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GOVERNMENT SECTION
Buck Slip

9 Feb 1948

From:		
No:	INITIAL	DATE
____ CHIEF	.....	.....
1 EX OFF	.....	.....
____ Deputy Chief	HR	11
2 Maj Rizzo	.....	.....
____ Chief Adm Div	.....	.....
____ Statistics & Review Br	.....	.....
3 Civil Service Div	BH	9/14
4 Parl & Pol Div	.....	.....
6 Public Adm Div	.....	.....
5 Public Aff Div	.....	.....
____ File	.....	.....
____ Chief Clerk	.....	.....
____ Personnel Clerk	.....	.....

FOR:

- ✓ INFORMATION
- _____ NECESSARY ACTION
- _____ ACTION (Prepare Reply)
- _____ APPROVAL
- _____ SIGNATURE
- _____ INITIAL
- _____ COMMENT OR CONCUR.
- _____ RETAIN
- _____ RETURN
- _____ FILE

Atchd report #6 and #7 represent highlights of discussions conducted by Council.

Read 8 Feb 1949.

Administrative Organization Renovation Council

6th Meeting

Held on Saturday, Jan. 29, 1949, at the Prime Minister's Residence.

Present:

Member: Messrs. KATSURA, SHONO, AKIYAMA, NOMURA and TANAKA.

From the Cabinet: Attorney-General UEDA, State Minister IWAMOTO, State Minister MORI, Education Minister SHIMOJO, Transportation Minister OZAWA, Construction Minister MASUTANI, Deputy Chief Cabinet Secretary KOORI.

Administrative Management Agency: Mr. ONOGI, Mr. NAKAGAWA, Mr. SATO.

Opinions expressed by the Members:

(1) In order to reconsider and streamline the whole Government structure, is it not advisable to postpone the putting in force of the laws establishing the Ministries of Tele-communication and Postal Service?

(2) Is it not worth-while to establish a temporary organ—— possibly a public corporation modelled after TVA——to handle the matters of war-damage rehabilitation, forestization and prevention of river inundation?

(3) "Kodans" should be reduced in size also.

(4) Is it not possible to abolish Special Procurement Board and Economic Investigation Board altogether?

(5) The number of school teachers might be reduced also by prolonging their working hours in line with the new 48 hours system.

(6) As a means for finding new employment for the discharged government personnel, the expansion of export industry is not to be relied upon. The prospect is that industry

will shrink, at least temporarily, as the result of putting in force of uniform exchange rate.

(7) As the prospect is not bright for re-employment of the discharged personnel, they should be accorded adequate allowance at the time of the discharge. However, possible effect on the general business circle must always be kept in mind.

(8) As the minimum protection of livelihood, the present amount of 3,500 yen accorded by the Livelihood Protection Law should better be raised.

(9) Personnel who retire voluntarily should be given special consideration.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section

16 February 1949

MEMORANDUM FOR THE RECORD

SUBJECT: Plan for Reorganization of Japanese Government

The attached plan was submitted to Government Section by the Administrative Management Agency, 15 February 1949, with the statement that it was prepared by the non-government members of the Administrative Organization Renovation Council. The Agency further stated that the plan is regarded by the Cabinet as unofficial and has been submitted to the Prime Minister for reference purposes only. It has been marked "strictly confidential" by the Japanese Government.

The plan embraces every Ministry of the National Government and the Prime Minister's Office. Drastic changes and reductions in the structure are proposed.

Although this has been described as an unofficial plan prepared by non-government members of a temporary council, it may have far greater significance.

Recommendations

That this plan be circulated to various SCAP Sections along with the general policy plan submitted by the Council to the Prime Minister with notation that it represents a plan of the Japanese Government that will be considered in the near future by the Cabinet.

CAPT. T. DIAMANTIS

1 Incl:
Plan for Reorganization
of Japanese Government

TENTATIVE PLAN FOR THE REORGANIZATION OF THE MINISTRIES AND OTHER ADMINISTRATIVE AGENCIES

10 February 1949

(Prepared by the Civilian Members of the Administrative Organization Renovation Council and submitted to the Prime Minister as a reference only.)

I. PRIME MINISTER'S OFFICE

(Internal Subdivisions)

1. Bureau of Pensions - To be incorporated with the National Personnel Authority.

2. Bureau of Statistics - Statistics Agency is to be established as an independent organization in the Prime Minister's Office by uniting the present Statistics Bureau and the Statistics Commission. Bureaus and Divisions handling statistics in various Ministries will be incorporated with this new Agency.

(Independent Organizations)

1. Bureau of Decorations - To be made a Section in the Secretariat of the Prime Minister's Office.

2. Prisoner of War Information Office - to be made an attached organ of the Ministry of Foreign Affairs.

3. Economic Stabilization Board - To be reorganized and simplified strictly as a combined planning organ. The planning function of the Price Board will be incorporated with it. The remaining part of the Price Board will be simplified in its structure.

4. Economic Investigation Board - To be abolished, its functions being transferred to the police.

5. Special Procurement Board - To be abolished, its functions being amalgamated with construction activities carried out by other agencies.

6. Agency for Allocation of Paper for Newspapers and Publications - To be drastically simplified.

7. Reparations Board - To be transferred to the Ministry of Foreign Affairs, of which it will form one of the internal subdivisions.

8. Fair Trade Commission - The number of commissioners is to be reduced; its secretariat also to be drastically simplified.

9. Liaison and Coordination Office - To be abolished, a simplified liaison office being set up under the Chief Cabinet Secretary.

10. Local Finance Commission - To form a Local Autonomy Commission (or an Autonomy Agency) by uniting with the Autonomy Section of the Secretariat of the Prime Minister's Office.

11. National Public Safety Commission - (a) National Rural Police and municipal police are to be amalgamated; (b) National Fire Prevention Agency is to be incorporated with the new Local Autonomy Commission.

II. MINISTRY OF FOREIGN AFFAIRS

To be reduced and simplified according to the set standard, in line with the general policy.

III. MINISTRY OF FINANCE

To be reduced and simplified according to the set standard, in line with the general policy.

IV. ATTORNEY GENERAL'S OFFICE

a. Structure to be largely reduced and simplified; the positions of Assistants to the Attorney General to be abolished and replaced by one Deputy Attorney General.

b. The bureaus of Legislation and those of Research and Advice to be merged into one agency and made an independent organization of the Attorney General's Office.

c. Remaining bureaus to be consolidated into three bureaus - civil, criminal and reformation.

V. MINISTRY OF EDUCATION

a. This ministry is to be characterized as an organ for assisting and promoting the development and propagation of culture - science, arts, physical culture, social education, etc., and its organization is to be drastically reduced and simplified.

b. In connection with the reorganization of the Ministry, professors and teachers are to be paid better and the standard of their quality raised. In the schools of lower grades, the number of teachers per class to be reduced by 20% and their pay and quality should be raised.

VI. MINISTRY OF WELFARE

In line with the general policy, its structure is to be reduced and simplified according to the set standard, but cares are to be taken not to hamper the working of its functions regarding public health, social insurance and social security.

VII. MINISTRY OF AGRICULTURE AND FORESTRY

a. Drastic reorganization is to be made in line with basic division of its functions.

b. Beside the above, Fisheries Agency is to be made one of the internal subdivisions of the Ministry and the local offices of the Ministry are to be reduced and reorganized drastically.

VIII. MINISTRY OF COMMERCE AND INDUSTRY

a. To be reorganized as a Ministry of Industry and Foreign Trade, incorporating the Board of Trade.

b. The economic control businesses are to be re-examined and reduced, and on that basis the ministry's structure is to be largely reduced and simplified.

c. Agency of Industrial Science and Technology and Agency of Smaller Industry are to be abolished.

IX. MINISTRY OF TRANSPORTATION

a. The structure of the present Ministry is to be drastically reduced

and simplified with the creation of the Japanese National Railway as a public corporation. The ministry thus reduced is to form a new Ministry of Traffics by incorporating the business relating to roads now handled by the Construction Ministry.

b. The Japanese National Railway is to be largely reduced, but adequate measures, such as the transfer of personnel from the management division to the technical division, should be taken to prevent the loss of technical efficiency of the corporation.

X. MINISTRY OF COMMUNICATIONS

a. The Ministry of Postal Service will be set up, but its structure is to be reexamined. The personnel in the operational field is also to be reduced, as far as possible, according to the set standard in line with the general policy.

b. The establishment of the Ministry of Tele-communication is to be suspended. In its stead, a public corporation is to be created as a step toward transferring the business to private enterprise.

XI. MINISTRY OF LABOR

a. Central organization is to be reduced and simplified according to the set standard in line with general policy. However, care is to be taken not to hamper the progress of labor administration.

b. The present local offices of labor standard, employment stabilization and labor administration are to be merged into one system and made a part of prefectural administrative organ.

XII. MINISTRY OF CONSTRUCTION

To be abolished as a ministry and replaced by a new Construction Agency to be established in the Prime Minister's Office.

The business relating to roads will be transferred to the new Traffic Ministry, and the remaining businesses concerning rivers, city planning and construction will be handled by the new Agency.

Nippon Times
21 Feb 1949.

PRESS COMMENTS

Sunday, February 20

REDUCTION OF GOVERNMENT PERSONNEL

ASAHI—The proposed program for trimming the public service personnel poses a grave test for the Yoshida Administration. All postwar Cabinets attempted to carry out this program but such attempts invariably proved perfunctory. Now the new Cabinet must carry it out—if only for the sake of "face."

Since its Opposition days, the Democratic-Liberal Party has advocated a 30 per cent reduction of administrative personnel. It has now become a national demand now that retrenchment of public finances and balanced budget have become imperative under the nine-point Economic Stabilization Program. The Yoshida Administration is now confronted by the onerous task of adjusting this requirement arising from the need to cut Treasury spendings and the social problem of unemployment.

While the Democratic-Liberal Party's program called for 30 per cent reduction, Mr. Nobuyuki Iwamoto, Minister without Portfolio in the second Yoshida Cabinet, proposed a tentative plan calling for the dismissal of 600,000 civil service employees. The Council for Reform of Administrative Structure recently submitted its final draft plan to the Government. In this process it is evident that the stress has shifted from personnel reduction per se to an idea of trimming the personnel through a reform of the administratives structure.

The council's recommendation calls for simplification of the structure of the respective Ministries and trimming of provincial offices of the central Government agencies. It is highly reasonable and has been called for many times in the past. The trouble is that such ideas were never put into effect in the past.

Whenever structural change and personnel reduction were proposed, the entrenched bureaucracy of all Government agencies put up a vigorous passive resistance against the program. When a part of the office structure was trimmed, the bureaucrats quickly saw to it that the loss would be made up for with an addition to other parts of the office's anatomy. If the Administration is determined to carry out the contemplated program, it will have to be strong enough to control the entrenched bureaucracy.

Personnel reduction of necessity entails unemployment. To take care of this consequence, retirement allowances for Government employees will have to be increased to the level of the amount paid in private firms, funds made available as job transfer allowances, the Unemployment Insurance system revised and the Daily Life Security Law relief funds increased. Then, the effects of the personnel reduction program may be more or less nullified, at least during the current fiscal year.

It will not be before the next fiscal year that the personnel cut plan will show its effects in reduced budget but the Government must prepare itself in advance to provide the best possible relief measures for the persons who will have to be sacrificed in the interest of this great national objective. Satisfactory measures to take care of the unemployed are a vital prerequisite to the Government personnel cut program.

February 15, 1949.

Dear Capt. Diamantes:

I am sending you 3 copies of the "Tentative Plan for the Reorganization of the Ministries and Other Administrative Agencies" prepared by the civilian members of the Administrative Organization Renovation Council.

This document does not form a part of the Report, but was submitted to the Prime Minister as reference only. There are many points which go too far or which are inappropriate, and therefore, the Government will make somewhat different plan of its own.

This document, however, will be of some interest as expressing the free idea of members representing business and academic circles.

T. Nakagawa

Toru Nakagawa

Administrative Management Agency.

Memo for Record prepared 16 Feb 1949 relative to this plan. Recommendations made to circulate plan to all Sections GHQ.

Strictly Confidential

TENTATIVE PLAN FOR THE REORGANIZATION OF THE MINISTRIES AND OTHER ADMINISTRATIVE AGENCIES

Feb. 10, 1949
Prepared by the Civilian Members of the Administrative Organization Renovation Council, and submitted to the Prime Minister as a reference only.

I. Prime Minister's Office

(Internal Subdivisions)

1. Bureau of Pensions
   To be incorporated with the National Personnel Authority.
2. Bureau of Statistics
   Statistics Agency is to be established as an independent organization in the Prime Minister's Office, by uniting the present Statistics Bureau and the Statistics Commission. Bureaus and Divisions handling statistics in various Ministries will be incorporated with this new Agency.

(Independent Organizations)

1. Bureau of Decorations
   To be made a Section in the Secretariat of the Prime Minister's Office.
2. POW Information Office attached
   To be made an ~~subsidiary~~ organ of the Ministry of Foreign Affairs.
3. Economic Stabilization Board
   To be reorganized and simplified strictly as a combined planning organ. The planning function of the Price Board will be incorporated with it. The remaining part of the Price Board will be simplified in its structure.
4. Economic Investigation Board
   To be abolished, its functions being transferred to the police.
5. Special Procurement Board
   To be abolished, its functions being amalgamated with construction activities carried out by other agencies.
6. Agency for Allocation of Paper for Newspapers & Publications
   To be drastically simplified.
7. Reparations Board
   To be transferred to the Ministry of Foreign Affairs, of which it will form one of the internal subdivisions.
8. Fair Trade Commission
   The number of commissioners is to be reduced, its secretariat also to be drastically simplified.
9. Liaison & Coordination ~~/~~ Office
   To be abolished, a simplified liaison office being set up under the Chief Cabinet Secretary.
10. Local Finance Commission
    To form a Local Autonomy Commission (or, an Autonomy Agency) by uniting with the Autonomy Section of the Secretariat of the Prime Minister's Office.
11. National Public Safety Commission
    a) National Rural Police and municipal police are to be amalgamated.
    b) National Fire Prevention Agency is to be incorporated with the new Local Autonomy Commission.

II. Ministry of Foreign Affairs

To be reduced and simplified according to the set standard, in line with the general policy.

III. Ministry of Finance

To be reduced and simplified according to the set standard, in line with the general policy.

IV. Attorney General's Office

a) Structure to be largely reduced and simplified, the positions of Assistants to the Attorney General to be abolished and replaced by one Deputy Attorney General.
b) The bureaus of Legislation and those of Research & Advice to be merged into one agency and made an independent organization of the Attorney General's Office.
c) Remaining bureaus to be consolidated into three bureaus—civil, criminal and reformation.

V. Ministry of Education

a) This ministry is to be characterized as an organ for assisting and promoting the development and propagation of culture--science, arts, physical culture, social education etc., and its organization is to be drastically reduced and simplified.
b) In connection with the reorganization of the Ministry, professors and teachers are to be paid better and the standard of their quality raised. In the schools of lower grades, the number of thachers per class to be reduced by 20%. and their pay and quality should be raised.

VI. Ministry of Welfare

In line with the general ploicy, its structure is to be reduced and simplified according to the set standard, but cares are to be taken not to hamper the working of its functions regarding public health, social insurance and social security.

VII. Ministry of Agriculture & Forestry

a) Drastic reorganization is to be made in line with basic division of its functions.
b) Beside the above, Fisheries Agency is to be made one of the internal subdivisions of the Ministry and the local offices of the Ministry are to be reduced and reorganized drastically.

VIII. Ministry of Commerce & Industry

a) To be reorganized as a Ministry of Industry & Foreign Trade, incorporating the Board of Trade.
b) The economic control businesses are to be re-examined and reduced, and on that basis the ministry's structure is to be largely reduced and simplified.
c) Agency of Industrial Science and Technology and Agency of Smaller Industry are to be abolished.

IX. Ministry of Transportation

a) The structure of the present Ministry is to be drastically reduced and simplified with the creation of the Japanese National Railway as a public corporation. The ministry thus reduced is to form a new Ministry of Traffics by incorporating the business relating to roads now handled by the Construction Ministry.
b) The Japanese National Railway is to be largely reduced, but adequate measures, such as the transfer of personnel from the management division to the technical division, should be taken to prevent the loss of technical efficiency of the corporation.

X. Ministry of Communications

a) The Ministry of Postal Service will be set up, but its structure is to be reexamined. The personnel in the operational field is also to be reduced, as far as possible, according to the set standard in line with the general policy.
b) The establishment of the Ministry of Telecommunication is to be suspended. In its stead, a public corporation is to be created as a step toward transferring the business to private enterprize.

XI. Ministry of Labor

a) Central organization is to be reduced and simplified according to the set standard in line with general policy. However, care is to be taken not to hamper the progress of labor administration.
b) The present local offices of labor standard, employment stabilization and labor administration are to be merged into one system and made a part of prefectural administrative organ.

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To be abolished as a ministry and replaced by a new Construction Agency to be established in the Prime Minister's Office.

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NIPPON TIMES 11 February 1949

(Administrative Organization Renovation Council)

GOV'T PERSONNEL FACING A BIG CUT

ARC Plan Given to Yoshida Contemplates Drastic 30% Reduction

Creation of a Ministry of Trade and Industry (Tsusho Sangyo Sho) and a public service personnel reduction of at least 30 per cent are contemplated in a response which was submitted yesterday to Prime Minister Shigeru Yoshida by the Administrative Reform Council.

The response was adopted by the council at its 19th session yesterday morning.

The contemplated personnel reduction will mean the discharge of approximately 700,000 Government and public office employees, it was learned.

This is a measure far more drastic than that in the original reform plan mapped out by State Minister Nobuyuki Iwamoto.

Other points considered by the response, it was learned, included reorganization of the Economic Stabilization Board into an agency strictly for planning, reorganization of the organizational structure of the Supreme Court, streamlining of the organizational structures of the various Ministers, abolition and amalgamation of their outer boards and committees, simplifications of the routine procedures concerning Government permission and approval, abolition of a number of local branches of central Government offices and readjustment of the jurisdictions of the central and local Government offices.

Yoshida Plans 3 New Bodies

The third Yoshida Cabinet will set up three special committees dealing with unemployment, construction, and un-Japanese activities, a Democratic-Liberal source revealed yesterday.

The three committees are expected to be placed under the direct jurisdiction of the Cabinet.

Democratic-Liberal leaders of ministerial caliber will head the committees, it was said.

Many Democratic-Liberals feel the need to set up the committees in view of the nine-point Economic Stabilization Program as well as the sharp gain made by the Communist Party in the recent election.

The committees are expected to handle over-all planning on matters such as power development, unemployment relief, and anti-Communist defense measures.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section

3 February 1949

MEMORANDUM FOR THE RECORD

SUBJECT: Administrative Organization Renovation Council (Cabinet level)

1. Origin

On 1 January 1949, the Council was established as a de-facto council made up of the Prime Minister, various Ministers of State and seven non-Government members. No legislation was enacted to establish the Council. The target date for submission of its final recommendations and dissolution was set for early February 1949. Members in addition to the Cabinet members were:

Non-Government Members

TANAKA Jiro - Professor, Tokyo University
SAKURADA Takeshi - President, Nisshin Spinning Co.
NOMURA Hideo - Ex-President, Asahi Shimbun
KATSURA Ko - Member, Central Labor Relation Board
SHOMO Riichi - Attorney-at-Law
AKIYAMA Konosuke - Ex-Manager, Japan Sugar Mfg. Co.
IWABUCHI Tatsuo - Critic

2. Duties and Operation of Council

Administrative Organization Renovation Council

(1) For the purpose of investigating and deliberating on the measures for simplification and rationalization of administrative structures and efficient management of administration, the Administrative Organization Renovation Council will be temporarily established within the Cabinet.

(2) The Administrative Organization Renovation Council will be composed of one President and several members. The Prime Minister will act as the President. Members will be assigned by the Prime Minister from among the Ministers of State and from men of learning and experience.

(3) The Council will report to the Prime Minister the results of their deliberations and findings not later than February 1, 1949, and on the basis of these recommendations, the Cabinet will draft the ministerial establishment laws and laws for fixed number of personnel for various Ministries; will reduce the number of government employees and also will take other necessary legal steps.

Note: The present Council will be a DE FACTO gathering, and no legislative measures will be taken for its establishment.

3. Procedure to be Followed

The Administrative Management Agency is working with the Council, providing research data and generally supplying a secretariat for the Council. Messrs. ONOGI and NAKAGAWA of the Administrative Management Agency report that the Cabinet will first deliberate upon the recommendations of the Council and will adopt those measures and policies that it finds practicable and feasible.

a. The following reports will be submitted to Government Section:

1. Final Recommendations of the Administrative Organization Renovation Council (approximately 15 February 1949)

2. Cabinet approved plan for reorganization of government structure and reduction in the number of Government personnel.

J. Diamantes
CAPT. T. DIAMANTES

1 Incl
Reports of meetings 1 - 5

GENERAL HEADQUARTERS
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(2) The Administrative Organization Renovation Council will be composed of one President and several members. The Prime Minister will act as the President. Members will be assigned by the Prime Minister from among the Ministers of State and from men of learning and experience.

(3) The Council will report to the Prime Minister the results of their deliberations and findings not later than February 1, 1949, and on the basis of these recommendations, the Cabinet will draft the ministerial establishment laws and laws for fixed number of personnel for various Ministries; will reduce the number of government employees and also will take other necessary legal steps.

Note: The present Council will be a DE FACTO gathering, and no legislative measures will be taken for its establishment.

3. Procedure to be Followed

The Administrative Management Agency is working with the Council, providing research data and generally supplying a secretariat for the Council. Messrs. ONOGI and NAKAGAWA of the Administrative Management Agency report that the Cabinet will first deliberate upon the recommendations of the Council and will adopt those measures and policies that it finds practicable and feasible.

a. The following reports will be submitted to Government Section:

1. Final Recommendations of the Administrative Organization Renovation Council (approximately 15 February 1949)

2. Cabinet approved plan for reorganization of government structure and reduction in the number of Government personnel.

CAPT. T. DIAMANTIS

1 Incl
Reports of meetings 1 - 5

Bureaus and Departments

	Bureaus	Departments	Total
1932	62	26	88
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Number of Government Officials

(1st, 2nd and 3rd Class)

	General Account	Special Account (Govt monopolies) *	Total
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1946	154,820	268,146	422,966
1947	179,382	338,966	518,348
1948	203,760	371,064	574,824

Total number on payroll → (1,600,000 approx. on Govt Payroll)

10% of total budget

* Postal
Telegr. Tel.
Railroad
Tobacco
Salt
Camphor

13 January 1949

MEMO FOR MAJOR NAPIER:

SUBJECT: AMINISTRATIVE ORGANIZATION RENOVATION COUNCIL

1. On 13 January 1949 Mr. NAKAGAWA Toru of th Administrative Management Agency submitted the following information regarding the Cabinet's new Administrative Reorganization Council.

A. The Council will consist of the Prime Minister, all cabinet ministers, and seven non-government advisors. All Cabinet Ministers will be ex-officio members. The seven non-government members, he reports, will serve only as outside experts to only present opinions to the Government, and will not receive pay.

2. The Council will be a temporary body, hence it is not established by any legislative measures.

3. The Council will have as its primary function the study of reducing of bureaus, amalgamation of agencies, and the reduction of personnel.

T. Diamantes
CAPT. T. DIAMANTES

JAN 13 1949

(Tempory) From NAKAGAWA.

Administrative Organization Renovation Council

(1) For the purpose of investigating in and deliberating on the simplification and rationalization of administrative structure and efficient management of administration, the Administrative Organization Renovation Council will be temporarily set up within the Cabinet.

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(Note) : The present Council will be a DE FACTO gathering, and no legislative measures will be taken. for its establishment.

Primary aim - To hear opinion from experts outside the Govt.

To also reduce number of bureaus, amalgamate agencies, etc.

Member of the Administrative Organization

Renovation Council

1. TANAKA, Jiro; Professor of the Tokyo University.
2. SAKURADA, Takeshi; President, Nisshin Spinning Co.
3. NOMURA, Hideo; Ex-President, Asahi Shimbun
4. KATSURA, Ko; Member of the Central Labor Relation Board.
5. SHONO, Riichi; Attorney-at-law.
6. AKIYAMA, Konosuke; Ex-Manager, Japan Sugar Manufacturing Co.
7. IWABUCHI, Tatsuo; Critic.

+

all Cabinet Ministers as ex-officio members

Members of Council for Reform of Administrative Organization.

AKIYAMA, Konosuke — Born on October 31, 1884.

April, 1901	Entered Keio University.
1905- 1909	In Oberlin College and Yale University.
1909	Changed to Wake Forest University.
1910	Commenced Bachelor of Arts at Wake Forest Univ.
1910	Entered Japan Sugar-Manufacturing Co.,
1939	Managing Director of the above Company.
1946	President of Japan Sugar Controlling Co.
1946	Councillor of the Board of Trade.
Passed on :	April 24, 1947.

IWABUCHI, Tatsuo — Born on January 1, 1892.

On the editorial staff of the Yomiuri Press.

1945	Member of Parliamentary System Investigation Committee.
1946	Nominated by His Majesty as member of the House of Peers.
1947 - 1948	Member of Central Public Office Qualifications Examination Committee.
Passed on :	January 30, 1947.
1948	Appointed member of Administration Inspection Committee.

NOMURA, Hideo — Born on January 8, 1888.

1907	Graduated from Waseda University.
1920	Entered the Asahi Press.
1926	Chief of Political Department of the Press.
1943	Director of the Press.
Passed on :	March 2, 1948.
1948	Member of Administration Inspection Committee.

KATSURA, Takashi — Born on May 21, 1893.

1918	Graduated from Law Department, Tokyo Imperial Univ.
1929-1941	Chief of Labor Section and Chief of Planning Section of Tokyo Gas Co.,Ltd.
1939-1941	Auditor of Tsurumi Gas Co.,Ltd.
1942	Vice-Chief of Personnel Division, Japan Soda Co.,Ltd.
1942-1945	Director of Chemical Industry Controlling Corporation.
1946 - up to present	President of Central Labor Academy.
1946 - up to present	Member of Central Labor Relations Board.

Passed on : April 15, 1947.

SAKURADA, Takeshi — Born on March 17, 1904.

1926	Graduated from Law Department, Tokyo Imperial Univ.
1926	Entered Misshin Cotton Spinning Co.,Ltd.
1943	Director of the above Company.
1945	President of the above Company.

Passed on : February 17, 1947.

SHŌNO, Riichi — Born on December 20, 1888.

1913	Entered the law
1946	President of Tokyo Bar Association.

Passed on : January 30, 1947.

1947	Member of Central Public Office Qualifications Examination Committee.
Aug.,'47	Justice of Supreme Court.
Aug.1948	Resigned from the post of Justice of Supreme Court at his own request.

TANAKA, Jiro — Born on July 14, 1906.

1929	Graduated from Political Branch of Law Department, Tokyo Imperial University.
1929	Assistant of Law Department, Tokyo Imperial Univ.
1931	Assistant Professor of Tokyo Imperial Univ. (Higher Official, 7th rank).
1938	Professor of Tokyo Imperial University (Higher official, 3rd rank) in charge of Administrative Law.
1945	(Promoted to Higher Official, 2nd rank)

Passed on : January 30, 1948.

Gefosai Kiko Dossier Shengokai
administrative Structural Committee

TANAKA, Jiro	Professor of the Tokyo University
SAKURADA, Takeshi	President of the Nisshin Boseki K.K. (Nisshin Cotton Spinning Company); Secretary of the Keizai Doyu-Kai (Economists' Society)
AKIYAMA, Konosuke	Ex-Managing Director of the Dai Nippon Seito K.K. (Dai Nippon Sugar Manufacturing Company)
IWABUCHI, Tatsuo	Critic
NOMURA, Hideo	Honorary Associate of the Asahi Shimbun
KATSURA, Takashi	Member of the Central Labor Relations Board; Chairman of the Directorate of the Central Labor School
SHONO, Riichi	Lawyer

Public Administration Division
Government Section

5 February 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Administrative Management Agency

1. The Administrative Management Agency is charged with fundamental planning of the Japanese Government administrative system . It is also charged with the coordination and integration of the organization structure . And it reviews proposed changes, modifications and abolition of existing organizational structures . At present, it is guided by the National Government Organization Law

2. ~~The director of the Administrative Management Agency is Shunkichi UEDA~~ . Deputy-Director is Katsushiko ONOGI . The agency is headed by a minister of State.

3. The Administrative Organization Renovation Council was established by the Prime Minister to investigate and consider measures for the simplication of the Governmental administration system . The council was to report its recommendations by 1 February 1949, but the report was delayed . It should be in by the middle of the month .

4. As such recommendations concern the Administrative Management Agency, that agency provided secretarial aid to the Council . Mr. Ueda and Mr. Onogi were kept informed of the recommendations .

5. Reports of each meeting of the Council have been forwarded to Government Section, and the final recommendations will be submitted to Government Section .

6. It has also been arranged that the Prime Minister's Office will submit a formal report stating which recommendations are approved by the cabinet before any cabinet sponsored legislation is considered by the Diet .

Joseph D. McWherter, Jr

Capt. Joseph D. McWherter, jr

ALL BUT ONE MEMBER
OF COUNCIL NAMED

JIJI PRESS

TOKYO January 10. - The Government has finalized the selection of all but one members of its projected Administrative Organizational Structure Reform Council which will hold its first meeting at 10 a.m. Friday.

The council will study ways and means of streamlining the Government organizational structure involving the discharge of a portion of the public service personnel.

Those picked by the Government to man the council were announced today as follows:

Jiro Tanaka, professor at Tokyo University.

Takeshi Sakurada, president of the Nisshin Spinning Company.

Takashi Katsura, deputy chairman of the Central Labor Relations Board.

Riichi Shono, a lawyer.

(more)

Konosuke Akiyama, of the Nitto Development Company.

It was learned the Government is still negotiating with Tetsuo Iwabuchi, publicist, to have him accept the remaining one seat of the council.

s/o ---------

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section

3 February 1949

MEMORANDUM FOR THE RECORD

SUBJECT: Administrative Organization Renovation Council (Cabinet Level)

1. Origin

On 1 January 1949, the Council was established as a de-facto council made up of the Prime Minister, various Ministers of State and seven non-Government members. No legislation was enacted to establish the Council. The target date for submission of its final recommendations and dissolution was set for early February 1949. Members in addition to the Cabinet members were:

Non-Government Members

TANAKA Jiro - Professor, Tokyo University
SAKURADA Takeshi - President, Nisshin Spinning Co.
NOMURA Hideo - Ex-President, Asahi Shimbun
KATSURA Ko - Member, Central Labor Relation Board
SHONO Riichi - Attorney-at-Law
AKIYAMA Konosuke - Ex-Manager, Japan Sugar Mfg. Co.
IWABUCHI Tatsuo - Critic

2. Duties and Operation of Council

Administrative Organization Renovation Council

(1) For the purpose of investigating and deliberating on the measures for simplification and rationalization of administrative structures and efficient management of administration, the Administrative Organization Renovation Council will be temporarily established within the Cabinet.

(2) The Administrative Organization Renovation Council will be composed of one President and several members. The Prime Minister will act as the President. Members will be assigned by the Prime Minister from among the Ministers of State and from men of learning and experience.

(3) The Council will report to the Prime Minister the results of their deliberations and findings not later than February 1, 1949, and on the basis of these recommendations, the Cabinet will draft the ministerial establishment laws and laws for fixed number of personnel for various Ministries; will reduce the number of government employees and also will take other necessary legal steps.

Note: The present Council will be a DE FACTO gathering, and no legislative measures will be taken for its establishment.

3. Procedure to be Followed

The Administrative Management Agency is working with the Council, providing research data and generally supplying a secretariat for the Council. Messrs. ONOGI and NAKAGAWA of the Administrative Management Agency report that the Cabinet will first deliberate upon the recommendations of the Council and will adopt those measures and policies that it finds practicable and feasible.

a. The following reports will be submitted to Government Section:

1. Final Recommendations of the Administrative Organization Renovation Council (approximately 15 February 1949)

2. Cabinet approved plan for reorganization of government structure and reduction in the number of Government personnel.

T. Diamantes
CAPT. T. DIAMANTES

1 Incl
Reports of meetings 1 - 5

Administrative Organization Renovation Council

1st Meeting

Held on Friday, Jan. 14, 1949. at the Prime Minister's Residence.

Present:

Members: Messrs. KATSURA, SHONO, AKIYAMA, NOMURA and TANAKA.

From the Cabinet: Attorney-General UEDA, Minister of Agriculture SUDO, Minister of State IWAMOTO, Deputy Chief Cabinet Secretary KOORI.

Administrative Management Agency: Mr. ONOGI, Mr. NAKAGAWA.

Opinions expressed by the Members:

(1) In order to simplify the Government structure and thus to reduce the number of personnel, a reduction in the business handled by various Government organs must be effected first (e.g. unnecessary economic control).

(2) Simplification of Government structure and reduction in the number of personnel must be effected in all Government organs fairly and justly.

(3) Investigation and study organs are to be reorganized and regrouped so as to make them more effective.

(4) Efficiency in handling business must be studied.

(5) Drastic cut in the number of Government personnel is necessary.

(6) In effecting the reorganization of Government structure, close and coordinated contact with GHQ is necessary.

FIRST MEETING

SECOND MEETING

2nd Meeting

Held on Tuesday, Jan. 18, 1949. at the Prime Minister's Residence.

Present:

Members: Messrs. KATSURA, SHONO, AKIYAMA, NOMURA and TANAKA.

From the Cabinet: Prime Minister YOSHIDA, Attorney-General

UEDA, Chief Cabinet Secretary SATO, Deputy Chief Cabinet Secretary KOORI.

Administrative Management Agency: Mr. ONOGI, Mr. NAKAGAWA.

Opinions expressed by the Members:

(1) Adoption of filing-system as the means for efficient business handling.

(2) More efficient method of audit.

(3) Reduction in the number of councils.

(4) Re-grouping of investigation and statistic organs.

(5) Reconsideration of the so-called "administrative committees".

(6) Abolition of the grades of 1st, 2nd 3rd class among the officials.

(7) Need for retaining trained personnel.

(8) Amazing increase in the number of Government personnel after the termination of war.

(9) Problem of retirement allowance.

Administrative Organization Renovation Council

3rd Meeting

Held on Thursday, Jan. 20, 1949, at the Prime Minister's Residence.

Present:

Members: Messrs. KATSURA, SHONO, AKIYAMA, NOMURA and TANAKA.

From the Cabinet: Attorney-General UEDA, Chief Cabinet Secretary SATO, Deputy Chief Cabinet Secretary KOORI.

Administrative Management Agency: Mr. ONOGI, Mr. NAKAGAWA, Mr. SATO.

Opinions expressed by the Members:

(1) About the Prime Minister's Office.

Is it not enough to have only one deputy chief cabinet secretary?

Is it not better to transfer the Paper Allocation Agency to the Ministry of Commerce and Industry?

(2) About the Ministry of Education.

A tentative plan to abolish the Ministry of Education and set up a Central Education Commission in its stead is not appropriate in view of the vital necessity of encouraging education and culture.

(3) About the Welfare Ministry.

Bureau of Children should better be amalgamated with the Bureau of Social Affairs.

(4) About the Ministry of Agriculture.

As the Agricultural Improvement Service is not doing a good job, it should better be amalgamated with some other Bureau.

Statistics and Research Bureau should better be incorporated into the Central Statistics Agency to be established in the Prime Minister's Office. The similar

THIRD MEETING

bureaus in the other Ministries should also be dealt with in the same manner.

(5) About the Ministry of Commerce and Industry.

Industrial Technique Agency might well be abolished. Medium and Small Enterprises Agency should better be abolished.

(6) About the Ministry of Transportation.

Bureau of Ports and Harbors might better be transferred to the Construction Ministry.

(7) About the Construction Ministry.

Is it not desirable to abolish the Construction Ministry and transfer the administration of rivers and roads to the Transportation Ministry?

4th Meeting

Held on Saturday, Jan. 22, 1949, at the Prime Minister's Residence.

Present:

Members: Messrs. KATSURA, SHONO, AKIYAMA, NOMURA and TANAKA.

From the Cabinet: Attorney-General UEDA, Deputy Chief Cabinet Secretary KOORI.

Administrative Management Agency: Mr. ONOGI, Mr. NAKAGAWA, Mr. SATO.

Opinions expressed by the Members:

(1) The Prime Minister's Office should function as the brain of the Prime Minister in controlling the activities of various Ministries.

(2) Independent organs attached to various Ministries should be limited to those the business of which is too big in volume or is of such particular nature that they are not proper to be handled by the Ministry proper.

(3) The Economic Stabilization Board should be strictly a planning organ, and its organization should be drastically

FOURTH MEETING

simplified.

(4) Budget Bureau and Legislative Bureau should be transferred to the Cabinet or the Prime Minister's Office from the Ministry of Finance and the Attorney-General's Office respectively.

(5) How about establishing a General Planning Board by uniting the present Economic Stabilization Board (in simplified form), the Council Room of the Prime Minister's Secretariat and the Administrative Management Agency?

(6) The system of "administrative commission" is appropriate for a quasi-judicial organ, but for the purpose of general administration, this system is not always effective. Especially in the case when such commission has no Minister of State among its members, it has no voice in the Cabinet Meeting and consequently faces disadvantage in such matters as the budget.

(7) In reorganizing the administrative organization, upkeep of public safety and culture should be kept in mind .

(8) Better coordination between the national and local police is desirable.

(9) It is desired to establish the Autonomy Commission or the Autonomy Agency by amalgamating the present Local Finance Commission and Autonomy Section of the Prime Minister's Secretariat.

(10) Is it not possible to abolish the Economic Investigation Board by transferring the business to the Police?

(11) Is it not possible to reduce the size of the Fair Trade Commission by limiting its function to quasi-judicial matters?

(12) The size of the Special Procurement Board should better be reduced drastically.

Administrative Organization Renovation Counsil

5th Meeting

Held on Wednesday, Jan. 26, 1949, at the Prime Minister's Residence.

Present:

Members: Messrs. KATSURA, SHONO, AKIYAMA, NOMURA and TANAKA.

From the Cabinet: Prime Minister YOSHIDA, Welfare Minister HAYASHI, Attorney-General UEDA, Commerce Minister OYA, Agriculture Minister SUDO, Communication Minister FURUHATA, Transportation Minister OZAWA, Education Minister SHIMOJO, State Minister MORI, State Minister IWAMOTO, Chief Cabinet Secretary SATO, Deputy Chief Cabinet Secretary KOORI, Director General of CLCO ASAKAI.

Administrative Management Agency: Mr. ONOGI, Mr. NAKAGAWA, Mr. SATO.

Opinions expressed by the Members:

(1) One member (Prof. TANAKA) expressed the following opinion:

(a) Economic Stabilization Board should be strictly a planning organ and administrative matters should be transferred to other Ministries.

(b) A Statistics Agency should be established in the Prime Minister's Office by combining the present Statistics Bureau, Statistics Commission and statistics departments of various Ministries.

(c) Special Procurement Board should be reduced in size.

(d) Only quasi-judicial matters are to be handled by the Fair Trade Commission the size of which is to be reduced accordingly.

(e) Ministry of Foreign Affairs. Should be reduced according to general rate.

FIFTH MEETING

(f) Ministry of Finance. Should be reduced according to general rate. Securities Exchange Commission and Public Accountants Control Commission are to be abolished.

(g) Attorney-General's Office. A separate agency should better be established in the Cabinet or the Prime Minister's Office by combining present Legislative Bureaus and Research and Opinion Bureaus. The remaining departments in the Attorney-General's Office are to be incorporated into a new Ministry.

(h) Ministry of Education. Commission system is not advisable. The Ministry, however, should be drastically reduced in size.

(i) Welfare Ministry. Should be reduced according to general rate.

(j) Agricultural Ministry and Commerce Ministry. Number of bureaus should be reduced by cutting some of the economic control business. Reorganization of the Commerce Ministry with emphasis on foreign trade is also to be considered.

(k) Transportation Ministry and Communication Ministry. Tele-communication Ministry should be re-modelled as a public corporation in future. A new Ministry (Communication and Transportation) should better be established by combining the remaining part of the Transportation Ministry, Postal Affairs Ministry and matters concerning roads, rivers and harbors.

(l) Labor Ministry. Should be reduced in size according to general rate.

(m) Construction Ministry. Most part should be incorporated into new Communication and Transportation Ministry. The remaining business is to be handled by a new agency of temporary nature.

(n) As a rule, local branch offices are to be abolished and their business are to be transferred to prefectures. At the same time, a ~~great~~ considerable part of national taxes should be transferred to prefectures.

(2) Another member (Mr. NOMURA), after supporting the above, expressed the following opinion:

(a) Closer coordination between the National and the Local Police is desirable.

(b) It is not advisable to transfer the Budget Bureau from the Finance Ministry to the Cabinet. Budget is decided by the Cabinet anyway.

(c) Agricultural Inprovement Service in the Agriculture Ministry should better be abolished and incorporated in other bureau.

(3) Other members expressed the following opinions:

(a) Is it not advisable to abolish General Affairs Bureaus in various Ministries?

(b) The number of materials now under economic control should be reduced drastically.

(c) The branch offices of the Agriculture Ministry on the prefectural basis should be turned over to prefectures.

(d) A new agency should be better set up handling reforestization and control of rivers.

(e) Cultural and social aspects of administration must always kept in mind. Bureaus dealing with these matters should not be cut too drastically.

(4) It was decided by the members that a plan for coping with the unemployment problem arising from the reduction in the number of government personnel must be considered in the next meeting.

File

Rec'd 8 Jan 1949

Administrative Organization Renovation Council

6th Meeting

Held on Saturday, Jan. 29, 1949, at the Prime Minister's Residence.

Present:

Member: Messrs. KATSURA, SHONO, AKIYAMA, NOMURA and TANAKA.

From the Cabinet: Attorney-General UEDA, State Minister IWAMOTO, State Minister MORI, Education Minister SHIMOJO, Transportation Minister OZAWA, Construction Minister MASUTANI, Deputy Chief Cabinet Secretary KOORI.

Administrative Management Agency: Mr. ONOGI, Mr. NAKAGAWA, Mr. SATO.

Opinions expressed by the Members:

(1) In order to reconsider and streamline the whole Government structure, is it not advisable to postpone the putting in force of the laws establishing the Ministries of Tele-communication and Postal Service?

(2) Is it not worth-while to establish a temporary organ—— possibly a public corporation modelled after TVA——to handle the matters of war-damage rehabilitation, forestization and prevention of river inundation?

(3) "Kodans" should be reduced in size also.

(4) Is it not possible to abolish Special Procurement Board and Economic Investigation Board altogether?

(5) The number of school teachers might be reduced also by prolonging their working hours in line with the new 48 hours system.

(6) As a means for finding new employment for the discharged government personnel, the expansion of export industry is not to be relied upon. The prospect is that industry

SIXTH MEETING

will shrink, at least temporarily, as the result of putting in force of uniform exchange rate.

(7) As the prospect is not bright for re-employment of the discharged personnel, they should be accorded adequate allowance at the time of the discharge. However, possible effect on the general business circle must always be kept in mind.

(8) As the minimum protection of livelihood, the present amount of 3,500 yen accorded by the Livelihood Protection Law should better be raised.

(9) Personnel who retire voluntarily should be given special consideration.

Recd 8 Feb 1949.

Administrative Organization Renovation Council

7th Meeting

Held on Wednesday, Feb. 2, 1949, at the Prime Minister's Residence.

Present:

Members: Messrs. KATSURA, AKIYAMA, SHONO NOMURA and TANAKA.

From the Cabinet: Attorney-General USUDA, State Minister IWAMOTO, State Minister KUDO, Communications Minister FURUHATA, Chief Cabinet Secretary SATO, Deputy Chief Cabinet Secretary KOORI, Director-General of CIC ASAKAI.

Administrative Management Agency: Mr. ONOGI, Mr. NAKAGAWA, Mr. SATO.

Opinions expressed by the Members:

(1) Economic Stabilization Board should be a small but effective planning organ.

(2) Is it not possible to establish a combined planning organ by uniting Economic Stabilization Board (in simplified form), Council Room of the Prime Minister's Office and Administrative Management Agency?

(3) Agricultural Improvement Service in the Ministry of Agriculture should better be retained.

(4) Agency of Industrial Science and Technology in the Ministry of Commerce and Industry might better be abolished.

(5) Economic Investigation Board might better be abolished with its business transferred to Police.

(6) It is not a good idea to detach Legislative Bureaus from the Attorney-General's Office. They should better remain in the Office as at present.

(7) Tele-communication service should better be relegated to civilian enterprise. If it is not practical, it should

SEVENTH MEETING

be organized as a government corporation.

(8) How about establishing a government corporation handling such matters as road-building, prevention of river floods, building of herlors, re-forestization, elective power generation, water works, irrigation and control of sand sliding?

Received 2 Feb 49

Bureaus and Departments

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1946	154,820	268,146	422,966
1947	179,382	338,966	518,348
1948	203,760	371,064	574,824

* 1,600,000 als personeel werkzaam bij de gezamenlijke begrooting
1930 7
Wagle

Administrative Organization Renovation Council

8th Meeting

Held on Monday, Feb. 7, 1949, at the Prime Minister's Residence.

Present:

Members: Messrs. KATSURA, AKIYAMA, SHONO, NOMURA and TANAKA.

From the Cabinet: Attorney-General UEDA, State Minister IWAMOTO, State Minister KUDO, Agriculture Minister SUDO, Transportation Minister OZAWA, State Minister INOUE, Chief Cabinet Secretary SATO, Deputy Chief Cabinet Secretary KOORI, Director-General of CLCO ASAKAI.

Administrative Management Agency: Mr. ONOGI, Mr. NAKAGAWA, Mr. SATO.

Members discussed a draft plan of the final report prepared by Prof. TANAKA, one of the members. However, no conclusion was reached and the final drafting of the report was postponed to next meeting which is to be held on Thursday, Feb. 10.

Opionions expressed by the Members:

(1) It will be much easier to amalgamate bureaus if a revision is to be made in the present National Government Organization Law to the effect that "Divisions" could be established within the bureaus. However, this system might be abused by the Ministries. It may be more advisable to allow the setting up the position of "Deputy Bureau Chief". In any case such exceptional set-up must be strictly regulated and limited.

(2) The draft plan of the report states that the cut in the number of personnel should be around 30%. But is it not

EIGHTH MEETING

advisable to state some ground for that figure such as the statistical basis, the number of personnel before the war, the size of the Government organization in other countries etc. ?

(3) The plan to amalgamate Economic Stabilization Board (in simplified form), Price Board, Council Room of the Prime Minister's Office and the Administrative Management Agency is not practical. It is better to set-up on one hand, an economic planning organ by uniting E.S.B. and the Price Board, and on the other, an administrative planning organ by uniting the Council Room and the Administrative Management Agency.

Administrative Organization Renovation Council

9th Meeting

Held on Thursday, Feb. 10, 1949, at the Prime Minister's Residence.

Present:

Members: Messrs. KATSURA, AKIYAMA, SHONO and NOMURA.

From the Cabinet: Attorney-General UEDA, State Ministers IWAMOTO, KUDO and MORI, Transportation Minister OZAWA, Construction Minister MASUTANI, Commerce Minister OYA, Chief Cabinet Secretary SATO, Deputy Chief Cabinet Secretary KOORI, Director-General of CLCO ASAKAI.

Administrative Management Agency: Mr. ONOGI, Mr. NAKAGAWA, Mr. SATO.

The report of the Council was adopted by the Members.

The Council was automatically dissolved.

NINTH MEETING (FINAL)

Member of the Administrative Organization

Renovation Council

TANAKA, Jiro;	Professor of the Tokyo University.
SAKURADA, Takeshi;	President, Nisshin Spinning Co.
NOMURA, Hideo;	Ex-President, Asahi Shimbun
KATSURA, Ko;	Member of the Central Labor Relation Board.
SHONO, Riichi;	Attorney-at-law.
AKIYAMA, Konosuke;	Ex-Manager, Japan Sugar Manufacturing Co.
IWABUCHI, Tatsuo;	Critic.

Strictly Confidential

TENTATIVE PLAN FOR THE REORGANIZATION OF THE MINISTRIES AND OTHER ADMINISTRATIVE AGENCIES

Feb. 10, 1949
Prepared by the Civilian Members of the Administrative Organization Renovation Council, and submitted to the Prime Minister as a reference only.

I. Prime Minister's Office

(Internal Subdivisions)

1. Bureau of Pensions
   To be incorporated with the National Personnel Authority.
2. Bureau of Statistics
   Statistics Agency is to be established as an independent organization in the Prime Minister's Office, by uniting the present Statistics Bureau and the Statistics Commission. Bureaus and Divisions handling statistics in various Ministries will be incorporated with this new Agency.

(Independent Organizations)

1. Bureau of Decorations
   To be made a Section in the Secretariat of the Prime Minister's Office.
2. POW Information Office attached
   To be made a ~~subsidiary~~ organ of the Ministry of Foreign Affairs.
3. Economic Stabilization Board
   To be reorganized and simplified strictly as a combined planning organ. The planning function of the Price Board will be incorporated with it. The remaining part of the Price Board will be simplified in its structure.
4. Economic Investigation Board
   To be abolished, its functions being transferred to the police.
5. Special Procurement Board
   To be abolished, its functions being amalgamated with construction activities carried out by other agencies.

with this new Agency.

(Independent Organizations)

1. Bureau of Decorations
   To be made a Section in the Secretariat of the Prime Minister's Office.
2. POW Information Office attached
   To be made an ~~subsidiary~~ organ of the Ministry of Foreign Affairs.
3. Economic Stabilization Board
   To be reorganized and simplified strictly as a combined planning organ. The planning function of the Price Board will be incorporated with it. The remaining part of the Price Board will be simplified in its structure.
4. Economic Investigation Board
   To be abolished, its functions being transferred to the police.
5. Special Procurement Board
   To be abolished, its functions being amalgamated with construction activities carried out by other agencies.
6. Agency for Allocation of Paper for Newspapers & Publications
   To be drastically simplified.
7. Reparations Board
   To be transferred to the Ministry of Foreign Affairs, of which it will form one of the internal subdivisions.
8. Fair Trade Commission
   The number of commissioners is to be reduced, its secretariat also to be drastically simplified.
9. Liaison & Coordination Office
   To be abolished, a simplified liaison office being set up under the Chief Cabinet Secretary.
10. Local Finance Commission
    To form a Local Autonomy Commission (or, an Autonomy Agency) by uniting with the Autonomy Section of the Secretariat of the Prime Minister's Office.
11. National Public Safety Commission
    a) National Rural Police and municipal police are to be amalgamated.
    b) National Fire Prevention Agency is to be incorporated with the new Local Autonomy Commission.

II. Ministry of Foreign Affairs

To be reduced and simplified according to the set standard, in line with the general policy.

III. Ministry of Finance

To be reduced and simplified according to the set standard, in line with the general policy.

IV. Attorney General's Office

a) Structure to be largely reduced and simplified, the positions of Assistants to the Attorney General to be abolished and replaced by one Deputy Attorney General.
b) The bureaus of Legislation and those of Research & Advice to be merged into one agency and made an independent organization of the Attorney General's Office.
c) Remaining bureaus to be consolidated into three bureaus—civil, criminal and reformation.

V. Ministry of Education

a) This ministry is to be characterized as an organ for assisting and promoting the development and propagation of culture--science, arts, physical culture, social education etc., and its organization is to be drastically reduced and simplified.
b) In connection with the reorganization of the Ministry, professors and teachers are to be paid better and the standard of their quality raised. In the schools of lower grades, the number of thachers per class to be reduced by 20%. and their pay and quality should be raised.

VI. Ministry of Welfare

In line with the general ploicy, its structure is to be reduced and simplified according to the set standard, but cares are to be taken not to hamper the working of its functions regarding public health, social insurance and social security.

VII. Ministry of Agriculture & Forestry

a) Drastic reorganization is to be made in line with basic division of its functions.
b) Beside the above, Fisheries Agency is to be made one of the internal subdivisions of the Ministry and the local offices of the Ministry are to be reduced and reorganized drastically.

VIII. Ministry of Commerce & Industry

a) To be reorganized as a Ministry of Industry & Foreign Trade, incorporating the Board of Trade.

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VIII. Ministry of Commerce & Industry

a) To be reorganized as a Ministry of Industry & Foreign Trade, incorporating the Board of Trade.
b) The economic control businesses are to be re-examined and reduced, and on that basis the ministry's structure is to be largely reduced and simplified.
c) Agency of Industrial Science and Technology and Agency of Smaller Industry are to be abolished.

IX. Ministry of Transportation

a) The structure of the present Ministry is to be drastically reduced and simplified with the creation of the Japanese National Railway as a public corporation. The ministry thus reduced is to form a new Ministry of Traffics by incorporating the business relating to roads now handled by the Construction Ministry.
b) The Japanese National Railway is to be largely reduced, but adequate measures, such as the transfer of personnel from the management division to the technical division, should be taken to prevent the loss of technical efficiency of the corporation.

X. Ministry of Communications

a) The Ministry of Postal Service will be set up, but its structure is to be reexamined. The personnel in the operational field is also to be reduced, as far as possible, according to the set standard in line with the general policy.
b) The establishment of the Ministry of Telecommunication is to be suspended. In its stead, a public corporation is to be created as a step toward transferring the business to private enterprize.

Strictly Confidential

TENTATIVE PLAN FOR THE REORGANIZATION OF THE MINISTRIES AND OTHER ADMINISTRATIVE AGENCIES

Feb. 10, 1949
Prepared by the Civilian Members of the Administrative Organization Renovation Council, and submitted to the Prime Minister as a reference only.

I. Prime Minister's Office

(Internal Subdivisions)

1. Bureau of Pensions
   To be incorporated with the National Personnel Authority.
2. Bureau of Statistics
   Statistics Agency is to be established as an independent organization in the Prime Minister's Office, by uniting the present Statistics Bureau and the Statistics Commission. Bureaus and Divisions handling statistics in various Ministries will be incorporated with this new Agency.

(Independent Organizations)

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8. Fair Trade Commission
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   To be abolished, a simplified liaison office being set up under the Chief Cabinet Secretary.
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