and techniques of industrial labor relationships, which was all right in the areas of private enterprise but which was in error as applied to public employment.

It was my privilege to come over here a little more than a year ago as chairman of the U. S. Personnel Advisory Mission. Mr. MacCoy who is associated with me here now as my deputy was a member of the mission. We came on leave with the expectation of being in Japan only a very short time. We found conditions here that disturbed us considerably and to the extent that when they were presented to General MacArthur he requested the development of a program for their complete revision. So we came back, and many others with us. Now one of the items of necessary readjustment was the establishment of a proper relationship between labor in government, and government. That is taking the democracies generally, it has not been found practical to apply in the field of government employment precisely the same philosophy and techniques of relationship as are employed in private enterprise. You gentlemen, close as you are to the Japanese situation, must be aware of the consequences of an attempt to apply such procedures in public employment. The Japanese people, 80 millions of them, approximately, as diligent, intelligent and hard-working a people as exist anywhere on the face of the earth, trying to rise from the shock of the war and rehabilitate themselves economically and otherwise, have found the government carrying a veritable "old man of the sea" on its back. That is, there was failure in this procedure to recognize one thing which every democracy has to recognize and that is that back of any grievance, back of any disputes, back of any maladjustments, there is the simple fact that the sovereignty of the people can never be defiled. The Japanese people, 80 millions of them, have a right thru their Diet and government, to determine the laws under which they shall live and no group of 50 employees, or a thousand employees, or 50,000 employees, or a half million of them, has any business to tell the 80 millions of people that they will or will not administer the laws faithfully. Nor does that group of employees have any right to set up procedure under which they frustrate, stop, or make inefficient

the functions of government. That has been found necessary in democracies all over the world. Wedo not take the position of blaming anyone for that. In this tremendous revision of life which has occurred here, some mistakes were inevitable, I suspect, but with respect to the future of Japan that could not be accepted.

Now what we are substituting for that general condition with all of its delays, confusion, and contentiousness and its obstacles of government and efficiency, is a normal civil service system such as serves in western democracies, adapted at many points to the Japanese picture. The civil service reform came in later and in order to protect on the onehand, as is its purpose the welfare of all the people of Japan, and on the other hand, as is its equal purpose, the welfare of employees of government, that system had to be substituted for this which had grown up,quite properly perhaps, in private enterprise but which had gone into unsound channels in the field of government. The mandate from the Supreme Commander is very clear on that. We are to substitute the one for the other. I think that I am ready to turn now to the questions.

The first question: "Shall we interpret that all the existing legislation that conflict with the contents of the letter have become automatically null and void, even before such amendment is effected?" - My instructions are to proceed immediately to operate within the letter and the amendments to the law which it approves.

The second question: "If the above interpretation is correct, by what means can 'the untrammelled right individually or collectively, personally or by chosen representatives, freely to express their views, opinions or grievances for the purpose of seeking a betterment of their conditions of public employment" enjoyed by public servants, which the General refers to in his Letter, be exercised, pending new procedures yet to be instituted? We are inclined to think that the mediation process currently going on is appropriate as a tentative procedure to supply public servants with a chance to exercise the above mentioned right. What is your opinion?" - In the first place, gentlemen, it is not my opinion. I am here as an

instrumentality in interpreting the Supreme Commander. The procedure set up and approved by the Supreme Commander for dealing with this situation is the National Personnel Authority. Now the NPA has many functions to perform. It is a complete personnel agency and has a complete personnel program. It is neither government nor employee - it is a neutral body constituted to free the public service from politics, from special pressures and from all of the contentiousness, confusion, and lack of standardizations which is sure to exist in the absence of such an agency. That body has responsibility for the recruitment of the public employees. It has responsibility for devising schedules of classification and compensation and, with the approval of the Diet, apply those schedules. In the construction of them it is interested not only in giving a living wage, that is a very poor way to judge what should happen to the public employee. What we want in the government in Japan is the brightest men and the most industrious men in the country. The only way they can be put there and kept there is by paying them enough and giving them enough in the future so that they are justified in devoting their lives to the public service. At the same time the work gives them, we believe, honor and distinction far above that which accrues to a man in the ordinary pursuit of commercial work. The third thing it does is to have a Bureau of Efficiency andthat bureau is designed to do all of those things necessary to promote the efficiency of public employment. It investigates the procedures generally in government; it provides for the safety of the employees; it provides welfare service to look into their economic well-being; it provides recreation; and it provides pension and retirement so that you pick the employee up from the day of entrance to the public service. Give him an honorable position, give him a proper living commensurate with the ability you are demanding, andthen when he has served his time, retire him on a definite pension. Now the chief difference between the plan which is proposed here and the plan which has been operating with respect to some of these points is that under the plan which has heretofore been operating, with its decentralized aspects in the

various ministries and agencies the degree of health, welfare, safety and general compensation accorded an individual depended upon the pressure he could bring in bargaining and not upon the justice of his case nor with respect to equal treatment of all employees of government who were doing the same work wherever they might be working. We have found that in our practice very important. Mr. MacCoy is the Director of Personnel for the Department ofState, presently on leave. Our departments are young also, our total employment is large, but the minute our U.S. Civil Service Commission does not keep things pretty even all thru the government and treat all employees fairly and equally, then they have created a situation in which employees rightfully feel bad and should start dispute tactics. All we are doing is applying that all through the government.

The fourth thing we have is a Bureau of Equity. The first bureau is recruitment; the second compensation, which includes classification compensation; the third is efficiency, which includes evaluation of employees and their performance, studies of utilization of personnel, safety, welfare, health and pensions. Thenfourthly we have the Bureau of Equity. Now if you will read the National Public Service Law carefully you will observe that it contains quasi judicial powers. It has been my function in certain cases in the U.S. to serve as the presiding judge for some years in such a situation, where day after day has been DEVOTED to LISTENING TO the representation of employees on the onehand and representation of management on the other, and deciding, not in terms of pressure or special privileges, but always in terms of the general policy, the efficiency of service on one hand and the independent right of the employee on the other. The decisions of that hearing were final. Wehave this Bureau of Equity to deal with problems of employee relationships. There are other bureaus but I am not going to bother you with all the detail.

I have given you some notion of the coverage this body has in public employment. It comes right back to this - under the instructions that I have, mediation immediately terminates, there is no more collective bargaining, there are no more

strikes, there is no more dispute tactics, but there exists now an agency for the purpose of entertaining these representations from the employees, encouraging them in all the plans and schedules and forwarding them to the Diet for final approval and consideration.

I would like to add to that the request, notonly to the National Labor Relations Board but to all government agencies that have been dealing with problems involving grievances or compensation matters, including studies as to cost of living and other matters pertinent, that these agencies cooperate by immediately referring their information to the National Personnel Authority. The NPA will undoubtedly call upon you gentelemen for advice and consultation in constructing the schedules which it is now its duty to construct and refer to the government.

Suehiro: Can we understand that for the time being our mediation procedure is terminated?

Hoover? Yes sir.

Hoover: Question three: "From the General's letter, it seems that the labor unions of Governmental railroad workers and of those engaged in monopoly enterprises will in future and finally be invested with the right to bargain collectively. Shall these unions be interpreted until then as being deprived of the right of collective bargaining because of their status as the unions of public servants? - Just what procedures will be applied in the future with respect to the railroad, tobacco, salt and camphor is not altogether clear but must be worked out in the course of legislation. Presently these activities are definitely government activities. As of today they are government activities and as of today my suggestion would be that you terminate bargaining and mediation of any sort or kind of dispute tactics inasmuch as a special question has been raised with respect to them and in order to faithfully interpret the Supreme Commander on thatpoint I have asked him for further instructions. But of this I can assure you, for the immediate future and pending any such determination by him, they will assume the same status as other government employees.

Question #4: "Shall the Letter be interpreted as invalidating the existing labor agreements, concluded between Cabinet ministers and respective labor unions in their ministries?" - The answer is yes. Such agreements within General MacArthur's philosophy, should not have existed as having in collective bargaining and other procedures inappropriate to government activities. There they are without force or effect. That applies not only as to cabinet ministries but any instruments of government. In that particular I wish to inform you of one thing associated with Gen. MacArthur's thinking on this subject which will be an important guide to you in your application of that labor and that is that your labor unions have trespassed in the field of management to a degree which is paralyzing to the Japanese government. It is not the function of labor to manage. It is the function of all of us in government to accept our orders and to administer them faithfully and efficiently. I suggest that you quickly get your labor organizations out of the field of governmental management. We will give them plenty to do that will help the employee. We want the cooperation of these unions in building up and safeguarding the health and welfare of the employee, but it is the function of the goverment to manage. You cannot run an army from the bottom up - you have to run it from the top down. In that connection, Mr. Fukishima, there are other pointsthat I may wish to discuss with you; I believe Dr. Suehiro will not be interested so I will leave them until later. I think that that answers the questions, does it not?

Just one last word to everybody who is connected with this adjustment. The more completely and rapidly the employees of government fall into line on this thing with full effort, the more completely will they help us to protect their situation against an emotional reaction which might be very bad. They have not lost rights, unless it is the right to destroy their own government. I don't think they want that. I think it is a mistaken idea. But their quick acceptance of thisnew order of things which will reflect itself in the pick up of efficiency of government, discipline, order and accomplishment, will help us tremendously in balancing the new schedules so that

their rights are fully protected.

I want to take this opportunity personally to express great interest in thework of the Labor Relations Board as applied to the workers in industry and to say that I hope I shall have the opportunity to meet you again and discuss your activities with you.

Suehiro: Thank you for your very pertinent answers to these questions presented. Today I did not come to speak my opinions.

Hoover: Neither am I speaking my opinions; I am speaking General MacArthur's opinions.

Suehiro: Aside from this current discussion; from my experience with the Labor Relations Board I have accumulated a certain amount of knowledge to deal with unions, so if in the future the National Personnel Council might like to have my opinions I will be willing to express them.

Hoover: That would be very acceptable. In fact we would value very highly the experience you have and any opinions you may give, notonly the NPA, but this office as well. Please feel free to come in at any time and please consider yourself requested to approach the Authority and give them any opinions you have. I am sure if you do not approach them within a short time you will receive their invitation. We have but one desire in this situation and that is to contribute to the ~~laborers~~ nations well-being and protect employees of government at the same time.

Pres Conf.

PRESS CONFERENCE, 26 JULY 1948, 10:45 a.m.

Presiding Officer: Ladies and Gentlemen, the spokesman for the Supreme Commander of the Allied Powers at today's press conference is Mr. Blaine Hoover, Chief of the Civil Service Division of Government Section. I hope that all of you have a copy of the statement that he is going to make. (Statement read by interpreter.) For the information of the Allied Press I will state that Mr. Hoover is from Chicago and is President of the Civil Service Assembly of the United States and Canada. Do you care to make any addenda statement to your remarks?

Mr. Hoover: I think not, but I would be very glad to entertain any questions. If it is not unusual I would appreciate having the name of the questioner and his paper for record.

Yomiura Shimbun: No Question.

Kyodo News Service: There are numerous acts of dishonesty on the part of government officials at present. Government officials are apt to ask businessmen to take them on a trip to hot springs when a businessman approaches government officials. In fact, government officials rather force businessmen to take them to hot springs, and I want to know what measures can be taken in regard to the situation.

Mr. Hoover: The question involves the problem of discipline in the service and what constitutes proper conduct on the part of a government official. Under the National Public Service Law, it is the duty of the National Personnel Authority to develop and enforce rules covering official conduct and this question would be dealt with there. Referring to the principle involved, any action on the part of a government official which places him under improper obligation to a person or persons with whom he or the government have relations, and that is very wide coverage, is improper and would not be permitted.

In those comments I made reference to the National Personnel Authority. For the benefit of the correspondents present, I will state that the National Personnel Authority is the designation to be of the central personnel body of the Government of Japan, which body corresponds to a Civil Service Commission in most of our western jurisdictions.

INS (Mr. Handelman): Mr. Hoover, I have heard the criticism that this National Personnel Authority will have wide powers because I have been told in all laws now being passed by the Diet there is a clause which gives this Authority the power to invalidate the law if it runs counter to the Civil Service Law. Is that correct?

Mr. Hoover: Mr. Handelman, the provision in certain laws to which you refer does not have quite the implication that comes from your question. In the first place, of course, it is not a revision of the law nor a provision that the National Personnel Authority can revise the law; it is,

in itself, a provision of the law stating that anything therein inconsistent with the National Public Service Law will be subordinate thereto. In general, the provision does not have much significance beyond this--that in a period when legislation was being rushed and when there was some question as to the exact jurisdiction of the Authority in terms of subdivisions of the organization, it was deemed wise by the Diet to insert in certain situations this provision to make it clear that certain organizations, whatever law was passed at that time, were nevertheless definitely subject to the National Public Service Law, and, incidentally, in the rush of legislation to make it clear to the bureaucracy and to the courts, if need be, that the passage of a law which might at some point cut across a segment of the subject matter of the National Public Service Law was not intended to be a revocation of the National Service Law as applied to that subdivision of government.

Mr. Handelman: Could you explain a little further, Mr. Hoover, who makes the decision on whether or not a law is inconsistent with the National Public Service Law?

Mr. Hoover: I assume that you are leading into a question of legal procedure that might obtain in any question involving two laws in the same area. In the ultimate that is a judicial process, is it not?

Mr. Handelman: That is what I thought, but what I want to know specifically is how it would be done? Would the National Personnel Authority take it to the courts?

Mr. Hoover: I do not anticipate any, or many, such cases. In general, it is believed that these organizations to which this provision was applied--this special provision--were definitely already under the jurisdiction of the National Public Service Law, but where there was some question, it was put in as a precautionary provision. Now, if there is conflict that requires legal interpretation as to jurisdiction that is a question for the courts.

Asahi Shimbun: When a government employee union is dissatisfied with the wage decided by the National Personnel Authority, what procedures may the government employee union take?

Mr. Hoover: In the first place, the wage is not decided by the National Personnel Authority. The National Personnel Authority is the implement of government for making studies of living costs and other conditions relative to the public employment and making recommendations to the Diet relative to schedules of compensation. In the first place, an employee union or an employee of the government independent of a union is always free to make any representation that he desires to the National Personnel Authority--that may be an expression of opinion or it may be the summation of factual material, all of which will be entertained by the appropriate technical staff of the Authority and given consideration. When it is submitted to the Diet, it becomes the responsibility of the Diet to approve, disapprove or revise those schedules as submitted and the Diet is an independent body, the supreme organization of government, and any

representation which a union or an individual member wants to make to the Diet is entirely proper and the Diet may do as it wills with such representations.

Chicago Daily News (Mr. Beech): A good many people have read political significance into this provision of the National Public Service Law, in that it is, I believe, generally conceded that Communist strength in the union movement in Japan is probably greater in government unions than in other unions. Of course, this law, as it is to be changed, would deprive the so-called "Communist-dominated unions" of some of their most effective weapons. Do you have any comment on that--whether it has any political significance or is it simply a government reform?

Mr. Hoover: Mr. Beech, I can say this in response to your question. The revisions of the National Public Service Law referred to by General MacArthur in his letter to the Prime Minister on the 22nd have been under consideration, technically and otherwise, for several months and were an inevitable result of a sound technical study made at this time.

Mr. Beech: I would like to know how this National Public Service Law compares with similar or related legislation in the United States. In other words, what is the bargaining or employee relation status of civil service workers in America? Can they strike? . . . . or England?

Mr. Hoover: I will answer in skeleton fashion now. It is a somewhat voluminous record to discuss at this point. In general, the civil service structure planned for Japan employs the basic concepts of the civil service structures in the Western world. If you are interested in the historical aspects. . . . Do you want a couple of minutes on the background?

Mr. Beech: I would like to withdraw most of my question, but would like to ask this. In the United States, or in England, do civil service employees have collective bargaining rights or the right to strike?

Mr. Hoover: In the U. S. the subject is covered at the national level by the Taft-Hartley Act, which forbids strikes. It is covered characteristically at the state level by the statutes of the State of New York, and I could give you many states with similar statutes forbidding strikes. In England you run into a situation which comes out at about the same point, but is much more indirect in its method of reaching the result. They have in England the so-called Whitley Councils. The Whitley Councils consist of three characteristic levels which permeate the government structure. These councils consisting of "government" and "staff". They can meet and negotiate, but there can be no action and no decision unless it is approved by the chairman and the vice-chairman. The chairman is always an appointee of the government and represents, more particularly, at the national level the Chancellor of the Exchequer. The vice-chairman is the representative of the employees or from that group. That means that although there is there the semblance of bargaining, it is highly qualified because no decision can be taken without concurrence of both groups. That presents a very interesting situation. Translated into terms of a bargaining system anything that was non-controversial there would present no problem, anyway, and if it were controversial they would come to a block under the Whitley system. I will be glad to explain it further to you at any

time. Be it said for that, it has one marked advantage; it enables the employees to present their grievance and there is proposed within the National Personnel Authority a Bureau of Equity which will be constituted to serve practically that same purpose within the Japanese government.

Mainichi: No question.

United Press: What is the actual number of workers who will fall under this National Service Law and what percentage do they form of organized labor in Japan?

Mr. Hoover: I can answer the first part of your question in just a moment by referring to records . I haven't analyzed your question in the terms of percentage of organized labor. I am sure if it were referred to the Labor Division, ESS, they could answer.

Chubu Nippon: It seems the present Japanese Government thinks that the revision of the National Public Service Law must be made by themselves--by the present government--what do you think of this?

Mr. Hoover: Is that intended as a political question? We do business with the government in office at the time the business is to be done.

Christian Science Monitor: In your statement, you state that in the public interest, the employee of government is not a party to collective bargaining. In General MacArthur's letter to the Prime Minister, he has specified that in the probable revisions that railroad workers, camphor, tobacco and salt enterprises were to be exempted from regular civil service. The question then arises in my mind whether this means that the employees of the unions represented by these enterprises will have the rights of collective bargaining or whether they will come under the general terms of service of those regulations.

Mr. Hoover: Mr. Walker, I am referring now to the letter of the Supreme Commander. He says, "So far as the railways, salt, camphor and tobacco activities presently under government ownership are concerned, I believe that employees thereof might well be excepted." I take it that that is not mandatory and that it is a suggestion. As to the reason for and degree of exception in these cases it might be well for you to address your inquiry to General MacArthur's office. I see where your question arises and in general I believe that the Supreme Commander has in mind restraints upon those employees such as may be necessary to protect the public interest in the particular sphere and type of activity involved.

Now in reply to the inquiry of United Press about percentage of labor. I was asked first what percentage of the government employees would be under the Civil Service Law. Strictly all government employees will be, because the railroads at the operating level, camphor, salt and tabacco will be taken out of the government in a rather complete sense. However, referring to the percentage of the present employee population of the government, it is probably around 75% to 80%. I can't answer your question as to what percentage of organized labor this is. If you will call my office, Mr. MacCoy will give you detail on the percentages which I have just estimated.

Tokyo Shimbun: When a union member wants to make a representation to the Diet, must he make his representation through the National Personnel Authority or can he directly come to the Diet and make his representation?

Mr. Hoover: What kind of a representation?

Tokyo Shimbun: When he wants to present his opinion or factual materials on wages and other matters.

Mr. Hoover: In the first place, he would probably be contributing to the adequacy of the consideration of the problem if he submitted it to the National Personnel Authority; however, any citizen of Japan has the right individually or collectively to make any representation that he chooses to his legislative body and I would express no opinion on that except that it would be subject to whatever procedures the Diet chooses to impose.

Chicago Daily News (Mr. Beech): In regard to the railroad, salt, camphor and tobacco workers, General MacArthur's letter states that, "Proper provision should be made for standards, policies, and procedures of employment and while substituting mediation and arbitration measures for the protection accorded others under the civil service, safeguards should be provided to the public interest against any interruption of operations resulting from failure of employees faithfully to discharge their responsibilities..." That would infer and one might conclude from that that these people will not be permitted to strike if this is to be put into effect. Is that so?

Mr. Hoover: In the first place, let me repeat that as I understand the Supreme Commander he contemplates a very sharp divorcement from government of these corporations--much sharper than exists in the case of a Kodan, for example. You are as free as I am to infer from the language what he means by it. However, I would find it easy to follow your inference on that point.

Osaka Shimbun: According to Article 305 of the Taft-Hartley Law, government employees or forces of government-owned corporations have no right to strike against the government. I want to know whether tobacco, salt, and camphor monopolies are to be regarded as government-owned corporations, or not.

Mr. Hoover: That is closely related to Mr. Beech's question and I will reply as I did to Mr. Beech that there is evidently an area in which certain policy remains to be detailed and developed, but I would assume from the letter that Mr. Beech's inference on that point was acceptable. Basically, railroads on the operating level, salt, tobacco and camphor will not be under the civil service; therefore, I would prefer to have other members of SCAP deal with it if it is in their jurisdiction.

China International Press: According to General MacArthur's letter, government employees are not allowed to negotiate directly with the government, but must negotiate through the Diet. In case the negotiations through the Diet end in failure, to what organization should the government employees bring the matter up? Is it the National Personnel Authority or the contemplated Board of Equity or the CLRB?

Mr. Hoover: That is a very easy question to answer. Under the Constitution of Japan, the Diet is the supreme organ of government. Sovereignty resides in all of the people and the Diet primarily exercises that sovereignty in their behalf. Sovereignty doesn't bargain. Sovereignty rules. In the ultimate, the Diet in passing on the recommendations of the National Personnel Authority will in its wisdom decide what to do, and the decision of the Diet properly enacted in law is final and conclusive and not referrable to anybody.

Stars and Stripes: Under this law, will the present employees of the government be required to take examinations?

Mr. Hoover: Certain employees of the government will. Those in the high offices of government will be subject to examination. The great majority of present employees will not be subject to examination but any new incoming employees will be. Does that answer your question?

Stars and Stripes: Yes.

Jiji Shimbun: No question.

INS: Could you explain to me the relationship now under the revision of government workers unions and the Central Labor Relations Board and also with SCAP could you tell me the relationship between government workers unions and ESS, Labor Division?

Mr. Hoover: Mr. Handelman, the letter substitutes normal civil service processes for the present provisions which take the government and employees to the Labor Relations Board. As to the relationship of Labor Division, ESS, to the picture, inasmuch as they are a correlative unit in SCAP, I would prefer to have that question referred to the Chief of Staff.

Farm and Village Shimbun: We want to know whether there have been any instances whereby government employees in the United States have struck against the government?

Mr. Hoover: I think of no instance in which the employees of the government of the United States have struck against the government.

Akahata Shimbun: We want to know whether the sixteen principles concerning Japanese labor unions issued by the Far Eastern Commission are subordinated to the National Public Service Law or not.

Mr. Hoover: That is a question they probably should refer to the office of the Supreme Commander.

Radio Tokyo: We want to know whether you think that the number of present government employees is adequate or not from the standpoint of efficiency. Do you think that the number is too large?

Mr. Hoover: He is asking a question that comes within the fact-finding jurisdiction of the NPA. Pending any recommendations that they might make to the Diet on the subject matter, I would prefer not to express a personal opinion.

Shimbun no Shimbun: What is the name of the speaker?

Presiding Officer: Mr. B. Hoover. We have time for one more question.

Nippon Times: No question.

Chicago Daily News: I would like to ask Mr. Hoover, on the basis of his experience and observation with government employees how the public morality of Japanese government employees and those of the United States compares.

Mr. Hoover: Mr. Beech, human nature is human nature the world over. Different nations develop different mores and different psychological patterns. So far I have seen no reason why the Japanese people cannot develop a bureaucracy which, for efficiency and integrity, will be the equal of anything in the world.

File 1-25-49

CIVIL SERVICE DIVISION
Government Section

14 July 1948

MEMORANDUM FOR: Mr. James R. Bell, Chief, Organization Branch

SUBJECT : Employment of Foreign Nationals by the Japanese Government

1. As a result of questions raised by employees of the Ministry of Communications who are foreign nationals, the subject of the loss of citizenship by such nationals has been raised.

2. Under the provisions of Article 19 of the old constitution, it was stipulated that only Japanese may become "officials". This was interpreted to mean that foreign nationals were automatically barred from becoming "officials". When it was necessary for the foreign office, the army, navy, etc. to employ foreign nationals, they were appointed under contract as advisers to the government and were not considered "officials."

Sato & Yamakawa + Shokatake

3. The new constitution makes no specific reference to citizenship with respect to public service employment. Legally this would be interpreted as broadening the principle originally layed down and might conceivably allow the employment of foreign nationals under the provisions of the National Public Service Law. As far as it is known, none of the foreign nationals now working for the Ministry of Communications are officials and therefore probably would not have their citizenship detrimentally effected.

Sato to investigate 7/14

4. In the preparation of rules of the Commission provisions should be made to cover the employment of foreign nationals by the Japanese government. The Ministry of Finance should also be advised of this problem and it would seem advisable that the budgets in the future should provide special funds within each agency for the employment of foreign nationals who would not be expected to sign an oath of office declaring their loyalty to the constitution.

MS.

MACDONALD SALTER, Chief,
Classification and Compensation Branch.

MS:mvb

~~20 July 48~~

GOVERNMENT SECTION
CIVIL SERVICE DIVISION

file

12 July 1948

MEMORANDUM FOR : Mr. Blaine Hoover
Chief, Civil Service Division

SUBJECT : Conference with Mr. Irie

1. On Monday, 12 July 1948, Dr. Justin Williams called to advise that Mr. Irie had just been appointed, today, as the new Chief of the Legislative Bureau of the House of Representatives, and stated that Mr. Irie wished to discuss either with Mr. Hoover or me, certain matters relative to the appointment of people to his organization.

2. I met with Mr. Irie and it develops that he has twenty-five officials whom he wishes to appoint to his new bureau. Of this twenty-five, between ten and fifteen will be of the group that the Japanese designate as second class officials. Mr. Irie stated that he wished examinations to be held by the National Personnel Commission to enable him to make his selection from such a certified list at the earliest possible date. I pointed out to him, that the National Public Service Law placed the employees of the Diet in the special service and therefore, outside the purview of the National Personnel Commission (Item 18, Article 2). Mr. Irie stated that he was aware of this fact, however, in the closing minutes of the discussion on the Diet Officials Law, the Diet had inserted an amendment which stated that officials to be employed by the Diet were to be examined by the National Personnel Commission. This was news to me and I checked with Messers Salter, Bell and Peterson and found that none of us had ever seen a copy of the proposed Diet Officials Law, and therefore none of us were aware of this provision. I checked with Miss Darilek and found that she had no copy of this law nor any record that it had been referred to the C.S.D.

3. Mr. Irie inquired as to how long it would take us to handle the examinations and to produce a certification from which he might select names. I pointed out that it would take approximately thirty days to properly advertize the examination and an additional week in which to hold the examination and grade the papers, and another week in which to advise those individuals who had passed the examination and call them up for interview. In other words, it would require six weeks at the minimum before selections would be possible.

20 July
no further word
Dr. P.

He seemed rather perturbed by this and wanted to make the selection and have the individuals on the job before the Diet re-convened. I inquired as to whether he meant the re-convening of the Diet at the next regular session in December, or an extraordinary session of the Diet. He stated that he was interested in the extraordinary session of the Diet which would probably be between 20 July and 1 August.

4. I raised several questions relative to the right of the N.P.C. to hold such examinations and inquired as to whether the Diet Officials Law placed the Diet employees under all provisions of the National Public Service Law or whether it just covered examinations. He stated that he wasn't sure, but thought it included only examinations. However, my questioning seemed to raise some questions in his mind as to the exact wording and application of the Diet Officials Law; therefore, he stated that he wished to make a further study of the pertinent paragraph and that having done this he would, at a later date, get in touch with either Mr. Hoover or me.

5. Following the conference, I requested Mr. Peterson to secure a copy of the law and ascertain just exactly what the indicated amendment did say. He has now advised me that this law on Diet officials establishes certain examining committees and merely states that the examinations <u>may</u> be held by the National Personnel Commission.

6. Under the circumstances, and in light of the big problem we have on our hands, I would seriously recommend that the Commission not be required to assume the responsibility of handling this examination at this particular time. This is the sort of thing which we might welcome if the organization of the commission was well founded and in smooth running order, but in view of the fact that it has not really started to officially function, I don't feel that the Commission is in any position to take on what might be classed as extra-curricular activities at this particular time.

W. Pierce MacCoy

W. PIERCE MacCOY
DEPUTY CHIEF, CIVIL SERVICE DIVISION

WPM/hm

BM
7/13/48.

CIVIL SERVICE DIVISION
Government Section

12 July 1948

Mr Hoover

MEMORANDUM FOR: Mr. W. Pierce MacCoy, Chief, General Personnel Administration Branch

SUBJECT : Bill for Partial Amendment to the Law Concerning Personnel of the Diet.

1. As the title of the bill, which has now become a law, would suggest, the entire law deals with personnel administration. Only the two most important features are mentioned in this memorandum.

2. The law provides that: "in order to examine matters concerning qualification status and disciplinary punish of the personnel of the Diet there shall be instituted a Diet Personnel Examination Committee in each of the secretariat of each house, the legislative bureau of each house, the national diet library, the court of impeachment and the indictment committee."

3. One of the duties of each Diet Personnel Examination Committee is the giving of formal examinations to determine of the competence of applicants for appointment. The law provides that: "the examination to be conducted by the Diet Personnel Examination Committee as provided for in the four preceding articles, may be entrusted to the examination organ under Article 48 of the National Public Service Law."

4. A copy of the law has been requested for Civil Service Division files.

GWP

GORDON W. PETERSON

GWP:mvb

Note
Copy of amendments attached WRM 7/13/48

This article was discussed with Mr Asai 7/13 and he reviewed the bill in Japanese and checked with the atty. gen's office. The judgement rendered is that it is permissive and not mandatory. WRM 7/13/48

GOVERNMENT SECTION
Buck Slip

12 July 1948

From: Parliamentary & Political

No:		INITIAL	DATE
	CHIEF		
	EX OFF		
	Deputy Chief		
	Col Hays		
	Maj Rizzo		
	Ch, Adm Div		
	Pub Affairs Div		
	Local Gov't Div		
	Parl & Pol Div		
1	Civil Service Div		
	PSQ Div		
	File		
	Chief Clerk		

FOR: Mr. Peterson

- ____ INFORMATION
- ____ NECESSARY ACTION
- ____ ACTION (PREPARE REPLY)
- ____ APPROVAL
- ____ SIGNATURE
- ____ INITIAL
- ____ COMMENT OR CONCURR.
- ____ RETAIN
- ____ FILE

Copy you requested.

Capt. Guida

Bill for Partial Amendment to the Law Concerning the Personnel of the Diet.

Requested by Peterson, Civil Service Div.

To Capt Guida.

CLD

House of Representatives

July 1, 1948.

BILL FOR PARTIAL AMENDMENT TO THE LAW CONCERNING THE PERSONNEL OF THE DIET

Article 1. The personnel of the Diet referred to in this law shall mean the Secretary-General, Secretaries, Clerks, Qualified Specialists of Standing Committee, Research Secretaries of Standing Committee, and Research Clerks of Standing Committee in the Secretariat of each House; the Director-General, Secretaries, and Clerks of the Legislative Bureau of each House; the Chief Librarian, Assistant Chief Librarian, Librarians, Senior Specialists, Research Secretaries, Secretaries, and Clerks of the National Diet Library; and the Secretaries and Clerks of the Court of Impeachment and of the Indictment Committee.

Article 3. A Clerk in the Secretariat or Research Clerk of Standing Committee of each House, a Clerk of the Legislative Bureau of each House, A Clerk of the National Diet Library, or a Clerk of the Court of Impeachment or of the Indictment Committee shall be appointed from among those who have any of the following qualifications:

1. Those who were engaged for four years or more in the business or technical affairs of the Secretariat of

each House, the Legislative Bureau of each House, the National Diet Library, the Court of Impeachment, or the Indictment Committee.

2. Those who are qualified to be appointed as third-class officials of the Government.

3. Those who are defined by the Diet Personnel Examination Committee to possess qualifications equal or superior to the persons mentioned in either of the preceding items.

4. Those who have been determined, as the result of an examination conducted by the Diet Personnel Examination Committee, to possess such knowledge and experience as are required to assume the prospective duties.

Article 4. A Secretary in the Secretariat or Research Secretary of Standing Committee of each House, a Secretary of the Legislative Bureau of each House, a Librarian, Research Secretary or Secretary of the National Diet Library, or a Secretary of the Court of Impeachment or of the Indictment Committee shall be appointed from among those who have any of the following qualifications:

1. Those who were for eight years or more in the office of Clerk in the Secretariat or Research Clerk of Standing Committee of each House, Clerk of the Legislative Bureau of each House, Clerk of the the National Diet Library, or Clerk of the Court of Impeachment or of the Indictment Committee.

2. Those who are qualified to be appointed as second-class officials of the Government.

3. Those who are defined by the Diet Personnel Examination Committee to possess qualifications equal or superior to the persons mentioned in either of the preceding items.

4. Those who have been determined, as the result of an examination conducted by the Diet Personnel Examination Committee, to possess such knowledge and experience as are required to assume the prospective duties.

Article 5. A Qualified Specialist of Standing Committee or a Senior Specialist of the National Diet Library shall be appointed from among those who have any of the following qualifications:

1. Those who were for ten years or more in the office of Secretary in the Secretariat or Research Secretary of Standing Committee of each House, Secretary of the Legislative Bureau of each House, or Research Secretary of the National Diet Library.

2. Those who were engaged for ten years or more, as second-class Government officials, in the special business of either branch of administration or judicature.

3. Those who are qualified to be appointed as first-class officials of the Government.

4. Those who have been determined, as the result of

an examination conducted by the Diet Personnel Examination Committee, to possess such knowledge and experience as are required to assume the prospective duties.

Article 5-2. The Assistant Secretary-General or a Director of the Secretariat of each House, a Director of the Legislative Bureau of each House, a Director or Vice-Director of the National Diet Library, or the Director of the Court of Impeachment or of the Indictment Committee shall be appointed from among those who come under any of the following items:

1. Those who were for ten years or more in the office of Secretary of the Secretariat of each House, Secretary of the Legislavtive Bureau of each House, Librarian, Research Secretary or Secretary of the National Diet Library, or Secretary of the Court of Impeachment or of the Indictment Committee.

2. Those who are qualified to be appointed as first-class officials of the Government.

3. Senior Specialists of the National Diet Library.

4. Those who have been determined, as the result of an examination conducted by the Diet Personnel Examination Committee, to possess such knowledge and experience as are required to assume the prospective duties.

Article 5-3. The examination to be conducted by *

*

Article 5. The personnel of the Diet may change their posts according to their respective qualifications, and under equivalent conditions, among the Secretariat of each House, the Legislative Bureau of each House, the National Diet Library, the Court of Impeachment, and the Indictment Committee.

the Diet Personnel Examination Committee as provided for in the four preceding Articles may be entrusted to the examination organ under Article 48 of the National Public Service Law.

CN

Article 7. The personnel of the Diet or the officials of the Government may alter their status to officials of the Government or personnel of the Diet according to their respective qualifications, and under equivalent conditions, excepting the Secretary-General of the Secretariat and qualified Specialists of Standing Committee of each House, the Director-General of the Ligislative Bureau of each House, and the Chief Librarian and Assistant Chief Librarian of the National Diet Library.

Article 16. The provisions of this Chapter shall not apply to the Secretary-General of the Secretariat of each House, the Director-General of the Legislative Bureau of each House, and the Chief Libarian of the National Diet Library.

Article 28. Any of the personnel of the Diet, except the Secretary-General of the Secretariat of each House, the Director-General of the Legislative Bureau of each House, and the Chief Librarian of the National Diet Library, shall be liable to disciplinary punishment for any of the following reasons:

1. When he has swerved from his official duty or neglected his business.

2. When he has committed, on or off duty, such act as to lose credit.

Article 33. In order to examine matters concerning the qualifications, status and disciplinary punishment of the personnel of the Diet, there shall be instituted a Diet Personnel Examination Committee in each of the Secretariat of each House, the Legislative Bureau of each House, the National Diet Library, the Court of Impeachment, and the Indictment Committee.

Article 35. The Chairman of the Diet Personnel Examination Committee instituted in the Secretariat of each House shall

be the Secretary-General of the House, and its members shall consist of the Assistant Secretary-General and Directors of the Secretariat of the House, the Secretary-General of the other House, the Director-General of the Legislative Bureau of each House, and the Chief Librarian of the National Diet Library.

Article 35-2. The Chairman of the Diet Personnel Examination Committee instituted in the Legislative Bureau of each House shall be the Director-General of the Legislative Bureau of the House, and its members shall consist of the Directors of the Legislative Bureau of the House, the Director-General of the Legislative Bureau of the other House, the Secretary-General and Assistant Secretary-General of the Secretariat of each House, and the Chief Librarian of the Nation Diet Library.

Article 36. The Chairman of the Diet Personnel Examination Committee instituted in the National Diet Library shall be the Chief Librarian of the National Diet Library, and its members shall consist of the Assistant Chief Librarian and such Directors of the National Diet Library as are nominated by the Chief Librarian, the Secretary-General and Assistant Secretary-General of the Secretariat of each House, and the Director-General of the Legislative Bureau of each House.

Article 37. The Chairman of the Diet Personnel Examination Committee instituted in the Court of Impeachment shall be the Chief Judge of the Court of Impeachment, and its members shall consist of the Director of the Secretariat of the Court of Impeachment, the Director of the Secretariat of the Indictment Committee, the Secretary-General and Assistant Secretary-General of the Secretariat of each House, and the Director-General of the Legislative Bureau of each House.

Article 38. The Chairman of the Diet Personnel Examination Committee instituted in the Indictment Committee shall be the Chairman of the Indictment Committee, and its members shall consist of the Director of the Secretariat of the Indictment Committee, the Director of the Secretariat of the Court of Impeachment, the Secretary-General and Assistant Secretary-General of the Secretariat of each House, and the Director-General of the Legislative Bureau of each House.

Supplementary Provisions

This law shall be put into force as from the day of promulgation.

C.O. 201

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section

9 July 1948

Dear General Whitney:

If it meets with your approval:

I desire General MacArthur to know, and I believe he is entitled to know that:

In the event his decision sustains the Government Section position on distinction between government employment and employment in private enterprise:

1. The restoration of discipline in the public service will be accomplished with minimum shock consistent with attainment of the prime objective, and,

2. When discipline has been restored, the Civil Service Division will propose for government employees the most liberal grievance procedures consistent with maintenance of the sovereignty of the state.

This is in no sense a revision of our previous position, but an affirmation which perhaps should be made at this time to clarify our position in a discussion which at times threatens to become confused.

Sincerely,

BH/hm

GOVERNMENT SECTION
Civil Service Division

28 June 1948

MEMORANDUM FOR : Mr. Blaine Hoover
Chief, Civil Service Division

SUBJECT : Definition of Government Enterprises and Kodans as given by Mr. Yamashita.

1. On Friday, 25 June 1948, Mr. Yamashita discussed with me, Government Enterprises and Kodans in the Japanese Government as the Japanese understand them.

2. He stated that the term "Government Enterprise" had no meaning to the Japanese as a title of a group. He was not exactly sure of the origin of the term; however, it was his understanding that this term had been utilized first when the Japanese governmental authorities had been attempting to explain to the Occupation authorities the differences in types of work in the government service. It was apparently as close as they could come to making a differentiation between what we call administrative workers and operational workers.

In the United States we speak of certain parts of an organization being the administrative staff, while the other part which actually carries out and puts into effect, policy decisions made by the administrative staff, would be called the operational staff. Even in the United States we find a grey or hazy point between these two categories, in which an individual may be responsible partly for administrative or policy matters and partly responsible for supervising the operation or carrying out of these policies.

This is what the Japanese meant when they spoke of government workers, i.e. administrative staff, ~~and~~ as those concerned with making and promulgating policy, and government enterprise workers, i.e. the operation staff responsible for carrying out the operation evolving from a policy issued from the offices of the government workers. They too, found themselves in difficulty in attempting to indicate a clean line of demarkation between the two categories and thus, because the Americans were demanding a different definition, they arbitrarily established the line immediately below the Minister of the Ministry involved and placed the Vice Minister and all eschelons below him in the operating level. This is what has caused confusion in such ministries as the Ministry of Transportation and the Ministry of Communications.

Originally it was not the intention of the Japanese to capitalize the phrase, Government Enterprises. This was originally done, apparently by the Occupation forces in an attempt to clarify the thinking in their own minds and concurrently because they had evidently never investigaged deeply enough to ascertain what the Japanese meant by the term. Mr. Yamashita pointed out that all so-called government enterprise workers received their total pay from the national government just the same as did the so-called government workers and that therefore, there was actucally no difference in the status of the government workers or those listed as Government Enterprise Workers. Therefore, in line with this explanation, there is no question that the Government Enterprise Workers, in the minds of the Japanese, are entirely National Government employees and thus should be treated and handled in exactly the same manner as the so-called Government Workers.

3. In the case of the Kodans, these organizations originated shortly after the start of the war in which the Japanese were engaged. The history of these organizations, according to Mr. Yamashita, is that the various industries found themselves in cut-throat competition for material and necessary supplies. To handle this situation properly, so that they could all produce effectively, or stay in business, and produce to the utmost as needed by the National emergency, was to form what we would call trade ~~unions~~ associations. Each company in any particular field then nominated one member of their organization to serve as a member of this trade association. His salary was paid by his company and the expenses of any clerical help or other operating expenses was divided evenly between the companies involved, in any particular association. The government provided no money at all, nor any supervision for these organizations. The association was then provided with funds by each of the companies represented and the association became a purchasing commission of materials and supplies for the companies represented by their association. When the supplies and materials were received, the members of the association divided such supplies and materials evenly between the companies represented. These associations needed no government supervision since the very method of their operation kept all members honest and insured an even distribution of materials and supplies. For example, if there were ten shipbuilding companies involved, they would combine to form a trade association (Kodan) composed of ten members - one representative from each company involved. These ten men would act as a purchasing committee for all materials and supplies needed by the ten shipbuilding companies which they represented and would disburse the funds equally which had been provided by the company which they represented. Upon receipt of the materials, they would likewise be equally divided among the ten companies. No one individual was in a position to give his company preference since he would have nine other individuals constantly looking down his collar to see that no such chicanery was practiced.

These so-called trade associations or Kodans, as the Japanese term them, were not responsible to any government organization including the Cabinet, Prime Minister or the Diet and needed no such supervision or national attachment to make them operate properly.

Mr. Yamashita was not sure just when the change occurred or what caused it, which caused the occupation forces to assume that the Kodans were government organizations but he was sure that no Kodan had been considered a government organization until after the Japanese had attempted to explain their operation to the Occupation forces. They were ordered by the Occupation to place the Kodans under government supervision. According to Mr. Yamashita's account, when this happened and the representatives of the various companies were transferred from their company payrolls to the government payrolls, they apparently looked upon this as a "gravy train" and the size of each Kodan increased practically three-fold, with an immediate corresponding drop in its efficiency.

Mr. Yamashita states that many of the serious-minded Japanese in the national government are extremely fearful that unless the Kodans are eliminated from operation by the national government at a very early date that a serious major scandle will result from their operation since the placing of them under government supervision has removed the natural and normal efficient check against chicanery which was in operation when the members of the Kodans were actual representatives of the individual companies represented by the association itself. Thus, apparently, the Kodans were trade associations set up by industry to protect itself in a short supply market, which operated efficiently during the period of the national emergency and became government organizations under government supervision and payroll only at the insistance of the Occupation forces because they seemed to offer a ready centralization of power, authority and direction of key industries in the Japanese economic picture.

W. Pierce MacCoy

W. PIERCE MacCOY
Deputy Chief, Civil Service Division

WPM/hm

0 8

21 June 1948

TO FILES:

In conversation with me this date, Isamu Igarashi, Secretary of Allowance Bureau, Ministry of Finance, made the following observations:

1. In the past, the pension law applied (in general) to "officials" (1st, 2d, 3d, class)--did not apply to other personnel. For example an estimated 30% of the personnel of the Gov'y Rwy personnel were subject to pension law.

2. In the past, the Mutual Aid Associations' retirement annuities, disability benefits (upon separation) and benefit to bereaved families, have not applied to anyone covered by Pension Law. No one could draw both pension and retirement.

3. In the proposed Nat'l Public Service Mutual Aid Ass'n Law, Article 94, provides that "benefits prescribed in Article 17, items 2 to 4 (Separation Benefit, Disability Benefit, Benefit for Bereaved Family) shall not be granted for a duration to those members who are covered by Pension Law or to members of Associations designated by Ordinance."

4. Calamity Benefits and Absence Benefits have been raised slightly in the proposed law. (relative to salaries)

5. Other benefits are roughly as before. (Apparently there was not a uniform benefit formerly) Future determination of salary levels will have a bearing on this comparison also.

6. Proposed law makes benefits more uniform. Some former Associations provided for few benefits. Under the new law all Associations will have certain basic benefits.

7. Final settlement re item 3 (above) awaits discussions among N.P.C. Finance Ministry, and other interested parties.

GWP

Gordon W. Peterson

File NPC

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section

18 June 1948

MEMORANDUM FOR : Mr. Blaine Hoover
Chief, Civil Service Division

SUBJECT : Administrative Management Authority Bill

1. The Temporary National Personnel Commission reported today that the subject bill had been presented to the Cabinet and had received approval, the Finance Minister and the Secretary-General of the Cabinet dissenting. The proposal as approved incorporated those provisions which you inserted to protect the jurisdiction of the National Personnel Commission.

2. Mr. Maeda, in presenting the bill, informed the Cabinet that this measure has the backing of the Government Section.

JAMES R. BELL
Chief, Organization Branch

JRB/hm

Hoover - Files

Perkins

CIVIL SERVICE DIVISION
GOVERNMENT SECTION

7 June 1948

MEMORANDUM: Capt. R. Melvin

SUBJECT : CIE Translation Program

The Civil Service Division has prepared the following list of publications to be consolidated with other Government Section recommendations for the CIE translation program.

Adkins, Dorothy C. Construction and Analysis of Achievement Tests. United States Civil Service Commission, Washington, D. C., 1947. 292 pp. (For sale by Superintendent of Documents, U.S. Government Printing Office, Washington 25, D. C. $1.25).

Bingham, W. V. Aptitudes and Aptitude Testing. Harper and Brothers, New York. 1937. 390 pp. $3.00

Board of Examinations Technical Staff, The University of Chicago. Manual of Examination Methods. Second Edition. University of Chicago Bookstore, Chicago, Illinois. 1937. 177 pp. $2.00

Bureau of the Budget, Executive Office of the President, An Agency Management Program, Government Printing Office, Washington, D. C., 1945. (Booklet)

Government Printing Program. Work Simplification Program. Washington, D. C., 1945. (Booklet)

Metcalf, Henry C. and Urwick L. Dynamic Administration. Harper and Brothers. 1940.

Mooney, James D. The Principles of Organization. Harper and Brothers, New York. 1947. (revised) 250 pp.

Mosher, William E. and Kingsley J. Donald. Public Personnel Administration. Harper and Brothers. New York. Rev. Edition. 1941. 671 pp. $5.00

Peters and Van Voorhis. Statistical Procedures and their Mathematical Basis. McGraw-Hill Book Co., Inc. New York. 1940.

Smith, G. Milton. A Simplified Guide to Statistics for Psychology Rinehart & Co., Inc. New York 1946. 109 pp.

Taylor, Frederick W. Scientific Management. Harper and Brothers. New York. 1947

White, Leonard D. Introduction to the Study of Public Administration. MacMillan Co. New York. 1939. 611 pp. $4.00

White, Leonard D. The Study of Public Administration. MacMillan Co. New York. 570 pp.

POLICY AND PRACTICES SERIES:

Civil Service Assembly. Employee Relations in the Public Service. Report of the Committee on Employee Relations in the Public Service, Gordon Clapp, Chairman. 246 pp.

Civil Service Assembly. Employee Training in the Public Service. Report of the Committee on Employee Training in the Public Service, Milton, Chairman. 172 pp.

Civil Service Assembly. Oral Tests in Public Personnel Selection. Report of the Committee on Oral Tests in Public Personnel Selection, Samuel Ordway, Chairman. 174 pp.

Civil Service Assembly. Placement and Probation in the Public Service. Reports of the Committee on Placement in the Public Service, Samuel Board, Chairman; and the Committeeon Probation in the Public Service, Oliver Short, Chairman. 201 pp.

Civil Service Assembly. Position-Classification in the Public Service. Report of the Committee on Position-Classification and Pay Plans in the Public Service, Ismar Baruch, Chairman. 404 pp.

Civil Service Assembly. Public Relations of Public Personnel Agencies. Report of the Committee on Public Relations of Public Personnel Agencies, William Mosher, Chairman. 259 pp.

Civil Service Assembly. Recruiting Applicants for the Public Service. Report of the Committee on Recruiting Applicants for the Public Service, J. Donald Kingsley, Chairman. 200 pp.

BLAINE HOOVER
Chief, Civil Service Division
Government Section.

msf/HRM

File
5-20-48
HM

GOVERNMENT SECTION
CIVIL SERVICE DIVISION

MEMORANDUM FOR: Mr. Blaine Hoover, Chief, Civil Service Division

SUBJECT: Assignments of Technical Staff

GENERAL PERSONNEL ADMINISTRATION BRANCH

Mr. W. Pierce MacCoy, Chief, (CAF-14)
Review of all laws and special projects assigned by Chief of Division.

Mr. Thomas L. Eliot, Personnel Specialist, (CAF-13)
No assignment

ORGANIZATION BRANCH

Mr. James R. Bell, Chief, (CAF-14)
Local Civil Service Law Assignment completed. No assignment at present.

TRAINING BRANCH

Mr. Thomas K. Tindale, Chief, (CAF-14)
Making preparations for Training Institute second session beginning August 2 to October 1--this includes determining location of site, planning of curriculum, training of staff, preparation of new lectures, abstracting of texts, translation of English material into Japanese and publication of same, and ~~preliminary exploration and planning for~~ training of assistant. Preliminary exploration and planning for a survey of training possibilities within the Japanese Government is being conducted as well as preliminary thinking and study on problems of correlating the products of the educational system to the needs of a governmental civil service.

EXAMINATION BRANCH

Mr. Harry W. Marsh, Chief, (CAF-14)
Directs activities explained below.

Maynard N. Shirven, Exam. Splst. (CAF-13)
Mr. Joseph L. Speicher, Exam. Splst. (CAF-12)
Mr. Foster B. Roser, Exam. Splst. (CAF-12)
Miss Grace M. Pierson, Trainee Exam. Splst. (CAF-8)
These technicians are assigned to the preparation of a text for the next Training Institute. This text includes recruitment, applications, examinations, probation, placement; all members have worked on sections of this material. Completion of examination for trainees is in final step--oral interviews are being conducted and staff members are assisting.--all other phases are complete. TNPC examination for technicians and clerical staff has been completed and is ready for use June 27.

Mr. Gordon W. Peterson, Exam. Splst. (CAF-12)
No assignment

Assignments of Technical Staff

CLASSIFICATION AND COMPENSATION BRANCH

Mr. Robert S. Hare, Chief, (CAF-14)
Directing activities described below.

Mr. James B. Vaughn, Classification Splst. (CAF-12)
Mrs. Nora M. Borthick, Classification Splst. (CAF-12)
Mr. Jesse B. Bettis, Compensation Splst. (CAF-12)
These technicians are working on the review, revision and development of new training material for the Training Institute; the development of a classification grading plan--devising a leaflet to popularize position classification; and the development of a questionnaire and instructions to be used in subsequent classification studies. In addition, Mr. Bettis is reviewing Press Releases and extracting "hot" items for attention of the Chief, Civil Service Division.

Mr. Macdonald Salter, Compensation Splst. (CAF-14)
Working on National Government organization, TNPC organization and administration, and National Government Compensation.

Mr. Walter P. Domanowski, Compensation Splst. (CAF-12)
Reviewing Official Gazettes and developing an index of material of interest to the entire Division. He is also working on material relating to organization of Japanese government.

Helen R. Machin

Files
III.10.

CIVIL SERVICE DIVISION
GOVERNMENT SECTION

Confidential

19 May 1948

MEMORANDUM FOR: Mr. W. Pierce MacCoy, Chief, General Personnel Administration Branch
Mr. James R. Bell, Chief, Organization Branch
Mr. Robert S. Hare, Chief, Classification and Compensation Branch
Mr. Harry N. Marsh, Chief, Examination Branch
Mr. Thomas K. Tindale, Chief, Training Branch
✓ Mr. MacDonald Salter, Compensation Specialist
Miss Helen R. Machin, Administrative Assistant

SUBJECT : Schedule of Operations

1. The Civil Service Division Schedule of Operations, January 1 to June 30, 1948, is hereby revised by substitution of projects listed and assigned in Memorandum "A" attached. Due to the increased number of projects they will hereafter be designated by number rather than letter.

2. Branch Chiefs will be currently responsible for effecting maximum progress on projects assigned.

3. As soon as basic factors of operation permit, a Schedule of Operations by dates will be provided for projects listed Memorandum "A".

4. Effective May 20, 1948, staff is temporarily assigned according to Memorandum "B" attached.

Blaine Hoover

BLAINE HOOVER, CHIEF
CIVIL SERVICE DIVISION

BH:jb
Attachments: (2)
Memo. "A"
Memo. "B"

MEMORANDUM A
ASSIGNMENT OF PROJECTS

I. General Personnel Administration Branch

Project No. 3. Revise National Public Service Law.
Project No. 11. Draft program to promote prestige National Personnel Comm.
Project No. 21. Study and advise on appointment permanent members NPC.
Project No. 27. Draft civil service law - prefectures and municipalities.
Project No. 28. Plan necessary revision of labor laws.
Project No. 29. Develop CSD position on constitutional provision relative to collective bargaining.
Project No. 30. Conduct review of all proposed legislation, Cabinet orders, and other documented actions for reconciliation with CSD policy.
Project No. 31. Operate Watch Tower.
Project No. 32. Plan and conduct publicity campaign on civil service.

II. Organization Branch

Project No. 2. Clarify organizational structure upper levels Japanese Civil Service.
Project No. 7. Organize functions of National Personnel Commission.
Project No. 12. Organize offices of National Personnel Commission.
Project No. 17. Set up rules of National Personnel Commission.
Project No. 22. Organize staff National Personnel Commission.
Project No. 25. Organize staff functions and offices Ministry Personnel Offices.
Project No. 26. Construct schedule of operations permanent NPC period beginning 7/1/48.
Project No. 34. Develop organization procedures and forms NPC including field offices and operating personnel offices in government.
Project No. 35. Plan and initiate activities National Personnel Council.
Project No. 36. Arrange facilities for training staff NPC.

III. Classification and Compensation Branch

Project No. 8. Identify "critical" positions Japanese Civil Service (for examination).
Project No. 13. Initiate general classification study Japanese Civil Service.
Project No. 18. Initiate general compensation studies Japanese Civil Service.
Project No. 33. Develop and maintain up-to-date file labor agreements.

IV. Examination Branch

Project No. 1. Select staff for National Personnel Commission.
Project No. 9. Assemble material examinations critical administrative positions.

ATTACHMENT A

IV. Examination Branch (Continued)

Project No. 14. Select Ministry personnel officers for special instruction.
Project No. 19. Select personnel key positions NPC
Project No. 23. Initiate development of examinations "critical" positions Japanese Civil Service

V. Training Branch

Project No. 4. Plan training of staff National Personnel Commission
Project No. 15. Train staff National Personnel Commission
Project No. 20. Give special instruction personnel officers - Ministries
Project No. 37. Advise NPC on setting up and implementing Training Program service at large.

MEMORANDUM B
ASSIGNMENT OF PERSONNEL

General Personnel Administration Branch

Mr. W. Pierce MacCoy
Mr. Thomas L. Eliot
Mr. Gordon W. Peterson

Organization Branch

Mr. James R. Bell

Classification and Compensation Branch

Mr. Robert S. Hare
Mr. MacDonald Salter
Mr. Jesse B. Bettis
Mrs. Nora M. Borthick
Mr. Walter P. Domanowski
Mr. James B. Vaughn
Mr. Kuraichi Hayashi
Mr. Ichiro Yano

Examination Branch

Mr. Harry W. Marsh
Miss Grace M. Pierson
Mr. Foster B. Moser
Mr. Maynard N. Spirven
Mr. Joseph L. Speicher

Training Branch

Mr. Thomas K. Tindale

Administration Branch

Miss Helen M. Machin
Miss June Baker
Mrs. Melva Van Borkum
Miss Rosemary Darilek
Miss Mary A. Fujita
Miss Margaret McMahon
Mr. Yonco Narumi
Miss Ella V. Osburn
Miss Kathryn Phillips
Miss Ruth Piser
Miss Veronice Reilly
Miss Elizabeth Robbins
Mr. Yosh Shigemura
Mr. Gilbert T. Suzuki

MEMORANDUM B
ASSIGNMENT OF PERSONNEL

General Personnel Administration Branch

Mr. W. Pierce MacCoy
Mr. Thomas L. Eliot
Mr. Gordon W. Peterson

Organization Branch

Mr. James R. Bell

Classification and Compensation Branch

Mr. Robert S. Hare
Mr. MacDonald Salter
Mr. Jesse B. Bettis
Mrs. Nora K. Berthick
Mr. Walter P. Domanowski
Mr. James B. Vaughn
Mr. Kuraichi Hayashi
Mr. Ichiro Yano

Examination Branch

Mr. Harry W. Marsh
Miss Grace M. Pierson
Mr. Foster B. Roser
Mr. Maynard N. Shirven
Mr. Joseph L. Speicher

Training Branch

Mr. Thomas K. Tindale

Administration Branch

Miss Helen M. Machin
Miss June Baker
Mrs. Melva Van Borkum
Miss Rosemary Darilek
Miss Mary A. Fujita
Miss Margaret McMahon
Mr. Yonoo Marumi
Miss Ella V. Osburn
Miss Kathryn Phillips
Miss Ruth Piser
Miss Veronice Reilly
Miss Elizabeth Robbins
Mr. Yosh Shigemura
Mr. Gilbert T. Suzuki

GOVERNMENT SECTION
CIVIL SERVICE DIVISION

Mr MacCoy
noted
WBM
4/26/48

MEMORANDUM

23 April 1948

TO : Mr. Blaine Hoover, Chief
Civil Service Division

FROM : Mr. Robert S. Hare, Chief, Classification and Compensation Branch

SUBJECT : Clearance of a Proposed Cabinet Order re: Officials in Ministry of Finance.

1. During the absence of yourself and Mr. MacCoy, a delegation from the Finance Ministry called regarding the clearance of a proposed Cabinet Order which would increase the number of certain classes of officials in the Ministry of Finance. These gentlemen were: Messers Kume, Yoshise and Watanabe (a new one) from the Finance Ministry and Mr. Hattori of the CLCO. They explained the purpose of the Order and why additional personnel was needed which is indicated in the attached material which they submitted.

2. I discussed the matter briefly with Mr. Marcum and he advised, in Mr. Maeda's presence, that these orders were to be submitted through regular channels by the Cabinet with the indication that funds had been appropriated by the Diet.

3. He suggested that we do nothing further about the matter but to advise the visiting delegation. This was done. They will submit the proposed order through channels, and fully understand that the Civil Service Division has neither approved nor disapproved of their proposal. Incidentally, the Administrative Research Bureau suggested that contact be made with the Civil Service Division.

RSH

noted
BM
4/24/48

Nothing needs to be done with this at present. RSH

Cabinet Order No.

A part of the Regulation governing the Organization of the Temporary Personnel Establishment in the Ministry of Finance shall be revised as follows.

In Article 2, in the part of Secretary and Technical Official of Ministry of Finance, "200 persons (full-time) second class" shall read "300 persons (full-time) second class", and "446 persons (full-time) third class" shall read "646 persons (full-time) third class".

Supplementary Provision:

This Cabinet Order shall come in to force as from the day of its promulgation.

Distribution of additional personnel

	8 Regional Offices*	44 Local Offices**
100 Second class	2 each	2 in most 1 in few
300 Third "	4 average	2 to 4

* In Financial Division
** In Budget Division

23 april 48

Regulation governing the Organisation of the
Temporary Personnel Establishment in the
Ministry of Finance

Article 2 In order to be engaged in the business relating to the arrangement of temporary financial and economic affairs, more personnel shall be established in the Regional Financial Bureau as follows:

Secretary of Ministry of Finance

454 persons (full time)	second class
1.000 persons (full time)	tird class

Technical Official of Ministry of Finance

54 persons (full time)	second class
90 persons (full time)	third class

Secretary or Technical Official of Ministry of Finance

200 persons (full time)	second class
446 persons (full time)	third class

March 31, 47 Office Gaz #3 Extra

Reason for increase in budget number of staffs in service of budget business in the Finance Division of the Regional Financial Bureau and the Local Finance Office

#35

1. The matter related to the certificate of checks, etc. under Article 25 of the Accounts Law is being carried on on and after November first of last year, which, in reference to the specific remark of the competent officer of the Economic & Scientific Section, is in demand of regorous and prompt dealing.

Dec 12/47 Office Gazette

2. The Law to protect the Government from the Unjust Claims (The Law No. 171 of the Twenty Second Year of Showa; promulgated 12th December of the same year) being the rightful embodiment of the directive instructing the strict observance of official prices for commodities (AG 12001 (12 Sept. 47) ESS/FI APO 500 (SCAPIN 1775; 12 September 1947) invariably requires us of its rigorous operation, and

3. For the adequate disbursements of the War Termination Expenses, satisfactory enforcement of the Law No.60 of the Twenty First Year of Showa (the Law concerning the Special Instance to the Government Contract) must be encouraged.

#3 Office Gazette #326 Dec 29, 1946

Under the necessity of forcible enforcement of the office above mentioned, we deem justified to carry on an increase in the budget number of staffs in service of budget affairs as soon as possible. And the measure for such office improvement has most keenly been felt with a view to reaching more reasonable formation of state budget.

See also Cabinet Order 27 (Article 60-(2))
Office Gaz Oct 20/47
Ministry of Finance Order #102 - Art. 5

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

APO 500
12 September 1947

AG 120.01 (12 Sep 47)ESS/FI
(SCAPIN 1775)

MEMORANDUM FOR: JAPANESE GOVERNMENT

THROUGH : Central Liaison Office, Tokyo

SUBJECT : Reduction of Government Expenditures

1. Effective immediately the following steps will be taken to reduce governmental expenditures;

a. Only prices legally established by the Japanese Government for any product will be recognized, approved, or used in:

(1) Computing and establishing legal prices for any other products.

(2) Determining and making payments for goods, work done, or services rendered whether paid directly by the Japanese Government or indirectly as reimbursements or payments to contractors or manufacturers.

b. Legal prices for materials used in projects or activities demanded by the Occupation Forces will be the same as for similar materials used in other projects or activities.

c. Expenditures, payments and reimbursements by the Japanese Government on account of labor costs, whether the labor be employed directly by the Japanese Government or engaged by contract-ors, manufacturers, private companies, or public agencies in the accomplishment of any project, goods, or services for the Japanese Governmenr or the Occupation Forces, shall not exceed in amount the actual wage payments directly received by the workers, plus prior deductions authorized by law.

d. In the following categories of labor, actual wage payments shall, as a rule, equal, and in no case shall exceed, prevailing wages for comparable employment in the locality as determined by the Japanese Government in accordance with methods which shall be subject to the review of the Supreme Commander for the Allied Powers:

(1) Labor employed by the Japanese Government in response to "Labor Requisitions" by the Occupation Forces.

(2) Labor engaged as the result of "Procurement Demands" by the Occupation Forces or Memorandums to the Japanese Government for the accomplishment of construction, building maintenance and associated services, and operation of Occupation Forces installations. Wage rates in this category shall not exceed those in category (1).

(3) Labor engaged in the accomplishment of public works projects financed in whole or in part by the Japanese Government.

e. Adequate inspection and supervisory systems will be established over all activities involving expenditures by the Japanese Government to eliminate waste of labor or materials and to assure against the payment of padded or false cost claims.

2. Direct communication between the Ministry of Finance and interested Staff Sections of General Headquarters, Supreme Commander for the Allied Powers, is hereby authorized to implement this memorandum.

FOR THE SUPREME COMMANDER:

R.M. LEVY
Colonel, AGD
Adjutant General

Received: 15 Sept. 4.30 p.m.
Shukan : EG
Copy : V. Minister
D of GA
D of FG
AG
AAT

File
4-29-48
NMR

GOVERNMENT SECTION
CIVIL SERVICE DIVISION

Miss Strachan
Mr. Hoover O.K.'s employment of Ichiro Ueno — He is to be assigned temp. to me for special work.
WRH 4/19/48

9 April 1948

MEMORANDUM:

TO: Mr. Blaine Hoover, Chief, Civil Service Division

FROM: Mr. Robert S. Hare, Chief, Classification and Compensation Branch

In connection with filling the position of Economic Research Statistician attached to this Branch, I have at your request interviewed four applicants for the position. They are: Mr. Ichiro Ueno, Mr. Kentaro Naka, Mr. Yukiwo Totsu, and Mr. K. Hayashi. All the information submitted by these individuals is attached herewith.

Mr. Ueno is 23 years old and a graduate of the Economic Department of Keio University. He expects to continue his post-graduate work at that school. He is a pleasant, intelligent, and well-appearing young man. The difficulty is, however, that he speaks so little English and understands so little spoken English that the interview was most difficult and I believe that there would be a good many problems in utilizing his services in this Division, unless we worked through an interpreter.
(See Individual File)

His work experience has been limited to three short-term jobs of a total of five months' duration. On these jobs he stated that he studied factory management, made flow charts, and assisted in time and motion studies.

Mr. Kentaro Naka is 52 years old. His family situation is "master of the house." He has indicated by his curriculum vitae that he is a graduate of the Otaru Higher Commercial School. Since 1917, he has been employed by one company, the Mitsui Bussan Kaisha, Ltd., first, as a clerk and later as assistant manager of some of the concern's branch offices. This concern was a large importer and exporter of products of the Orient and had a considerable number of offices both in Japan and throughout the world. He worked in the New York branch office for five years. His connection with the company was severed because of its dissolution on February 29, 1948.

Mr. Naka speaks English fairly well and, in general, seems to understand what is said to him. I doubt, however, if he understands much about economics and statistics except from a business man's standpoint, which might be adequate for our purpose. He would not work well with anyone who is sensitive to the continual click of a slipping upper plate; likewise, he hisses rather profusely. I doubt if he would be as adjustable to the job as would a younger man, although he might be acceptable.

Mr. Yukiwo Totsu is 26 years old. He is a graduate of the Economics Department of Hosei University and has had post-graduate work in the same university from April 1946 to November 1947. From January 12, 1948, to February 13, 1948, he served as an interpreter with the War Crimes Division, Headquarters, 8th Army, when he was released without prejudice. He stated that he lived two hours, by rail, away from his post of duty and that he became sick. His salary, including all allowances, was approximately 5,000 yen a month. He served in the Japanese army for about seven months. Although it was not fully clear to me, I believe that he tutored students at the university and that, together with his job in the War Crimes Trials, constitutes his work experience.

Mr. Totsu is nice appearing and seemed to be intelligent. He was very difficult for me to understand and he doesn't understand spoken English very well, even though he is an interpreter. Several leading questions were asked which required rather extended answers and his replies would be "Yes indeed" and nothing more. I would not recommend Mr. Totsu.

Mr. K. Hayashi is 54 years old and for more than two years has served as a court translator and advisor translator at the War Crimes Trials. With the reduction in staff, he will be released about April 15. Mr. Hayashi believes that he is very well qualified for the position. He is a graduate of the Tokyo School of Foreign Languages with major work in English and economics. He worked with Asano Bussan Co., a large shipping and exporting and importing company affiliated with W. R. Grace & Co. of New York. His last position was Chief of the Foreign Affairs Department. He has also done considerable research work for writers of Oriental history, etc. His last salary with War Crimes Trials was in the neighborhood of 5,000 to 6,000 yen per month, including all allowances. Mr. Hayashi's personal history is attached. From the standpoint of attainments, his understanding of both Japanese and English and ability to do a job, I believe that this man is the best qualified and could do more for us than any other of those interviewed. He stated that he knows many Japanese business men which might be good or bad. (See individual file)

In view of the fact that Mr. Ueno is known by a number of people in this office, he might be more readily assimilated into the Division than any of the other candidates. On the basis of straight qualifications, I would not recommend him.

RSH

Rosemary
We have a copy
Harry

File CSP-personnel, Jap

Allotment of Japanese National Personnel

Govt Sec G-1 19 March 48
Attn: Strength Control & Allot Div

1. Request that Government Section be authorized to employ three (3) Japanese nationals to be used as Economic Research Technicians.

2. These personnel will be utilized under the direct supervision of the Chief, Classification and Compensation Branch, Civil Service Division, Government Section, to study technical and administrative documents in English or Japanese for research purposes in connection with the conduct of position classification surveys, and the utilization of existing and development of new statistical data relating to cost of living, pay rates and practices within the Japanese Government, and in private industry and other compensation and classification matters; to assist in developing questionnaires and instructions for their use in Japanese; to classify, organize, and assemble replies therefrom; to translate information and results pertaining to such studies. To make occasional contacts, possibly involving field trips, in order to secure statistical or subject matter information dealing with Japanese field operations.

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

Civil Ser Div

FRN

HM/vo

Japanese Personnel

Employment of Economic Research Technicians

Civil Service Division Government Section 18 March 1948

1. It is requested that three Japanese Nationals who are qualified to be employed as Economic Research Technicians be secured for the Civil Service Division.

2. The services of such technicians shall be necessary for a period of approximately eighteen months.

3. A job specification for Economic Research Technician is attached; however, it would be appreciated if designated members of the Temporary National Personnel Commission could be consulted in the final screening of applicants. The work, in part, is of confidential character.

----------B. H.----------

File I.6 Des
22-48

ECONOMIC RESEARCH TECHNICIAN - CAF-7 or P-2

Minimum Qualifications:

1. Japanese National with sufficient facility in both reading and writing English language to insure accurate translation of the administrative and technical writings relative to research in the economic, social, occupational, and governmental fields.

2. Graduate from an accredited university with major study having been completed in economics, statistics, or accounting; or any combination thereof.

General Statement:

Under the direct supervision of the Chief, Classification and Compensation Branch, to study technical and administrative documents in English or Japanese for research purposes in connection with the conduct of position classification surveys, and the utilization of existing and development of new statistical data relating to cost of living, pay rates and practices within the Japanese Government, and in private industry and other compensation and classification matters; to assist in developing questionnaires and instructions for their use in Japanese; to classify, organize, and assemble replies therefrom; to translate information and results pertaining to such studies. To make occasional contacts, possibly involving field trips, in order to secure statistical or subject matter information dealing with Japanese field operations.

Prepared By Helen R. Machin

Approved By Daniel Tilney

MINISTRY OF FINANCE THE JAPANESE GOVERNMENT

LO 1058 (SP/GA)

5 March 1948

MEMORANDUM FOR: MR. B. HOOVER, CIVIL SERVICE DIVISION, GOVERNMENT SECTION, GENERAL HEADQUARTERS, SUPREME COMMANDER FOR THE ALLIED POWERS

SUBJECT : Bureau for the Government Personnel Affairs Committee

1. At the meeting of the State Property Coordination Committee held on February 26th last, the following matters are decided.

(1) Office rooms occupying the southern half of ground floor of the Building of Ex-Ministry for Home Affairs haveing 425 "tsubo" (tsubo - 3.3 square meter) 20 floor space (excluding the space of 106 "tsubo" 09 used by the Allied Forces) shall be destined to the office rooms of the Government Personnel Affairs Committee by March 1st.

(2) The northern half of the same floor which floor space is 542 "tsubo" 42 (not including 38 "tsubo" 87 employed by the Allied Forces) shall be vacated until May 15th next for the use of the same Committee.

(3) Matters understood among the members of the Committee

(a) With regard to the use of office rooms situating on other floors (excluding basement floors) of the Building a beforehand accord shall be gotten from the Committee.

(b) In case of need of more office rooms on those floors by the Committee, it shall have the priority to any other Government Offices.

2. Following the aforesaid decision the southern half of floor of the Building is under the control of the Committee on Affairs relating to the Government Personnel on and after March 1st 1948.

Consequently modifications to be made, adjustment of fittings etc. may suitably be made in future by the Cimmittee within the limit of the Budget.

FOR THE MINISTER OF FINANCE

s/ K. Oshima

(for) Takeshi Watanabe,

Director of Liaison Office

FILE
N.P.C.

GOVERNMENT SECTION
CIVIL SERVICE DIVISION

MEMORANDUM

5 March 1948

TO: Col. Frank E. Hays, Special Assistant to Chief Government Section

FROM: Mr. Blaine Hoover, Chief Civil Service Division

SUBJECT: "Regulations for the Appointment of Economic Investigator"

Referring to the memorandum on this subject submitted 4 March 1948:

1. This division does not attempt to establish standards of personnel prior to 1 July 1948.

2. On and after 1 July 1948 personnel standards are under the jurisdiction of the National Personnel Commission and will be determined by that body.

3. The general plan of classification and qualification envisioned in the regulation submitted is in certain respects inconsistent with the policy effective after 1 July 1948.

4. We are not informed concerning the proposed status of this resolution. If it is designed for incorporation in legislation it should specify its subjection to provisions of the Public Servants Law. If it is informal there is no objection to it as an interim device.

BLAINE HOOVER, Chief
Civil Service Division

n.p.c.

GOVERNMENT SECTION
CIVIL SERVICE DIVISION

MEMORANDUM

1 March 1948

TO: Mr. Blaine Hoover, Chief
Civil Service Division

FROM: W. PIerce MacCoy, Deputy Chief
Civil Service Division

SUBJECT: Report on Meeting of the State Property Coordinating Committee

On 27 February 1948 Mr. Ishida called at the office to report for Mr. Funayama on the action of the State Property Coordinating Committee on space for the National Personnel Commission.

The Coordinating Committee had met on the morning of 27 February and approved the following four point program for housing the National Personnel Commission:

a) Assign the South half of the first floor of the former Home Ministry building to the N.P.C. effective 1 March 1948

b) Assign the North half of the first floor of the same building to the N.P.C. by 15 May 1948

c) Give the N.P.C. power of approval or disapproval over any other agency seeking office space in this s same building before such agency would be permitted to occupy such space

d) Give the N.P.C. first priority on all space in the building with authority to order the removal of any other agency occupying space in the building if the N.P.C. needed the additional space in which to expand.

In accordance with the Japanese method of operation, the N.P.C. has full control of the space assigned to it from the moment the Coordinating Committee reaches an agreement on such assignment.

Therefore, as of 27 February 1948 the N.P.C. will be the agency which issues the orders to agencies now occupying the South half of the first floor of the former Home Ministry Building, relative to the dates of their moving and as to the proper cleaning, repair and painting of the space.

CSD conf.
Labor Loco

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section

2 February, 1948

MEMORANDUM FOR: MAJOR GENERAL W. F. MARQUAT

1. General Orders #10, 23 June 1947 charge the Government Section with responsibility for making recommendations for "the revision and supplementation as necessary of the laws, policies, practices, and procedures affecting personnel administration of the Japanese government for the purpose of assuring conformity to democratic precepts and the making of a maximum contribution to the integrity and efficiency of administration; and the implementation of decisions made with respect to this subject matter by the Supreme Commander for the Allied Powers."

2. In the discharge of its responsibilities for supervision of the civil service and bureaucratic reform of the Japanese government, the Government Section has established a Civil Service Division and a National Government Division and has initiated action by the Japanese government to develop and carry out its responsibility.

3. ESS or certain of its officials have engaged and are engaging in activities in the above areas of operation to the handicap of the Government Section in the discharge of its assigned responsibilities.

4. It is imperative that Government Section jurisdiction in the fields of civil service and bureaucratic reform be recognized and respected. With reference to civil service reform the Japanese government on 21 October 1947 passed a National Public Service Law establishing a civil service system based upon recommendations made by the U.S. Personnel Advisory Mission to Japan and approved by the Supreme Commander. Inasmuch as this law provides for the establishment and enforcement of standards relating to all aspects of personnel administration in the national government and the administration of a classification, compensation and pension system established by law, it will upon implementation supersede existing government employee union contracts with the Japanese government and eliminate the use of collective bargaining machinery by such unions. It is evident that appropriate amendments of current labor legislation will be required to conform with this law and the program of the Government Section.

5. In the discharge of responsibility for bureaucratic reform this section is advising and supervising the Japanese government in the development and carrying out of an administrative reform and readjustment program and is charged with responsibility for the supervision of

the government in matters relating to its administrative personnel problems and upon the effectuation of the National Public Service Law on matters relating to all government employees which fall within its provisions.

6. This Section recognizes the operational responsibilities and collateral interests of the various SCAP and GHQ Sections and has, and will continue to, refer proposed plans and actions of the Japanese government to the proper Section or Sections whenever appropriate.

7. You will of course understand the extremely sensitive nature of the responsibility of this Section if the reform in the Japanese bureaucracy is to be effected under existing policy. Clarification of the issues and the elimination of past and existing abuses will require maximum firmness in the implementation of the existing law within its spirit as well as its letter and the early amendment of the law where deficiencies now exist. Conflicting pressures from your Section and mine will inevitably wreck the entire program as the Japanese entrenched bureaucracy would be alert to differing viewpoints within SCAP and quick to take fullest advantage thereof. I believe that it is fundamental to the purpose of the Occupation that any existing uncertainty between our two Sections as to the area of our existing responsibility in dealing with the personnel problems of the government service be resolved and resolved at once. I personally am very much concerned over the existing trend.

8. Please give this matter the fullest attention that your overtaxed time will permit and give me your views as to how ESS activities in the above areas of responsibility assigned to the Government Section can best be terminated.

COURTNEY WHITNEY
Brigadier General, U.S. Army