of Article 18 paragraph 1 of the old Law shall be revalidated retroactively as from the date of such payment in respect to the obligation to pay interests embodied in the coupons concerned.

(Assumption by the Government of the obligation to pay principal of and interests on the foreign currency bonds which are municipal bonds or corporate bonds)

Article 5. Should the foreign currency bonds of which certificates are to be revalidated in accordance with the provisions of Article 3 paragraph 1 be municipal bonds or corporate bonds, the obligation to pay principal and interests (in regard to the obligation to pay interests, it shall be limited to the obligation to pay interests embodied in coupons which are to be revalidated in accordance with the provisions of paragraph 1 or 2 of the foregoing Article) shall be assumed by the Government retoractively as from the date of the conversion of the foreign currency bonds concerned (in regard to the obligation to pay interests embodied in coupons which are to be revalidated in accordance with the provisions of paragraph 2 of the foregoing Article, the date of payment as prescribed by the same paragraph in respect to the coupons concerned.)

2. Should the coupons which are to be revalidated in accordance with the provisions of paragraph 3 of the foregoing Article be the coupons attached to municipal bonds or corporate bonds, the obligation to pay interests embodied therein shall be assumed by the Government retroactively as from the date of payment as prescribed by the same paragraph in respect to the coupons concerned.

3. In regard to the Osaka City Harbour Construction Loan which won drawing for redemption of the principal, of which payment had not been made as of 31 March 1943, and of which amount of redemption or interests has been paid to the person designated by the Government upon orders issued under the old Enemy Property Custody Law, discharging the issuer from such obligation in accordance with the provisions of Article 3 of the same Law, the issuer shall be regarded as have not been discharged from such obligation, and the obligation

of Article 18 paragraph 1 of the old Law shall be revalidated retroactively as from the date of such payment in respect to the obligation to pay interests embodied in the coupons concerned.

(Assumption by the Government of the obligation to pay principal of and interests on the foreign currency bonds which are municipal bonds or corporate bonds)

Article 5. Should the foreign currency bonds of which certificates are to be revalidated in accordance with the provisions of Article 3 paragraph 1 be municipal bonds or corporate bonds, the obligation to pay principal and interests (in regard to the obligation to pay interests, it shall be limited to the obligation to pay interests embodied in coupons which are to be revalidated in accordance with the provisions of paragraph 1 or 2 of the foregoing Article) shall be assumed by the Government retoractively as from the date of the conversion of the foreign currency bonds concerned (in regard to the obligation to pay interests embodied in coupons which are to be revalidated in accordance with the provisions of paragraph 2 of the foregoing Article, the date of payment as prescribed by the same paragraph in respect to the coupons concerned.)

2. Should the coupons which are to be revalidated in accordance with the provisions of paragraph 3 of the foregoing Article be the coupons attached to municipal bonds or corporate bonds, the obligation to pay interests embodied therein shall be assumed by the Government retroactively as from the date of payment as prescribed by the same paragraph in respect to the coupons concerned.

3. In regard to the Osaka City Harbour Construction Loan which won drawing for redemption of the principal, of which payment had not been made as of 31 March 1943, and of which amount of redemption or interests has been paid to the person designated by the Government upon orders issued under the old Enemy Property Custody Law, discharging the issuer from such obligation in accordance with the provisions of Article 3 of the same Law, the issuer shall be regarded as have not been discharged from such obligation, and the obligation

to pay principal of and interests on the public loan concerned shall be assumed by the Government retroactively as from the date of such payment.

(Payment to the Government of the conversion price, etc.)

Article 6. Any person who acquired the Japanese currency bonds (including his successor) as a result of the conversion of the foreign currency bonds((excluding those converted in accordance with the provisions of Article 2 paragraph 1 of the old Law by the Yokohama Specie Bank Co., Ltd., a closed institution, or the Bank of Osaka Co., Ltd. in the name of an enemy property custodian appointed under the provisions of Article 4 paragraph 1 of the Enforcement Ordinance of the old Enemy Property Custody Law (Imperial Ordinance No. 1179 of 1941)) of which certificates are to be revalidated in accordance with the provisions of Article 3 paragraph 1 shall pay to the Government not later than the date as may be designated by the Minister of Finance an amount corresponding to the aggregate of;

(1) Conversion price of the foreign currency bonds concerned; and

(2) Amount of interests on the Japanese currency bonds concerned due on and before the date so designated (in the case of the Japanese currency bonds concerned being the corporate bonds issued by the Taiwan Hydro-Electric Power Co., Ltd., or the Oriental Development Co., Ltd., 15 April 1945 or 15 September of the same year respectively) minus thirty (30) per centum of such amount.

2. Any person who shall make payment in accordance with the provisions of the foregoing paragraph may surrender the Japanese currency bonds which he acquired in consequence of the conversion of the foreign currency bonds as prescribed by the same paragraph or coupons attached thereto which have become due on and before the date as may be designated by the Minister of Finance under the same paragraph (in the case of the coupons being those attached to the corporate bonds issued by the Taiwan Hydro-Electric Power Co., Ltd. or the

Oriental Development Co., Ltd., coupons which had become due on and before 15 April 1945 or 15 September of the same year respectively) for the payment of the whole or a part of the amount to be paid in accordance with the provisions of the same paragraph.

3. In regard to the value of the Japanese currency bonds which will be surrendered for payment in accordance with the provisions of the foregoing paragraph, the issuing price thereof shall be taken - where coupons are attached to the Japanese currency bonds, if some coupons ((excluding those which have become due on and before the date as may be designated by the Minister of Finance under paragraph 1 (in the case of the coupons being those attached to the corporate bonds issued by the Taiwan Hydro-Electric Power Co., Ltd., or the Oriental Development Co., Ltd., they shall be limited to those which have become due on and before 15 April 1945 or 15 September of the same year respectively)) are lacking, an amount obtained by deducting the amount corresponding to the amount of such coupons shall be taken - and, in regard to the value of coupons which will be surrendered for payment in accordance with the provisions of the same paragraph, the face value minus thirty (30) per centum thereof shall be taken.

4. Matters necessary for procedures of the payment to be effected in accordance with the provisions of paragraph 2 shall be prescribed by Cabinet Order.

5. Any person (including his successor) who has received payment as prescribed by Article 4 paragraph 2 with respect to the coupons which are to be revalidated in accordance with the provisions of the same paragraph (which shall be limited to coupons attached to the foreign currency bonds as prescribed by paragraph 1) shall pay to the Government an amount corresponding to the amount received minus thirty (30) per centum thereof, not later than the date as may be designated by the Minister of Finance.

6. Should the person who shall make payment in accordance with the provisions of paragraph 1 or the foregoing paragraph be a closed

institution as provided by Article 1 of the Closed Institutions Ordinance (Imperial Ordinance No. 74 of 1947), and should he be unable to pay a part of the amount of payment under the provisions of paragraph 1 or the foregoing paragraph in accordance with the provisions of orders issued under Article 11 of the same Ordinance, the amount to be paid by him in accordance with the provisions of paragraph 1 or the foregoing paragraph shall be the value as provided by these paragraphs minus such amount that cannot be paid, notwithstanding the provisions of these paragraphs, in which case, payment of the amount may be made on an installment basis.

7. The term "his successor" as referred to in paragraphs 1 and 5 shall mean heir, legatee in the case of death, or dissolution as a result of merger of the person concerned, a juridical person who has taken over other person or persons, or a juridical person newly incorporated through merger, and include any person coming under "the person concerned" as referred to in this paragraph by reading the same as "heir, legatee, a juridical person who has taken over other person or persons, or juridical person newly incorporated through merger, as prescribed by this paragraph".

(Transfer and payment to the Government by the Yokohama Specie Bank, etc.)

Article 7. If the foreign currency bonds of which certificates are to be revalidated in accordance with the provisions of Article 3 paragraph 1 are those converted by the banks as prescribed by paragraph 1 of the foregoing Article in the name of an enemy property custodian appointed under the provisions of Article 4 paragraph 1 of the Enforcement Ordinance of the old Enemy Property Custody Law, the banks and the Bank of Tokyo Co., Ltd. shall transfer to the Government without compensation the Japanese currency bonds concerned and coupons attached thereto which are held thereby under custody

(if coupons are not attached to the Japanese currency bonds concerned, claim of interest for the Japanese currency bonds concerned) on behalf of and in place of persons who acquired the Japanese currency bonds in consequence of the conversion, and, shall pay to the Government an amount corresponding to those enumerated in the following items which are held thereby under custody on behalf of persons who acquired the Japanese currency bonds concerned, in accordance with such procedures as may be established by Cabinet Order, not later than the date as may be designated by the Minister of Finance, notwithstanding the provisions of the Cabinet Order concerning Restoration etc. of United Nations Property (Cabinet Order No. 6 of 1951).

(1) Money which was paid in accordance with the provisions of Article 2 paragraph 3 of the old Law at the time of the conversion of the foreign currency bonds concerned;

(2) Principal redeemed and interests paid with respect to the Japanese currency bonds concerned (not including the amount of income tax assessed thereupon at the time of such payment);

(3) Interests paid upon orders issued under the old Foreign Exchange Control Law with respect to coupons attached to certificates of the foreign currency bonds concerned (not including the amount of income tax assessed thereupon at the time of such payment);

(4) Legal fruits accrued to those prescribed by the foregoing three items during the period of custody by the banks concerned.

2. The provisions of paragraph 6 of the foregoing Article shall apply mutatis mutandis to the case mentioned in the foregoing paragraph.

3. The provisions of paragraphs 1 through 4 of the foregoing Article shall apply mutatis mutandis to the persons who acquired the Japanese currency bonds concerned under such circumstances as the banks as prescribed by paragraph 1 do not hold under custody on behalf of the persons who acquired the Japanese currency bonds as prescribed by the

same paragraph the whole or a part of the Japanese currency bonds concerned and coupons attached thereto (if coupons are not attached to the Japanese currency bonds concerned, claim of interest for the Japanese currency bonds concerned), and of those enumerated in items (1), (2) and (4) of the same paragraph (in case of such as prescribed by item (4) of the same paragraph, they shall be limited to those involved in those enumerated in items (1) and (2) of the same paragraph; hereinafter the same in this Article). In this case, "foreign currency bonds ((excluding those converted in accordance with the provisions of Article 2 paragraph 1 of the old Law by the Yokohama Specie Bank Co., Ltd., a closed institution, or the Bank of Osaka Co., Ltd. in the name of an enemy property custodian appointed under the provisions of Article 4 paragraph 1 of the Enforcement Ordinance of the Enemy Property Custody Law (Imperial Ordinance No. 1079 of 1941)) of which certificates are to be revalidated in accordance with the provisions of Article 4 paragraph 1" as referred to in paragraph 1 of the foregoing Article shall read "foreign currency bonds as prescribed by Article 7 paragraph 1".

4. In the case of the foregoing paragraph, if the bank as prescribed by paragraph 1 made transfer or payment as prescribed by the same paragraph on behalf of the persons who acquired the Japanese currency bonds as prescribed by the same paragraph, the value of payment as prescribed by Article 6 paragraph 3 of the Japanese currency bonds or coupons attached thereto (~~limiting~~ which shall be limited to those which have become due on and before the date as may be designated by the Minister of Finance under the provisions of the foregoing paragraph wherein the provisions of paragraph 1 of the foregoing Article is applied mutatis mutandis), claim of interests for the Japanese currency bonds involved in such transfer minus thirty (30) per centum thereof, or amount corresponding to the amount of payment concerned shall be regarded as have been surrendered or paid by the persons who acquired the Japanese currency bonds concerned in accordance with the provisions of the foregoing paragraph wherein paragraph 1 of the foregoing Article is applied mutatis mutandis.

5. The provisions of paragraph 5 of the foregoing Article shall apply mutatis mutandis to the persons who received payment of interests as prescribed by item (3) of paragraph 1 under such circumstances as the bank as prescribed by the same paragraph do not hold under custody on behalf of the person who acquired the Japanese currency bonds as prescribed by the same paragraph the whole or a part of those enumerated in items (3) and (4) of the same paragraph (in regard to such as enumerated in item (4) of the same paragraph, they shall be limited to those involved in item (3) of the same paragraph; hereinafter the same in this Article). In this case, "coupons (which shall be limited to cupons attached to the foreign currency bonds as prescribed by paragraph 1)" in paragraph 5 of the foregoing Article shall read "coupons attached to the foreign currency bonds as prescribed by Article 7 paragraph 1".

6. In the case of the foregoing paragraph, if, in accordance with the provisions of paragraph 1, the bank as prescribed by the same paragraph has made payment of the amount corresponding to those enumerated in items (3) and (4) of the same paragraph ~~under the provisions of the same paragraph~~ on behalf of the persons who acquired the Japanese currency bonds as prescribed by the same paragraph, the amount corresponding to the amount of payment concerned shall be regarded as have been paid by the person who acquired the Japanese currency bonds concerned in accordance with the provisions of the foregoing paragraph wherein paragraph 5 of the foregoing Article is applied mutatis mutandis.

(Transfer to Special Account for the National Debts Consolidation Funds, etc.)

Article 8. Where the payment as prescribed by Article 6 paragraph 1

(including paragraph 3 of the foregoing Article wherein the same provision is applied mutatis mutandis; hereinafter the same in this Article) has been made in national bonds in accordance with the provisions of paragraph 2 of the same Article (including the same provision is applied mutatis mutandis; hereinafter the same in this Article), the Government shall transfer the national bonds concerned to the Special Account for the National Debts Consolidation Funds.

2. Where the payment as prescribed by Article 6 paragraph 1 or paragraph 5 (including paragraph 5 of the foregoing Article wherein the same provision is applied mutatis mutandis), or paragraph 1 of the foregoing Article has been made in cash, or where the payment as prescribed by Article 6 paragraph 1 has been made in coupons attached to the national bonds in accordance with the provisions of paragraph 2 of the same Article, or where the coupons attached to the national bonds (if the coupons are not attached to the national bonds concerned, claim of interests for the national bonds concerned) has been transferred in accordance with the provisions of paragraph 1 of the foregoing Article, the Government shall transfer from the General Account to the Special Account for National Debts Consolidation Funds the amount of cash, value of payment of coupons as prescribed by Article 6 paragraph 3, and the amount of claim of interests minus thirty (30) per centum of such amount.

3. Where the payment as prescribed by Article 6 paragraph 1 has been made in municipal bonds, corporate bonds or coupons attached thereto in accordance with the provisions of paragraph 2 of the same Article, or where municipal bonds, corporate bonds or coupons attached thereto (if the coupons are not attached to the municipal bonds or corporate bonds concerned, claim of interests therefor) have been transferred, the Government shall, upon disposal of the municipal

bonds, corporate bonds, the coupons or the claim of interest concerned, transfer to the Special Account for National Debts Consolidation Funds an amount corresponding to the proceeds from such disposal.

4. Where the transfer as prescribed by the foregoing two paragraphs has been made, transfer from the General Account in accordance with the provisions of Article 2 paragraph 1 of the National Debts Consolidation Funds Special Account Law (Law No. 6 of 1906) shall be regarded as have been made with respect to the amount so transferred.

5. Where the Special Account for the National Debts Consolidation Funds has received the payment in national bonds in accordance with the provisions of paragraph 1 or received the transfer as prescribed by paragraph 2 or 3, the national bonds concerned, and the national bonds borne by the General Account corresponding to the amount so transferred shall be immediately redeemed.

(Protection of right of pledge)

Article 9. Rights of pledge which had existed upon the foreign currency bonds of which certificates are to be revalidated in accordance with the provisions of Article 3 paragraph 1 and which were made exist upon the Japanese currency bonds issued in exchange for the foreign currency bonds concerned in accordance with the provisions of Article 2 paragraph 4 of the old Law, or upon money paid in accordance with the provisions of paragraph 3 of the same Article shall extingish on the date on which public notice as prescribed by of Article 3 paragraph 2 is made in regard to the foreign currency bonds concerned, and if the pledgee holds in possession the certificates of the foreign currency bonds concerned, the right of pledge shall exist upon the foreign currency bonds concerned.

(Special provisions for accounting of special accounting companies, etc.)

Article 10. A special accounting joint stock company provided for in Article 24 of the Enterprise Reconstruction and Reorganization Law (Law No. 40 of 1946) which has a temporary account as prescribed by the same Article or Article 25 of the same Law shall make entry as temporary account to the assets column of the balance sheet of the amount to be paid by the company to Government in accordance with the provisions of paragraph 1 or 5 of Article 6, and, at the same time, shall appraise as zero the foreign currency bonds of which certificates are to be revalidated in accordance with the provisions of Article 3 paragraph 1 and which were held by the company, at the time of the conversion, and shall, when the amount of appraisal of the foreign currency bonds concerned is fixed (excluding such case where the amount is fixed as zero), make entry as temporary account to the liabilities column of the balance sheet of the amount of appraisal so fixed within the extent of the amount to be paid by the company to the Government in accordance with the provisions of Article 6 paragraph 1 or 5.

2. To the special accounting joint stock company to which the provisions of the foregoing paragraph apply, the provisions of Article 26 paragraph 1 of the Enterprise Reconstruction and Reorganization Law shall apply, by reading "the foregoing two Articles" in the same paragraph as "the foregoing two Articles or Article 10 paragraph 1 of the Law concerning Revalidation of Certain Categories of Foreign Currency Bonds converted under the old Law relating to the Treatment of the Foreign Currency Bonds and other Incidental Matters."

3. A financial institution having an adjustment account as prescribed by Article 37 paragraph 1 of the Financial Institution Reconstruction and Reorganization Law (Law No. 39 of 1946) shall account on the adjustment account concerned the amount to be paid by the financial institution to the Government in accordance with the provisions of

Article 6 paragraph 1 or 5 and at the same time, shall account on the adjustment account concerned as assets belonging to the old account as of the desimated hour as prescribed by Article 1 paragraph 1 of the Law concerning Special Measures for the Account of Financial Institution (Law No. 6 of 1946) the foreign currency bonds of which certificates are to be revalidated in accordance with the provisions of Article paragraph 1 and which were held by the financial institution at the time of the conversion.

(Relation to other Laws or Orders)

Article 11. The Japanese currency bonds transferred to the Government in accordance with the provisions of Article paragraph 1 and coupons attached thereto (if coupons are not attached to the Japanese currency bonds concerned, claim of interests) and those paid to the Government in accordance with the provisions of the same paragraph, which are United Nations property as defined by Article 2 paragraph 3 of the Cabinet Order concerning Restoration, etc. of United Nations Property shall no longer be treated as United Nations property as from the date of such transfer or payment, notwithstanding the provisions of the same Cabinet Order.

2. In regard to transactions or acts which shall be made in accordance with the provisions of Articles 6 or 7, the provisions of Articles 27, 28, 30, through 33 and 45 of the Foreign Exchange and Foreign Trade Control Law (Law No. 228 of 1949) and any order issued thereunder shall not apply thereto.

(Obligation of Reporting)

Article 12. The Minister of Finance may, when he deems it necessary for enforcement of this Law, collect report or reports from the issuers of the foreign currency bonds as prescribed by Article 2 paragraph 1 of the old Law, persons who are entrusted with the payment of principal of or interests on the Japanese currency bonds and the banks, as prescribed by Article 7 paragraph 1.

Supplementary Provisions:

The provisions of Articles 1 through 5, 9 and 12 of this Law shall come into force as from the date of its promulgation, and the rest of the provisions shall come into force as from 1 April 1952.

Reasoning

In order to restore the right of persons who are deemed to have been given unpeasonable treatment at the time of conversion under the old Law relating to the Treatment of the Foreign Currency Bonds and payment based on orders issued under the old Foreign Exchange Control Law, it is necessary to provide measures for revalidating certain categories of certificates of and coupons attached to, the foreign currency bonds to which such unreasonable treatment was given. The above is the reason for submitting the present bill to the Diet.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet)

Subject: Draft Legislation

File No.:

Maj Norris
26-6076

Note No.		
1	From: Govt Sec	To: ESS Date: 14 November 1951

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

2. Your prompt comment is requested.

1 Incl
Bill concerning Revision of Amount of Annuity under Provisions of National Public Service Mutual Aid Association Law in Consequence of Revision of Compensation in Fiscal Year 1951-52

F. R.

A.R.Delmgelis, 26-6148
NFM/ENR/GCG/ARD/zl

2. 010(14 Nov 51)ESS/FIN

From: ESS To: Govt Sec Date: 19 NOV 1951

There is no objection to the immediate introduction of the attached draft bill in the Diet.

1 Incl
n/c

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

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet)

Subject: Draft Legislation

File No.:

Note No.	
1	From: Govt Sec To: Medical Sec Date: 14 November 1951 Maj Norris 26-6076 1. Immediate introduction of the attached draft bill in the Diet is proposed by Finance Ministry. 2. Your prompt comment is requested. 1 Incl Bill concerning Revision of Amount of Annuity under Provisions of National Public Service Mutual Aid Association Law in Consequence of Revision of Compensation in Fiscal Year 1951-52 F. R.
2.	From: MS/PHW To: Govt Sec Mr. Sullivan 26-6988 15 Nov 51 Reference Check Note No. 1 above, MS/PHW offers no objection to the proposed draft bill. Incl w/d -W. E.S.-

Bureau of Dept of Economy

GOVERNMENT SECTION
BUCK SLIP

11/14 1951

FROM: P+P

TO:	INITIAL	DATE
___	CHIEF.....	.....
___	EX O.....	.....
✓	Special Assistant Nat'l Affairs.....	.....
___	Special Assistant Local Affairs.....	.....
___	Adm Div.....	.....
___	Par & Pol Div.....	.....
___	Public Adm Div.....	.....
___	Chief Clerk.....	.....
___	File.....	.....
___	.....	.....
___	.....	.....
___	.....	.....

FOR: Re FDMN 67 14 Nov 51

___ INFORMATION
___ NECESSARY ACTION
___ ACTION (Prepare Reply)
___ APPROVAL
___ INITIAL
✓ COMMENT OR CONCUR
___ RETAIN
___ RETURN
___ FILE
___ BURN

GS has no objection if ESS or Med have no objection
Agay

ESS, MEDICAL.

Bill

Submitted to GS for Clearance
through Legislative Affairs Section,
Liaison Bureau, Ministry of Foreign Affairs
(Tel. 57-6010)

Nov. 14, 1951

1. Number: FOM No. 68

2. Title: Bill concerning Revision of Amount of Annuity under the Provisions of the National Public Service Mutual Aid Association Law in Consequence of the Revision of Compensation in the Fiscal Year 1951-52

3. Office in Charge: Ministry of Finance

4. Date of Cabinet Approval: Nov. 13, 1951

5. SCAP Section concerned:
Mr. DeAngelis, ESS

6. Remark (Reference):
See attached paper

7. GS Reviewers:

Received by GS

Date 11/14/51

CS: ESS
MEDICAL
GS/WDT

Reference Law

1. National Public Service Mutual Aid Association Law (Law No. 69 of 1948): Official Gazette Extra (1), June 30, 1948, as amended by Laws No. 118 of 1949, No. 134 of 1949, No. 145 of 1949, No. 168 of 1949, No. 79 of 1950 and No. 135 of 1950.

2. Law concerning Revision of Amount of Annuity Provided for in the Mutual Aid Association Law (Law No. 33 of 1951): Official Gazette No. 1496, March 24, 1951.

3. Japan Monopoly Corporation Law (Law No. 255 of 1948): Official Gazette Extra No. 47, December 20, 1948.

4. Japanese National Railways Law (Law No. 256 of 1948): Official Gazette Extra No 47, December 20, 1948.

FOMNO.68

Bill concerning Revision of Amount of Annuity under the Provisions of the National Public Service Mutual Aid Association Law in Consequence of the Revision of Compensation in the Fiscal Year 1951-52

(Revision of Amount of Separation Annuity, Disability Annuity and Annuity for Bereaved Family)

Article 1. The separation annuity, disability annuity and annuity for bereaved family under the provisions of the National Public Service Mutual Aid Association Law (Law No. 69 of 1948; hereinafter referred to as "the Mutual Aid Association Law") (inclusive of annuities regarded as such annuities by the provisions of Article 94-(2) of the said Law) which have taken the salary on and before September 30, 1951 as the basis for the computation of the amount of such annuities shall be so revised that their amount shall be computed in accordance with the following items for October 1951 and thereafter:

(1) As regards the separation annuity, disability annuity and annuity for bereaved family under the Mutual Aid Association Law (inclusive of annuities regarded as such annuities by the provisions of Article 94-(2) of the same Law) which have taken the salary on and before December 31, 1950 as the basis for the computation of the amount of such annuities, the amount computed by applying the provisions of the Mutual Aid Association Law, regarding as the salary the hypothetical salary listed in the Annexed Table which corresponds to the hypothetical salary taken as the basis for the computation of the amount of annuities revised by the provisions of the Law concerning Revision of Amount of Annuity provided for in the National Public Service Mutual Aid Association Law (Law No. 33 of 1951; hereinafter referred to as "Law No. 33 of 1951") and listed in the Annexed Table attached to the said Law.

(2) As regards the separation annuity, disability annuity and annuity for bereaved family under the Mutual Aid Association Law which have taken the salary on and after January 1, 1951 as the basis for the computation of the amount of such annuities, the amount computed by applying the provisions of the Mutual Aid Association Law, regarding as the salary the hypothetical salary listed in the Annexed Table which corresponds to the salary taken as the basis for the computation of the amount of such annuities.

2 In the case under item (1) of the preceding paragraph, those of the annuities provided for in the same item and regarded by the provisions of Article 94-(2) of the Mutual Aid Association Law as the separation annuity, disability annuity and annuity for bereaved family under the provisions of the same Law whose condition for payment or basis for computation differs from such annuities prescribed in the Mutual Aid Association Law shall, as may be provided for by Ministry of Finance Ordinance, be regarded as the annuities which are provided for in the Mutual Aid Association Law and which are closest to them in regard to the said condition or basis, and the provisions of the same Law shall be applicable.

3 The provisions of the preceding two paragraphs shall apply mutatis mutandis to the separation annuity, disability annuity and annuity for bereaved family under the provisions of the Mutual Aid Association Law which are applicable mutatis mutandis in Article 51 paragraph 1 of the Japan Monopoly Corporation Law (Law No. 255 of 1948) and Article 57 paragraph 1 of the Japanese National Railways Law (Law No. 256 of 1948).

(Revision of Amount of Annuity payable on account of Illness, Injury or Death incurred in line of duty)

Article 2. As regards those of the annuities provided for in Article 90 of the Mutual Aid Association Law which are payable on account of illness, injury or death incurred in line of duty, the amount of such annuities shall be revised, for October 1951 and thereafter, to the amount computed in terms of the provisions of the former laws and orders provided in Article 90 of the Mutual Aid Association Law, regarding as the salary the hypothetical salary listed in the Annexed Table which corresponds to the hypothetical salary taken as the basis for the computation of the amount of annuities revised by the provisions of paragraph 3 of the Supplementary Provisions of Law No. 135 of 1950 and listed in the Annexed Table of the same Law.

(Bearing of Expenses)

Article 3. The National Treasury shall bear the expenditures to be increased by the revision of the amount of annuities as provided for in the preceding two Articles: Provided that the expenditures to be increased by the revision of the amount of the annuities payable by the Mutual Aid Associations listed in each of the following items shall be borne in accordance with the ratio set down by managerial regulation

of the Mutual Aid Association in conformity with the ratio of total sum of salaries received respectively by those of members of the Mutual Aid Association concerned (except those listed in each item of Article 94 paragraph 1 of the Mutual Aid Association Law) who are the national public service personnel, and who are officials or employees of the organizations listed in each item concerned by the National Treasury and the organizations concerned.

(1) The Mutual Aid Association having as its members the local employees prescribed in Article 86 paragraph 1 of the Mutual Aid Association Law: The Local Public Entity which bears the expenses listed in Article 69 paragraph 1 of the Mutual Aid Association Law.

(2) The Mutual Aid Association prescribed in Article 51 paragraph 2 of the Japan Monopoly Corporation Law: The Japan Monopoly Corporation.

(3) The Mutual Aid Association prescribed in Article 57 paragraph 2 of the Japanese National Railways Law: Japanese National Railways.

Supplementary Provisions

This Law shall come into force as from the day of its promulgation.

Annexed Table

Table of Hypothetical Salary for Revision of Annuity

Hypothetical salary listed in Annexed Table of Law No. 33 of 1951 or the salary as taken as the basis for computation of the amount of annuities under the provisions of Article 1 paragraph 1 item (2)	Hypothetical salary	Hypothetical salary listed in Annexed Table of Law No. 33 of 1951 or the salary as taken as the basis for computation of the amount of annuities under the provisions of Article 1 paragrapn 1 item (2)	Hypothetical salary
Yen	Yen	Yen	Yen
3,850	4,600	10,200	12,200
4,000	4,750	10,500	12,600
4,150	4,900	10,800	13,000
4,300	5,050	11,100	13,500
4,450	5,200	11,400	14,000
4,600	5,350	11,700	14,500
4,750	5,500	12,100	15,000
4,900	5,700	12,500	15,500
5,050	5,900	12,900	16,000
5,200	6,100	13,300	16,600
5,350	6,300	13,700	17,200
5,500	6,500	14,200	17,800
5,700	6,700	14,700	18,400
5,900	6,900	15,200	19,000
6,100	7,100	15,700	19,600
6,300	7,300	16,200	20,400
6,500	7,550	16,700	21,200
6,700	7,800	17,200	22,000
6,900	8,050	17,700	22,800
7,100	8,300	18,300	23,600
7,300	8,600	18,900	24,400
7,500	8,900	19,500	25,200
7,800	9,250	20,100	26,200
8,100	9,600	20,800	27,200
8,400	9,950	21,500	28,200
8,700	10,300	22,200	29,200
9,000	10,650	22,900	30,300
9,300	11,000	23,600	31,400
9,600	11,400	24,300	32,500
9,900	11,800	25,000	33,600

Remarks:

1. In case the hypothetical salary listed in Annexed Table of Law No. 33 of 1951 to be taken as the basis for revision of the amount of annuities under the provisions of Article 1 paragraph 1 item (1) or Article 2 or the salary taken as the basis for computation of the amount of annuities under the provisions of Article 1 which serves as the basis for revision of the amount of annuities under the provision of paragraph 1 item (2) of the same Article (hereinafter referred to as "hypothetical salary",) is less than 3,850 yen, the amount equivalent to 1.19 times as much as the said hypothetical salary, etc. (fractions less than one yen being cut down) shall be the hypothetical salary of this Table, and in case the hypothetical salary, etc. is more than 25,000 yen, the amount equal to 1.34 times as much as the said hypothetical salary, etc. (fractions less than one yen being cut down) shall be the hypothetical salary of this Table.

2. In case the salary listed under Article 1 paragraph 1 item (2) and to be taken as the basis for revision of the amount of annuities under the provisions of the same item is not less than 3,850 yen and not more than 25,000 yen, and such salary does not tally with the amount listed in the above Table, the hypothetical salary shall be the one corresponding to the salary of the amount immediately above it.

Reason:

Following the revision of compensations of national public service personnel for and after October 1951, it is necessary to take measures to revise the amount of annuities for the benefit of the recipients of the annuities under the National Public Service Mutual Aid Association Law which have been computed on the basis of the salary on and before September, 1951. This is the reason for the submiting this Bill.

Reference Law

1. National Public Service Mutual Aid Association Law (Law No. 69 of 1948): Official Gazette Extra (1), June 30, 1948, as amended by Laws No. 118 of 1949, No. 134 of 1949, No. 145 of 1949, No. 168 of 1949, No. 79 of 1950 and No. 135 of 1950.
2. Law concerning Revision of Amount of Annuity Provided for in the Mutual Aid Association Law (Law No. 33 of 1951): Official Gazette No. 1496, March 24, 1951.
3. Japan Monopoly Corporation Law (Law No. 255 of 1948): Official Gazette Extra No. 47, December 20, 1948.
4. Japanese National Railways Law (Law No. 256 of 1948): Official Gazette Extra No. 47, December 20, 1948.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet)

Subject: Draft Legislation

File No.:

Maj Norris
26-6076

Note No.	
1	From: Govt Sec To: ESS Date: 9 November 1951 1. Immediate introduction of the attached draft bill in the Diet is proposed by Finance Ministry. 2. Your prompt comment is requested. 1 Incl Bill concerning Alienation of Milk for Use of School and Nursery Feeding as well as Financing Measures Thereof F. R.
2	010 ( )ESS/FIN From: ESS To: Govt Sec C. [illegible] 26-6196 [illegible]/FIN/[illegible]/sn Date: 19 NOV 1951 ESS has no objection to the immediate introduction in the Diet of the Bill Concerning Alienation of Milk for Use of School and Nursery Feeding as well as Financing Measures Thereof, as proposed by the Finance Ministry. 1 Incl n/c for W.F.M.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet)

Subject: Draft Legislation

File No.: Maj Norris 26-6076

Note No. 1

From: Govt Sec To: Medical/PH&W Date: 9 November 1951

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

2. Your prompt comment is requested.

1 Incl
Bill concerning Alienation of Milk for Use of School and Nursery Feeding as well as Financing Measures Thereof

F. R.

Dr. Manitoff 26-6995
10 Nov 51

From: MS/PHW To: Govt Sec

2. MS/PHW has no objection to the introduction of the attached bill.

1 Incl
n/c

- W. E. S. - - - - - - - - - - - - - - - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet)

Subject: Draft Legislation

File No.:

Note No.	
1	From: Govt Sec To: CI&E Date: 9 November 1951 Maj Norris 26-6076 1. Immediate introduction of the attached draft bill in the Diet is proposed by Finance Ministry. 2. Your prompt comment is requested. 1 Incl Bill concerning Alienation of Milk for Use of School and Nursery Feeding as well as Financing Measures Thereof F. R.
2	From: CIE To: Govt Sec Date: 11 November 1951 Mr. Trainor 26-6591 CIE perceives no objection to subject proposed legislation. 1 Incl n/c D. R. N.

GOVERNMENT SECTION
BUCK SLIP

11/9 1951

FROM: P&P

TO:	INITIAL	DATE
___	CHIEF.....	.....
___	EX O.....	.....
✓	Special Assistant Nat'l Affairs.....	.....
___	Special Assistant Local Affairs.....	.....
___	Adm Div.....	.....
___	Par & Pol Div.....	.....
___	Public Adm Div.....	.....
___	Chief Clerk.....	.....
___	File.....	.....
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FOR:

___ INFORMATION
___ NECESSARY ACTION
___ ACTION (Prepare Reply)
___ APPROVAL
___ INITIAL
✓ COMMENT OR CONCUR
___ RETAIN
___ RETURN
___ FILE
___ BURN

PNW, ESS, CIE

OK + w GS

schools ?

B111

Submitted to GS for Clearance
through Legislative Affairs Section,
Liaison Bureau, Ministry of Foreign Affairs
(Tel. 57-6010)

Nov. 9, 1951

1. **Number:** FOM No. 45.

2. **Title:** Bill concerning Alienation of Milk for the Use of School and Nursery Feeding as well as Financing Measures Thereof.

3. **Office in Charge:** Ministry of Finance

4. **Date of Cabinet Approval:** Nov. 6, 1951

5. **SCAP Section concerned:** Mr. Gotschall,
Public Finance Branch
Finance Dvision E.S.S.

6. **Remark (Reference):** Food Management Special Account Law (Law No. 37 of 1911)
Finance Law (Law No. 34 of 1947)
Official Gazette No. Extra 3, March 31, 1947.

7. **GS Reviewers:**

Received by GS

Date 11/9/51

GS: ESS
MEDICAL
GS/WM.
CIE

FOMNO.45

Bill

Law concerning Alienation of Milk for the Use of School and Nursery Feeding as well as Financing Measures Thereof

(Alienation without Compensation and Contract for Purchase of Milk, Etc.)

Article 1. The Government may alienate without compensation the dried skim milk purchased on the Government accounting (hereinafter referred to as "the milk") and wheat for the use of school and nursery feeding to To, Do, Fu and prefectures.

2 The purchase price of milk and wheat alienated without compensation under the provisions of the preceding paragraph shall not exceed 2,496,765,000 yen.

3 The Government may, if necessary, make the processed wheat flour appropriate to the alienation without compensation under the provisions of paragraph 1 as the wheat prescribed in the same paragraph on account of the Food Management Special Account.

4 The Government may make the contract for purchase on the account of the Food Management Special Account in order to appropriate to the alienation without compensation in accordance with the provisions of the preceding paragraph and the expenses necessary for the purchase of milk concerned may be disbursed with the annual expenditure of the said Account, regardless of the provisions of Article 6 paragraph 1 of the Food Management Special Account Law (Law No. 37 of 1911).

(Transfer of Financial Resources)

Article 2. In order to appropriate to the financial resources of purchase of milk and wheat for the alienation without compensation under the provisions of the preceding Article paragraph 1, the Government shall transfer the necessary amount from the General Account to the Food Management Special Account in the fiscal year 1951-52 within the limit of the amount prescribed in paragraph 2 of the same Article.

(Delivery of Milk, Etc.)

Article 3. In case the milk, wheat and wheat flour under the provisions of Article 1 paragraph 1 or paragraph 3 are alienated without compensation, the Government shall deliver free on board at the ports of arrival the milk and wheat for the use of school feeding to the Boards of Education of To, Do, Fu and prefectures, milk for the use of nursery feeding to the governors of To, Do, Fu and prefectures and the wheat flour to the Boards of Education of To, Do, Fu and prefectures at the place designated by the Minister of Agriculture and Forestry (hereinafter referred to as "the designated place") respectively. Provided that, as to the wheat, in case it is deemed necessary, the designated place may be made the place of delivery.

2 In case the wheat and wheat flour are delivered at the designated place under the provisions of the preceding paragraph, the Government shall make the Boards of Education of To, Do, Fu and prefectures pay the amount equivalent to the expenses prescribed in the following items:

(1) As to the wheat, the expenses necessary for the transportation, custody, processing, etc. of the wheat during the period from the receipt of wheat free on board at the ports of arrival to the delivery at the designated place;

(2) As to the wheat flour, the expenses necessary for the transportation, custody, processing, etc. during the period prescribed in the preceding item (including the expenses necessary for the transportation, custody, etc. of wheat as the material thereof).

3 The money to be paid by the To, Do, Fu and prefectures, in accordance with the provisions of the preceding paragraph shall be the annual expenditure of the Food Management Special Account.

(Alienation of Milk, etc. without Compensation for Children and Charge of Expenses)

Article 4. To, Do, Fu and prefectures shall alienate without compensation the milk alienated in accordance with the provisions of Article 1 paragraph 1 for the use of school and nursery feeding and wheat and wheat flour alienated without compensation under the provisions of the same paragraph or paragraph

3 of the same Article for the use of school feeding to the school children and children under the protection of nurseries. Provided however, as to the milk and wheat, the Boards of Education of To, Do, Fu and prefectures or the governors of To, Do, Fu and prefectures may respectively charge such expenses to the children who receive the feeding concerned as required for the transportation, custody, processing, etc. of the milk and wheat after the delivery free on board at the ports of arrival in accordance with the provisions of the preceding Article paragraph 1 and amount paid to the Government under the provisions of the same Article paragraph 2 as to the wheat and wheat flour delivered at the designated place under the provisions of the same paragraph and the expenses required for the transportation, custody, processing, etc. thereof after the delivery free on board at the ports of arrival.

(Carrying-forward of Expenses for Financial Resources of Purchase of Milk)

Article 5. In the amount of expenses of annual expenditures of the General Account appropriated as the transfer for the Food Management Special Account for the school and nursery feeding, the Government may, in case there is the amount which had not been transferred to the Food Management Special Account in the fiscal year 1951-52 due to the non-fulfilment in the same fiscal year of the contract for purchase of milk concluded under the provisions of Article 1 paragraph 4, use the amount of expenses concerned carrying forward to the following fiscal year, regardless of the provisions of Article 42 of the Finance Law (Law No. 34 of 1947).

2 The provisions of Article 43 of the Finance Law shall apply mutatis mutandis to the case of the carrying-forward of the preceding paragraph.

Supplementary Provisions:

This Law shall come into force as from the day of its promulgation.

Reason

In order to feed milk, etc. at the school and nursery, it is necessary to purchase the milk, etc. concerned at the cost of the Government and to establish the provisions concerning the alienation and delivery of milk, etc. concerned as well as financing measures thereof.

This is the reason for submitting the present Bill to the Diet.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet)

Subject: Draft Legislation

File No.:

Maj Norris
26-6076

Note No.	From: Govt Sec To: Medical Sec Date: 14 November 1951
1	1. Immediate introduction of the attached draft bill in the Diet is proposed by Finance Ministry. 2. Your prompt comment is requested. 1 Incl Bill concerning Revision of Amount of Annuity under the Provisions of Law for Special Measures for Annuitants of Mutual Aid Associations under Former Ordinances, etc. F. R.
	Mr. Sullivan 26-6988 From: MS/PHW To: Govt Sec 15 Nov 51
2.	Reference Check Note No. 1 above, MS/PHW offers no objection to proposed draft bill. Incl w/d - W. E. S. - - - - - - - - - - - - - - - - -

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet)

Subject: Draft Legislation

File No.:

Maj Norris
26-6076

Note No.	
1	From: Govt Sec To: ESS Date: 14 November 1951 1. Immediate introduction of the attached draft bill in the Diet is proposed by Finance Ministry. 2. Your prompt comment is requested. 1 Incl Bill concerning Revision of Amount of Annuity under the Provisions of Law for Special Measures for Annuitants of Mutual Aid Associations under Former Ordinances, etc. F. R.
2.	A.R.DeAngelis, 26-6148 WFM/EMR/JCG/ARD/zl O1O(14 Nov 51)ESS/FIN From: ESS To: Govt Sec Date: 17 NOV 1951 There is no objection to the immediate introduction of the attached draft bill in the Diet. 1 Incl n/c - W. F. M. -

Spec Measures for Accountants.

GOVERNMENT SECTION
BUCK SLIP

11/14 1951

FROM: P+P

	TO:	INITIAL	DATE
___	CHIEF		
___	EX O		
✓	Special Assistant Nat'l Affairs		
___	Special Assistant Local Affairs		
___	Adm Div		
___	Par & Pol Div		
___	Public Adm Div		
___	Chief Clerk		
___	File		
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FOR: Del FOMNO 68 14 NOV 51

65 has new objections of ESS and we are objecting

INFORMATION
NECESSARY ACTION
ACTION (Prepare Reply)
APPROVAL
INITIAL
✓ COMMENT OR CONCUR
RETAIN
RETURN
FILE
BURN

ESS, MED

Bill

Submitted to GS for Clearance
through Legislative Affairs Section,
Liaison Bureau, Ministry of Foreign Affairs
(Tel. 57-6010)

~~Nov. 14, 1951~~

1. **Number:** **POM** No. 67

2. **Title:** Bill concerning Revision of the Amount of Annuity under the Provisions of the Law for Special Measures for Annuitants of the Mutual Aid Associations under the Former Ordinances, etc.

3. **Office in Charge:** Ministry of Finance

4. **Date of Cabinet Approval:** Nov. 13, 1951

5. **SCAP Section concerned:**

Mr. DeAngelis, ESS.

6. **Remark (Reference):**

Law for Special Measures for Annuitants of the Mutual Aid Associations under the Former Ordinances, etc. (Law No. 256 of 1950) Official Gazette No. 1414 dated Dec. 12, 1950.
as amended by Law No. 148 Of 1951 Official Gazette No. 1515 dated Apr. 10, 1951

7. **GS Reviewers:**

Received by GS

Date 11/14/51

GS: ESS
, MED
, GS/WM

FOMNO.67

Bill concerning Revision of the Amount of Annuity under the Provisions of the Law for Special Measures for Annuitants of the Mutual Aid Associations under the Former Ordinances, etc.

1 The annuity corresponding to separation annuity, disability annuity and annuity for bereaved family as revised under the provisions of Article 6 paragraph 1 item (1) of the Law for Special Measures for Annuitiants of the Mutual Aid Associations under the Former Ordinances, etc. (Law No. 256 of 1950; hereinafter referred to as "Special Measures Law" in these Proper Provisions and the Annexed Table) shall be so revised, for October 1951 and thereafter, that its amount shall be computed by regarding as the salary the hypothetical salary listed in the Annexed Table which corresponds to the hypothetical salary listed in the Annexed Table of the said Law and which was used as the basis for computation of the amount of annuity revised in regard to the amount of the said annuity under the provision of the said item, under the application of the provisions of the National Public Service Mutual Aid Association Law (Law No. 69 of 1948; hereinafter referred to as "Mutual Aid Association Law").

2 In the case under the preceding paragraph, if there is an annuity among those under the said paragraph whose condition of payment or whose basis for computation of the amount differs from separation annuity, disability annuity or annuity for bereaved family under the provisions of the Mutual Aid Association Law, the provisions of the Mutual Aid Association Law shall apply hereto by regarding the annuity, as may be determined by the Minister of Finance, as an annuity of those under the provisions of the said Law which is closest thereto in terms of the said condition or basis.

3 The annuity which is payable on account of illness, injury or death incurred in line of duty and which was revised under the provision of Article 6 paragraph 1 item (2) of the Special Measures Law shall be so revised, for October 1951 and thereafter, that its amount shall be computed by regarding as the salary the hypothetical salary listed in the Annexed Table corresponding to the hypothetical salary which is listed in the Annexed Table of the said Law and which was used as the basis for computation of the amount of annuity revised in regard to the amount of the said annuity under the provision of the same item, following the example of computation with respect to the annuities paid

respectively by the former Army Mutual Aid Association, the Mutual Aid Society provided for in Article 1 of the said Law or the Overseas Mutual Aid Associations provided for in Article 2 of the said Law (as to the number of months to be multiplied to the monthly amount of salary at the time of the computation, it shall be the number of months revised under the provision of Article 6 paragraph 3 of the said Law).

Supplementary Provisions:

1 This Law shall come into force as from the day of its promulgation.

2 The Law for Special Measures for Annuitants of the Mutual Aid Associations under the Former Ordinances, etc. shall be partially amended as follows:

In Article 7 paragraph 1, "the provisions of the preceding paragraph" shall be amended as "the provisions of the preceding Article or the Law concerning Revision of Amount of Annuity under the Provisions of the Law for Special Measures for Annuitants of the Mutual Aid Associations under the Former Ordinances, etc.".

Annexed Table

Table of Hypothetical Salary for Revision of Annuity

Hypothetical salary listed in the Annexed Table of the Special Measures Law	Hypothetical Salary	Hypothetical salary listed in the Annexed Table of the Special Measures Law	Hypothetical salary
Yen	Yen	Yen	Yen
3,850	4,600	9,900	11,800
4,150	4,900	10,500	12,600
4,450	5,200	11,100	13,300
4,750	5,500	11,700	14,500
5,050	5,900	12,500	15,500
5,350	6,300	13,300	16,600
5,700	6,700	14,200	17,800
6,100	7,100	15,200	19,000
6,500	7,550	16,200	20,400
6,900	8,050	17,200	22,000
7,300	8,600	18,300	23,600
7,500	8,900	20,100	26,200
8,100	9,600	21,500	28,200
8,700	10,300	22,900	30,300
9,300	11,000	25,000	33,600

Remark:

If the hypothetical salary listed in the Annexed Table of the Special Measures Law and used as the basis for revision of the amount of annuity under the provision of paragraph 1 of the Proper Provisions is less than 3,850 yen, the amount equivalent to 1.19 times as much as that hypothetical salary (fractions less than one yen being cut down) shall be the hypothetical salary of this Table, and if the hypothetical salary listed in the Annexed Table of the Special Measures Law is more than 25,000 yen, the amount equivalent to 1.34 times as much as that hypothetical salary (fractions less than one yen being cut down) shall be the hypothetical salary of this Table.

Reason

In connection with the revision of compensation of national public service personnel from October 1951, it is necessary to take necessary measures to revise the amount of annuity for those annuitants under the provisions of the Law for Special Measures for Annuitants of the Mutual Aid Associations under the Former Ordinances, etc. which was computed on the basis of the salary on and before September 1951. This is the reason for submiting this Bill.

Reference Law

Law for Special Measures for Annuitants of the Mutual Aid Associations under the Former Ordinances, etc. (Law No. 256 of 1950): Official Gazette No. 1414, December 12, 1950, as amended by Law No. 148 of 1951.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet)

Subject: Draft Legislation

File No.: Maj Norris
26-6076

Note No. 1

From: Govt Sec To: ESS Date: 5 November 1951

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

2. Your prompt comment is requested.

1 Incl
Bill for Partial Amends to
Law concerning Travel Expenses
for National Public Service
Personnel and Others

F. R.

A.R.DeAngelis,26-6148

2. 010(5 Nov 51)ESS/FIN WFM/EMR/JCG/ARD/zl

From: ESS To: Govt Sec Date: 14 NOV 1951

There is no objection to the immediate introduction of attached draft bill in the Diet.

1 Incl
n/c

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

GOVERNMENT SECTION
BUCK SLIP

11/5 1951

FROM: P+P

TO:	INITIAL	DATE
___	CHIEF.....	.....
___	Ex O.....	.....
✓	Special Assistant Nat'l Affairs.....	.....
___	Special Assistant, Local Affairs.....	.....
___	Adm Div.....	.....
___	Par & Pol Div.....	.....
___	Public Adm Div.....	.....
___	Chief Clerk.....	.....
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FOR:

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OK
w encls.

Cy ESS

Bill

Submitted to GS for Clearance
through Legislative Affairs Section,
Liaison Bureau, Ministry of Foreign Affairs
(Tel. 57-6010)

Nov. 5, 1951

1. **Number:** POM No. 32

2. **Title:** Bill for Partial Amendments to the Law concerning Travel Expenses for National Public Service Personnel and Others.

3. **Office in Charge:** Ministry of Finance

4. **Date of Cabinet Approval:** Nov. 2, 1951

5. **SCAP Section concerned:** Mr. DeAngelis, ESS.

6. **Remark (Reference):**
Reference copies are attached herewith.

7. **GS Reviewers:**

Received by GS

Date 11/5/51

CS: ESS
CS/WM.

Reference Law

1 Law concerning Travel Expenses for National Public Service Personnel and Others (Law No. 114 of 1950): Official Gazette Extra No. 35, April 30, 1950, as amended by Law No. 26 of 1951: Official Gazette Extra No. 19, March 19, 1951.

2 Cabinet Order for Revision of the Fixed Amounts of Travel Expenses for the Delegates, Etc. (Cabinet Order No. 289 of 1951): Official Gazette No. 1627, August 27, 1951.

FOMNO. 32

Bill for Partial Amendments to the Law concerning Travel Expenses for National Public Service Personnel and Others

The Law concerning Travel Expenses for National Public Service Personnel and Others (Law No. 114 of 1950) shall be partially amended as follows:

Paragraph 11 of the Supplementary Provisions shall be amended as follows:

11 The amounts of per diem allowance, lodging expense, boarding expense and outfit allowance payable to the delegates, alternate delegates and members of their suite (as to the persons appointed as members of suite, only one person designated by the Prime Minister for each conference they attend) may be, for the time being, determined by the Minister of Finance within the limit of the fixed amounts prescribed in the following table, without regard to the provisions of Article 35, Article 39 and paragraph 4 of the Supplementary Provisions of the Law concerning Travel Expenses for National Public Service Personnel and Others.

Classification of travel expenses	Delegates	Alternate delegates	Member of suite
	Yen	Yen	Yen
Per diem allowance (per day)	3,960	2,160	1,710
Lodging expense (per night)	11,520	6,120	4,770
Boarding expense (per night)	3,600	3,150	2,700
Outfit allowance	200,000	150,000	120,000

Supplementary Provisions:

1 This Law shall come into force as from the day of its promulgation.

2 The Cabinet Order for Revision of the Fixed Amounts of Travel Expenses for the Delegates, Etc. (Cabinet Order No. 289 of 1951) shall be abolished.

Reason

It is necessary to revise the fixed amounts of per diem allowance, lodging expense, boarding expense and outfit allowance payable to the delegates, alternate delegates and the member of suite in chief, in view of the specific nature of their duties, etc. This is the reason for submiting this Bill.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet)

Subject: Draft Legislation

File No.:

Maj Norris
26-6076

Note No.	From: Govt Sec	To: ESS	Date: 10 Nov 1951
1	1. Immediate introduction of the attached draft bill in the Diet is proposed by Ministry of Finance 2. Your prompt comment is requested. 1 incl: Amendments to the Commodity Tax Law		

F. R.

WFM/EMR/KPS/my
K.P.Sanow 26-8540

From: ESS To: Govt Sec

14 NOV 1951

2 There is no objection to the introduction of the bill "Amendments to the Commodity Tax Law" into the Diet.

1 Incl
n/c

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

Comments 3d4
Ln

GOVERNMENT SECTION
BUCK SLIP

11/10 1951

FROM: P+P

TO:	INITIAL	DATE
___	CHIEF.....	.....
___	EX O.....	.....
✓	Special Assistant Nat'l Affairs.....	.....
___	Special Assistant, Local Affairs.....	.....
___	Adm Div.....	.....
___	Par & Pol Div.....	.....
___	Public Adm Div.....	.....
___	Chief Clerk.....	.....
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FOR:

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___ NECESSARY ACTION
___ ACTION (Prepare Reply)
___ APPROVAL
___ INITIAL
✓ COMMENT OR CONCUR
___ RETAIN
___ RETURN
___ FILE
___ BURN

OK Wesley.

ESS

Bill

Submitted to GS for Clearance
through Legislative Affairs Section,
Liaison Bureau, Ministry of Foreign Affairs
(Tel. 57-6010)

~~10, Nov 1951~~

1. Number: FOM 54

2. Title: Bill for Pertial Amendments to the Commodity Tax Law.

3. Office in Charge: Ministry of Finance.

4. Date of Cabinet Approval: 9 Nov 1951

5. SCAP Section concerned: Mr. Zeller E.S.S. I.R.D.

6. Remark (Reference):

Commodity Tax Law (Law No. 40 of 1940)

See "Internal Revenue Code of Japan"

7. GS Reviewers:

Received by GS

Date 11/10/51

CS: ESS
GS/WM

FOMNO.54

Bill for Partial Amendments to the Commodity Tax Law

The Commodity Tax Law (Law No.40 of 1940) shall be partially amended as follows:

Article 3-(2). The commodity tax imposed on the commodities under Class I or II shall in principle be borne by a consumer of such commodities.

The consumer of commodities under the preceding paragraph shall be defined as a person who purchases commodities for a purpose other than sale or resale, or for the purpose of processing them by himself or by consignment to another party.

The following one Article shall be added next to Article 16-(3).

Article 16-(4). In case a manufacturer or seller of the commodities under Class I or II intends to settle the account relating to the transaction of the said commodities, he shall settle the account by dividing the amount of receipts into the amount of commodity tax collected or to be collected in accordance with the provision of Article 4 and other amount.

In case a manufacturer or seller of the commodities under Class I or II has sold such commodities, he shall issue to the purchaser the voucher certifying the fact of sale in which shall be stated the amount of commodity tax collected or to be collected in accordance with the provision of Article 4 in respect of such commodities.

A manufacturer or seller of the commodities under Class I or II shall indicate, as may be prescribed by Order, the amount of commodity tax collected or to be collected in accordance with the provision of Article 4 in respect of such commodities to be sold.

The provisions of the preceding two paragraphs shall not apply to the commodities under Class I the prices of which do not exceed 10,000 yen a piece or set at the time of transfer from the manufactory, and the same provisions shall not apply, as may be prescribed by Order, to the commodities which are not transacted by the piece or set in the ordinary course of trade and to the commodities under Class II.

Supplementary Provisions:

1 This Law shall come into force as from January 1, 1952.

2 With respect to commodities under Class I or II sold by a manufacturer or seller of the commodities under Class I or II before the enforcement of this Law and to commodities under Class I or II possessed by a seller at the place other than the manufactory of such commodities at the time of enforcement of this Law, the provision of Article 16-(4) of the Commodity Tax Law after amendment shall not apply.

Reason

There is the necessity to clarify the character of the commodity tax and, at the same time, to make the indication of the amount of the commodity tax, etc. obligatory upon the manufacturers and sellers of the commodities subject to the commodity tax. This is the reason for presenting this Bill.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet)

Subject: Draft Legislation

File No.: Maj Norris 26-6076

Note No.	From: Govt Sec To: NRS Date: 9 November 1951
1	1. Immediate introduction of the attached draft bill in the Diet is proposed by Finance Ministry. 2. Your prompt comment is requested. 1 Incl Raw Silk Price Stabilization Special Account Bill

F. R.

S Takahashi - 26-6217
HBD/ST/mhk
Date: 20 NOV 1951

From: NR To: GS

2

NR has no objection to the proposed Raw Silk Price Stabilization Special Account Bill.

1 Incl
n/c

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

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet)

Subject: Draft Legislation

File No.:

Maj Norris
26-6076
9 November 1951

Note No.	From: Govt Sec	To: ESS	Date:
1	1. Immediate introduction of the attached draft bill in the Diet is proposed by Finance Ministry. 2. Your prompt comment is requested. 1 Incl Raw Silk Price Stabilization Special Account Bill		

F. R.

Draft Legislation

Maj Norris 26-6076

1. From: Govt Sec To: ESS 9 November 1951

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

2. Your prompt comment is requested.

1 Incl
Raw Silk Price Stabilization
Special Account Bill

- F. R. - - - - - - - - - - - - - - -

L.A. Randall, 26-6582

2. 010(9 Nov 51)ESS/FIN

WFM/[illegible]ER/LAR/zl

From: ESS To: Govt Sec Date: 13 NOV 1951

There is no objection to the introduction in the Diet of the Raw Silk Price Stabilization Special Account Bill.

1 Incl
n/c

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

GOVERNMENT SECTION
BUCK SLIP

11/9 1951

FROM: P+P

TO:	INITIAL	DATE
___	CHIEF	
___	EX O	
✓	Special Assistant Nat'l Affairs	
___	Special Assistant Local Affairs	
___	Adm Div	
___	Par & Pol Div	
___	Public Adv Div	
___	Chief Clerk	
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FOR:

___ INFORMATION
___ NECESSARY ACTION
___ ACTION (Prepare Reply)
___ APPROVAL
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ESS, NRS ✓ agriculture

Bill

Submitted to GS for Clearance
through Legislative Affairs Section,
Liaison Bureau, Ministry of Foreign Affairs
(Tel. 57-6010)

Nov. 9, 1951

1. **Number:** FOM No. 46

2. **Title:** Raw Silk Price Stabilization Special Account Bill.

3. **Office in Charge:** Ministry of Finance.

4. **Date of Cabinet Approval:** Nov. 7, 1951

5. **SCAP Section concerned:** Mr. Yeomann,
Public Finance Branch
Finance Division ESS.

6. **Remark (Reference):** See attached paper.
The written certificate of Administrative Management Agency is attached.

7. GS Reviewers:

Received by CS

Date 11/9/51

CS: ESS
GS/WM
NRS

References:

FOM No. 41. Bill

Cocoon and Raw Silk Stabilization Law (Law No. of 1951)

Finance Law (Law NO. 34 of 1947)
Official Gazette.....No. Extra (8), March 31, 1947

Ministry of Agriculture and Forestry Establishment Law (Law NO. 153 of 1949)
Official Gazette..... Extra No. 59, May 31, 1949

Law concerning Transfer and Payment from Special Accounts, etc. to the General Account for Appropriation to the Retirement Allowances to Be Paid to the Reitred Officials (Law NO. 62 of 1950)
Official Gazette.....Extra No. 17, March 31, 1950

No. 162

Date: November 7, 1951

Title of draft Law ~~Cabinet Order~~

Raw Silk Price Stabilization Special Account Bill

The above draft Law ~~Cabinet Order~~ has been reviewed and approved by the Administrative Management Agency.

Katsuhiko Onogi

Katsuhiko ONOGI,
Deputy Director,
Administrative Management Agency.

FOMN046

B:11

Raw Silk Price Stabilization Special Account ~~Law~~

(Establishment)

Article 1. There shall be established a Special Account as distinct from the General Account, in order to make clear the Government accounting concerning the purchase, sale, storage and processing of raw slik made under the Raw Silk Price Stabilization Law (Law No. of 1951).

(Administration)

Article 2. This Account shall be administered by the Minister of Agriculture and Forestry in accordance with the provisions of the laws and orders.

(Capital)

Article 3. In this Account, the capital shall be the amount equivalent to the transfers from the General Account prescribed in Article 4 paragraph 1.

(Annual Revenues and Expenditures)

Article 4. In this Account, the annual revenues shall be the proceeds from the sale of the raw silk, the transfers from the General Account and incidental sundry receipts; the annual expenditures shall be the expenses for purchase, storage and processing of the raw silk, expenses for managing business and other miscellaneous expenses.

2 The transfers from the General Account prescribed in the preceding paragraph shall be transferred into this Account, as prescribed in the budget, in order to allot them to the capital of this Account.

(Preparation and Sending of Statement of Estimated Annual Revenues and Expenditures)

Article 5. The Minister of Agriculture and Forestry shall, in each fiscal year, prepare the statement of estimated annual revenues and expenditures of this Account, and send it to the Minister of Finance.

2 To the statement of estimated annual revenues and expenditures prescribed in the preceding paragraph shall be attached the following documents:

(1) Balance sheet, profit and loss statement and detailed statement of the stock of raw silk of the fiscal year before the preceding;

(2) Estimated balance sheet, estimated profit and loss statements and

estimated detailed statements of the stock of raw silk of the preceding fiscal year and the fiscal year concerned.

(Classification of Budget of Annual Revenues and Expenditures)

Article 6. The budget of annual revenues and expenditures of this Account shall be divided into titles and items, in accordance with the nature of the annual revenues and the purpose of the annual expenditures.

(Preparation and Submission of the Budget)

Article 7. The Cabinet shall prepare the budget of this Account in each fiscal year and submit it to the Diet together with that of the General Account.

2 To the budget prescribed in the preceding paragraph shall be attached the statement of estimated annual revenues and expenditures prescribed in Article 5 paragraph 1 and the documents prescribed in each item of paragraph 2 of the same Article.

(Disposal of Profit and Loss)

Article 8. In case there accrues any profit on the profit and loss accounting of this Account in each fiscal year, it shall be transferred into the accumulated funds; and in case there accrues any loss, it shall be disposed by reducing the accumulated funds.

2 In case the amount of loss accrued on the profit and loss accounting exceeds the amount of the accumulated funds in the case of the preceding paragraph, the amount in excess may be disposed of as the carrying-over of the loss.

3 In case it is deemed necessary, the Government may, as prescribed by the budget, make the transfer from this Account to the General Account within the limit of the amount of the accumulated funds under the provisions of paragraph 1.

(Transfer of Surplus Cash)

Article 9. In this Account, in case there is any surplus fund on the settlement of account of annual revenues and expenditures in each fiscal year, the said surplus fund shall be transferred into the annual expenditures of the following fiscal year.

(Preparation and Sending of the Final Statement of Annual Revenues and Expenditures)

Article 10. The Minister of Agriculture and Forestry shall, in each fiscal year, prepare the final statement of annual revenues and expenditures of this Account, with the same classification as that of the statement of estimated annual revenues and expenditures, and send it to the Minister of Finance.

2 To the final statement of annual revenues and expenditures in the preceding paragraph shall be attached the balance sheet, profit and loss statement and the detailed statement of the stock of raw silk of the fiscal year concerned.

(Preparation and Submission of Settlement of Account of Annual Revenues and Expenditures)

Article 11. The Cabinet shall, in each fiscal year, prepare the settlement of account of annual revenues and expenditures of this Account and submit it to the Diet together with the settlement of account of annual revenues and expenditures of the General Account.

2 To the settlement of account of annual revenues and expenditures prescribed in the preceding paragraph shall be attached the final statement of annual revenues and expenditures prescribed in paragraph 1 of the preceding Article and the balance sheet, profit and loss statement and the detailed statement of the stock of raw silk [illegible] of the fiscal year concerned prescribed in paragraph 2 of the same Article.

(Deposit of Surplus Cash)

Article 12. In case there is any surplus cash for payment in this Account, it may be entrusted to the Trust Fund Bureau.

(Carrying Forward of the Undisbursed Amount)

Article 13. A budgetary appropriation in this Account covering such expenditure as has become binding and yet has not been disbursed in full by the conclusion of receipt and payment for the fiscal year concerned may be carried forward to and disbursed in the following fiscal year.

2 In case the Minister of Agriculture and Forestry has made the carrying forward under the provisions of the preceding paragraph, he shall notify it to the Minister of Finance and the Board of Audit.

3 In case the carrying forward has been made in accordance with the provisions of paragraph 1, the appropriation concerned shall be deemed to be the budget allocated under the provisions of Article 31 paragraph 1 of the Finance Law (Law No. 34 of 1947).

(Enforcement Provisions)

Article 14. Necessary procedural and administrative matters for enforcement of this Law shall be prescribed by Cabinet Order.

Supplementary Provisions:

1 This Law shall come into force as from the day of enforcement of the provisions except the provisions of Article 2 of the Raw Silk Stabilization Law.

2 The Ministry of Agriculture and Forestry Establishment Law (Law No. 153 of 1949) shall be partially amended as follows:

Before Article 12 item (5), the following one item shall be added:

(4)-3) To manage the accounting of the Raw Silk Price Special Account.

3 The Law concerning Transfer and Payment from Special Accounts, etc. to the General Account for Appropriation for the Retirement Allowances to Be Paid to the Retired Officials (Law No. 62 of 1950) shall be partially amended as follows:

In Article 1, next to "the Agriculture, Forestry and Fisheries Loans Special Account,", "the Raw Silk Price Stabilization Special Account," shall be added.

Reason

As to the sale, purchase, etc. of raw silk in accordance with the Raw Silk Price Stabilization Law, it is necessary to establish the Raw Silk Price Stabilization Special Account Law as distinct from the General Account in order to make clear the Government accounting.

This is the reason for submitting the present Bill to the Diet.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet)

Subject: Draft Legislation

File No.: Maj Norris
26-6076

Note No.	
1	From: Govt Sec To: ESS Date: 7 November 1951 1. Immediate introduction of the attached draft bill in the Diet is proposed by Finance Ministry. 2. Your prompt comment is requested. 1 Incl Bill for Partial Amends to Law concerning Temporary Measures for Separation Allowance for National Public Service Personnel and Others F. R.
2.	A.R.DeAngelis,26-6148 010(7 Nov 51)ESS/FIN WFM/ARD/zl From: ESS To: Govt Sec Date: 10 NOV 1951 There is no objection to the introduction in the Diet of the draft bill for Partial Amendments to Law concerning Temporary Measures for Separation Allowance for National Public Service Personnel and Others. 1 Incl n/c W. F. M.

Bill

Submitted to GS for Clearance
through Legislative Affairs Section,
Liaison Bureau, Ministry of Foreign Affairs
(Tel. 57-6010)

Nov. 7, 1951

1. **Number:** FOM No. 37
2. **Title:** Bill for Partial Amendments to the Law concerning the Temporary Measures for Separation Allowances for National Public Service Personnel and Others
3. **Office in Charge:** Ministry of Finance.
4. **Date of Cabinet Approval:** Nov. 6, 1951
5. **SCAP Section concerned:** Mr. DeAngelis, ESS.
6. **Remark (Reference):** See attached paper.

7. **GS Reviewers:**

Received by GS

Date 11/7/51

GS/ESS
GS/WM

Sep Allowance

GOVERNMENT SECTION
BUCK SLIP

11/7 1951

FROM: P&P

TO:	INITIAL	DATE
___	CHIEF.....	.....
___	EX O.....	.....
✓	Special Assistant Nat'l Affairs.....	.....
___	Special Assistant, Local Affairs.....	.....
___	Adm Div.....	.....
___	Par & Pol Div.....	.....
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cy ESS

9 Nov 51
No objection
if ESS has
no objection
Enjoy

Reference Law

1. Law concerning the Temporary Measures for Separation Allowances for National Public Service Personnel and Others (Law No. 142 of 1950): Official Gazette Extra No. 41, May 4, 1950.

2. Diet Employees Law (Law No. 85 of 1947): Official Gazette No. 85, April 31, 1947.

3. Law for the Fixed Number of Personnel in the Administrative Organs (Law No. 126 of 1949): Official Gazette Extra No. 56, May 31, 1949.

4. Local Autonomy Law (Law No. 67 of 1947): Official Gazette No. 67, April 17, 1947.

5. Income Tax Law (Law No. 27 of 1947): Official Gazette Extra No. 2, March 31, 1947.

FOMHU32

Bill for Partial Amendments to the Law concerning
the Temporary Measures for Separation Allowance
for National Public Service Personnel and Others

The Law concerning the Temporary Measures for Separation Allowances for National Public Service Personnel and Others (Law No. 142 of 1950) shall be partially amended as follows:

In Article 1 paragraph 1, "for the fiscal years 1950-51 and 1951-52" shall be amended as "for national public service personnel and others"; in the main provision of paragraph 2 of the same Article, "1952" shall be amended as "1953"; in the proviso to the same paragraph, "in the fiscal years 1950-51 and 1951-52" shall be amended as "prior to the fiscal year 1952-53"; and in paragraph 3 of the same Article, "the fiscal year 1952-53" shall be amended as "the fiscal year 1953-54".

In Article 2, "which have been passed as the budget for the fiscal years 1950-51 and 1951-52" shall be deleted.

In paragraph 5 of the Supplementary Provisions, "paragraphs 6 and 7" shall be amended as "paragraphs 6 and 7 of the Supplementary Provisions"; in item (1) of the same paragraph, next to "personnel to be separated" shall be added "(except those falling under paragraph 9 item (4) of the Supplementary Provisions)"; and in item (2) of the same paragraph, next to "personnel to be separated" shall be added "(except those falling under paragraph 9 item (2) or (4) of the Supplementary Provisions)".

In paragraph 7 of the Supplementary Provisions, "paragraph 5" shall be amended as "paragraph 5 of the Supplementary Provisions".

In paragraph 8 of the Supplementary Provisions, "paragraph 3" shall be amended as "paragraph 3 of the Supplementary Provisions".

Paragraph 9 of the Supplementary Provisions shall be amended as follows:

9 The amount of separation allowance in general for persons falling under one of the following items and designated by the Cabinet in its meeting shall be as provided for in paragraph 10 of the Supplementary Provisions, regardless of the provisions of Articles 4 and 5.

(1) Persons who retire in connection with the revision or abrogation of the fixed number of personnel or the fixed number of personnel of internal divisions affected by the enforcement of the Law for Partial Amendments to the Law for the Fixed Number of Personnel in the Administrative Organs (Law No. of 1951) and who will have retired during the period from October 5, 1951 to June 30, 1952;

(2) Personnel of the organs prescribed in Article 1 of the Diet Employees Law (Law No. 85 of 1947) and personnel of the courts, the Board of Audit, the National Personnel Authority, the Kodan established by law or order, the Japan Monopoly Corporation, the Japanese National Railways, the Civilian Merchant Marine Committee and the Closed Institutions Liquidation Commission who retire in connection with the taking place of the causes similar to the revision or abrogation of the fixed number of personnel or the fixed number of personnel of internal divisions as prescribed in the preceding item and who will have retired during the period from October 5, 1951 to June 30, 1952;

(3) Personnel of the National Rural Police prescribed in Article 2 paragraph 6 of the Law for the Fixed Number of Personnel in the Administrative Organs (Law No. 126 of 1949) or personnel of the prefectural governments prescribed in Article 8 of the Supplementary Provisions of the Local Autonomy Law (including Koin and Yonin) who will have retired during the period from October 5, 1951 to June 30, 1952 in connection with the revision or abrogation of the fixed number of personnel established by Cabinet Order under these Laws as requested by amendments to the said Cabinet Order during the period from January 1, 1952 to March 31 of the same year;

(4) Personnel other than those falling under one of the preceding items, who will have retired during the period from October 5, 1951 to March 31, 1952 due to the necessity of executing the budget for the fiscal year 1951-52.

10 The amount of separation allowance in general for the persons mentioned in the preceding paragraph shall be the amount obtained by multiplying the amount that is computed under the provisions of paragraphs 6 and 7 of the Supplementary Provisions by reading the words "the preceding paragraph" in paragraph 6 of the Supplementary Provisions as "paragraph 9 of the Supplementary Provisions" and the words "paragraph 5 of the Supplementary Provisions" in paragraph 7 of the Supplementary Provisions as "paragraph 9 of the Supplementary Provisions", by the rate given in the following items according to the classification therein.

(1) Persons retiring during the period from October 5, 1951 to March 31, 1952 . . . . . 180 per cent;

(2) Persons retiring during the period from April 1, 1952 to June 30 of the same year . . . . . 140 per cent;

11 In regard to the persons who fall under one of paragraph 9 items (1) to (3) inclusive of the Supplementary Provisions and who are such persons as, in cases where the organization they have belonged to or the business they have been engaged in discontinues not later than March 31, 1952, to retire on or after April 1, the same year on account of performing the remaining business or for other special reasons, or who are such persons as falling under similar cases (limited only to persons retiring later than April 1, the same year due to the cause mentioned in one of paragraph 9 items (1) to (3) inclusive of the Supplementary Provisions), and who are designated by the Cabinet at its meeting, the amount of separation allowance in general for them shall be the amount computed under the provision of the preceding paragraph by regarding them as to have retired on March 31, the same year plus the amount obtained by deducting the amount of separation allowance in general computed under the provisions of Article 3 by regarding them as to have retired on March 31, the same year from the amount of separation allowance in general computed under the provisions of the same Article at the time of their retirement, regardless of the provisions of Article 4, Article 5 and paragraph 9 of the Supplementary Provisions.

Supplementary Provisions:

1 This Law shall come into force as from the day of its promulgation.

2 The separation allowance in general paid prior to the enforcement of this Law to the personnel enjoying the application of the provision of paragraph 9 of the Supplementary Provisions of the Law concerning the Temporary Measures for Separation Allowances for National Public Service Personnel and Others after amendments by this Law (hereinafter referred to as "the Law after amendments") or the provision of paragraph 8 of the Supplementary Provisions under the provisions of the Law concerning the Temporary Measures for Separation Allowances for National Public Service Personnel and Others as prior to amendments by this Law (hereinafter referred to as "the Law before amendments") shall be considered as part payments of the separation allowance in general under the provisions of paragraph 9 of the Supplementary Provisions of the Law after amendments or under the provisions of paragraph 3 of the Supplementary Provisions.

3 The amount of separation allowance in general for such personnel of the Prime Minister's Office who have retired before October 5, 1951 due to the discontinuance of business and are designated by the Cabinet in its meeting, except those enumerated in paragraph 5 item (1) of the Supplementary Provisions of the Law before amendments, shall be the amount computed under the provisions of paragraphs 6 and 7 of the Supplementary Provisions of the Law before amendments by regarding them as the personnel who fall under paragraph 5 item (1) of the Supplementary Provisions of the said Law and are designated by the Cabinet in its meeting as provided for in the said paragraph, regardless of the provisions of Articles 4 and 5 of the said Law.

4 The separation allowance in general under the provisions of paragraph 9 of the Supplementary Provisions of the Law after amendments which is obtained by retired personnel prior to December 31, 1951 and which is paid on or after January 1, 1952 shall be considered as the retirement income received from the payment belonging to the period from January 1 to March 31 of the same year, with respect to the application of the Income Tax Law (Law No. 27 of 1947) and the Law concerning Temporary Special Regulations of the Income Tax Law (Law No. 1951).

Reason

In view of the purport of the proposed administrative adjustment, it is necessary to increase the amounts of retirement allowance for national public service personnel, etc. This is the reason for submiting this Bill.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet)

Subject: Draft Legislation

File No.:

Maj Norris
26-6076

Note No.	From: Govt Sec	To: ESS	Date: 10 November 1951
1	1. Immediate introduction of the attached draft bill in the Diet is proposed by Finance Ministry. 2. Your prompt comment is requested. 1 Incl Bill for Partial Amends to Law concerning Non-Life Insurance Rating Organizations		

F. R.

Francis—
Non life Ins

L. N. Salwin, 26-6671

WFM/INS/ld

From: ESS To: GS Date: 11 NOV 1951

2. No objection is interposed to introduction of subject draft bill.

1 Incl
n/c

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

Jes Kalicki

GOVERNMENT SECTION
BUCK SLIP

11/9 1951

FROM: O & P

TO:	INITIAL	DATE
___	CHIEF.....	.....
___	EX O.....	.....
___	Special Assistant Nat'l Affairs.....	.....
___	Special Assistant, Local Affairs.....	.....
___	Adm Div.....	.....
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FOR:

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___ NECESSARY ACTION
___ ACTION (Prepare Reply)
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This one is up to ESS. OK by ES

ESS

Bill

Submitted to GS for Clearance
through Legislative Affairs Section,
Liaison Bureau, Ministry of Foreign Affairs
(Tel. 57-6010)

Nov. 9, 1951

1. Number: FOM No. 53

2. Title: Bill for Partial Amendments to the Law concerning Non-Life Insurance Rating Organization.

3. Office in Charge: Ministry of Finance.

4. Date of Cabinet Approval: Nov. 6, 1951

5. SCAP Section concerned: Mr. R.E. Phillips
Deputy Chief, Finance Division, ESS.

6. Remark (Reference): See: attached paper.

7. GS Reviewers:

Received by GS

Date 11/9/51

ESS
GS/WM

1. 4 copies of excerpt of Law concering Non-Life Insurance Rating Organization (Law No.193 of 1948, Official Gazette No.6461, July 29, 1948) are attached.

2. Insurance Business Law (Law No. 41 of 1939): See attached reference copies of FOM No.52 Bill.

FOMNO.53

Bill for Partial Amendments to the Law concerning
Non-Life Insurance Rating Organizations.

The Law concerning Non-Life Insurance Rating Organizations (Law No. 193 of 1948) shall be partially amended as follows:

The following one paragraph shall be added to Article 2:

6. In the "premium rate" shall be included a rate allowing an increase or decrease to or from the standard "proportion" as provided in the first paragraph by not more than ten percent of such proportion.

In Article 8 "Any interested persons" shall be amended as "Any company, person effecting insurance, insured or any other interested persons (hereinafter referred to as the "interested persons").

In Article 9 "and shall not be binding upon the members" shall be deleted.

Article 10 shall be amended as follows:

(Application for Approval of Premium Rates)

Article 10. A rating organization, when computed premium rates, shall obtain an approval of the Minister of Finance with regard to such premium rates. The same shall apply when it intends to revise the premium rates which have already been approved.

2. When a rating organization applies for an approval of the premium rates of the preceding paragraph, it shall submit the Minister of Finance the documents containing the following matters in regard to the proposed rates together with the application form:

1. Matters concerning the expected loss ratio.

2. Matters concerning the expected business expense ratio.

3. Matters concerning the method of the computation of premium rates.

4. Any other matters used as basis for the computation of premium rates.

3. When a rating organization submitted the application for approval in accordance with the provisions of the preceding paragraph, it shall give a notice, without delay, to its members (except member whose aim to join is other than the use of these premium rates; hereinafter the same) about the premium rates applied for approval and the date when the application for approval has been accepted by the Minister of Finance.

(Request for Reviewal by the Interested Person)
Article 10-2. In case a member has complaints about the premium rates which the rating organization he belongs to applied for approval in accordance with the provisions of paragraph 2 of the preceding Article, he may, within two weeks after the day when the Minister of Finance has accepted the application for approval, file the complaints with the Minister of Finance and request to review such premium rates.

2. In case an interested person other than a member has complaints about the premium rates for which an application for approval was made in accordance with the provisions of paragraph 2 of the preceding Article, he may, within two weeks after the day when the Minister of Finance has accepted the application for approval, file the complaints with the Minister of Finance and request to review such premium rates.

3. The requests for reviewal mentioned in the preceding two paragraphs shall be made in writing stating the grounds for such complaints.

4. In case of natural calamity or in other exceptional circumstances, the Minister of Finance may extend the period mentioned in paragraph 1 or 2.

(Reviewal by the Minister of Finance)
Article 10-3. If a request for reviewal concerning the premium rates is made in accordance with paragraph 1 of the preceding Article, the Minister of Finance shall review the rates by requesting the attendance of the applicant, all directors of the rating organization to which the applicant belongs who have agreed to the computation of the premium rates in question, or his or their attorneys, by making enquiries as to the circumstances.

2. In the case of the preceding paragraph, if the applicant of the said paragraph or his attorney does not appear on the day requested to appear without proper reason, it shall be deemed that the applicant has waived the request for reviewal of the paragraph 1 of the preceding Article, and if all directors who have agreed to the computation of the premium rates in question or their attorneys do not appear on the day requested to appear without proper reason, it shall be deemed that the application for approval in accordance with the provisions of Article 10, paragraph 4 has been withdrawn.

3. The Minister of Finance, on receipt of the request for reviewal under paragraph 2 of the preceding Article, shall review by holding a public hearing and making enquiries as to the circumstances; Provided, however, that in the case where an urgent approval of the premium rate requested for reviewal is deemed necessary, or when the consequence following the approval of the said premium rate deemed so small as to become noticed, or when provided for by other cabinet orders, the Minister of Finance may review the case without holding a public hearing.

4. When the Minister of Finance holds a public hearing and review matters of the preceding paragraph, he shall give notice to the applicant of the reviewal and the rating organization which computed the premium rates requested for reviewal about the reason of holding a hearing and the date and place of the hearing and shall give a public notice regarding the outline of the matter for the hearing and the date and place of the hearing.

5. A person other than those provided in the preceding paragraph who intends to express his opinion, attending the hearing of paragraph 3, shall file with the Minister of Finance the documents stating the reason why he was interested.

6. At the hearing of paragraph 3, the opportunities shall be given to the interested persons to present evidence and express the opinion concerning matters for the hearing.

7. The Minister of Finance may, for the purpose of carrying out necessary investigation concerning the matters for the hearing of paragraph 3, request the presence of the interested person or a witness and make enquiries or request their opinions or reports, or order the presence of an expert for an advice, on the request of the interested person or on his authority.

(Approval of Premium Rates)

Article 10-4. In case no request for reviewal of Article 10-2, paragraphs 1 and 2 was made, the Minister of Finance shall approve, without delay, the premium rates applied for an approval if he regards the same as being in conformity with the requirements of the provisions of Article 9. The same shall apply if he regards, after the reviewal of paragraphs 1 and 2 of the preceding Article, the premium rates computed by the rating organization requested for reviewal as being in conformity with the provisions of Article 9.

In case a rating organization has obtained an approval pursuant to the provisions of the preceding paragraph concerning the premium rates, it shall be deemed that the members belonging to the said rating organization have obtained an approval of Article 10, paragraph 1.

The Minister of Finance shall give a public notice when he gives an approval of paragraph 1.

Notice of Disapproval and Order for Re-examination)

ticle 10-5. In the case of paragraph 1 of the preceding Article, if the Minister of Finance regards the premium rates applied for an approval as being not in conformity with the requirements of the provisions of Article 9, he shall give notice to the applicant in writing, without delay, of the disapproval stating the reason.

The Minister of Finance shall order, if he regards the complaint of the applicant for reviewal as reasonable after his reviewal of Article 10-3, paragraph 1 or 3, the rating organization which computed the premium rates under the reviewal, to re-examine the computation of the premium rates applied for the reviewal.

Order for Revision of the approved Premium Rates)

ticle 10-6. When the Minister of Finance regards the premium rates approved in accordance with the provisions of Article 10-4, paragraph 1 as having become unfit to the requirement of the provisions of Article 9 because of the change since the approval of the conditions used as basis for computation, he shall order the rating organization which computed the premium rates in question to revise the said premium rates by documents stating the reason. In this case, the said rating organization shall apply for revision of the said premium rates in accordance with the provisions of the latter part of Article 10, paragraph 1.

Obligation to Abide by Premium Rates)

icle 10-7. The member companies shall abide by the premium rates which have been approved by the Minister of Finance under the provisions of Article 10-4, paragraph 1 for the rating organization to which such members belong.

Special Premium Rates)

icle 10-8. Notwithstanding the provisions of the preceding Article, a member company may, in regard to the subject matters of insurance having the same basis of calculating premium rates, use special rates which have

increased or decreased, by a specific ratio, those rates which have been approved by the Minister of Finance under the provisions of Article 10-4, paragraph 1, in case there exist special circumstances in the expense ratio of the insurance business which is operated by the said member or in other conditions which have been the basis of calculating premium rates.

2. A member company shall obtain approval of the Minister of Finance in regard to such special premium rates when it intends to use such special premium rates as are provided for in the preceding paragraph.

3. Necessary matters pertaining to the range of the subject matters of insurance as provided for in paragraph 1 shall be prescribed by order of the Ministry of Finance.

(Application for Approval, Request for Reviewal and Reviewal of Special Premium Rates)

Article 10-9. In case a member company intends to obtain approval of special premium rates as provided for in the preceding Article, it shall submit the Minister of Finance an application for approval stating the reasons therefor together with the documents describing the matters contained in the provisions of Article 10, paragraph 2, items 1 to 3 and also such materials as are used as a basis of calculating such special premium rates.

• When a member company has submitted an application for approval under the provisions of the preceding paragraph, it shall without delay notify the rating organization to which it belongs, the date on which the Minister of Finance has accepted the special premium rates contained in the said application for approval and the said application for approval and also it shall give a public notice to that effect.

The provisions of Article 10-2, paragraphs 2 to 4 shall apply mutatis mutandis to the request for reviewal of premium rates which are applied for approval in accordance with the provisions of paragraph 1, and the provisions of Article 10-3, paragraphs 3 to 7 shall apply mutatis mutandis to the case where a request for such reviewal is made. In these cases, "an interested person other than a member" in Article 10-2, paragraph 2 shall read "interested persons".

(Approval of Special Premium Rates)

rticle 10-10. The Minister of Finance shall, in case there has been no request for reviewal in accordance with Article 10-2, paragraph 2 which applies mutatis mutandis under Article 10-9, paragraph 3 within two weeks after the receipt of an application for approval under the provisions of paragraph 1 of the preceding Article and if he regards that there is a sufficient reason with respect to the application for approval under the provisions of paragraph 1 of the preceding Article, approve, without delay, the special premium rates pertaining to such application with a limit of effective period of not longer than one year. The same shall apply also when it is deemed that there is a sufficient reason regarding the application for approval of the special premium rates requested for reviewal after the reviewal under Article 10-3, paragraph 3 which applies mutatis mutandis under paragraph 3 of the preceding Article.

When a member company has obtained an approval of the special premium rates as prescribed in the preceding paragraph, it is deemed that an approval pertaining to the said special premium rates under Article 10, paragraph 1 of the Insurance Business Law has been obtained.

In case the Minister of Finance regards that there is no sufficient reason in the application for approval of the special premium rates under paragraph 1 of the preceding Article, he shall without delay notify the applicant to the effect that said special premium rates are not approved in writing with the reason therefor.

The provisions of Article 10-4, paragraph 3 shall apply mutatis mutandis to the approval under paragraph 1.

equest for Re-reviewal by Interested
erson and Re-reviewal)

icle 10-11. In case an interested person has complaint about the premium ates approved under the provisions of Article 10-4, paragraph 1 or aragraph 1 of the preceding Article, he may, within two weeks after the ate of notification made under the provisions of Article 10-4, paragraph 3 ncluding the cases where paragraph 4 of the preceding Article applies itatis mutandis) pertaining to the said approval, complain to the Minister Finance and request for re-reviewal of the said premium rates.

2. The provisions of Article 10-2, paragraphs 3 and 4 shall apply mutatis mutandis to the request for re-reviewal as provided for in the preceding paragraph and the provisions of Article 10-3, paragraphs 3 (excluding proviso) to 7 shall apply mutatis mutandis to the case where the said request for re-reviewal is made. In these cases, "paragraph 1 or 2" in Article 10-2, paragraph 4 shall read "Article 10-11, paragraph 1".

(Action by the Minister of Finance pertaining to Re-reviewal)

Article 10-12. In case the Minister of Finance has received request for re-reviewal under paragraph 1 of the preceding Article and if he finds, after having reviewed the case in accordance with Article 10-3, paragraph 3 which applies mutatis mutandis under paragraph 2 of the same Article, sufficient reason in the request for the said re-reviewal, then he shall order the rating organization or the member company which had obtained approval of the said premium rates, to revise such premium rates.

2. In case a rating organization has revised premium rates in accordance with the order by the Minister of Finance as prescribed in the preceding paragraph, such revised premium rates are deemed to have been approved under Article 10, paragraph 1 of the Insurance Business Law for the member companies belonging to the said rating organization, and in case a member company has revised premium rates in accordance with the order by the Minister of Finance as prescribed in the preceding paragraph, such revised premium rates are deemed to have been approved under Article 10, paragraph 1 of the Insurance Business Law for the said member company.

3. In case the Minister of Finance receives request for re-revie
paragraph 1 of the preceding Article and after having revi
under Article 10-3, paragraph 3 which applies mutati
paragraph 2 of the same Article, regards that
reason in the request for the said re-rev
refuse such request and shall notif
re-reviewal in writing with t

(Filing of Actions)
Article 10-13. Any person dissatisfied with the disposition of the Minister of Finance in accordance with the provisions of this Law may file an action in accordance with the provisions of the Law for Special Regulations concerning Procedure of Administrative Litigations (Law No. 81 of 1948) concerning the judgement of the facts and the application of the Law by the Minister of Finance.

In Article 12 "Articles of Incorporation" shall be amended as "order".

In Article 14, paragraph 1 "this Law or" shall be added next to "has violated", and "this or other laws or ordinances," shall be amended as "this Law, or other laws or ordinances,".

Article 26, item 2 shall be deleted; item 1 of the same Article shall be changed to item 3 of the same Article; and the following two items shall be added as items 1 and 2 of the same Article:

1. A person who has violated the order issued under the provisions of Article 10-5, paragraph 2, Article 10-12, paragraph 1 or Article 14.
2. A person who has not applied for approval in violation of the provisions of Article 10-6.

In Article 28 "a non-life insurance rating organization" shall be amended as "a rating organization" and item 4 of the same Article shall be changed to item 5 of the same Article and the subsequent items shall be renumbered accordingly, and the following one item shall be added next to item 3:

4. For violating the provisions of Article 10, paragraph 3.

Next to Article 28, the following one article shall be added:

Article 28-2. A person who has neglected to notify or make public notice in accordance with the provisions of Article 10-9, paragraph 2, or who has wrongly notified or made wrong public notice, shall be subject to a fine not more than five thousand yen.

Supplementary Provisions:

This Law shall come into force as from the day of its promulgation.

Reasons

In order to adjust and maintain insurance premium rates fair and adequate, it is considered necessary on one hand to recognize the right of interested persons to request the Minister of Finance to review the adequacy of the premium rates compiled by non-life insurance rating organization and on the other hand to oblige the member companies to abide by the premium rates compiled by the rating organization they belong to, and also to make necessary adjustments to certain provisions. These are the reasons for submitting this Bill.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet)

Subject: Draft Legislation

File No.:

Maj Norris
26-6076

Note No.	From: Govt Sec To: ESS Date: 10 November 1951
1	1. Immediate introduction of the attached draft bill in the Diet is proposed by Finance Ministry. 2. Your prompt comment is requested. 1 Incl Bill for Partial Amends to Insurance Business Law

F. R.

Insurance Bureau

FW

L. N. Salwin, 26-6671

WFM/LNS/ld

From: ESS To: GS Date: 11 NOV 1951

2. No objection is interposed to introduction of subject draft bill.

1 Incl
n/c

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

GOVERNMENT SECTION
BUCK SLIP

11/9 1951

FROM: P&P

TO:	INITIAL	DATE
___	CHIEF.....	.....
___	EX O.....	.....
___	Special Assistant Nat'l Affairs.....	.....
___	Special Assistant, Local Affairs.....	.....
___	Adm Div.....	.....
___	Par & Pol Div.....	.....
___	Public Adm Div.....	.....
___	Chief Clerk.....	.....
___	File.....	.....
___	.....	.....
___	.....	.....
___	.....	.....

FOR:

___ INFORMATION OK'd & approved by ESS Doubtful!
___ NECESSARY ACTION
___ ACTION (Prepare Reply)
___ APPROVAL
___ INITIAL
___ COMMENT OR CONCUR Depends on ESS, but seems to be against Anti Monopoly laws. ~~Don't~~ Donat clearances ESS OK'd it.
___ RETAIN
___ RETURN
___ FILE
___ BURN ESS

Bill

Submitted to GS for Clearance
through Legislative Affairs Section,
Liaison Bureau, Ministry of Foreign Affairs
(Tel. 57-6010)

Nov. 9, 1951

1. Number: FOM No. 52

2. Title: Bill for Partial Amendments to the Insurance Business Law.

3. Office in Charge: Ministry of Finance.

4. Date of Cabinet Approval: Nov. 6, 1951

5. SCAP Section concerned: Mr. R.E. Phillips
Deputy Chief, Finance Division, ESS.

6. Remark (Reference): See: attached paper.

7. GS Reviewers:

ESS
GS/WNN

Received by GS

Date 11/9/51

1. 4 copies of excerpt of Insurance Business Law (Law No.41 of 1939) are attached.

2. Law relating to Prohibition of Private Monopoly and Methods of Preserving Fair Trade, and Trade Association Law.
(Law No. 54 of 1947) Official Gazette dated Apr. 14, No. 309
(Law No. 191 of 1948) Official Gazette dated Jul. 29, No. 698.

3. Law concerning Foreign Insurers (Law No. 184 of 1949) Official Gazette dated June 1 No. Extra 68.

FOMN0642

Bill for Partial Amendments to the Insurance Business Law

The Insurance Business Law (Law No. 41 of 1939) shall be partially amended as follows:

The following five articles shall be added next to Article 12-2, Chapter I:

Article 12-3. The provisions of the Law relating to Prohibition of Private Monopoly and Methods of Preserving Fair Trade, and the Trade Association Law shall not apply to any of the following acts; Provided, however, this shall not apply to cases where unfair method of competition is employed, where competition in a particular field of trade is substantially restrained by mutually employing undue restrictions on business activities, or where the interests of the person effecting insurance or the insured is unduly injured by substantially restraining competition in a particular field of trade.

(1) Any agreements, contracts or any other concerted activities between a non-life insurance company or companies and another non-life insurance company or companies (including foreign non-life insurers as provided in the first paragraph of Article 2 of the Law concerning Foreign Insurers) in respect to transactions of marine insurance business (that is non-life insurance business of which the subject matter of insurance is on hull, or cargo during marine transportation (including incidental risk whilst in transit on land before shipment or for a certain specified time after landing) but excluding non-life insurance business of which the subject matter of insurance is on cargo in transit on land only; hereinafter the same) (as regards non-life insurance business of which the subject matter of insurance is on hull, matters on premium rates are excluded).

(2) Any agreements, contracts or any other concerted activities between a non-life insurance company or companies and another non-life insurance company or companies (including foreign non-life insurers provided in the first paragraph of Article 2 of the Law concerning Foreign Insurers) in respect to the following acts in connection with joint underwritings of direct or reinsurance business of non-life insurance business other than marine insurance business by a non-life insurance company or companies