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GENERAL HEADQUARTERS
~~EXERCISE COMMAND~~
SUPREME COMMANDER FOR THE ALLIED POWERS
CHECK SHEET

(Do not remove from attached sheets)

CFS/LVP/lb

File No.:

Subject: Imperial Ordinance regarding Vital Statistics

Note
No.

From: PH&W

To: Government Section

Date: 3 January 1948

1

The Public Health and Welfare Section concurs with the amendment of the Imperial Ordinance regarding Vital Statistics, as set forth in the attached statement.

1 Incl. a/s

CFS
-C. F. S.-

ROUTING SLIP

28 Dec 1947

FROM: LEGISLATIVE DIVISION

INITIAL DATE

- EX O.....
- Deputy Chf.....
- Special Proj Div.....
- Pol. Affairs Div.....
- Local Gov't Div.....
- Legis Div.....
- Ch. P.S.Q.D.....
- Gov't Powers Div.....
- Courts & Laws Div.....
- National Gov't Div.....
- Civil Service Div.....

FOR:

- INFORMATION
- APPROVAL OR DISAPPROVAL
- INITIAL
- COMMENT OR CONCUR

COMMENT

cc: PHW/Vital sta-
tion (Phelps)

A part
~~part~~ of the Imperial Ordinance regarding Vital Statistics shall be amended as follows;

Article 2, Paragraph 1 shall read;

Materials for the compilation of Vital Statistics regarding births, deaths, still-births, marriages and divorces shall be presented in the form of Vital Statistics schedules by the mayor or the headman of town or village who has received reports of such occurrences ~~and~~ ^{and} in the form of Monthly Reports of Vital Statistics by the head of the health Center.

In Article 3. "~~and the~~ Monthly Reports of Vital Statistics" ~~shall~~ ^{and} be deleted and the following paragraph added;

The head of the health center shall, as provided by the Welfare Ministry Ordinance, draw up Monthly Reports of Vital Statistics based on the Vital Statistics Schedules.

Article 4 shall ~~be partly amended~~ ^{read} as follows;

The forms for the Vital Statistics Schedules shall be sent ^{by the Welfare Minister} to the mayor or the headman of town or village and these for the Monthly Reports of vital Statistics, to the head of health center.

In Article 5. "and the Monthly Reports of Vital Statistics shall be omitted. ~~monthly~~ ~~read~~ ~~"without delay"~~; and the passage beginning with "be sent monthly to" and ending with "town or village" shall read "be sent without delay to the head of the health center by the mayor or the headman of town or village, and then to the governors of Metropolis, Hokkaido and Prefectures by the head of the health center".

The following paragraph shall be also added to the same Article;

The head of the health center shall monthly send the Monthly Reports of Vital Statistics to the governors of *Metropolis, Habskaido and Prefecture and then the governors* to the Welfare Minister.

Supplementary Provision

This ordinance shall apply *retroactively* from January 1, 1948.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Natural Resources Section

NR 619 (4 Oct 47)HG

HGS/RYG/AC/hed
4 October 1947

MEMORANDUM FOR: Record.

SUBJECT : Proposals for Transferring Collection of Mining Industry
Statistics to Bureau of Mines Statistics Division.

1. Mr Cunningham attended a meeting of the Control Coordinating
Committee on 2 October 1947 at the Imperial Hotel. The following were
present:

C.M. Wright, chairman	C.H. Becker, AC Div, ESS
E.V. Jackson, secretary	M.J. Rose, AC Div, ESS
Miss D. Carlton, R & S, ESS	J.H. Capron, ESS
E.J. Carrington, Legal Section, ESS	B. Hazo, Labor Div, ESS
Miss E.M. McCann, ESS	H. Ries, Ind Div, ESS
F.K. Richers, Civilian Transportation Section	J.R. Boner, PC & R Div, ESS
H.E. Bradford, Foreign Trade Div, ESS	H.F. Smith, PC & R Div, ESS
E.J. Burns, Finance Div, ESS	Allan Cunningham, NR

2. Mr Collins reported to this committee on this subject on 25 September
1947, regarding work done and proposals under consideration for solving various
problems involved. Work during the past week has included further negotiations
between Mr Yoshida, Bureau of Mines, and representatives of miners, and
discussions by Messrs Collins and Cunningham with Messrs Hazo and E.W. Reed,
Labor Division and Finance Division, ESS. It also included a conference on
30 September which included Mr Komatsu, chairman, Miners Advisory Committee,
Mr Yoshida, Bureau of Mines, Mr Suzuki, Allowance Bureau of Finance Ministry,
Mr Kashinagi of the Finance Ministry, and Mr Cunningham with Mr Reed, Finance
Division, ESS, at Mr Reed's office.

3. The latest proposal is as follows:

- a. It is believed that qualified personnel can be obtained who
will accept government positions on a regular wage basis and on a permanent
status.
- b. These persons will not be qualified at the beginning to do the
statistical work necessary.
- c. No arrangement can be made for transfer of persons presently
employed by miners directly to the government employment for the following
reasons:

- (1) Persons now employed in doing this statistical work are paid more than needs to be paid to other people doing the same work; first, because in many cases they are expected to be able to do more responsible work; second, because many of these are older employees receiving longevity bonuses which add nothing to their value as statisticians.
- (2) It is now agreed by all parties concerned that it is most desirable to work out an arrangement that will fit into present and proposed wage structures in order to avoid interjecting a controversial item into current negotiations.
- (3) On the other hand, it is also realized that it is most important that accuracy and continuity of statistical information be maintained.

4. The Mining Bureau has arranged to recruit or transfer personnel to form a Statistical Division.

a. Mr Yoshida has also made definite arrangements for the required space, desks, and office equipment; personnel, space and equipment are to be available for beginning work on 10 October. After further discussion it has been agreed that the Mines Bureau can do all necessary work with a substantially lower total number of personnel than was required by the numerous associations. This is due to concentration of these activities and to the fact that many of the association employees have other duties in addition.

b. A personal canvass has been made by Mr Yoshida of all representatives of mining interests and the following proposal is now agreed to: Mr Yoshida will immediately begin the development of a Statistics Division capable of collecting and compiling complete and accurate statistics.

c. The mining industry will assist in this program as follows: They will provide skilled and experienced personnel who will do two things:

- (1) Continue to collect, compile and present statistics during an interim period.
- (2) Mining company and association personnel will enter the government service in this bureau temporarily. They will be listed as advisors, instructors and consultants rather than as employees. They will serve without pay from the government.
- (3) It is expected that the maximum number of these advisors will be required during October; that as time passes and Mr Yoshida's employees become experienced, the number of advisors will be reduced from month to month until the day arrives when Mr Yoshida's group will be completely competent.

HR 610 (4 Oct 47)MG

5. A schedule is envisioned about as follows:

October 1947, beginning of mining statistics unit in Mines Bureau

	<u>Government Employees</u>	<u>Private Employees</u>
31 Oct 47	50	90
30 Nov 47	20	60
31 Dec 47	100	30
31 Mar 48	110	10
31 May 48	120	0

This whole program is contingent on the continued existence of some organization in the mining industry which will be authorized to collect and expend funds for this program.

6. No evidence has appeared that the mining industry anticipates using this schedule of procedure to perpetuate existing associations already ordered dissolved or scheduled for dissolution. On the contrary, the question has been asked by them "Will SCAP outline the organization and functions of a trade association which can be entrusted with such projects as this, and which will be approved by SCAP?"

ALLAN CUNNINGHAM
Minerals Economist
Mining and Geology Division

Copy furnished:
Control Coordinating Committee,
Attn: Mr C.M. Wright

STATISTICS

10 September 1947

MEMORANDUM

SUBJECT: Meeting at the Mining Association Building on Monday,
8 September at 1015

This meeting was called by Natural Resources Section and the Bureau of Mines of the Ministry of Commerce and Industry. Present were Capt. D. P. Smith, ESS, Mr. T. W. Reed, CIA&E, Messrs. G. I. Purdy, J. S. Dodge, L. G. Houk and J. J. Collins of NRS, Mr. M. Matsukata of GS, and representatives of the Ministry of Commerce and Industry, a member of the Statistical Bureau and representatives of the various mining control associations.

The chairman of the meeting was Mr. Komatsu, formerly president of a steel company in Tokyo who has been acting in an advisory capacity to NRS in gathering statistics. The meeting was opened by a short speech by the head of the Bureau of Mines, in which he asked for the full cooperation of all mining industries in gathering future statistics.

Formerly, the control associations had been compiling statistics for the Ministry of Commerce and Industry. Due to the dissolution of these control associations and in accordance with a directive from ESS to the Ministry of Commerce and Industry, the statistics formerly collected by the various control associations will have to be done by the Ministry itself.

Mr. Collins of NRS gave a speech as outlined below, Mr. Komatsu interpreting:

Subject: Formation of a Statistical Section in the Mining Bureau,
Japanese Ministry of Commerce and Industry

I. Need for Statistics

- A. They are the foundation of business
- B. Accuracy is indispensable
- C. Opinion of statistical work

II. Problems

- A. Right people for the job
- B. How to attract the right people

Government pay scales are lower than salaries in private industry but there are more serious obstacles in the way of attracting experienced people from private industry.

C. Handling the figures

III. Position of the Statistical Section, Mining Bureau

IV. Industry's Position

At the conclusion of this speech the representatives of the Japanese government and the control associations proceeded to act on formation and election of a businessman's advisory group to the Commerce and Industry Ministry, the members from SCAP departing at this time.

The meeting itself had very little to do with National Government Division but the fact that all statistics in the field of industry are to be taken over by the Ministry of Commerce and Industry needs close surveillance to safeguard the jurisdiction of the Statistical Committee under the Prime Minister and the Statistical Bureau.

M. MATSUKATA
National Government Division

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section

18 September 1947

MEMORANDUM FOR MR. SWOPE

SUBJECT: Conference in Government Section between Mr. Matsukata and Representatives of the Statistics Committee and the Ministry of Commerce and Industry

A conference was held on 18 September between the undersigned and the following representatives of the Japanese government: Mr. MINOBE, Ryokichi, Director of the Executive Bureau of the Statistics Committee; Mr. YAMANAKA, Chief of the General Affairs Section of the Committee; and Mr. KAWAI, Secretary of the General Affairs Section. Present for the Ministry of Commerce and Industry were Mr. MASAKI, Chifuyu, Chief of the Bureau of Research and Statistics; Mr. OJIMI, Yoshihisa, also of the Bureau of Research and Statistics; and Mr. GONOKAMI, Tatsuo, Mining Bureau.

The meeting was for the purpose of reviewing with the Director of the Executive Bureau of the Statistics Committee the basic points to be discussed at a later date with the Central Statistics Committee:

1. The first meeting to be held between the Statistics Committee and Government Section would be called after the Statistics Committee had been able to compile the necessary figures from the next fiscal year's proposed budget. This would furnish the Committee with an estimate of the percentage of the total budget which will be used in relation to statistical work by the various ministries.
2. Make a comparison between the total increase in expenditures on statistics and the increase in the reports and data to be obtained by the increase in the budget.
3. Discuss the District Statistical Bureau in regard to its relation to the local government.
4. Discuss the position of the Central Statistics Committee in relation to the various Statistical Bureaus in each ministry in the future.

The undersigned talked with Mr. Yamanaka, Chief, General Affairs Section of the Statistics Committee, at which time the type of report and the necessary contents of the report to be written by the Statistics Committee for Government Section were discussed. This report will be submitted to National Government Division as soon as the necessary data is compiled and the translation made.

M. MATSUKATA
National Government Division

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section

15 December 1947

MEMORANDUM FOR COL. MARJUM

SUBJECT: Amendments to the Ordinance Concerning the Enforcement of
the Statistics Law

1. Last week Messrs. KAWAI, YAMANAKA and MORI, of the Statistics Committee, which is in the Prime Minister's office, requested the approval of Government Section of a Cabinet Order embodying amendments to the Ordinance Concerning the Enforcement of the Statistics Law.
2. The Cabinet Order is intended to implement a document drawn up by the Statistics Committee entitled "Essential Points for the Improvement of the Local Statistics System". The object is to provide for statistical officials under the jurisdiction of, and paid by, the national government, in order to insure a local statistical structure free from local politics. It has been the contention of the National Government that statistics compiled by local government employees have been colored in such a manner as to present the local situation in a most favorable light possible, e.g. statistics on the rice harvest have always tended towards under-estimation of the crops in order to obtain a lower delivery quota. Another example is the alleged tendency of the prefectural governments to color their statistics so as to obtain larger allocations of scarce rationed materials.
3. The proposed amendments to insure more uniform standards and greater accuracy in statistical collections and tabulations can be made by a Cabinet Order according to the provisions of the Local Autonomy Law.
4. The undersigned requests approval or disapproval, or recommendations as to necessary changes.

John McLean
JOHN MCLEAN

National Government Division

J. McLean —

*yesterday's conference took care
of this —*

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
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JOHN MCLEAN
National Government Division

Statistics Deal?

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section

26 November 1947

MEMORANDUM FOR THE RECORD

SUBJECT: Organization of Statistical Agencies in the Japanese Government

A meeting was held on 19 November for the purpose of discussing the progress made by the Japanese government in reorganizing their statistical system. Attending the meeting as representatives of the Statistics Committee of the Japanese government were Messrs. S. YAMANAKA, S. KAWAI, and K. KUBOTA. Government Section was represented by the undersigned.

The first topic discussed was the question of establishing a National Statistics Council, as recommended by Dr. Rice, head of the American Statistical Mission to Japan. In reply to a question asking whether such an organization had, in fact, been established, the Japanese answered in the negative. Such a council had been recommended to provide an advisory body for the purpose of insuring efficiency and complete objectivity in the collection of statistics by all agencies under control of the national government. Although it was agreed in principle that the existence of such a council would be highly desirable, the Japanese representatives explained that the problem had not been discussed further owing to the fact that no qualified personnel were available and that it was a matter to be left to the distant future. However, outside interests are already represented, it is claimed, since four of the seventeen members of the Statistics Committee are university professors and three are non-government officials. The Ministries of Agriculture and Forestry, Commerce and Industry, and the Bureau of Statistics are also represented on the Committee; a Labor Ministry representative will be added as soon as a man is appointed to head its Bureau of Labor Statistics.

In conformance with a plan to centralize and coordinate statistical work of the various government agencies, the Statistics Committee has been allowed to recommend the last three appointments to the position of chief of the Statistical Bureaus in three of the Ministries. The appointees have all been members of the Statistics Committee. However, since there appears to be no suitable candidate for the post of chief of the Labor Ministry's Bureau of Labor Statistics, the appointment will be made from among persons outside the government.

The next topic dealt with the relationship of national to local statistical agencies. Statistical personnel in the Prefectural and subordinate Local Government Offices are at present paid by the local bodies. It was explained that a supplementary budget bill now in the Diet will, if approved, provide for the institution of statistical officials in the

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Prefectural Offices who are national government officials for administrative purposes (i.e., paid by the national government) but under the operational control of both the national and local governments in the collection and tabulation of statistics required by each. First and second class officials will be appointed or dismissed by the national government (i.e., the Statistics Committee) upon the recommendation of the prefectural governor. Promotion of local statistical officials, including first and second class officials, cannot be made, however, except upon recommendation by the prefectural governor. In the collection of statistics required by an agency of the national government, local statistical personnel will be under the operational control of the agency concerned.

The budget now before the Diet provides for the establishment of a system of permanent enumerators. Under the present system, enumerators in the field are now employed and paid for each separate investigation and are not necessarily re-employed for new investigations. The need for increasing the efficiency of the present system is brought about by two factors: 1) the number of investigations to be conducted has been greatly increased, and 2) the old neighborhood associations and block associations, which were formerly utilized for this purpose, have been dissolved. The country is at present divided into 300,000 survey areas. Of the total number of enumerators required for investigations in these areas, the supplementary budget now before the Diet will provide for the employment of 30,000 permanent enumerators, 10,000 of which are to be full-time and stationed in municipalities, and the remaining 20,000 to be employed on a part-time basis and stationed in towns and villages. These enumerators will also be given the responsibility of training temporary enumerators in the technique of statistics collections when additional personnel are required for an investigation. Personnel expenditures included in this supplementary budget will total 250,000,000 yen.

The question was then asked of the Japanese whether or not the work of the Crop Report Offices of the Ministry of Agriculture and Forestry could be handled as efficiently by the existing local statistical offices, assuming that additional personnel would undoubtedly have to be employed to handle this new responsibility. Might it not perhaps require less personnel than are now employed by the Crop Report Offices? The Japanese representatives agreed that this would be the case but were reluctant to give figures to support this position, owing to the probable opposition of the Ministry of Agriculture and Forestry and to the fact that Natural Resources Section is alleged to have insisted upon the establishment of these offices.

The following developments occurred as regards jurisdictional control over the collection of statistics at the local level: 1) in October, population movement statistics were transferred from the Statistics Section to the Bureau of Health; 2) similarly, it is planned to transfer

collection of labor statistics from the Statistics Section to the Health Bureau; 3) also under discussion is a plan to transfer disease statistics to the jurisdiction of the Bureau of Health; 4) the jurisdictional dispute between the Labor Ministry and the Statistics Committee over local collection and tabulation of labor livelihood statistics has not yet been settled; 5) statistics concerning processed foods are being collected by the Materials Adjustment Office, which is a local branch office of the Ministry of Agriculture and Forestry; 6) industrial statistics are collected by the Statistics Section of the prefectural office under the direction and supervision of the Ministry of Commerce and Industry.

The question of national subsidies to local government bodies for the collection of statistics required by the national government was then taken up. It was pointed out that discussion in the 29 August meeting of the Statistics Committee had centered about the Finance Ministry's refusal to grant to the prefectures more than half the financial aid required before the local statistics organizations could conduct new investigations on behalf of the Ministry of Commerce and Industry. It was then asked whether the Finance Ministry had revised their previous position and provided a subsidy covering the full amount required. The Japanese replied in the affirmative. The undersigned then asked the Japanese whether the initial attitude of the Finance Ministry on this question was not in direct opposition to the Cabinet decision of 11 July, whereby it was agreed that national funds must be provided in full whenever agencies of the national government wished to conduct investigations through the use of local agencies. The Japanese were apparently taken unaware and seemed to be uninformed of this decision, whereupon it was asked whether similar investigations by the national government to be conducted through local government bodies had required the expenditure of local government funds. After some hesitation, the Japanese admitted that this was sometimes the case. A report was then requested indicating the extent to which investigations were financed by local government bodies.

The budgets of the Statistics Committee, Cabinet Bureau of Statistics, and the Bureau of Statistics in the Ministry of Agriculture and Forestry for the 1947-48 fiscal year were discussed, and an explanation requested concerning the size of the budget for the latter agency. Personnel expenses for this fiscal year for the Ministry's Bureau of Statistics totals 51,000,000 yen, compared with 12,000,000 yen for the Cabinet Bureau of Statistics, or, roughly, three times the total allotted the latter. This budget was compiled on the basis of the total personnel authorized, although the actual number of personnel employed by the Bureau of Statistics is but 65 per cent of the authorized strength, and for the Bureau of Statistics in the Agriculture and Forestry Ministry less than 20 per cent. In other words, the actual number of personnel employed by both statistical bureaus is approximately the same, though the budget for personnel expenses for one is three times that of the other. Even the budgets for both the

Cabinet Bureau of Statistics and the Statistics Committee have been padded. The undersigned then asked what disposition is made of the funds which should remain at the end of each fiscal year, since the discrepancy between total authorized personnel and that actually employed is apparently a common practice. The Japanese replied that no funds would be left over from the budget of the Cabinet Bureau of Statistics at the end of this fiscal year, since a large number of temporary personnel greater than that authorized would be needed for the purpose of conducting the national census. No such explanation, however, was forthcoming in regard to the other two statistical agencies. A report was requested by the undersigned indicating the actual monthly strength of each of the three statistical agencies during the fiscal year 1947-48, including planned increases or decreases for the remaining period. Three additional reports were also requested: 1) list of names and position of regular and temporary members of the Statistics Committee, 2) list of "designated statistics," as defined under Article 3 of the Statistics Law, 3) minutes of all meetings of the Statistics Committee held since 29 August (minutes of all previous meetings have already been submitted to this Section).

JOHN K. McLEAN
National Government Division

Extracts from
Preliminary Report on
Japanese Statistical Organization

by

Statistical Mission to SCAP of the Division of Statistical Standards
of the U. S. Bureau of the Budget, Executive Office of the President

Stuart A. Rice, Chief of Mission

VI
Japanese Statistical Organization

(Centralization or decentralization?)

National statistical organizations are customarily classified as "centralized" or "decentralized." These terms refer to the degree to which the statistical activities of the central government are concentrated (the first case) within a single government unit, or are dispersed (the second case) among a number of ministries or agencies which are mutually independent. The two situations differ by degree only. Except, perhaps, in a few very small countries, there are probably no instances of complete centralization; while even in the highly decentralized statistical systems of the United States and the United Kingdom there are areas of statistical activity in which centralization is notable.

Among nations familiar to the present writer, the Dominion of Canada and the Netherlands have made the most conspicuous efforts to centralize their statistical systems. In the second, the attempt is said by its Director General of Statistics to have been highly successful. Nevertheless "it is a small country." In Canada the centralized system set up in the Dominion Bureau of Statistics by the Dominion Statistics Act several decades ago seems to have weathered the stresses of war without excessive impairment. Nevertheless there have been complaints by technicians in the various ministries that they were frustrated by inability to control the collection of the data which they used. It can also be said that the Canadian Statistical system is probably less highly centralized at present than before the war, as a result of war-time statistical exigencies.

The principal factor making for the decentralization of statistics within any government is the need of its various administrative units for data with which to implement their programs. Being responsible for these programs they feel that none so well as themselves are equipped to secure and appraise, in relation to the program, the information they require. Specialists in the field covered by the program are usually attached to the operating unit in question and may not be represented in the staff of a central bureau of statistics, which is thus unprepared to satisfy precisely and intelligently the operating units' needs.

However it is inevitable that the unrelated statistical activities of separate operating units will overlap or even conflict, and at times will lead to inconsistent statistical results and pronouncements. It is therefore a corollary of a decentralized statistical system that there must be some mechanism for the coordination of its several parts. Such a mechanism is found in the United Kingdom in the Central Statistical Office of the Cabinet; and in the United States in the Budget Bureau's Division of Statistical Standards in the Executive Office of the President.

In Brazil an effort is being made to assimilate together the major features of a centralized and decentralized system. The device employed is that of a National Statistical Council in which the statistical offices of national ministries, state and local governments and a few unofficial agencies are represented. The Council is a part of the Brazilian Institute of Geography and Statistics, a largely autonomous and authoritative organization which is responsible solely to the President of the Republic.

Since effective power to coordinate tends easily to become a power to direct, there is perhaps less difference than appears between a central bureau of statistics, with authority concentrated in the office of its Director, and an authoritative central coordinating agency. The authorities of the United States Division of Statistical Standards have grown during recent years and approach those of the Brazilian Institute of Geography and Statistics. The essential differences are that the latter itself collects many of the Brazilian data, is establishing local representative in each of the Nation's 1500 municipalities or counties for the collection of data, and has its own sources of tax revenues. The Division of Statistical Standards, on the other hand, collects no data itself and retains only a supervisory and regulatory character. Data are collected by the various operating agencies in close relationship to those who make use of them. And while the authorities of the Division constitute a general limitation upon the authorities of the administrators in charge of these operating units, there is no general interference with their administration responsibilities and activities.

From what has already been said it should be clear that larger nations with highly organized industrial economics are more likely than not to develop decentralized statistical systems, including as an essential feature a central mechanism of statistical coordination and control. On the other hand perhaps the best illustrations of statistical centralization would be found among the smaller and less industrialized nations, for example, in Latin America.

The advantages of statistical centralization, whenever this can be realized, are such as to warrant strong efforts in Japan to achieve the maximum practicable degree of centralization. This is the policy of the Division of Statistical Standards in the United States. Complete centralization of that nation's statistical activities within a single federal agency would be entirely impracticable: yet "focal agencies" have been

designated for the central collection of statistics within certain subject-matter areas. The Census Bureau is such a focal agency for the collection, among others, of population statistics. The Bureau of Labor Statistics is being given the central responsibility for prescribing the type of state and local employment statistics to be collected for national purposes by the Bureau of Employment Security and its affiliated state agencies. It is possible that such forms of partial centralization may provide a pattern for the development of statistical organization in Japan, as its economic evolution proceeds.

Whatever the future evolution of Japanese statistical organization may be, provision should now be made for the central planning of statistical development and for the coordination of whatever statistical activities may be developed within the several ministries. These two functions appropriately belong together within the same central organization. The basis for both has already been laid by the creation of the Statistics Committee and its Executive Bureau.

VII

The Statistics Committee and its Program

The Statistics Committee has made a favorable impression upon the Mission. Its composition and the attitudes of its members inspire confidence. They appear eager to get ahead promptly and thoroughly with the tasks of statistical reorganization. They appear to have discussed and weighed carefully the various considerations involved in the formulation of their proposals. These proposals seem well-adapted to immediate requirements. Nor does the Committee resist the idea that its composition and functions may need ultimately to change as statistical reorganization proceeds.

The mission has been led to believe that the best available professional talent in Japan has been drawn upon in composing the Committee membership. The majority of its active members are university professors in social science fields. The President and Vice President of the Committee are ex officio respectively the Prime Minister and the Chairman of the Economic Stabilization Board, thus apparently gaining for its work the highest official sponsorship. Both professional competence and official sponsorship of the highest orders seem valuable if not essential requisites for the successful fulfillment of the Committee's tasks.

That the Committee at the present juncture should have executive and not merely advisory functions seems also desirable. The effectuation of its deliberate judgments should not be thwarted by objections based upon the self-interests of the Governmental agencies whose work is affected.

The Committee is in the process of drafting a basic statistical act for presentation to the Diet. The enactment of such a basic act seems desirable, provided it be carefully devised, critically examined by all interests concerned, and that it does not render unduly difficult subsequent amendments, the needs for which will undoubtedly become apparent in the light of experience.

In short, the Committee as constituted and now at work is an admirable device for launching the necessary work of statistical reorganization. Nevertheless it should not be allowed to develop institutional self-interests and inflexibilities of its own that will impede the future evolution and adaptation of the statistical system to social and economic needs. Weaknesses in its own organization from a long-range standpoint should therefore now be sought out and their ultimate correction envisioned.

It is unlikely that the heavy preponderance of university professors in the Committee's membership will for long be an advantage. As men of competence are increasingly drawn into the government from without or are developed from within the government's statistical agencies, these should increasingly be represented in the Committee's membership.

The distribution of responsibilities between the Committee and its own Executive Bureau will inevitably in due course present problems. It is understood that the members of the Committee are part-time functionaries; and that its full-time staff work is to be performed by its Executive Bureau. Responsibilities for day-to-day decisions upon urgent questions will increasingly be taken by the staff of the Bureau - a probability which we should not criticize but one which is at variance with the conception of an executive Committee.

Under normal circumstances even a full time body of nine members is too large for executive actions. Such a body is likely to develop characteristics more nearly approaching those of a legislature or judicial council. We anticipate that in the course of time the Executive Bureau of the Statistics Committee will become the actual statistical coordinating mechanism of the Japanese Government and that the Committee itself will become advisory to the Bureau. A similar development occurred in the United States where the Central Statistical Board (an executive but part-time body of 14 members, representing important statistical interests) was supplanted by its own staff. The staff became the Division of Statistical Standards, while the Board was replaced by a committee advisory to the Division.

If and when the Statistical Committee should become an advisory body, with actual coordinating responsibilities lodged in its present Executive Bureau, room should be made within the Committee for representatives of all important statistical interests, both within and without the government. It might then attain a character approximating that of the National Statistical Council of Brazil to which we have referred.

One of the greatest burdens any government statistical system carries is the necessity for maintaining complete objectivity. The more statistics are used the greater is the pressure to find statistics which support a position. It will be the duty of the Japanese to establish once and for all the standard of complete honesty of government statistics, whether they disclose conditions favorable to the administration or unfavorable to it. Moreover, as democratization permits open criticism of government and statistics are used more there will be criticism of the Statistics.

The development of a National Statistics Council composed of, say, one member from the Bank of Japan, one from the statistical association, two members from labor organizations, two from agricultural cooperatives, two from business, four or five from universities (both Imperial and private) four or five from prefectures and the large cities, and from all the Ministries with important statistical bureaus, could be of great service in guarding the integrity of Japanese statistics and in convincing the public and all interests that the statistical services are honest.

The mission recommends that the Committee and its immediate proposals respecting the organization of the Japanese statistical system be approved by SCAP. This approval should be qualified, however, by a formal understanding that the measures which the Committee proposes are tentative and in the nature of first steps toward a more effective statistical organization. It should be understood that SCAP, the Committee and the Japanese Government will all preserve an open mind toward possible modifications in the Committee's program should these appear desirable after further experience with the Committee's activities has been obtained.

The recommended approval, moreover, should be subject to continued supervision over the Committee's activities by the Research and Statistics Division of SCAP. In dealing with statistical agencies of the Japanese Government, the Division should utilize the services of the Committee and its Executive Bureau to the greatest extent found practicable by experience; but it should not divest itself of the right to deal directly with these agencies whenever it finds this desirable. There should be many occasions in which dealings with these agencies can be made jointly by the Division and the Committee. Joint actions on such occasions should be beneficial to all three parties concerned and especially to the Committee, since it will thereby gain experience of value when it is ultimately called upon to take independent initiative.

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The Cabinet Bureau of Statistics

Official statistics are of two general types: those which directly serve administrative needs or are by-products of administration; and those which serve the general purposes of the government and the public alike,

by giving an overall conspectus of some important aspect of the social economy. A survey of food supplies preparatory to a decision upon rationing would be an instance of administrative statistics, while statistics of public finance would be an administrative by-product. A national enumeration of population or of agricultural production would provide "general purpose" statistics. The census data on population and agriculture would both be used in preparing a ratio rationing program, but they would also be used for many other official and unofficial purposes.

The responsibility for a survey of food supplies for the purpose mentioned would ordinarily fall upon the rationing authority. It might either direct the survey itself or engage some other statistical organization to do the work on its behalf and according to its own requirements, providing these do not violate acceptable standards. General purpose statistics, on the other hand, are the responsibility of a census bureau, or of one or more agencies of the same general type.

In Japan the principle agency for the collection of general purpose statistics is the Cabinet Bureau of Statistics. We recommend that its name be changed to the Bureau of the Census, and that it be charged with the collection from the public of all non-administrative or general purpose statistics, together with their tabulation and analysis. So far as practicable in any given instance, the Bureau of the Census should also be asked, by agreement between them, to conduct special surveys for administrative agencies of the government, and to perform machine tabulations for other agencies.

Thus in the illustrations of administrative statistics given above, the Bureau of the Census (the present Cabinet Bureau) might be assigned the task of collecting information on food stocks, and summing the data, on behalf of the rationing authority. It might also be assigned the task of tabulating data supplied by the Finance Ministry on government income and expenditures. In the latter case the editing and coding of the basic information, and probably the punching of machine cards as well, should be performed by the Finance Ministry, which would also be responsible for analysis and interpretation of the finished tables.

In both cases the Bureau of the Census would proceed as a service agency in accordance with rigid specifications laid down by the agency for which the work was performed. In the case of the general purpose statistics for which the Census Bureau had primary responsibility - censuses of population, industrial and agricultural production, etc. - the Bureau itself should be responsible for formulating the detailed technical specifications required for the work, although guided and advised by the agencies - both governmental and non-governmental - which represent the primary users of such data.

The divisions of responsibility just indicated would serve to bring about the maximum practicable degree of centralization within the Statistical system. This would have several particular advantages. It would permit the development in one large organizational unit of a highly competent technical staff, the specialized abilities of which would abet and fortify each other. It would also permit the concentration to the best general advantage of available machine facilities. It would permit the acquisition of a reservoir of technical experience and personal contacts which would enable any inquiry assigned to the Bureau to proceed with a minimum loss of time in preparations. Finally, it would permit the development of a field organization, spread throughout the nation, for conducting the field work for a variety of inquiries. More will be said of this in the following section.

It is suggested that the Bureau of the Census, quite independently of the arrangements for study abroad proposed in Section IV, should take steps for its key personnel to study at first hand the census methods employed in the United States, the United Kingdom and a number of other countries.

IX

Statistical Organization in the "Field"

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Of particular importance to the effectiveness of statistical work in the field are the training and caliber of field staffs, and the instructions under which they work; the methods of collecting and handling data obtained from the public in local areas; and the degree to which controls over such activities are maintained by statistical units of the central government. Upon satisfactory answers to questions involving these issues depends the possibility of national data whose geographical components are comparable and capable of summation.

At the present time the field staff to collect statistical data is centralized in the prefectural statistical office with one unit in the General Affairs Section responsible for statistics. In our visits to three prefectural offices we found differences in practice ranging from the situation where the prefectural statistical office served the Cabinet Bureau of Statistics exclusively, through the case where it served as the collection agent for the "Statistical Bureaus" in all the ministries with

statistics wanted by other bureaus of the ministries being collected by other groups in the prefectural office, to the case where it served as the coordinating unit for all statistics.

Some exceptions have already been made in this centralized system and several ministries will be affected by whatever arrangements are made for collection. The Cabinet Bureau of Statistics has one or two newly introduced sample surveys which are collected by a staff directly responsible to the Cabinet Bureau as well as several surveys which are collected through the prefectural statistical offices; the Ministry of Agriculture and Forestry collects extensively statistics on crops and other matters under its jurisdiction through prefectural offices but has plans for setting up an extensive field force directly responsible to the Ministry throughout all the prefectures and extending down into all the villages and cities; the Ministry of Commerce and Industry has in the past taken an annual census of all factories which required the use of the prefectural office and it is planning a census of wholesale and retail trade which will reach into every locality. It is now setting up an extensive set of monthly reports on production in specified industries. The Finance Ministry collects financial statements from corporations and is discussing a survey to obtain data on entrepreneur's profits in all fields of enterprise; the Welfare Ministry has collected extensive data on matters of interest to it; and in the discussions regarding the proposed Labor Ministry the need for collecting data on many items affecting labor has been recognized, some of which are now being collected by the Welfare Ministry or other agencies but some of which will be new. There are undoubtedly other ministries concerned to a less degree.

The separation of prefectural responsibility between the Home Ministry and the Ministry under whose jurisdiction a particular set of statistics fell has been credited with resulting in some lack of control over the collection of statistics. While our visits did not disclose any conflict, it is proverbial that control over hiring, firing and advancement is the most effective control in securing standards of performance. With the greater separation of responsibility between the prefectural governments and the central government under the new Constitution this relationship becomes more important for the future.

There have also been statements to the effect that in the collection of statistics where it would be to a prefecture's advantage to have the results high or low there is suspicion that the results were affected.

As indicated above, the Cabinet Bureau has found it desirable to set up for some surveys a field force directly responsible to it. The Ministry of Agriculture and Forestry plans to set up its own reporting organization. The discussions for the Bureau of Labor Statistics in the Labor Ministry have included an organization of data collectors directly responsible to it. In the development of the plans in the Ministry of Commerce and Industry

the same idea will probably be evidenced, and the same need may be felt in other ministries. The major part of the expense in assembling information is spent at the collecting stage and the validity of statistics depends on the accuracy of the reports obtained. It is essential and urgent that great care be taken in planning the field organization at this period when new systems are being set up.

It, therefore, seems desirable to set up a single organization throughout the prefectures, villages and cities for the collection of "enumerated" data. Certain modifications may be desirable in a rigid "single" organization but the Cabinet Committee on Statistics can weigh the efficiency to be gained by the modifications with the agencies concerned. The government as a whole should recognize the Committee on Statistics as the agency to determine with the Budget Bureau what the most effective and economical organization will be.

Since from 50% to 75% of the total budget for statistics over a 5 year period will be spent for the first stage, the collection of information, it is extremely important that the most efficient system be set up and that each ministry recognize its self-interest in having the most economical over-all system established. Only a very small portion of the government budget is devoted to statistics, but the absolute amount may appear large. Perhaps recognition by SCAP divisions is more important than recognition by the Japanese of the budgetary problem. Unless a fundamentally sound organization is set up now, there seems to us a danger that any arrangements will be temporary and statistics will be jeopardized after the occupation ends.

If the recommendation made in Section VIII for the concentration of collection from the public and tabulation and analysis of all non-administrative statistics in the Cabinet Bureau of Statistics is promptly carried out, the problem requires a choice between operating through the local government offices or having an independent staff directly responsible to the Cabinet Bureau. Inasmuch as the assembly of national statistics is clearly a central government function the Mission recommends that this staff be responsible to the central government at least to the extent of selection of personnel, control of advancement and status, and assurance of non-interference with official duties. If the recommendation for complete centralization is not promptly carried out there is an immediate problem with respect to the Agriculture Ministry and the plans being made for the Labor Ministry.

It must not be overlooked, however, that the present prefectural offices contain the only country-wide statistical staff. They are organized, presumably staffed with competent people who are familiar with procedures and acquainted with and in control of the village, town, and city organization for flow of data. Without compromising our recommendation that the field staff should be responsible to the central government, we recognize the need for continued utilization of the prefectural offices during the immediate future.

The Mission recommends that responsibility for organizing the regional, prefectural and local offices for the collection of statistics be placed clearly in the Cabinet Committee of Statistics, subject to four controlling principles: (1) That there be a single field staff; (2) that this staff be subject to adequate central government control; (3) that collections of enumerated data by any ministry be carried out by this staff; and (4) that efforts be made to incorporate the existing organization in prefectures and villages to the extent that is consistent with central government control.

There is one final matter which is comprehended in the foregoing discussion but which justifies individual mention. It is extremely desirable that Japan develop a sampling organization built on sound, scientific sampling theory. This organization should be incorporated into the general field staff. The theory of practical population sampling has been revolutionized during the last ten years and it has been applied in a systematic way in the social sciences in the United States only during the period Japan has been cut off from communication with us. Through the great economies of sampling entirely new fields of statistical investigations are opened up and Japan should be in position to exploit these techniques as rapidly as possible. To incorporate the advances in theory with practices and to develop these techniques the Japanese should have a single organization so that the widest range of problems can be studied.

Extracts from

MODERNIZATION OF JAPANESE STATISTICS

Summary Report of the
Statistical Mission to Japan
April 1947

Development of "Statistical Mindedness" (page 5)

We recommend that in connection with the revision of the educational system deliberate and careful steps be taken at all school and university levels, and especially the primary grades, to foster intellectual objectivity and factual habits of thought.

Japanese Cabinet Committee on Statistics (page 6)

. It is taking the leadership in developing a statistical system, in reorganizing important statistical work in the government, and in improving the caliber of statistical personnel.

. To carry out its staff functions it must gain the understanding, cooperation and participation of the government officials concerned; and it must develop further its own understanding of the job to be done. It will also require patience and tolerance as well as advice and pressure from SCAP.

. However, some recommendations were brought together more formally in a "Preliminary Report on Japanese Statistical Organization" prepared by the Chief of the Mission before his departure from Japan. (page 7)

The Cabinet Bureau of Statistics (page 7)

We recommend that the collection of official data be centralized to the maximum practicable degree in the Cabinet Bureau of Statistics.

The reasons for this recommendation include the general shortage of trained personnel and the importance of making maximum use of those who are available. Centralization in the Cabinet Bureau would permit a more efficient pooling of the limited technical personnel and facilities than would the alternative of decentralization, despite the real advantages of the latter to administrative departments which would retain more intimate control of specialized data.

We recommend that field staffs for the collection of statistics be consolidated into a single staff. (page 8)

The reasons for such consolidation are parallel to those just given. The larger costs of statistical work are for the actual collection

of information from individuals or business establishments. A single field staff can more effectively utilize the available skilled personnel. It will require and can therefore justify better trained people, and can better organize training programs of its own.

. Since a complete centralization of statistical work in the Cabinet Bureau or anywhere else would be neither practicable nor desirable, the governmental agencies concerned in any transfer should be given an ample opportunity by the Committee to participate in its planning and to present their views upon its proposed decisions. (page 9)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheets)

ER
ER/FG/hm

File No:

Subject: Transmittal of Requested Reports

Note
No.

From: ESS/RS

To: Govt. Section
Attn: Mr. Matsukada

Date: 12 September 1947

In accordance with your telephone request of 9 September 1947, there are attached two copies of the reports listed in the Summary Report of the Statistical Mission to Japan, with the exception of

- a. A Possible Program for a Balanced Japanese Economy
(Document is under revision and copies are not available.)
- b. The Construction of an Index of Consumer Prices in Japan.
(Only one copy available; appears in Copy No. II.)
- c. Japanese National Income Statistics, Appraisal and Program.
(Copies have not yet been received from the States; two copies will be forwarded to Government Section.)

ER

E. R.

Extracts from
Preliminary Report on
Japanese Statistical Organization

by

Statistical Mission to SCAP of the Division of Statistical Standards
of the U. S. Bureau of the Budget, Executive Office of the President

Stuart A. Rice, Chief of Mission

VI
Japanese Statistical Organization

(Centralization or decentralization?)

National statistical organizations are customarily classified as "centralized" or "decentralized." These terms refer to the degree to which the statistical activities of the central government are concentrated (the first case) within a single government unit, or are dispersed (the second case) among a number of ministries or agencies which are mutually independent. The two situations differ by degree only. Except, perhaps, in a few very small countries, there are probably no instances of complete centralization; while even in the highly decentralized statistical systems of the United States and the United Kingdom there are areas of statistical activity in which centralization is notable.

Among nations familiar to the present writer, the Dominion of Canada and the Netherlands have made the most conspicuous efforts to centralize their statistical systems. In the second, the attempt is said by its Director General of Statistics to have been highly successful. Nevertheless "it is a small country." In Canada the centralized system set up in the Dominion Bureau of Statistics by the Dominion Statistics Act several decades ago seems to have weathered the stresses of war without excessive impairment. Nevertheless there have been complaints by technicians in the various ministries that they were frustrated by inability to control the collection of the data which they used. It can also be said that the Canadian Statistical system is probably less highly centralized at present than before the war, as a result of war-time statistical exigencies.

The principal factor making for the decentralization of statistics within any government is the need of its various administrative units for data with which to implement their programs. Being responsible for these programs they feel that none so well as themselves are equipped to secure and appraise, in relation to the program, the information they require. Specialists in the field covered by the program are usually attached to the operating unit in question and may not be represented in the staff of a central bureau of statistics, which is thus unprepared to satisfy precisely and intelligently the operating units' needs.

However it is inevitable that the unrelated statistical activities of separate operating units will overlap or even conflict, and at times will lead to inconsistent statistical results and pronouncements. It is therefore a corollary of a decentralized statistical system that there must be some mechanism for the coordination of its several parts. Such a mechanism is found in the United Kingdom in the Central Statistical Office of the Cabinet; and in the United States in the Budget Bureau's Division of Statistical Standards in the Executive Office of the President.

In Brazil an effort is being made to assimilate together the major features of a centralized and decentralized system. The device employed is that of a National Statistical Council in which the statistical offices of national ministries, state and local governments and a few unofficial agencies are represented. The Council is a part of the Brazilian Institute of Geography and Statistics, a largely autonomous and authoritative organization which is responsible solely to the President of the Republic.

Since effective power to coordinate tends easily to become a power to direct, there is perhaps less difference than appears between a central bureau of statistics, with authority concentrated in the office of its Director, and an authoritative central coordinating agency. The authorities of the United States Division of Statistical Standards have grown during recent years and approach those of the Brazilian Institute of Geography and Statistics. The essential differences are that the latter itself collects many of the Brazilian data, is establishing local representative in each of the Nation's 1500 municipalities or counties for the collection of data, and has its own sources of tax revenues. The Division of Statistical Standards, on the other hand, collects no data itself and retains only a supervisory and regulatory character. Data are collected by the various operating agencies in close relationship to those who make use of them. And while the authorities of the Division constitute a general limitation upon the authorities of the administrators in charge of these operating units, there is no general interference with their administration responsibilities and activities.

From what has already been said it should be clear that larger nations with highly organized industrial economies are more likely than not to develop decentralized statistical systems, including as an essential feature a central mechanism of statistical coordination and control. On the other hand perhaps the best illustrations of statistical centralization would be found among the smaller and less industrialized nations, for example, in Latin America.

The advantages of statistical centralization, whenever this can be realized, are such as to warrant strong efforts in Japan to achieve the maximum practicable degree of centralization. This is the policy of the Division of Statistical Standards in the United States. Complete centralization of that nation's statistical activities within a single federal agency would be entirely impracticable; yet "focal agencies" have been

designated for the central collection of statistics within certain subject-matter areas. The Census Bureau is such a focal agency for the collection, among others, of population statistics. The Bureau of Labor Statistics is being given the central responsibility for prescribing the type of state and local employment statistics to be collected for national purposes by the Bureau of Employment Security and its affiliated state agencies. It is possible that such forms of partial centralization may provide a pattern for the development of statistical organization in Japan, as its economic evolution proceeds.

Whatever the future evolution of Japanese statistical organization may be, provision should now be made for the central planning of statistical development and for the coordination of whatever statistical activities may be developed within the several ministries. These two functions appropriately belong together within the same central organization. The basis for both has already been laid by the creation of the Statistics Committee and its Executive Bureau.

VII

The Statistics Committee and its Program

The Statistics Committee has made a favorable impression upon the Mission. Its composition and the attitudes of its members inspire confidence. They appear eager to get ahead promptly and thoroughly with the tasks of statistical reorganization. They appear to have discussed and weighed carefully the various considerations involved in the formulation of their proposals. These proposals seem well-adapted to immediate requirements. Nor does the Committee resist the idea that its composition and functions may need ultimately to change as statistical reorganization proceeds.

The mission has been led to believe that the best available professional talent in Japan has been drawn upon in composing the Committee membership. The majority of its active members are university professors in social science fields. The President and Vice President of the Committee are ex officio respectively the Prime Minister and the Chairman of the Economic Stabilization Board, thus apparently gaining for its work the highest official sponsorship. Both professional competence and official sponsorship of the highest orders seem valuable if not essential requisites for the successful fulfillment of the Committee's tasks.

That the Committee at the present juncture should have executive and not merely advisory functions seems also desirable. The effectuation of its deliberate judgments should not be thwarted by objections based upon the self-interests of the Governmental agencies whose work is affected.

The Committee is in the process of drafting a basic statistical act for presentation to the Diet. The enactment of such a basic act seems desirable, provided it be carefully devised, critically examined by all interests concerned, and that it does not render unduly difficult subsequent amendments, the needs for which will undoubtedly become apparent in the light of experience.

In short, the Committee as constituted and now at work is an admirable device for launching the necessary work of statistical reorganization. Nevertheless it should not be allowed to develop institutional self-interests and inflexibilities of its own that will impede the future evolution and adaptation of the statistical system to social and economic needs. Weaknesses in its own organization from a long-range standpoint should therefore now be sought out and their ultimate correction envisioned.

It is unlikely that the heavy preponderance of university professors in the Committee's membership will for long be an advantage. As men of competence are increasingly drawn into the government from without or are developed from within the government's statistical agencies, these should increasingly be represented in the Committee's membership.

The distribution of responsibilities between the Committee and its own Executive Bureau will inevitably in due course present problems. It is understood that the members of the Committee are part-time functionaries; and that its full-time staff work is to be performed by its Executive Bureau. Responsibilities for day-to-day decisions upon urgent questions will increasingly be taken by the staff of the Bureau - a probability which we should not criticize but one which is at variance with the conception of an executive Committee.

Under normal circumstances even a full time body of nine members is too large for executive actions. Such a body is likely to develop characteristics more nearly approaching those of a legislature or judicial council. We anticipate that in the course of time the Executive Bureau of the Statistics Committee will become the actual statistical coordinating mechanism of the Japanese Government and that the Committee itself will become advisory to the Bureau. A similar development occurred in the United States where the Central Statistical Board (an executive but part-time body of 14 members, representing important statistical interests) was supplanted by its own staff. The staff became the Division of Statistical Standards, while the Board was replaced by a committee advisory to the Division.

If and when the Statistical Committee should become an advisory body, with actual coordinating responsibilities lodged in its present Executive Bureau, room should be made within the Committee for representatives of all important statistical interests, both within and without the government. It might then attain a character approximating that of the National Statistical Council of Brazil to which we have referred.

One of the greatest burdens any government statistical system carries is the necessity for maintaining complete objectivity. The more statistics are used the greater is the pressure to find statistics which support a position. It will be the duty of the Japanese to establish once and for all the standard of complete honesty of government statistics, whether they disclose conditions favorable to the administration or unfavorable to it. Moreover, as democratization permits open criticism of government and statistics are used more there will be criticism of the Statistics.

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Since from 50% to 75% of the total budget for statistics over a 5 year period will be spent for the first stage, the collection of information, it is extremely important that the most efficient system be set up and that each ministry recognize its self-interest in having the most economical over-all system established. Only a very small portion of the government budget is devoted to statistics, but the absolute amount may appear large. Perhaps recognition by SCAP divisions is more important than recognition by the Japanese of the budgetary problem. Unless a fundamentally sound organization is set up now, there seems to us a danger that any arrangements will be temporary and statistics will be jeopardized after the occupation ends.

If the recommendation made in Section VIII for the concentration of collection from the public and tabulation and analysis of all non-administrative statistics in the Cabinet Bureau of Statistics is promptly carried out, the problem requires a choice between operating through the local government offices or having an independent staff directly responsible to the Cabinet Bureau. Inasmuch as the assembly of national statistics is clearly a central government function the Mission recommends that this staff be responsible to the central government at least to the extent of selection of personnel, control of advancement and status, and assurance of non-interference with official duties. If the recommendation for complete centralization is not promptly carried out there is an immediate problem with respect to the Agriculture Ministry and the plans being made for the Labor Ministry.

It must not be overlooked, however, that the present prefectural offices contain the only country-wide statistical staff. They are organized, presumably staffed with competent people who are familiar with procedures and acquainted with and in control of the village, town, and city organization for flow of data. Without compromising our recommendation that the field staff should be responsible to the central government, we recognize the need for continued utilization of the prefectural offices during the immediate future.

The Mission recommends that responsibility for organizing the regional, prefectural and local offices for the collection of statistics be placed clearly in the Cabinet Committee of Statistics, subject to four controlling principles: (1) That there be a single field staff; (2) that this staff be subject to adequate central government control; (3) that collections of enumerated data by any ministry be carried out by this staff; and (4) that efforts be made to incorporate the existing organization in prefectures and villages to the extent that is consistent with central government control.

There is one final matter which is comprehended in the foregoing discussion but which justifies individual mention. It is extremely desirable that Japan develop a sampling organization built on sound, scientific sampling theory. This organization should be incorporated into the general field staff. The theory of practical population sampling has been revolutionized during the last ten years and it has been applied in a systematic way in the social sciences in the United States only during the period Japan has been cut off from communication with us. Through the great economies of sampling entirely new fields of statistical investigations are opened up and Japan should be in position to exploit these techniques as rapidly as possible. To incorporate the advances in theory with practices and to develop these techniques the Japanese should have a single organization so that the widest range of problems can be studied.

Extracts from

MODERNIZATION OF JAPANESE STATISTICS

Summary Report of the
Statistical Mission to Japan
April 1947

Development of "Statistical Mindedness" (page 5)

We recommend that in connection with the revision of the educational system deliberate and careful steps be taken at all school and university levels, and especially the primary grades, to foster intellectual objectivity and factual habits of thought.

Japanese Cabinet Committee on Statistics (page 6)

. It is taking the leadership in developing a statistical system, in reorganizing important statistical work in the government, and in improving the caliber of statistical personnel.

. To carry out its staff functions it must gain the understanding, cooperation and participation of the government officials concerned; and it must develop further its own understanding of the job to be done. It will also require patience and tolerance as well as advice and pressure from SCAP.

. However, some recommendations were brought together more formally in a "Preliminary Report on Japanese Statistical Organization" prepared by the Chief of the Mission before his departure from Japan. (page 7)

The Cabinet Bureau of Statistics (page 7)

We recommend that the collection of official data be centralized to the maximum practicable degree in the Cabinet Bureau of Statistics.

The reasons for this recommendation include the general shortage of trained personnel and the importance of making maximum use of those who are available. Centralization in the Cabinet Bureau would permit a more efficient pooling of the limited technical personnel and facilities than would the alternative of decentralization, despite the real advantages of the latter to administrative departments which would retain more intimate control of specialized data.

We recommend that field staffs for the collection of statistics be consolidated into a single staff. (page 8)

The reasons for such consolidation are parallel to those just given. The larger costs of statistical work are for the actual collection

of information from individuals or business establishments. A single field staff can more effectively utilize the available skilled personnel. It will require and can therefore justify better trained people, and can better organize training programs of its own.

. Since a complete centralization of statistical work in the Cabinet Bureau or anywhere else would be neither practicable nor desirable, the governmental agencies concerned in any transfer should be given an ample opportunity by the Committee to participate in its planning and to present their views upon its proposed decisions. (page 9)

EXTRACTS

June 30, 1947

To : Mr. Morris Levine

From : Ryokichi Minobe, Director of the Executive Bureau
of the Statistics Committee

Subject: About the Office to Take Charge of the Vital Statistics

The opinion of the Statistics Committee expressed independently of the Directive:

1. It is desirable that, in principle, the vital statistics should be left as before in the jurisdiction of the Bureau of the Statistics of the Prime Minister's Office which has the most competent staffs and tabulating members, so long as there is no trouble in doing so. This is because the Statistics Committee wants to centralize such statistics as census to the Bureau of statistics of the Prime Minister's Office to economize the insufficient expenditure and personnel from the point of view of the principle mentioned above. It goes without saying that the improvement of the public health statistics deeply affects the important administration of public health, and we think it necessary that specialists of the Welfare Ministry should guide to improve this kind of statistics. However, if this statistics is transferred to the Welfare Ministry, most of the statistics now in charge of the Bureau of Statistics will gradually be transferred to other ministries because other ministries also have the same reason for various kinds of statistics as the Welfare Ministry. Consequently, various Ministries have to conduct various statistics with the insufficient expenses and inexperienced staffs. This is against the advice of the American Statistical Mission, and the principle of the Statistics Committee. For this reason, we are in opposition to the transfer of this investigation.

2. At present, as the Welfare Ministry has no money and personnel enough to conduct the correct investigation, it must newly arrange both personnel and materials for it by the supplementary budget. Accordingly, the Welfare Ministry intends to transfer the staffs and tabulating members who are engaging in this investigation in the Bureau of Statistics to the Ministry. However, this means the weakening of the Bureau of Statistics, which is against the advice of Dr. Rice and the opinion of the Statistics Committee. And as a matter of practice, it is impossible for the Bureau of Statistics to consider the budget and personnel for this investigation apart from other business and budget which are closely related to them. Therefore, even if the budget is transferred to the Welfare Ministry, the personnel cannot naturally be transferred to it. If so, the Welfare Ministry has to start this difficult statistics business with the new budget and inexperienced members. Then, it will be very difficult for the Welfare Ministry to reach promptly the standard of skill the Bureau of Statistics has hither-to maintained. Accordingly, it can easily be predicted that the statistics will become inferior in quality.

Conclusion

Judging from the present straitened condition of Japan, it can easily be predicted that various investigations will become very insufficient owing to the shortage of money and staffs if each ministry is engaged in the business having the character of census independently of each other. If things come to such a pass, we cannot expect the improvement and development of the Japanese statistics. In America, the vital statistics has recently been transferred to the Health Bureau from the Census Bureau. It is only possible in rich countries with sufficient, excellent staffs such as America. But in the present Japan under the very straitened circumstances, we can economize only by conducting such investigations as census in the Bureau of Statistics of the Prime Minister's Office.

As the vital statistics are rather census-like statistics, we think it proper to leave it in the Jurisdiction of the Bureau of statistics. Besides that, we have agreed that it would be better to leave the labor statistics with less color of census in the jurisdiction of the Bureau of Statistics for the reason of centralization mentioned above. As is seen from such example, the transfer of the vital statistics to the Welfare Ministry is opposed to the advice of the Statistical Mission and the principle of the Statistics Committee.

12. The numbers of the staff to be increased and stationed in To, Do, prefectures and Health centers in connection with this transfer of the population movement statistics shall be as follows:

- i) The health statistics staff to be increased and stationed in To, Do and prefectures (these increased staff shall be payed out of the reserve funds).

Technical officers (graded 2nd class)	48
Secretaries (graded 3rd class)	53
Technical officers (graded 3rd class)	92
Employees	184
Total	377

- ii) Staff to be increased and stationed in the Health Centers (these increased staff shall be payed out of the supplementary budget).

Technical officers (graded 2nd class)	72
Employees	1,246
Total	1,318

- iii) The number of the staff of the Health Departments, Health Bureaus and Health Sections, of To, Do and prefectural offices are not known.

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