the appointment without the consent of the Diet, and if the approval cannot be obtained in the first session after this appointment, the appointee must immediately be dismissed.

Read GS
4/28/50

2. This Section has no legal objections to subject bill.

3. With regard to the policy, it might be argued that if the positions of the members involved are important enough to justify the requirement of the Diet's consent to their appointment, such appointment should be postponed until the Diet is assembled. However, the need for a temporary expedient must be recognized, because these positions for the very reason of their importance, shall not remain vacant for too long a period of time. LS suggests that a deadline be provided for the approval of the Diet in order to shorten the continuation of the uncertain status. It is suggested to provide that when the approval cannot be obtained within two weeks from the beginning of the first session following the appointment, the appointing officer, or the Cabinet, whichever the case may be shall dismiss the appointee.

1 Engl. W/d

A.G.G.

Bill

to be submitted for GS approval
Legislative Affairs Section, PCL
(TEL. 67-5010)

February 4, 1950

1. PCL Number: 67

2. Name of Bill: Bill for Partial Amendment to the Road Transportation Law

3. Competent Ministry: Ministry of Transportation

4. Date of Cabinet Approval: February 1, 1950

5. SCAP Section concerned:
Mr. Osmond, C.T.S.

Rel GS: 2/4/50

6. Remarks: (reference:)
See attached paper.

GS: CTS
ESS
L3/L5
GS/PH

The Road Transportation Law
Law No.191 of Dec. 16, 1947
Official Gazette No.515 (Dec. 16, 1947)

Amendments:

1. The Ministry of Construction Establishment Law
Law No.113 of July 8, 1948
Official Gazette No.680 (July 9, 1948)

2. The Ministry of Transportation Establishment Law
Law No.157 of May 31, 1949
Official Gazette No. Extra 60 (May 31, 1949)

3. The Express Business Law
Law No.241 of Dec. 7, 1949
Official Gazette No. Extra 138 (Dec. 7, 1949)

4. Law for the Partial Amendment to the Road Transportation Law
Law No.260 of Dec. 12, 1949.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) CW/JM/JW/CHN/vs

Subject: Draft Legislation

Capt. Norris
26-6076

Note No. | From: Govt Sec To: ESS Date: 4 February 1950

1. Immediate introduction of the attached draft bill in the Diet is proposed by the Transportation Ministry.

2. Your prompt comment is requested.

1 Incl
Partial Amendments to the
Road Transportation Law

C. W.

P & P DIV

From: ESS To: GS

Mr. [illegible]stein, 26-6664
[illegible]FH/ECW/LMC/IE/sm
Date: 10 February 1950

1. References are:

a. SCAPIN 1108, AG 080(6 Aug 46)ESS/AC, dated 6 August 1946.

b. SCAPIN 1394, AG 400(11 Dec 46)ESS/AC, dated 11 December 1946.

c. SCAPIN 1860, AG 004(16 Feb 48)ESS/AC, dated 16 February 1948.

d. Cabinet Order No. 56 of 1948, promulgated 16 March 1948.

e. ESB Instruction No. 3, dated 16 June 1947.

f. National Public Service Law: Law No. 120 of 1947, as amended by Laws No. 222, 258 and 265 of 1948, and Laws No. 2, 125 and 174 of 1949, Articles 101, 103 and 104.

Recd GS 2/20/50

Referred to Mr. Yoshida CLCO 2/22

DECLASSIFIED AUTH: EO 12958 SEC. 3(E) AND 3(D) OR (E) NNCP # 779012

 10 FEB 1950

g. Informal Memorandum for ESB from ESS/C, dated 17 March 1949.

h. Informal Memorandum from Prime Minister's Office, dated 1 December 1949, Subject: Adjustment of Councils, etc.

2. Subject Bill proposes to amend the Road Transportation Law (Law No. 191 of 1947) by adding a new chapter (Chapter II-2) entitled "Road Transportation Council". Provision is made for nine area councils (Article 9), the number of members of each varying from 4 to 9 (Article 9-4), to be appointed by the Minister of Transportation after nomination by the governors of To, Do, Fu or prefectures (Article 9-5), the members to be in part-time government service (Article 9-6), who may engage in private business with the approval of the Minister and the Council (Article 9-7). The Council must be consulted and its decisions respected as to matters involving the licensing of automotive car traffic business defined in Article 2 of law No. 191 of 1947 as the business of carrying passengers or goods by automotive cars, and the suspension or cancellation of such licenses, except that as to those matters deemed by the Council to be trifling, the Chief of the area Land Transportation Bureau may decide (Article 9-2). Subject Bill does not prescribe any rules or standards for the issuance, suspension or revocation of licenses and the approval by the Council appears to be a requirement superimposed on the licensing standards prescribed by Article 12 of Law 191 of 1947. The Council is also granted power to request reports, information and data from road transport enterprisers and "other parties concerned", to entrust investigations to public offices, road transport enterprisers or bodies organized thereby or to persons of learning and experience and to summon witnesses (Article 9-14).

3. It has been traditional practice for the Japanese Government to delegate governmental functions, such as inspections, allocations, licensing tax collections, etc., to special privileged private individuals or groups. Such delegation has taken various forms such as trade associations, advisory committees composed of industry representatives, or private individuals in the employ of commercial enterprises or associations lent to the government for the performance of uncompensated services. Illustrative of such arrangements is the fact that the big Zaibatsu combines had individuals on their payrolls established in positions and offices in strategic portions of the Japanese Government, such as the Finance Ministry, Ministry of Commerce and Industry, etc., in order to see to it that no actions were