

GHQ/SCAP Records(RG 331)
Description of contents

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Finance Ministry - 11th Diet

(3) Date: Aug. 1951

(4) Subject:

Classification	Type of record
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(5) Item description and comment:

(6) Reproduction: Yes No

(7) Film no. _____ Sheet no. _____

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet)

Subject: Draft Legislation

Note No.	From: Govt Sec	To: ESS	Date: 16 August 1951	Maj Morris 20-6073
1				
	1. Immediate introduction of the attached draft bill in the Diet is proposed by Finance Ministry.			
	2. Your prompt comment is requested.			
	1 Incl Bill for Execution of Reimbursement of Debts Incurred by Japanese Consulates & Japanese Residents Associations, etc.			
	F. R.			
2.	010(16 Aug 51)ESS/FIN			
	From: ESS	To: Govt Sec	Date: 18 AUG 1951	WFM/LMR/al <i>[Signature]</i>
	There is no objection to the introduction in the Diet of the proposed Bill for Execution of Reimbursement of Debts Incurred by Japanese Consulates and Japanese Residents Associations, etc.			
	1 Incl n/c			
	----- W. F. H. -----			

2 From: DS

To: GS

WRSullivan/ch 26-7695
Date: 30 Aug 51

With reference to DS c/n 2 to GS, 6 Mar 51, subj: "Dreft Legislation", concerning the draft legislation to establish the mechanics for paying these debts, DS perceives no objection to attached proposed bill which provides for the actual payment of such debts, provided the bill is not intended to serve as a precedent for the settlement of other types of claims arising from the war affecting other nationals or foreign nationals resident in Japan.

1 Incl: W/c

-----W.J.S.-----

*Recd GS
9/19/51*

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet)

Subject: Draft Legislation

Maj Morris

26-6076

Date: 16 August 1951

Note
No.

From: Govt Sec

To: IS/L&J

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

2. Your prompt comment is requested.

1 Incl

Bill for Execution of Reimbursement of Debts Incurred by Japanese Consulates & Japanese Residents Associations, etc.

F. R.

From: LS

To: GS

17 August 1951

R. T. Brunckhorst

57-8502

2

This Section has no legal objections to subject bill.

1 Incl

w/d

cc
A. C. C.

4970

Bill

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

Aug. 16, 1951

1. FOM Number: 4
2. Name of Bill: Bill for the Execution of the Reimbursement of the Debts Incurred by Japanese Consulates and Japanese Residents Associations.
3. Competent Ministry: Ministry of Finance.
4. Date of Cabinet Approval: Aug. 16, 1951
5. SCAP Section concerned: Mr. Eugene Reed, Finance Division, ESS, GHQ.
6. Remarks: (Reference:
Law No. 173 of 1949: Official Gazette, dated June 1,
Extra No. 68. Law No. 54 of 1951: Official Gazette
dated Mar. 30, No. 1501.
.....
.....
.....

7. G.S. Reviewers:

CS: ESS
DS
LS/6P

Received by AS
Date 8/16/51

Cleared FR
8/18/51

FOMNO. 1

Bill for the ~~Law concerning~~ Execution of the
Reimbursement of the Debts Incurred by Japanese Consu-
lates and Japanese Residents Associations, etc.

(Purpose of this Law)

Article 1. Execution of the reimbursement of the debts incurred by Japanese diplomatic and consular establishments, etc., shall be governed by this Law.

(Definition)

Article 2. The term "debts incurred by Japanese diplomatic and consular establishments, etc." as used in this Law shall mean such debts as have been confirmed as an obligation of the State by Minister of Foreign Affairs in accordance with the provisions of the Law concerning the Preparation Committee for Liquidation of Debts Incurred by Japanese Consulates and Japanese Residents' Associations (Law No. 173 ^{of} 1949; ^{it} hereinafter referred to as ^{the} "Preparation Committee Law"), and shall hereinafter be referred simply to "the debts".

(Reimbursement of the Debts)

Article 3. ^{The} Minister of Finance shall make reimbursement in terms of Japanese currency to persons who have a claim to the State for reimbursement of the debts.

(Amount of the debts)

Article 4. ^{The} Amount of the debts shall be $\frac{130}{100}$ of the amount indicated in terms of local currency on the certificate of confirmation as prescribed by the provisions of Article 6 of the Preparation Committee Law which shall be converted into Japanese currency according to the Table of the Conversion Rate for the Debts Incurred by Japanese Diplomatic and Consular Establishments etc., as attached herewith.

(If the amount of the debts computed for one and the same person exceeds ¥50,000, ^{it shall be} ¥50,000 ^{it} shall be ~~taken~~).

(Transfer to the Special Account for National Debt Consolidation Fund).

Article 5. ^{The} Minister of Finance shall, as may be prescribed by the Budget for each fiscal year, transfer from the General Account to the Special Account for National Debt Consolidation Fund the amount of the debts to be reimbursed during the fiscal year concerned and an amount equivalent to the expenses necessary for the work of such reimbursement.

(Delegation of work)

Article 6. ^{The} Minister of Finance is authorized to delegate to the Bank of Japan a part of the work of reimbursement of the debts.

2. ^{The} Minister of Finance is authorized to deliver to the Bank of Japan funds necessary for reimbursement of the debts.

(Detailed Procedures for Reimbursement)

Article 7. Detailed procedures for reimbursement of the debts shall be prescribed by an Ordinance of Minister of Finance.

Supplementary Provisions:

This Law shall come into effect from the date as may be prescribed by ~~a separate Cabinet Ordinance~~ ^{Order} within the period ~~of~~ ^{not exceeding} six (6) months ^{counting} from the date of promulgation of this Law.

Attached Table

Conversion Rate for the Debt Incurred by Japanese Diplomatic and Consular Establishments etc.

District where advance was made	Classification of local currency	Period during which advance was made
Korea	Bank of Chosen notes	
	Bank of Japan notes	
Manchuria	Central Bank of Manchuria notes	On and before 31 March 1947
		On and after 1 April 1947
	Notes in circulation in North East Nine Provinces of China	On and before 31 March 1947
		On and after 1 April 1947
Kwantung Province	U.S.S.R. Military Notes	On and before 31 March 1947
		On and after 1 April 1947
	Bank of Chosen notes	On and before 31 December 1945
		On and after 1 January 1946
Kwantung Province	Central Bank of Manchuria notes	On and before 31 December 1945
		On and after 1 January 1946
	U.S.S.R. Military notes	On and before 31 December 1945
		On and after 1 January 1946
North China	Federal Reserve Bank of China notes	
	Chinese National Currency Dollars	
	Kankin notes	
Central China. South China	Central Bank of China notes	
	Chinese National Currency Dollars	
	Kankin notes	
	U.S. Dollars	
	Federal Reserve Bank of China notes	
	Military notes of 1937	
Thailand	Thailand currency	
French Indo-China	French Indo-China Currency	

Note. 1. Conversion into Japanese currency of the amount in terms of by the provisions of Article 4 shall be made by applying the above to the amount indicated on the certificates of confirmed districts where the advance of the debts was made and respectively, in the case of the advance of the debts made in Manchuria to the periods during which such advance was made.

2. In cases where the advance of the debts was made in North China, conversion rate indicated in the respective item of "Central China. South China" shall be applied, as may be prescribed in the Finance Ordinance with respect to the Japanese diplomatic and consular establishments, Japanese residents associations and others indicated on the certificates who received such advance.

at Incurred by Japanese
Establishments etc.

Period during which debt was made	Conversion rate (Values in terms of local cur- rency for one Japanese yen)
	1.50 yen
	1.50 yen
before 31 March 1947	1.60 yen
after 1 April 1947	10.00 yen
before 31 March 1947	1.60 yen
after 1 April 1947	10.00 yen
before 31 March 1947	1.60 yen
after 1 April 1947	10.00 yen
before 31 December	1.60 yen
after 1 January 1946	10.00 yen
before 31 December	1.60 yen
after 1 January 1946	10.00 yen
before 31 December	1.60 yen
after 1 January 1946	10.00 yen
	100.00 yen
	20.00 yen
	1.00 Yuan
	2,400.00 yen
	12.00 Yuan
	0.60 Yuan
	0.01 Dollar
	100.00 yen
	10.00 yen
	1.00 Bart
	1.00 Piastre

amount in terms of local currency as prescribed
made by applying the conversion rate established
certificates of confirmation, in classification to the
debt was made and respective local currency, and in
the debts made in Manchuria or Kwantung province,
debt was made.

debt was made in North China, Central China or South
debt respective item of "North China" or "Central
debt may be prescribed separately by Ministry of
debt Japanese diplomatic and consular establishments,
debt as indicated on the certificates of confirmation,

Reason

In order to execute the disbursement of the debts incurred by the Japanese Consulates and Japanese Residents Associations for which certificates of confirmation have been issued in accordance with the provisions of the Law concerning the Preparation Committee for Liquidation of Debts Incurred by Japanese Consulates and Japanese Residents Associations, it is necessary to establish provisions regarding amount of the debts, procedure for disbursement, etc.

The above is the reason for submission of the Bill to the Diet.