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9 December 1950

MEMORANDUM FOR RECORD

SUBJECT: Distribution and Industry Surveillance, Gumma Prefecture,
4 - 8 December 1950

1. Distribution

a. Staple Food:

(1) Distribution is reportedly progressing satisfactorily with little or no change in the amount of rejections in November from the 445 M/T rejections in October. Blackmarket prices for rice have declined about ¥10 per sho since October.

(2) Officials report that 150 M/T of rejected Burma rice which they find difficult to dispose of are to be sent to Kyoto to be used for sake production in accordance with MAF instructions.

(3) Elimination of the Staple Foods Kodan is progressing smoothly according to officials' reports. It is further reported that only 354 retailers are handling the retailing now but over 1,000 are expected by next February to handle the work done by the 2,400 before controls. When more retailers begin business, more simple procedures are requested by prefectural and kodan officials. The wholesaling is still being handled by the Kodan. Only 4 bakers and 2 noodle makers have received licenses for operating as yet.

b. Fertilizer:

(1) Fall fertilizer has been distributed down to the farmer level and now supplementary allocations (estimated 4,000 M/T nitrogen) are being distributed at ¥200 per M/T above the regular price.

(2) Prices are said to be so high that many farmers cannot make purchases of needed supplies. Some would like to reduce exports in order to help reduce domestic prices.

c. Sugar:

(1) Allocations and distribution for children and pregnant women are reported to be progressing smoothly.

2. Enforcement

a. Staple food Collections and Distribution:

(1) Staple foods seized from carriers, trucks and other vehicles, in disguised packages, etc. during the period 21 October - 20 November in all

Gusma totaled 18,892 kgs. while the number of cases seized was 502. Officials are obviously intensifying their control efforts in this program.

(2) Restaurant control activities by all enforcement agencies have obviously practically ceased.

b. Sugar - Distribution Control:

(1) The Tokyo and Gusma EIA are now investigating a Formosan by the name of Ko Do Mei formerly of Maebashi, Gusma who is found to have black marketed a substantial amount in Tokyo recently. It is reported that a Gusma truck hauled away 640 kan of sugar from the Teikoku warehouse in Nihombashi, Tokyo on 6 November and 1,200 kan on the 14th.

3. Commerce and Industry

a. Electric Power:

(1) Electric power allocations received in November were about one-fourth of requirements, judging from applications received for supplementary power by the MITI, or 20% over last years October - November distribution. During this period 800 applications were made for a total of 1,400,000 KWHs. Allocations received from the Central Government for November were 328,300 KWH plus 420,000 KWH for flour mills.

(2) The electric current is reported to be so low on Sundays that plants cannot operate at full capacity. However companies are reportedly staggering their hours throughout the week to get the maximum use of electric power allocations.

(3) Schools and small consumers using less than 500 KWH are not effected by the shortage according to officials' reports.

(4) A Public Utilities Commission, Gusma Office, is to be formed from former local MITI electric power offices according to tentative plans. Their work is planned to be that of supervision instead of controls.

(5) The power program is being handled smoothly with the co-operation of prefectural, MITI, labor and management groups according to all officials interviewed.

b. Reparations:

(1) As of 27 November, 23 plants are reported to have applied for melt-down scrapping of 4,520 items but permission have been granted for only three applications by CPC at the time.

(2) Conducted routine checks on the following reparations plants and found maintenance and custody generally quite satisfactory.

Fuji Sangyo KK, Maebashi Plant #2	10-12 and 10-12A
Fuji Sangyo KK, Donryu Plant	10-16

Fuji Sangyo KK, Maebashi Plant #1	10-11
Fuji Sangyo KK, Kiryu Plant	10-10
Fuji Sangyo KK, Ota Plant	10-25
Furukawa Chuzo, KK, Omama Plant	10-40
Nakajima Kokuki, KK, Ojima Plant	10-14
Nakajima Hikoki, Koizumi Plant	10- 9

During inspection at plant 10-12 2-3 open fires were noted burning in the machine shop to warm noon-time lunches.

c. Industrial surveys were made at the following plants:

Fuji Kiki, KK-at Maebashi
 Fuji Kogyo, KK Ohta Plant
 Furukawa Kinzoku KK, Omama Plant

The Fuji Kogyo which has authorization to make scooters wish to know if their permit authorizes them to start making motors for their scooters which they have been receiving from another manufacturer.

d. Chamber of Commerce, Maebashi:

(1) An Institute for Foreign Trade Building is to be built in Maebashi during the period February to October next year according to officials. The building is to provide a place for: (1) studying foreign markets and establishing closer relations with traders, etc., (2) a central location for the display of products, and (3) a central office building for associations, etc. to coordinate foreign trade activities. Present plans are to specialize in raw silk sales. This building will be financed by appropriations of ¥6,000,000 from the prefecture, ¥3,000,000 from Maebashi city and ¥10,000,000 by associations, companies, banks, etc.

(2) Activities of this Chamber are progressing smoothly with activities pointed toward reestablishment of trade with the U.S.

e. GPO Exhibit:

(1) It is reported that on 9 November the chief of Commerce and Industry Division of the prefecture with two aides brought about 30 items to the GPO warehouse in Shibusawa to be shown for advertising purposes. This was done at the suggestion of the writer and others of this headquarters following a letter encouraging such action from the GPO to the CO, this Headquarters. Officials report that a civilian who saw them at the warehouse merely looked at two or three items, asked the price and then told them all go take their products back to Gumma. Gumma officials report that this action was probably necessary inasmuch as the staff was busy at the warehouse.

f. Transportation:

(1) The freight car shortage caused by the Korean war is reported to have caused long-distance truck hauling to increase 8% since this time last year. This figure would be much greater were it not for low fuel allocations

and the increase in the number of motor vehicles since last year.

(2) The number of motor vehicles in Gumma has increased from 5,778 in November last year to 6,920 now. Gasoline allocations have increased from 90 to 124 liters per month while kerosene allocations have decreased from 550 to 302 litres per month since last year. This small allocations of kerosene has made it necessary for busses at times to resort to charcoal and other fuels to continue their schedule, according to reports.

(3) Fuel allocations are reported to be suspended for one month on vehicles that are reported by police to have been caught hauling controlled items such as staple foods, etc.

4. Conclusions:

1. Black-market prices for rice declined somewhat during the harvesting season in November but is expected to rise again around the holiday season particularly for glutinous rice.

2. Rejections have been kept down even during the harvesting season in November to at least the same amount as October rejections.

3. Enforcement officials appear to be cooperating to effect better economic controls throughout the prefecture.

4. All concerned appear to be cooperating to secure maximum use of the small amount of electric power available.

5. The Maebashi Chamber of Commerce is taking the lead in Gumma in promoting foreign trade by the construction of an Institute for Foreign Trade building.

R. HASHITANI
Distribution & Industry Division

DAILY ACTIVITIES REPORT
ECONOMICS SECTION, KACAR

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DAR #249

11 December 1950

1. NATURAL RESOURCES

a. Agriculture

- (1) Memo for Record, Agricultural Co-operatives, Nagano Prefecture, Annex 1a.
- (2) Memo for Record, Agricultural Improvement Program in Yamanashi, Annex 1b.

b. Fisheries

- (1) Memo for Record, Fisheries, Saitama Prefecture, Annex 1c.

2. DISTRIBUTION & INDUSTRY

a. Call from Capt. Kilmer, PRE, Camp Drew, in regards to the possible removal of the reparations equipment from Camp Stillwell, Maebashi, (Fuji Sangyo, Maebashi No. 1 Plant). He was advised to check Maebashi No. 2 Plant, Fuji Sangyo for possible space and to check with the Gumma Prefectural Reparations Section. He was also advised that no one from our division will be up in his area until next month.

b. Call from Mr. Johann, CAS, requesting report of scrap reparations items released from arsenals submitted on 31 November, be broken down into types of metal and weight of each. Information passed on to the Kanto Finance Bureau.

c. Report of Economic Bureau Conference is attached as Annex 2a.

d. Report of Field Trip to Gumma, 4-8 December is attached as Annex 2b.

3. LABOR RELATIONS

a. Reference DAR 8-9 Dec: Two management representatives of Nissan Motor Co. came to give further reports regarding the dispute over the year-end allowance. It was reported that the union had been advised by Mr. Aais to stop strike tactics and attempt to reach an agreement through further negotiations. The management was also advised to re-open negotiations with the union. The management had been refusing to negotiate over the year-end allowance as long as the union continues strike tactics, just standing pat on its original demand. Labor officer asked for management's opinion in view of stable labor-management relations about the present situation of Japan, which is open to constant negotiations over wages and innumerable allowances owing to failure to conclude trade agreements containing definite conditions of employment.

The management representatives opined that they believe in the necessity of definite and specific incorporation of wages and allowances for at least six-month period. However, throughout the trade agreement negotiation which is still pending since months ago, the union has been in outright opposition to any trade agreement in which the union would not be allowed to make demands for increased pay at any time deemed necessary. The representatives further stated that, according to often manifested expressions of the union leaders, the union appears to be inculcated, with the idea that the "struggle" over wage issues is the best way to build up strong and solid union movement.

b. Two spokesmen working for the Closed Institutions Liquidations Commission sought information as to where they could address an appeal for assistance. Their complaint stemmed from dissatisfaction of not being included in the wage increase recently granted regular government workers. Inquiries revealed that the Commission, consisting of three Tokyo agencies employing a total of 2,000 workers, is neither a government nor a private concern. Inasmuch as the Finance Minister exercises some sort of supervisory control over the Commission, it was suggested that the SCAP Finance Section would be the proper Occupation Forces agency with which to discuss their problem.

c. The Division Chief accompanied by Mr. Matthews, Labor Advisor of the United Kingdom Liaison Mission, visited the Ikegai Auto. Mfg. Co., Kawasaki, Kanagawa-ken, for talks with management and union officials on the subject of seniority. It was somewhat of a pleasant surprise to find that a joint committee had been formed which has drawn up a proposed seniority clause containing seventeen articles. The advantages of the seniority principle to both management and union were stressed and Mr. Matthews told the officials of its wide acceptance in England. From the questions that were asked, it was quite evident that both parties had made a thorough study of the principle and were preparing themselves to see its adaptation. There are a few points at issue, such as the granting of super-seniority to union officials, which will have to be ironed out before the clause can be incorporated into their trade agreement.

d. Two union officials of Isuzu Automobile Co. Labor Union came and reported as follows: On 18 November union made a demand to management for payment of ¥9,300 average year-end allowance. Collective bargainings were held four times. The company proposed at these sessions to pay ¥2,500, which was later increased to ¥3,500. Union is dissatisfied with this amount. The struggle committee of the union decided to take forceful action and a strike vote (for 24-hr. strike) was approved by 75% of the membership. This strike will be conducted so as not to affect PD production which comprises one-third of the operations. Production this year has been doubled, as compared to last year, although the present number of workers has been decreased to 3,700 from 4,000. A collective bargaining session has been requested of management for this afternoon. The outcome of this meeting will determine whether the strike will be enforced or not. This company has its head office in Tokyo and three plants in Kanagawa Prefecture. A trade agreement has been non-existent for about a year, since the union has been too busy handling allowances and wage increase problems. Both the union and management have prepared draft agreements, but they have not been exchanged. This office advised the representatives that if the union continues its present course, it will never have sufficient time to conclude a good, sound trade agreement. On being asked how industrial labor relations can be stabilized if the unions in Japan consecutively demand various allowances which are not specified in the trade agreement,

the union representative replied as follows: Although it would be advisable to specify such demands precisely as possible in a contract, management fails to incorporate the necessary clauses because the latter insists that it cannot make promises for a future which is so uncertain. The union is forced to make such demands because the wage of the workers is insufficient. In order to overcome this deficiency, union makes a wage increase demand based on production increase; invariably, management will whittle down the figure requested. It was pointed out to the representatives, that both management and union are to be blamed for not having a contract, although the union may have an excuse of its own. Furthermore, the union representatives were warned against the pernicious Communist influence within the labor movement in Japan, which discouraged the unions from having a peace clause, wage clause, etc.; only utilizing the labor movement to further their own ends, the peoples' revolution.

A telephone call from the union representative, later in the day, informed us as follows: The collective bargaining scheduled for the afternoon was postponed to 1400 hrs. 12 Dec. at the request of management. The workers of all plants will not work overtime this evening (quitting at 1630 hrs., the regular closing time), except for the Tsurumi Plant, where PD work is being done.

e. Mr. Kondo, Ibaraki LPS Chief, at the request of this office, came in to discuss the subject of union organization in small and medium-sized industries. He was informed of the conclusions drawn by personnel from this headquarters and the SCAP/CAS Labor Officer as the result of a 5-day field trip in Ibaraki 27 November to 1 December (see Memo for Record attached to DAR for 7 December). These were as follows: (a) It is not the business of either CA or Japanese labor officials to serve as labor organizers. (b) Obstacles to union organization in small and medium enterprises include lack of leadership, small number of workers, lack of enthusiasm, and isolation from other similar industries. (c) Organization will have to wait upon the dispatch of organizers from national federations, since it is difficult to develop much bargaining strength in isolation. (d) Encouragement in the direction of unionization must arise from the workers themselves.

f. Union officials of the 1100 members Teikoku Sanso K.K. Federation (only 68 members in Kanto Region) reported that they plan a 24-hr strike since management's reply to their demands for a salary increase and year-end bonus was unsatisfactory. The factory in Funabashi, Chiba, employing 10 workers, is supplying 70% of its output to the Fuchu Ordnance Center. Officials assured this office that army requirements would be respected during the entire dispute period.

g. Phone call from Capt. James, CAS: Just got word from Mr. Amis, SSS/Labor, that he has received reliable information that employers with dollar contracts are planning to approach JLC to re-open the same contracts with a view to seek additional money in order to pay year-end bonuses which are currently being requested by labor unions. The Labor Division is not in sympathy with this movement, and KMLR should discourage any suggestions that may come to this office. The above has been noted and the instructions will be complied with.

h. Mr. Niho, chairman of federation of Furukawa Electric Industry Co. Workers Union visited this office and reported as follows: The issue in connection with the year-end allowance was settled yesterday with the union's acceptance of management's counter-proposal of ¥8,300 against the union's original demand for ¥10,200.

P. S. KEMSKE

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4 December 1950

MEMORANDUM FOR RECORD

SUBJECT: Agricultural Cooperatives, Nagano-ken

1. Reference: Operational Directive #12, dated 12 April 1950, subject: "Agriculture".
2. On 27 November 1950 Messrs. Buchko and White conferred with Mr. Kobayashi, head of the Economics department of Nagano-ken, regarding a disputed transfer of Nogyokai assets at Suwa. They also discussed plans for field work in southern Nagano-ken. In Matsumoto they conferred with Gun officials and with officers of the branch of the Nagano Agricultural Cooperative Credit and Guidance Federations regarding the status and problems of cooperatives in the Gun. Of the 39 general purpose cooperatives in the Gun, 7 had deficits at the end of last year, but none have had to limit or suspend withdrawal of deposits. Mr. Buchko recommended that cooperatives should be managed as business enterprises, that they should look to their own resources for needed capital, and that they should discontinue agricultural extension work now that there are prefectural extension agents.
3. On 28 November Mr. White went to Suwa to confer with representatives of the Suwa City Credit Association and the Suwa Agricultural Cooperative regarding the transfer of Nogyokai assets which is under dispute. Apparently these assets were not valued according to any very definite or uniform method. Mr. Fujiwara who was formerly the chairman of the Nogyokai liquidation committee says that he did not use the book value nor the current market value, but what was considered to be a "fair value". The chief item in dispute is the building which belonged to the Credit Association at the time that Association was consolidated in the Nogyokai. It should be noted that the membership of the Credit Association has changed since that time. It formerly contained many farmers, but they have not rejoined the new Credit Association. Several of the participants state that an agreement was reached on 17 June 1948, that the building would be returned to the Credit Association, but there is no written record of this. The final transfer of assets did not follow this alleged agreement, but provided for joint ownership by the Credit Association and the Agricultural Cooperative. Mr. Yonekura states that he signed the transfer under a misapprehension as to its contents. Apparently in anticipation of Mr. White's visit, all the representatives of both organizations met for the first time on 27 November to discuss the matter. The prefectural governor who is trying to arbitrate the matter never called them all together. At that meeting all of them except Mr. Ito, head of the Suwa Agricultural Cooperative, agreed that the 1948 agreement was to return the whole building and furniture to the Credit Association. Mr. Ito stated that he could not agree to anything until he took up the matter with the directors of his

cooperative. He and representatives of the Suwa Credit Association were to meet with the directors of the Agricultural Cooperative on the afternoon of 28 November. Mr. White advised them to proceed with this meeting to see whether an agreement could not be reached as to the disposition of the property. If such an agreement can not be reached, it may be necessary to go back and make a uniform appraisal and distribution of all the Nogyokai property.

4. Enroute to Suwa, the Shiojiri-machi Agricultural Cooperative in Higashi-Chikuma-gun and the Minato-mura Agricultural Cooperative in Suwa-gun were also visited. The former is an established organization with a history of nearly forty years, but it has been losing money recently in spite of assessments collected from members. Mr. White advised discontinuance of assessments and of agricultural guidance. The Minato-mura Agricultural Cooperative is in financial difficulties due to irregularities of the former manager. The present manager was sent there by the all-federation committee to rehabilitate the cooperative.

5. On 29 November Messrs. Buchko and White conferred at Fukushima, Nishi-Chikuma-gun, with Gun officials and with the vice-chairman of the branch cooperative federation offices regarding the status and problems of cooperatives in the Gun. Since many of the members of the cooperative in this Gun are part-time woods workers, the cooperatives have been affected adversely by the recent decline in logging. Branch federation activities are under joint management. Messrs. Buchko and White also visited the Ogiso Agricultural Cooperative. This is one of three cooperatives in Kiso-mura. It lost money last year because of decline in value of inferior goods taken over from Nogyokai. Mr. Buchko recommended that if the cooperative must dispose of this stock at a loss, it should be sold to members of the cooperative.

6. On 30 November Mr. White visited three agricultural cooperatives and two branch stores at Agematsu, Okura, Yonikai. At Agematsu a conference was to be held that afternoon to discuss consolidation of the sericulture cooperative with the general purpose cooperative. The fire which destroyed most of Agematsu improved the financial position of the general purpose agricultural cooperative, since most of its property including goods of inferior quality was insured. The Okura cooperative lost heavily last year in its purchase activities, in mining limestone which proved to be unusable, and in excess personnel. The cooperative expects to get some help from the village treasury. Since the village stretches for 10 miles along the river the cooperative has two branch stores. These were both visited. Mr. White advised going to the members to decide whether they are willing to give these stores enough support to justify continuing them. The Yonikai cooperative also lost money from decline in value of goods. The federation advised returning excess goods, but the cooperative failed to do so because it was still scarcity-minded. Mr. White advised elimination of its three agricultural guidance men, but continuation of cooperative education.

7. Summary: On 27 and 29 November Messrs. Buchko and White conferred with prefectural and Gun officials concerned with agricultural cooperatives

and with federation and cooperative officers and employees at the following places in Nagano-ken: Nagano City, Matsumoto, Fukushima, and the Ogiso Agricultural Cooperative. On 28 November Mr. White conferred with officials of the Suwa Credit Association and Agricultural Cooperative regarding disputed transfer of Nogyokai assets. He also visited two agricultural cooperatives. On 30 November Mr. White visited three agricultural cooperatives and two branch cooperative stores in Nishi-Chikuma-gun.

H. G. WHITE
Natural Resources Division

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11 December 1950

MEMORANDUM FOR RECORD

SUBJECT: Agricultural Improvement Program in Yamanashi

1. Reference: Operational Directive #12, 1950.

2. Conference was held with Mr. Yamamoto, newly appointed AIS chief - formerly Experimental Station Director of Mie Prefecture and one of the advisors to Mr. Owens, GHQ, when the extension program was established. The writer acquainted the new chief with the general situation (on 7 Dec.) and discussed the work of extension supervisors (on 8 Dec.). Mr. Yamamoto seems to be rather well informed on extension work and has leadership qualities necessary for the job.

3. The youth specialist conducted a five hour meeting to explain the national policies and standards in the extension youth program. One farm advisor each from the 26 districts attended. Disagreement was voiced in regard to agricultural research clubs (ages 20 thru 25) being considered youth clubs; some advisors felt these should be incorporated into the adult program. The writer recommended that the character of both 4H and agricultural research clubs should be clarified and that staff members should, after careful study have some prefectural policy to present to farm advisors, who as yet are very inexperienced in club work. Another training meeting (2 or 3 days) is scheduled for January. Training for volunteer leaders will be held later by guns. The writer recommended that local agricultural improvement committees should play a part in recommending leaders for the training program. To clarify the work of subject matter specialists in regard to the youth program the writer presented conclusions reached by American specialists during a southern workshop session. It was opportune moment, for the head specialist was present. The preparation of the following three materials must be started: project list, record sheets, and project reference materials.

4. The following views were expressed by the head specialist in regard to their proper office location. If stationed at the experiment station, maintaining liaison with the AIS in respect to information activities (bulletin, news stories, radio scripts, etc.), youth program, agricultural program, field trips, etc. is very inconvenient; if stationed at Kencho AIS, keeping in close touch with research activities become difficult. The specialists feel like a step child.

5. The Economics Department Chief was called into conference to explain the new organization of the agricultural improvement program in Ibaraki where research, extension and training are all housed at the experiment station. Such an arrangement solves the problem described in four above, as well as consolidates the three aspects of the program under one director. Interest was

shown by the Department chief, who will make a study of the Ibaraki organization.

6. The staff member in charge of "supervising" local advisors explained that checking local offices consisted primarily of office management and arrangement. The writer explained the scope of activities of American supervisors and the items probed into when evaluating the work of local extension offices.

7. The work of the staff member in charge of extension information was found to be of good quality. Recommendation was made that more time be spent on visual materials.

8. Conference with the three farm advisors and an assistant at Kodachi Extension Office showed that one of the villages (Kawaguchi) had prepared a five-year agricultural plan (one of the villages designated by Kencho and receiving ¥50,000 subsidy). The first step taken has been converting 17 of the proposed 30 cho into paddy field (completing irrigation facilities). Livestock plan in general is in accordance with NR/A recommendations. Representation on planning committee was good. Neighboring villages are, however, uninformed and indifferent about the Kawaguchi plan. Commodity committees as they operate stateside were described and farm advisors urged to stimulate other villages (or the extension district as a whole) to embark on planning. 30% increase in barley production was made possible by earlier sowing. The writer encouraged the farm advisors to evaluate achievements of extension teaching through compiling statistics or estimates on increased production and increased income. The 4H and home demonstration programs were undeveloped. Appropriate recommendations were made.

9. Conclusions:

- a. The new AIS chief is promising.
- b. Subject-matter specialists need to participate actively in preparation of 4-H materials.
- c. The superior Ibaraki agricultural improvement organization will be studied by the Economic Department chief.
- d. Extension supervision needs to be developed.
- e. Information work is progressing well.
- f. The agricultural program is good, but 4-H and home demonstration program seriously undeveloped in Kodachi Extension Office.

Nobuo Yoshioka
Natural Resources Division

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9 December 1960

MEMORANDUM FOR RECORD

SUBJECT: Fisheries - Saitama Prefecture

1. Reference: Operational Directive #13, subject: "Fisheries", dated 12 April 1960.
2. The Chichibu Fisheries Co-operative Association, Chichibu-gun, Saitama prefecture, was visited to observe organization and activities.
3. An increase of 342 members since establishment was noted. The 1,026 members have invested ¥255,600 in the co-operative at ¥200 per share. Full time fishermen comprise 40%, farmers 40% and others 20% of the membership. The assets of the fishery association had been transferred. Application has been made for transfer of the fishery right owned by the fishery association. Revenues are realized principally by license fees, which vary according to type of fisheries and whether members or not. The current year revenues are expected to total ¥1,066,000. The salary of one clerk and office expenses are listed as ¥88,000 or ¥7,300 monthly. The major part of the revenues are used for restocking the Arakawa river and tributaries. This year 340,000 "ayu" and 50,000 "masu" were run into rivers.
4. Problems of the co-operative include; faulty fish ladder construction at Ochiai Dam (Kanto Haiden); insufficient water runoff through the fish ladder at Kawaishi Dam (Showa Denko); closing of fish ladder at Rokuseki Irrigation Dam in Osato-gun during April-June, when "ayus" migrate upstream; runoff of poisonous chemicals from Showa Denko K.K., Nihon Chisso K.K., Nihon Cement K.K. and several slake lime factories. Ken officials were not wary of all the problems above. A formal note to the Governor containing the problems will be initiated by co-operative officials. Solutions appear likely in all cases.
5. No record of fish production was available. Estimate of production will be made at the end of the current year for the first time.
6. Summary - The organization and activities of the Chichibu FCA in Saitama prefecture was found to be as well established as can be expected of a river cooperative. Approximately 8% of revenues were for salary and office expenses and 92% for conservation practices. Problems of the cooperative regarding discharge of poisonous elements by chemical and cement factories, and inadequacy of fish ladders are expected to be solved shortly.

DAVE HOSHIMIYA
Natural Resources Division

Annex 1c

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11 December 1950

MEMORANDUM FOR RECORD

SUBJECT: Regional Economic Bureau Conference

A conference was held with the Regional Economic Board (attended by Kanto NRP representatives) on 11 December. The following is the gist of the conference: KaCAR commended the NRP (and autonomous police) for their past cooperation with Economic Bureau and District Economic Investigation Bureau. Favorable comment was made on the "Bloc" economic control conferences recently organized by the E.B. with concerned prefectural authorities (EIB police, Foodstuff Section, Rail road representatives) and future cooperation of all concerned, with EIB, solicited. Economic Board and Police were informed that future joint conferences with KaCAR, EIB, and Police would not be required, as enforcement of controls was entirely Japanese Government responsibility. Police were requested to continue submitting their usual monthly statistical report to KaCAR, but to coordinate and discuss their enforcement problems with EIB's and Economic Bureau which is the responsible Japanese organ for enforcement of economic controls.

Considerable time was given to clarifying with Economic Bureau the type of information desired by KaCAR from Region and District Economic Bureau and necessity therefore.

The importance of close attention to the transportation problem and to oil supplies was stressed.

J. W. JONES
Distribution & Industry Division

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11 December 1950

MEMORANDUM FOR RECORD

SUBJECT: Field Trip to Gumma Prefecture, 4 - 8 December 1950

1. References: Operational Directives No 9, 10, 11, & 15.

2. PUBLIC WORKS

a. Roads: Maintenance and repair work on roads is lagging behind schedule. The officials reported that 50% of the allocated work for the 1950 FY had been accomplished as of 30 November. This delay, according to the officials, was caused by the withholding of repair work until the loan from the Finance Ministry, Bureau of Deposits was approved. But they expressed that the allocated work would be accomplished by the end of the fiscal year. Delayed shipment of cement and crushed rock by rail was claimed to be one of the operational bottlenecks in meeting schedule for road maintenance and repair work. The said materials are non-available within the prefecture and are shipped into the prefecture from outside sources. Forteen bridges are listed as unsafe for heavy traffic and require immediate attention. The prefecture claims that they lack funds to either renovate or replace the deteriorated structures.

b. Rivers and Streams: Typhoon rehabilitation work on only emergency nature is being accomplished. Approximately 80% of the allocated work for the 1950 FY has been completed as of 30 November. The prefecture estimates that outstanding typhoon damages incurred during the past four years amount to \$3,500,000,000 and funds to sufficiently cover these costs are no where in sight. Difficulty in obtaining cement and galvanized fence materials was reported by the Rivers Division officials.

c. Housing: Housing problem continued to be acute for the densely populated areas of the prefecture. The officials estimated that 50,000 are needed to solve the problem. Under the home construction loan program a total of 658 applications for loans had been submitted as of 30 November; 131 applications have received the first portion of the loan; 336 applications are pending and 93 applicants requested withdrawal of the applications for lack of funds or adequate land on which to build. It is anticipated that 3,000 houses will be built on private funds and 1,000 houses from loans received under the housing construction program during the 1950 FY. Recent price increase of lumber and other construction materials was stated as one of the deterring factors in housing construction. The recent population survey indicates that the average family residing in the cities and towns is 4.8 persons per family as compared to the 1945 average of 5.5. This trend of the population breaking down into smaller families is also a factor for increasing housing difficulty.

d. City Planning: The five year city planning program for Maebashi City is 30% completed with the target year 1954. An area of 550,000 tsubo in the center of the city has been designated under the above program; projects in Kiryu, Takasaki and Ota are in progress. Due to the local citizens' protests the city planning project at Isasaki was abandoned.

3. MINING

Besshi Mine, Minakami Doen K.K., Koa Tanko K.K., Notsuke Mine, Kanai Lignite Mine K.K. and the Tajima Lignite Mine were inspected. Besshi Mine and the Minakami Copper and Lead Mine are in the state of exploration and not in production. Minakami Copper and Lead Mine is expected to produce ore about February 1951 and Besshi Mine about one year hence. No inspection has been made of the two mines by the personnel of the Mine Safety Bureau. Koa, Konai and the Tajima Lignite Mines were inspected by the Mine Safety Bureau. All discrepancies found by the Mine Safety inspectors were corrected. Mr. Taketani of the Gumma Mining Industry Cooperative Association was contacted and arrangements are being made for the showing of mine safety films to technical staff of all interested mining companies in Maebashi during the second week of January 1951. It was found impractical at this time to show the mine safety films at the mines, located in the northern part of the prefecture, because of the heavy snow which makes traveling very difficult. Request was made by the Mining Association for a showing of the mine safety films at Kusatsu in the spring of next year when conditions will be more favorable. The Mine Association expressed needs for a cooperative ore floatation plant which the small mine operators could utilize in concentrating their ore for shipment to refineries outside the prefecture. This would save tremendous shipping costs and make available a floatation plant facility to the mine operators, which they could not individually afford to construct.

4. MEDIUM & SMALL ENTERPRISERS

Tight money situation continued to hamper business operations and the price increases of raw production materials have cut the buying power of the now scarce yen. Prefectural officials stated that there are a total of 486 Kumiais organized under the medium and small enterprisers regulations. In order to bolster the weak financial structure of the medium and small enterprisers, the Central Loan Bank has extended short term loans totaling ¥135,135,000 to the small business men of the prefecture. The prefectural government is encouraging small business operators that are non-members of Co-operatives to organize into associations. Also subsidies are granted by the prefecture to Chamber of Commerces for the purpose of establishing information and business guide offices.

5. CHAMBER OF COMMERCE

Officials of the Takasaki and Numata Chamber of Commerces were interviewed on matters pertaining to informational and technical aid to business men. The Officials stated that instructive program on the following subjects had been effected:

1. Utilization of personnel
2. Finance
3. Domestic marketing
4. Proper book keeping

The Chamber of Commerce stated that the greatest number of business men seeking informational aid was on the subject of taxes and that the marketing problem was a close second.

6. ELECTRIC POWER

Former officials of the Prefectural Electric Power Office of MIT&I Bureau stated that under the electric power reorganization law the local power office was dissolved; function had been transferred to Kanto Haiden, effective 15 November 1950. The former employees of the Power office will tentatively be absorbed by the new Public Utilities Commission. Kanto Haiden officials stated that the supplementary power allocation for Gunma Prefecture had not been allocated but expected no changes in the present electric power shortages.

LEONARD IDA
Distribution & Industry Division

DAILY ACTIVITIES REPORT

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ECONOMICS SECTION, KaCAR

DAR #248

8-9 December 1950

1. NATURAL RESOURCES

a. Governor of Tochigi forwarded a petition regarding the lifting of new restrictions on the growing of hemp. Apparently SCAP's Narcotics Division has influenced the Japanese Welfare Section to limit growth of hemp. It may not be grown within 10 miles of an Occupation Force installation, 1 mile on either side of a trunk railway line or 1 mile on either side of a main highway traveled by Occupation Forces. A letter was written and presented to Economics Division CAS/SCAP suggesting that restrictions be lifted in the interest of the economy of Tochigi Prefecture and suggesting that the Occupation Forces worry about use of narcotics by their personnel rather than hurting the agricultural economy to do so (over 70% of Japan's hemp is raised in Kanto Region). Marihuana is derived from hemp (also known as hashish).

b. Agriculture

- (1) Surveillance of Home Demonstration Program effected in Shizuoka Prefecture. See Annex 1a.
- (2) Land Reform activities examined in Gumma Prefecture. See Annex 1b.

2. DISTRIBUTION & INDUSTRY

a. Major Freeman, CAS, approved the emergency use of three transformers of the Shimizu Power Plant, Nippon Hassoden K.K. (37-36), by the Shimizu Sub-station of the Chubu Haiden K.K. (non-reparations). Information received from the Kanto Finance Bureau and passed on to Major Byorum NPR Section, that all excess furnitures at Camp Kurihama, received from Military Arsenal in the Kanto Area, may be returned for storage to the Kurihama Arsenal (19-90).

b. Two representatives from the Joban Coal Fields called on this section and requested assistance in getting stock piles of coal moved. Situation is extremely critical as spontaneous combustion requires fire companies to stand-by 24 hours a day. President of coal association expressed fear that mines could not meet December pay-rolls as payment for coal is only made after delivery. Representative from this section previously called on Mito Division of J.N.R. and was informed Mito was dependent on Tokyo area for more cars. Phone call was made to Major who was informed who to contact in the national agency. Major Freeman stated that latest information shows that slow down is partly due to strike by employees of Nippon Express Company. Present production is 10,500 tons of coal per day while shipments are only 9,000 tons/day. President of Joban Coal Association stated he would keep us advised via phone on situation and freight movements.

c. Following additional plants inspected during the week of 4 - 9 December 1950:

Reparations:

- (1) Fuji Sangyo K.K., Koizumi Plant (10-09)

- (2) Fuji Sangyo K.K., Kiryu Plant (10-10)
- (3) " " " , Nakajima Plant (10-11)
- (4) " " " , Maebashi Plant #2 (10-12 and 10-12A)
- (5) " " " , Ojima Plant (10-14)
- (6) " " " , Donryu Plant (10-16)
- (7) " " " , Ota Plant (10-25)
- (8) Furukawa Chuzo K.K., Omama Plant (10-40)
- (9) Dai Nippon Kikai Kogyo, Aoto Plant (39-06)
- (10) Nippon Kentetsu K.K., Nakagawa Plant (39-37)
- (11) Tokyo Zosen (39-153)
- (12) Ishikawajima Shipyard (39-154)

Industrial:

- | | |
|---|------------------|
| (1) Dai Nippon Kikai Kogyo, Aoto Plant | Tokyo-To |
| (2) Nihon Kentetsu K.K., Nakagawa Plant | " " |
| (3) Fuji Sangyo K.K., Maebashi Plant #2 | Gunma Prefecture |
| (4) " " " , Donryu Plant | " " |
| (5) Furukawa Chuzo K.K., Omama Plant | " " |
| (6) Minakami Mine | " " |
| (7) Koa Mine | " " |
| (8) Kanai Mine | " " |
| (9) Tajima Mine | " " |

Shipbuilding:

- (1) Ishikawajima Shipyard
- (2) Tokyo Zosen

Memo for Record, Field Trip to Kanagawa and Shizuoka: Special Check on Advance Petroleum Allocations; Effect of Curtailment on Fisheries, attached as Annex 2a.

3. LABOR RELATIONS

a. Mr. Tabata, managing director, and Mr. Tanaka, vice-chief of liaison dept., of Nissan Automobile Co., came to report about the situation concerning the labor dispute over the year-end bonus. Negotiations had been held between the union and management for a considerable time, but broke off around the latter part of November 1950. The management finally agreed to grant 450 yen addition to October salary, and ¥850 extra to every month's pay from November 1950 through February 1951, but at the same time management declared to the union that it would not be able to pay any more than ¥3,000 in any form whatsoever, year-end allowance or anything else. To the latter declaration the union did not give a definite answer. On 21 November the union presented a demand for ¥10,000 year-end bonus. The management agreed to pay ¥3,500, but refused to agree to any more because the financial conditions of the company will not allow it. In the several negotiations which followed, the management repeatedly explained that it really was not able to pay any more than ¥3,500, but the union finally said that once the union decided to demand ¥10,000, it could not make peace with management until the latter offers an acceptable compromise. The union has announced its intention to resort to strike tactics until such time as an acceptable settlement is reached. Management states that the union-supplied figures on the number of workers and production of this year in comparison with those of last year, are not indicative of the true averages, but give a misleading impression, as they show only

such figures as will support the union's cause. Management will submit their figures later. On the contrary, management claims that actually the workers' monthly pay is nearly doubled in comparison with last year.

In connection with the above, telephone reports have been received from Shizuoka LPS that this company's Yoshiwara Plant, Yoshiwara City, Shizuoka Prefecture, has had the following strikes: 8 December, two hour strike; 9 December, eight hour strike by the 29 workers of the Transportation Section; and 11 December, 8 hours strike by the same group.

b. Visited by Mr. Totsuji of the Kao Oil and Fat Products Co., Tokyo, relative to the following problem: The rules of employment and the contract, both consummated during the heyday of the union, call for a retirement allowance of ¥40,000 for each year of service. The contract has since expired. After notifying the union of the plan to discharge 36 workers from the head office in Tokyo, 19 from Osaka, and 73 from the Tokyo Plant, the company decided to change the rules of employment so as to reduce the retirement allowance to ¥10,000 per year. The representative reported that personnel retrenchment and reduction of the retirement allowance are the two conditions which must be met before the bank will offer a loan to the near-bankrupt company. In view of the facts as presented, management was advised that it had no other alternative than to carry through its plan. But in all fairness to surplus workers, it should differentiate between personnel retrenchment and the Red Purge programs. Attempt should be made to pay as high a retirement allowance as possible, since its decision to reduce the allowance immediately prior to the retrenchment program was untimely, to say the least. The foregoing should be construed as advice and not as instructions.

c. Chief of Division accompanied Mr. Doherty and Capt. James of CAS to visit TEW BIG-5 Plant, and talked with Lt. Col. Kundel concerning labor-management problems at the plant. Lt. Col. Kundel stated that the situation in general within the plant has been satisfactorily calm during the past few weeks. The discharged Communists, including the union secretary-general Yamazaki, are, however, still continuing agitation by distributing handbills to the workers outside the plant premises. No serious effects as a result of these handbills have been noticed so far. Recently, two of the discharges tried to trespass into the plant to paste posters inside the plant compound. These were identified and arrested by the police. According to a report of an Occupation Force investigator, one worker at the plant is suspected of carrying on Communist propaganda and thus agitating a number of workers.

d. A visit was made to Furukawa Electric Industry Co. for clarification of the company's policy toward conclusion of a trade agreement. (Reference: Memo attached to DAR, 4 Dec. 1950 (Field Trip to Tochigi Prefecture), paragraphs 4 and 5; DAR, 6 December 1950, paragraph c.) Mr. Koizumi, acting president, stated that, so far, the company's policy, one with which the unions are in accord, is to conclude one agreement at the head office level with the federation, to cover general matters such as management and personnel rights, and another agreement at plant level with respective local unions, to cover items such as working conditions and other matters peculiar to that plant. Mr. Koizumi also stated that since the old agreement expired in June 1949, the company has undertaken two personnel retrenchment programs and a change in wage structure, which pigeon-holed contract negotiations for the interim. It was suggested to Mr. Koizumi that top management should clearly define its policy regarding collective bargaining negotiations to its representatives at the local level.

namely plant and branch managers, for it appears that at the local level neither management nor the union knows just what the status is. Since the application of a trade agreement rests entirely with the local plant or branch involved, it would perhaps be the better practice to have the actual conclusion of the collective bargaining agreement at plant or branch level. Mr. Koizumi was informed that this office would gladly assist his firm in any way possible. He stated that in future he will keep this office posted on the progress of their negotiations, which he expects will get under way early in the new year. The firm is presently engaged in the matter of settling the year-end bonus.

e. (9 December) Mr. Ishige, vice-chairman of the Nissan Auto. Workers Union came to report that the union carried out a two-hour strike yesterday between 1400 and 1600 hours. He also stated that the union will begin partial strikes today as management refused its request for a collective bargaining session at 1700 hours yesterday. Mr. Ishige said that he and the union chairman had been called to Mr. Grosiak's office, ESS/Labor, and were informed by him that management representatives had been called to his office yesterday and he advised the union officials to go back and attempt to settle their dispute with the company through peaceful negotiations. Mr. Ishige reiterated that so far as the union is concerned its doors are open at all times for talks with management even while it may be engaged in dispute tactics.

Four management representatives of Nissan came in with statistical reports on the monthly production, man-power used, average monthly wages per workers and wages broken down in itemized classification of 1949 and 1950 figures. On the basis of these figures, the management representatives claimed that the workers have been fairly compensated in proportion to the increased production.

f. Mr. Niki, director of Mitsubishi Warehouse Co., was called to explain management's side on the question of the 68 so-called "temporary" workers they have in their employment. He stated that they were hired on a two-month basis on 1 Oct. 1950 and have been re-hired for another two months from 1 December 1950 to 31 January 1951. They are paid for each day they report in, regardless of whether there is work or not, and are earning an average of about ¥18,000. The company has advised these workers that since its business is subject to considerable fluctuation, management would prefer to pick 10-15 key men out of the 68 and put them on their regular payroll and employ the remainder as day laborers, as required. However, the workers are not in favor of this and have stated that they are satisfied with the present arrangement and are opposed to any change. The company is planning to pay these workers a year-end bonus of ¥10,000. It was suggested to Mr. Niki that if the company was seriously considering the hiring of some of these workers as regular employees, then provisions such as seniority, discharge and retirement allowances, and superannuation should be made in a trade agreement to avoid any disputes over the action to be taken as cases arise.

A separate conference was held with three representatives of the Mitsubishi Warehouse Non-Office Workers Union. The union, as a rule, is dissatisfied with the present status of "temporary" workers and wishes them to be hired as permanent workers for future security. However, company has a ruling that workers over 55 yrs. of age will not be hired. Under the circumstances, since many of the 68 workers are beyond this age-limit, a vote taken on the issue proved 31 in favor of pushing, for

permanent status and 28 balloting for the acceptance of the two months' temporary status. The union, at the end of November, had attempted to negotiate with management to have the workers put on the permanent payroll, but management had refused to bargain and, instead, unilaterally announced that the workers will be re-hired for another two months' period. At the present time, management is requesting the union to submit a written confirmation that the workers have agreed to the employment to 31 January 1951. The same suggestions given to management representative were made also to the union representatives by the labor officer.

g. Mr. Tada, President of Kisha Rolling-Stock Co., Tokyo Plant Workers Union, called at this office to report that his union is now negotiating with the company on the year-end allowance issue. The company carried out a Red Purge program recently, and at the negotiation of the purge it was agreed that the union would request a year-end allowance of more than ¥3,000. The company guaranteed to pay at least ¥2,000. The Federation of Kisha Rolling Stock Co. Workers Union, which is composed of the Tokyo Plant Union and Osaka Plant Union, then requested a year-end allowance, demanding an average of ¥8,300, which is the average wage for the basic work of individual workers. The federation held a negotiation with management on 6 December, but the company refused to pay that figure because of its financial situation and replied to the union that it could manage to pay only ¥2,000, which was already guaranteed. Union President and other representatives reported that management, at the negotiation, presented various figures to verify the financial status of the company; however, it was the feeling of the union that the company could manage to pay more than ¥2,000. It was learned from the union representatives that the production has been substantially increased, namely from ¥42,000,000 (monthly production) to ¥100,000,000 since September, 1950. In 1949 the company employed 1480 workers at the Tokyo Plant, but this year the number was reduced to 1134. Prevailing wage scale of the company was set in January 1948. Since then, no wage increase has been granted, although the union has been obtaining several allowances from time to time. Last year, workers in the Tokyo Plant received ¥1,250 as a year-end allowance, in the Osaka Plant they received ¥2,200. A trade agreement exists, but it has no definite provision concerning wages and allowances. The union plans a second negotiation of the year-end allowance issue on 10 December and hopes for amicable solution. It contends that the company decided the amount of the year-end allowance unilaterally. If the company, however, shows good faith in negotiating the allowance, the union will consider reducing the amount of its demand. Since the company is engaged in PD work, KELR personnel instructed the union that neither strike nor slowdown of production will be conducted, and suggested further negotiation.

h. Attached are two M/R's as annex 3a and 3b, covering:

- (1) Labor surveillance to Nagano Prefecture, 4-5 December 1950.
- (2) LPO In-service training conference in Chiba Prefecture, 8 Dec. 1950.

P. S. KEMSKE

fk

7 December 1950

MEMORANDUM FOR RECORD

SUBJECT: Home Demonstration Program, Shizuoka Prefecture

1. Reference: Operational Directive #12, dated 12 April 1950, subject: "Agriculture".
2. A field trip was made to Haibara-gun, Yoshida-machi Agricultural Co-operative in Shizuoka Prefecture to visit the local Home Advisor, Miss Sugimura. The chief of the agriculture co-operative, a farm advisor, and two members of the Agricultural Improvement committee also attended the conference. The objective of the Home Demonstration Program was outlined to them by the KAGAR representative.
3. A field trip was made to the Shizuoka Prefectural Citrus Experimental Station, Komaga, Shimizu City. Experiments are being made to determine the effectiveness of imported DDT.
4. A field trip was made to Sunto-gun, Shimizu-mura Agricultural Co-operative Association to inspect a cooking school being conducted by the local Home Advisor, Miss Kitamura.

DOROTHY-NELL LATHAM
Natural Resources Division

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7-8 December 1950

MEMORANDUM FOR RECORD

SUBJECT: Land Reform - Gumma Prefecture

1. Reference: OD #12, subject: "Agriculture," dated 12 April 1950.

2. Land reform activities of Gumma were observed on 7 and 8 December. Conferences were held with the prefectural Agricultural Land Section and Land Reclamation Section and visits were made to 3 reclamation sites.

3. Land registrations

195 of the 208 ALC have already completed registration of all land purchased and sold prior to and including July 1950. The remaining 13 ALC, confronted by arable land readjustment problems, will not complete their registration program until 31 December 1950.

4. Land tenure agreements

To date, no problem has arisen in regard to revision of agricultural land rents.

5. Pasture cooperatives

15 pasture cooperatives organized under the agricultural cooperative law are presently in existence. Their reasons for existence are to improve, develop, maintain and protect pasture land sold to them by the prefectural government. Data regarding locations, number of personnel, financial status, and amount of land owned by cooperatives were requested by this division for future reference.

6. Land consolidation and exchange program

A prefectural publicity campaign to arouse the interest of the farmers in the land consolidation program was initiated during the past week. A 4 day tour of the model villages by the prefectural loud speaker installed bus and a sponsoring of a slogan contest were the main sources of publicity.

7. Land reclamation

Visits were made to a former military ground located at Tsutsumigaokamura, Gumma-gun, and reclamation areas at Tenjindaira and Okawara, Fujimimura, Seta-gun. Investigations revealed the former military ground and Tenjindaira sites were excellently reclaimed and proving satisfactory to

Annex 1b, page 1

the reclaimers and increased acreage farmers. Water for irrigation is sorely needed at Tsutsumigaoka while electricity is greatly desired at Tenjindaira. All upland crops were reported to fare well. Farmers have an average of 1 cho. The Okawara project which was purchased in July 1949 is not reclaimed yet due to lack of governmental subsidy. Although it appears to be suitable for reclamation, the writer feels that extreme care should be exercised in reclaiming this area since areas below this site showed evidences of erosion from fast run off of rain.

3. Summary

Land reform activities of Gunma appear to be progressing satisfactorily. Land registrations of agricultural land purchased and sold under the land reform program are almost completed. Land tenure contracts are presently being revised and land consolidation program is being effected by 17 Agricultural Land Commissions.

Land reclamation sites of Tsutsumigaoka and Tenjindaira are excellently managed and in no danger of going out of existence.

JAMES KIMOTO
Natural Resources Division

fk

4 - 7 December 1950

MEMORANDUM FOR RECORD

SUBJECT: Field Trip to Kanagawa and Shizuoka: Special Check on Advance Petroleum Allocations; Effect of Curtailment on Fisheries

Investigation indicates that the "Advance Petroleum Allocations" - forbidden by government in July - are (cautiously) continued by distributors to the extent required by individual fishing operators.

1. Checks were made at the following places:

Misaki Mackerel Fisheries Cooperative Association; Kanagawa Prefecture Bonito and Tuna Fisheries Cooperative Association; Shizuura Daiichi Fishing Cooperative Association; Shimizu Kinchaku-ami Fisheries Cooperative Association; Shimizu Branch of Sales Federation of Shizuoka-ken Fishing Cooperative Association; Shimizu Branch of Idemitsu Oil Distributing Co.; Yaizu Fishing Cooperative Association; Standard Oil Co.'s Retail Store in Shizuoka.

2. Conference was held at Shizuoka EIB on 6 December. The following were represented:

Shimizu Branch of Tokai Maritime Bureau; Material Section of Commerce & Industry Dept; Agricultural & Forestry Material Adjustment Section; Shizuoka Branch of Petroleum Association; Shizuoka Road Transportation Office; Shizuoka-ken Sales Federation of Fisheries Cooperative Association; Shizuoka EIB. It may be assumed that extra P.O.L. continues to be furnished to bus operators. Despite lack of information on part of the Local Land Transportation official, a representative of a local oil distributor stated there was "some advance"; also, non P.O.L. mileage in October had increased only from 646,000 km to 747,000 km, or approximately 10%. The responsible official stated in October that official allocations were only 50% of requirements. The deep-sea co-op in Misaki stated there was only 97 kl of official oil remaining for December operations and consequently over 1,000 kl would have to be obtained from blackmarket or thru "advance" from distributors. The new allocation plan for deep-sea fishing boats in Shizuoka results in 60% official P.O.L. and 40% "advance or blackmarket" P.O.L. per boat per trip. All official oil for fisheries in Shizuoka was exhausted as of 4 December 1950. December operation must be covered by a special allocation, or by "advance" or blackmarket fuel.

J. W. JONES
Distribution & Industry Division

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8 December 1950

MEMORANDUM FOR RECORD

SUBJECT: Labor Surveillance of the Following Government Agencies in Nagano Prefecture on 4, 5 December:

- a. Employment Security Section
- b. Labor Department and three LRC members
- c. Women's and Minors' Bureau
- d. Labor Standards Bureau

1. Employment Security Section

a. Day laborers on work relief projects averaged 18 days of work in October, and probably the same for November. Consequently few, if any, demonstrations stemmed from demands for work. In an effort to avert the possibility of demonstration and disturbances, the prefectural assembly approved a supplemental yen allocation so as to provide every applicant with sufficient employment during December. Moreover, all PESOs will remain open through 30 December instead of closing on 28 December as originally scheduled. Those efforts notwithstanding, several demonstrations by the Prefectural Day Laborers' Union have already taken place and more are anticipated as the new year approaches. This is especially true since government officials, at a prefecture-wide conference, resolutely promised not to pay the union's demand for a ¥5,000 year-end allowance from city funds. 100,000 handbills have been published and distributed by the day laborers in an effort to solicit public support. Opposition from day laborers unions this year cannot be compared with last year inasmuch as eight times as many workers are presently employed. Such workers did not present a problem in this prefecture prior to last spring. The workers have reportedly shifted their tactic of harassing PESO officials, and now concentrate on foremen of the work projects.

b. Newly elected members of the Employment Security Advisory Committee were installed on 15 November. The old committee reportedly performed no great service during its tenure, which fact is ascribed to an inept membership and a lack of problems requiring its attention. The first committee meeting in six months is scheduled for sometime during December.

2. Labor Department and Labor Relations Committee

a. Of the 675 unions throughout the prefecture, 291 have contracts. Labor officials here believe that union and management are equally reluctant to conclude trade agreements. Management members affiliated with the Japan Employers Association (they represent perhaps 40% of the prefecture's business establishments) appear more inclined to conclude trade agreements than men not connected with the association.

b. Officials unanimously agree that the low degree of unionized shops make abrogation of Article 39, LSL, inadvisable at this time (ref par la(3), report on Yamanashi dated 14 Nov).

c. The red purge program, practically completed in the main industries, has resulted in the discharge of 215 workers (includes 108 from Densen). To date, 70 of the workers still refuse to accept their discharge notices. These refusals serve no practical purpose since the workers were removed from the payrolls and are no longer permitted access to their former workshops. None of the purgees has appealed to the LRC. One case is being studied by the local court. Labor officials opined that Mindo Groups, rapidly gaining power since last year, took a huge step forward as a consequence of the ouster of troublesome Communists from the various industries. In the opinion of the LD chief, management inclination to take advantage of the purge to discourage active union participation is somewhat more prevalent than their reported tendency to encourage the rise of Mindo groups.

d. Although having met but five times so far this year, the Labor Education Advisory Committee reportedly submitted many helpful recommendations to the Labor Department. Some of the issues on which they advised are means of making management more receptive to the concept of unionism, ways to increase union organization, and programs for concluding more trade agreements.

e. Officials were informed and manifested interest in the SCAP/LAB inaugurated plan whereby Japanese business men will be sent to the United States, at their own expense, to study labor regulations. (ref par f, DAR 224).

f. Shortly after distribution of the KaGAR pamphlet on Seniority last May, a letter of denunciation was received by the prefectural LD "for advocating the system that protects only old men." The 23 signatories to the letter, many from prefectural branches of national unions, were mostly representatives of youth departments. Labor department officials believe that sentiments thus expressed still prevail to a large degree.

g. One case of possible consequence, involving an unfair labor practice charge, is being investigated by the LRC. The appellants, former union officials at the Omachi Branch of the All Japan Express Company Union, were discharged shortly after their union participated in a three-day strike (8-9-10 July) in violation of the rule of employment and Article 37 of the Labor Relations Adjustment Law. Although 19 were originally discharged, twelve have since been reinstated. The main issues precluding settlement in Nagano are the inability to determine the effective termination date of the 30-day cooling-off period, and whether or not the strike was over the same issues that had been referred to the CLRC for mediation. The disputing parties are reportedly working out a settlement independent of the LRC. If unsuccessful Nagano, and the three other prefectures where the same question exists, will cooperate in an attempt to arrive at a uniform decision.

h. A group known as the Nagano Trade Union United Liaison Council was recently organized. At a meeting attended by 1300 of its members yesterday, they peacefully demonstrated for a year-end allowance and also expressed

opposition to the ordinance banning public meetings without prior prefectural approval. After a few radicals are screened from the membership of this council, the LD chief anticipates that it will become affiliated with Sohyogikai.

3. Women's and Minors' Bureau

a. Past and future activities of the field representative include the national programs of (1) attempting to enhance the position of women in households; (2) in cooperation with PESOs, counseling lower secondary students with reference to career selection; (3) enlightening women and minors regarding labor laws and general activities. Between one-third and one-half of the chief's time is spent in the field, mostly in Nagano City. She had nothing but high praise for the cooperation extended to her by all prefectural labor agencies.

4. Labor Standards Bureau

a. Forty-six violations of nonpayment for overtime were detected during October. Workers of the factories concerned apparently fail to complain and managements somehow forget to include overtime hours in computing wages, are the explanations offered. Although the LSB chief realizes such explanations are shallow, he stated the majority are first offenders and their offences are not of sufficient maliciousness to recommend indictment.

b. Complaints similar to those recently received by the Saitama chief (that managements are being overburdened with LSL requirements of voluminous and inconsequential reports) are not being received here. The chief admitted that such was the case previous to revision of certain provisions of the law last summer.

c. 87% of the Workmen's Accident Insurance premiums have been collected as of 31 October. 43 fraudulent insurance claims totaling ¥89,500 were rejected during the same period. Principal methods of circumventing the law are by reporting false information regarding amount of salary, number of days absent from work, location of accident, etc. Employer cooperation with the LSB could eliminate practically all cases of fraud.

5. Summary

a. Prefectural assembly approved a supplemental yen allocation so as to provide work for all day laborers who applied during December. Officials throughout the prefecture held a conference and agreed that the year-end allowance of ¥5,000 demanded by the day laborers' union would not be paid from government funds. Demonstrations by such groups are anticipated.

b. 215 workers (including the 108 from Densen) have been affected by the nearly completed red purge program.

c. Labor officials opined that some management representatives would be interested in SCAP/Lab's tentative plan to send such groups to the United States to study labor regulations.

d. Practically every case of fraud with regard to Workers' Accident Compensation Insurance could be eliminated if management would cooperate with the Labor Standards Bureau.

CHESTER J. PECK
Labor Relations Division

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8 December 1950

MEMORANDUM FOR RECORD

SUBJECT: LFO In-service Training Conference in Chiba

1. A very successful two day in-service training conference was held by Chiba LPS for LFO personnel in that prefecture. Attendants included the chief, trade union sub-branch chief, and education sub-branch chief from each of the six LFOs, as well as LPS trade union and education sub-section personnel -- a total of 27 attendants.

2. The program was carefully planned by the LPS in close co-operation with the KELR representative. Previous field trips to LFOs in the area showed the need for such a conference.

3. The program ran for a full two days and included the following items:

a. A brief true and false examination was given the attendants prior to the commencement of instruction.

b. Responsibilities, duties, operating procedures for LFO personnel.

c. Announcement of results of pretest and brief discussion.

d. Union constitutions.

e. The trade agreement - Mr. Ishiguro, Ministry of Labor.

f. Trade agreement discussion period.

g. Demonstration of management education procedures by KELR representative. The conference adjourned to another hall where KELR representative put on a model management education conference for members of Chiba Employees' Association. LFO personnel observed. The discussion covered collective bargaining techniques, the trade agreement, wages and allowances, seniority, grievance machinery, disciplinary measures and discharge for cause, and the advisability of replacing the management council with committees with specific limited functions. This was followed by a discussion and question period for the management representatives, with KELR and LPS personnel participating.

h. Panel discussion (for LFO personnel). Panel composed of KELR and LPS personnel.

i. "Role playing" - a device which includes short dramatizations in which members of the group are asked to act out the parts assigned, extemporaneously, in imaginary situations involving advice to an obstinate

Annex 3b, page 1

employer, discussing need for certain trade agreement clauses with a union leader, etc, followed by criticism, discussion and suggestions from the group as to arguments used, points made, etc. This device served to enliven a late afternoon session and stimulated heated discussion.

j. A final examination on material covered in the course.

4. Chiba LPS is preparing extra copies of material used, and it is hoped that similar training courses may be given in other prefectures.

5. Summary: A very successful in-service training conference was held by Chiba LPS for LFO personnel in that prefecture, with the assistance and guidance of the KELR representative. Material is being prepared so that similar courses may be instituted in other prefectures.

V. BROWN
Labor Relations Division

DAILY ACTIVITIES REPORT
ECONOMICS SECTION, K&CAR

ak

6 December 1950

DAR #248

1. NATURAL RESOURCES

- a. Tokyo-To Liaison Section requested that a representative of this section address the Kitatama-gun mayors convention to be held at Fuchu on 7 December 1950. Agreed to do so.
- b. Forestry - Forestry activities were examined in Guama Ken, See Annex 1a, and Tokyo-To, See Annex 1b.
- c. Fisheries - Conferred with fishery officials in Chiba Ken and examined a fishery co-operative. See Annex 1c.

2. DISTRIBUTION & INDUSTRY

- a. Following reparations plant inspected this date:
- (1) Kayaba Sangyo, Tokyo Plant (39-20)
- b. Attached as Annex 2a is report of Distribution and Industry Surveillance effected in Chiba Prefecture, 27 November - 1 December 1950.

3. LABOR RELATIONS

a. Mr. Ishige, vice-chairman of the Nissan Auto. Workers Union came to report that they are deadlocked with management over the matter of the year-end bonus. The union is asking for ¥10,000, whereas the company is offering ¥3,000. Four collective bargaining sessions have been held over this issue since 21 November, and the union decided at a general meeting on 5 December to engage in forceful tactics as a final resort if management fails to change its attitude. Mr. Ishige stated that if management is able to satisfy the union of its inability to meet the union's demand and also give some assurance as to future compensation, then he believes that the union would be willing to compromise. He also pointed out that Nissan's sub-contractors are paying year-end bonuses ranging from ¥10,000 to ¥30,000. He further stated that the company is producing from 950 to 1,000 vehicles per month with 6,500 workers this year as compared to 400 to 500 units by 6,500 workers last year. The year-end bonus last year was 1,500. The union has asked management for a final bargaining session to be held on 7 December, but the company has not given its reply with regard to the meeting. Mr. Ishige was requested to notify this office in the event management refuses to meet with the union on 7 December and also to inform this office of the results of the meeting should it take place. He was warned against engaging in any dispute tactics which might interfere with production for the war effort.

b. Mr. Kitajima and Mr. Kanedo, union representatives of Mitsui Chemical Industry Co., came to report that management accepted CLRC's mediation plan on 5 Dec., settling the dispute which was previously reported to this office.

c. Mr. Miho, Mr. Nakao, and Mr. Nakayama of the Federation of the Furukawa Electric Industry Workers' Unions came to report that negotiations with the company on the matter of the year-end bonus were stalemated. The federation is asking for ¥10,200 and the company is offering ¥6,000. They have negotiated four times since 16 November, and management has told the federation that it will give a detailed explanation of its inability to meet the workers' demand at a collective bargaining session to be held on 8 December. The representatives stated that other companies such as Showa Electric Wire and Sumitomo Electric Wire, which management claims are worse off financially than Furukawa, are paying year-end bonuses of ¥10,000 and ¥14,000, respectively. In answer to a question, they stated that management had promised the federation that it would submit its plans for a trade agreement by 20 November but so far has failed to do so. Consequently, the federation is somewhat suspicious of management's willingness to negotiate in good faith over the issues of the year-end bonus and the trade agreement. The federation was asked to inform this office of the outcome of the meeting to be held on 8 December. It was also cautioned against any work stoppages that might hinder war production.

d. Union representatives of Ikegai Auto Workers' Union came to discuss their dispute with management over the year-end bonus. They were advised to confer with the division chief when he visits the plant on 11 December, but due to the urgency of the matter they requested an earlier meeting; so arrangements were made to meet with them on 7 December at this office.

e. Mr. Hayama, Chigasaki Plant Chief of Toyo Carbon Co., came to this office and reported as follows: The discharge problem starting in August of this year was finally settled 29 November with the voluntary resignation of the discharges; the trouble arising from this issue was settled at the same time. In addition, two other CP's were discharged during the struggle period. This issue was settled amicably since the two submitted their written resignations.

f. Reference: DAR #238, 24-25 November: Three representatives of the SPFLU Fed., Kanagawa Chapter, came upon our request, and additional information was obtained regarding the complaints that were presented at the previous conference.

g. As one of a series of lectures being given by personnel of this headquarters, the labor officer presented a talk on the Japanese trade union movement to students of the St. Joseph College, Yokohama.

P. S. KEMSKE

fk

28 November 1950

MEMORANDUM FOR RECORD

SUBJECT: Forestry, Gumma Prefecture

1. Reference: Operational Directive #14, dated 12 April 1950, subject: "Forest Conservation".

2. On 20 November 1950, a conference was held with Mr. Shimizu, the new chief of the Gumma prefectural forestry section, and his staff. On 21 November 1950 bark beetle infestation at Ota City and the prefectural nursery at Nisato were inspected.

3. Forestry Extension:

a. Eight men, including a division chief, constitute the extension specialist staff. There are specialists in management, erosion control, reforestation, protection and utilization (3). Two utilization men and the management man failed the examination while the chief did not take it. All devote about 70% of their time to extension. In addition to their extension work the management specialist is management plan section chief; the erosion control specialist is in the erosion control section; the reforestation specialist is chief of the reforestation section; the protection specialist is in the reforestation section; and one utilization man is a member of the products section. The remaining two utilization positions are filled by a former charcoal official and a former Gun official.

b. Fourteen village agents have been located in 12 Gun since July 1950. Three are former Gun officials, eight came from forest owner's associations, two are forestry graduates, and one man a farmer. The chief obstacle is the lack of travel expenses for agents and specialists.

4. Management Guidance:

a. There are 45 management units - 7 A class, 27 B class and 11 C class. Thirty five men passed the examination, 27 men are authorized, and 26 are being processed for work. Eight took the class A examination, five passed, three are authorized for the prefectural office, two are on the job, and one additional man is being processed. All guidance officials will be on the job by 1 December 1950.

5. Reforestation:

a. The 1949 plan (2nd year of a 10 year plan) and accomplishments are as follows:

	<u>Plan</u>	<u>Completed</u>	<u>% completed</u>
Artificial planting	2090	1874	90
Aid to natural	No plan	600	Not applicable

b. The new 1950-54 five year plan is as follows:

	<u>Area in Need</u>	<u>1950</u>	<u>1951</u>	<u>1952</u>	<u>1953</u>	<u>1954</u>	<u>Total</u>
Artificial planting	10,000	7,500*	7,500*	7,500*	7,500*	7,500*	37,500
Aid to natural	0	500	500	500	500	500	2,500
	<u>10,000</u>	<u>8,000</u>	<u>8,000</u>	<u>8,000</u>	<u>8,000</u>	<u>8,000</u>	<u>40,000</u>

This plan, which is adequate, anticipates an annual cut area of 2,000 cho all of which will require reforestation and an annual cut of 10,000 cho of coppice of which 3,000 cho will be converted to timber stands each year.

c. The progress during 1950 is as follows:

	<u>Original Plan</u>	<u>Revised Plan</u>	<u>Completed</u>	<u>% completed</u>
Artificial	7,500*	4,500	4,700	104.4
Aid to natural	500	200	200	100.0
	<u>8,000</u>	<u>4,700</u>	<u>4,900</u>	<u>104.3</u>

d. The watershed program is as follows:

<u>Area in Need</u>	<u>1950</u>	<u>1951</u>	<u>1952</u>	<u>1953</u>	<u>1954</u>	<u>Total</u>
11,000	2,500	2,500	2,500	2,500	2,500	10,000

However funds for only 320 cho have been appropriated for 1950. About 90% of this has been reforested to date.

e. The inland windbreak plan is as follows:

<u>Area in Need</u>	<u>1950</u>	<u>1951</u>	<u>1952</u>	<u>1953</u>	<u>1954</u>	<u>Total</u>
724	80	114	159	182	182	724

The plan is adequate. Funds for the 1950 phase were appropriated all work is completed.

* Includes 3,000 cho of converted coppice each year.

f. The devastated land rehabilitation program is as follows:

<u>Area in Need</u>	<u>1950</u>	<u>1951</u>	<u>1952</u>	<u>1953</u>	<u>1954</u>	<u>Total</u>
8056	216	878	1,229	1,404	1,405	5,132

With 1,000 cho being added each year the plan is inadequate. Money for the 1950 phase was appropriated, and 70% of the work has been accomplished to date.

g. The flood prevention program is as follows:

<u>Area in Need</u>	<u>1950</u>	<u>1951</u>	<u>1952</u>	<u>1953</u>	<u>1954</u>	<u>Total</u>
196	14	32	45	51	52	194

All of the planned work for 1950 has been completed.

h. The 4.5 cho prefectural nursery at Niisato was inspected on 21 November 1950. Recommendations were made to change bed directions as this nursery is subject to serious erosion and flooding. Other suggestions were made to alleviate this problem. The importance of germination testing was illustrated by understocked seedbeds.

6. Pine Bark Beetle Control

Infestation at an Ota City shrine was found to be Matsu-no-kikui-mushi. Site conditions have retrograded because of soil packing, litter collecting, and alteration of ground lines at tree bases. Recommendations were made to forget the insect but to improve the site through better management.

7. Summary:

a. Conferences in Gumma Prefecture revealed that half of the prefectural forestry extension staff failed or did not take the examination for the positions they now occupy. Most of them also fill regular prefectural positions. Insufficient travel expenses hamper the program. All management guidance officials will be on the job by 1 December 1950.

b. Reforestation is progressing satisfactorily, and all programs are adequate except the devastated land rehabilitation program.

c. Recommendations were made to reduce flooding and erosion and to inaugurate germination testing at the Niisato prefectural nursery.

d. One of the "most serious" bark beetle infestations was inspected (Ota city) and found to consist of Matsu-no-kikui-mushi - a secondary insect for which control is impractical. The stand had been made susceptible through improper management.

DONALD H. HAIBACH
Natural Resources Division

kn

29 November 1950

MEMORANDUM FOR RECORD

SUBJECT: Forestry, Tokyo Prefecture

1. Reference: OD #14, dated 12 April 1950, subject: "Forest Conservation".
2. On 24 November 1950, a conference was held with members of the Tokyo prefectural forestry section at KaGAR Hq.
3. Forestry Extension: Seven men took the examination for extension specialist but only the present chief of the extension section qualified. The remainder of the present staff did not take the examination. It is reported that the MAF is allowing them to have two men who have not passed the examination. All village agent positions will be filled in December. Four men are being processed. Two men already on the job did not take the examination. Travel and training expenses present the greatest obstacle to the program.
4. Management Guidance: One of the four guidance officials, who work on the 5 units, has not taken the examination.
5. Reforestation:
 - a. The five year reforestation plan is as follows:

	1949	1950	1951	1952	1953	Total
Artificial planting	1460	1720	1690	1670	1644	8188
Watershed planting *	(8.9)	(160)	(210)	(220)	(210)	(889)

Area in need of reforestation was 3997 cho at the end of 1948 (including 389 cho of watershed forest). With an additional 1,000 cho being added annually the plan appear adequate. In 1949, 1468 cho or all of the planned work was completed. About 1143 cho of the planned 1,720 cho for 1950 has been completed to date (66%). These data are subject to change as the officials were uncertain of them.

(* Included in artificial planting)

 - b. These were considerable confusion surrounding other plans. Their status will be checked on again.
6. Pine Bark Beetle Control:

Appeal was made for control subsidies. Most serious infestation was reported to be on Oshima Island. Arrangements were made to inspect the most

serious infestation on the mainland. Preliminary information indicates that only matsu-no-kikui-mushi is present and therefore control is unwarranted.

7. Summary:

a. On 24 November 1950 a conference was held with forestry officials of Tokyo Prefecture at KaCAR Hq.

b. Several specialist and village agents have not passed the examinations. All agents will be on the job by December. Travel and training expenses present the greatest obstacles to the extension program.

c. One of four management guidance men has not passed the examination.

d. The 5 year reforestation plan appears adequate but some confusion surrounds it and other planting programs necessitating a recheck.

e. Appeal was made for bark beetle control subsidies. Arrangements were made to check "serious" infestations. Preliminary information indicates that subsidy payments and even control efforts are unwarranted.

DONALD J. HAIBACH
Natural Resources Division

ak

5 December 1950

MEMORANDUM FOR RECORD

SUBJECT: Fisheries - Chiba Prefecture

1. Reference: OD #13, subject: "Fisheries," dated 12 April 1950.
2. Conferred with Chiba fishery officials regarding fisheries reform programs, and officials of the Anegasaki FCA regarding co-operative organization and activities.
3. Prefectural officials are out in the field to assist in the fishery association assets transfer program. To date, 79 out of 113 transfers have been made, with four pending. Delays are due to clerical procedures. Of nine river fishery associations (one non-investment), eight have fishery rights. As Fishery Rights Administration Committees were not established, all must submit applications for direct transfer of fishery rights to newly established co-operatives. This program phase is delayed as no applications have been approved. Initial meetings of the Inland-Waters Adjustment and Compensation Committees were held during the month. Ken personnel will act as clerks. Specialists will be appointed if needed. Officials claimed that budget allowances were sufficient to cover cost of travel, correspondence, etc. The committees will, however, need to borrow office space, desks, etc. in order to function.
4. The Anegasaki FCA was found to be one of the worst examples of inadequate leadership and member cooperativeness. The majority of 394 members are part-time fishermen, engaged primarily in agriculture and local commercial enterprises. Only 30 are specialized fishermen. Types of fisheries engaged in by members include, laver, shell, and "utase ami". Although having a managing director, our clerk is the only employee. Capitalization is ¥197,000 at ¥500 per share. Paid in capital is ¥78,800. Expenses of the co-operative average ¥17,500 monthly. Revenues are realized by collection of laver rights fee, shell-beds entrance fee, and association fees. Although the fishery association has one exclusive, five demarcated and two fixed rights, all are located with the zone of the exclusive right. Adjustments in the fishery rights program will benefit members, as the present zone extends inward from the shore extremities, and depriving members of production laver and shell grounds. The cooperative is engaged in no activity benefiting members. Functions that could be realized are; credit and depositing, marketing and transporting fish catch, information program, sale of materials to members, and conservation activities. The cooperative has paid ¥50,000 of the ¥150,000 due as business tax for 1949. Marine products netted last year were; shells 2,000 kan, fish 5,000 kan and laver 750,000 pieces. The fish and laver productions are

Annex 1c, page 1

deemed accurate, whereas the actual shell-fish produced is believed to be at least 5,000 kan. Production of the current year is expected to improve. A five-fold increase in laver is expected. The need for increases in shell products is not followed by seeding of shell spots. Members insert "hagi" (bush clover) into shallow waters as bait to attract squids. Squids coming in to lay eggs on the "hagi" never seem to accomplish this act. Members are 15 powered and 12 non-powered boats. All of the powered boats are used in "utase" fisheries and are insured. Fuel oil shortages are being balanced by illegal purchases.

5. SUMMARY:

a. Delays continue to exist in the fishery association assets and rights transfer program. Ken officials are being dispatched to delinquent zones to assist in clerical requirements.

b. The Anegasaki FCA was found to be a good example of peer leadership and member participation. The cooperative realizes revenues through fishery rights fees. This is usually considered an asset of the fishery association. No activities (service, finance, education, etc.), are engaged in by the cooperative.

DAVE HOSHIMIYA
Natural Resources Division

kn

6 December 1950

MEMORANDUM FOR RECORD

SUBJECT: Distribution & Industry Surveillance, Chiba, 27 November -
1 December 1950

1. Distribution:

a. Staple Food - Indications point to a 24 m/ton decrease of ration rejections by general consumers during November. Of the 2,391 applications for staple food retailers licenses and 192 applications for bread and noodle processors licenses, prefectural government approval was granted to 2,254 retailers and 130 bread and noodle processors. Prefectural officials claim that the present regulation which permits retailers to register with an unlimited number of wholesalers, will create considerable confusion. This has been reported to MAF. The only prefectural Dai-ni Kaisha, Boso Staple Food Transportation Co., is alleged to be taking no part, active or otherwise, in the reorganization of the staple food distribution system.

b. Fertilizer - Prefectural officials report that fertilizer receipts compare unfavorably with receipts during the same period in 1949. Comparative receipts to date are: nitrogenous, 70 percent; phosphatic, 90 percent; potassic, 20 percent. Among contributing factors are the rail transport shortages and reduction of requirements by farmers because of high prices. Concern was expressed for the fulfilling of spring requirements.

c. Charcoal - Present charcoal prices average 300 yen per bale, although prices are expected to advance to 400 yen by the end of December. Prefectural officials attribute this to rolling stock inadequacies.

2. Industry:

Approximately 330 Small and Medium Enterprisers Cooperatives have been established to date, but because of financial difficulties, no credit co-ops have been organized. Enterprisers find little incentive in organizing or joining co-ops since they no longer can enjoy the possible advantages of allocations of materials received through these organizations. Transportation shortages are not considered acute from industries standpoint, except when fish stockpiles at landing ports. The effects of general production increases have been offset somewhat by increasing costs for materials.

3. Enforcement:

Increased transportation controls and coordination with Kanagawa and Ibaraki prefectures has resulted in the seizing of 46 odd tons of staples between 20 October and 21 November. Further cooperation with Kanagawa is

Annex 2a, page 1

expected, since an increase was noted in staple food carrying by fishing vessels. Peanuts are beginning to play an important part in blackmarket activities, as over half of the items impounded consisted of peanuts. Restaurant control activity netted four violators, all of which were referred to the PHC. The EB reports that tobacco control is second in importance to staple food in Chiba.

4. Reparations:

Routine reparations inspections were conducted at the following seven plants: (04)-01, 04, 05, 09, 14, 15, 16. Custody and maintenance were fair except in two plants, 09 and 15. In both instances storage was poor due in part, to badly deteriorated buildings, but mostly the result of carelessness. Machinery in authorized use at 04-15 (Funabashi Kosaku Kikai) was rusty, dirty and being operated with minimum amounts of lubrication. Disorderly buildings and inoperable fire extinguishers combined to make numerous fire hazards. Instructions were issued for immediate cleanups. Hitachi Seisakusho Kashiwa (04-04) reported that no reply has been received on a scrap application submitted to GPC in March 1950. Advised to resubmit.

5. Conclusions:

- a. Ration rejections by general consumers showed indications of a decrease during November.
- b. Fertilizer receipts compare unfavorably with last years'.
- c. Increased transport controls netted 46 tons of staples, half of which consisted in peanuts.

R. A. HASEITANI
Distribution & Industry Division

DAILY ACTIVITIES REPORT
ECONOMICS SECTION, K&CAR

ak

DAR #245

5 December 1950

1. NATURAL RESOURCES

a. Agriculture

- (1) Examined agricultural co-operatives in Yamanashi Ken. See Annex la.
- (2) Land reform matters discussed with Shizuoka Ken officials. See Annex lb.

b. Forestry

- (1) Examined forestry practices in Nagano Ken. See Annex lc.
- (2) Conferred with forestry officials in Ibaraki. See Annex ld.

2. DISTRIBUTION & INDUSTRY

a. Call from Col. Papen, CAS, advising CAR not to send any correspondence over to them for which we can cover by phone call.

b. Routine reparations inspection at plant 39-41 revealed two fire extinguishers were in non-usable condition. Instructions made to repair or replace them immediately.

c. Following reparations plants inspected this date:

- (1) Asahina Tekkosho K.K., Hoya Seisakusho (39-01)
- (2) Mitaka Bussan Co. Ltd., Mitaka Seisakusho (39-23)
- (3) Shinko Kikai Kogyo K.K. (39-41)
- (4) Central Aeronautics Research Inst. (39-57)

3. LABOR RELATIONS

a. Called Major Goodsell, Comptrollers Section, JLC, as to telephone inquiry dated 24 November 1950. Major Goodsell said that there was no incident such as was reported relative to the discharge of a Japanese supervisor at the New Grand Hotel on the basis of a complaint of a general officer. As to the extra rations to indigenous personnel, Major Goodsell stated he would go along with extra rice rations so long as it remained an established policy. Major Goodsell claimed he could find no justification for the union's charge that Capt. Tonderye was interfering with legitimate union activities. Major Goodsell presented several problems which he considered needed clarification. This office was in accord with the need for clarification and a meeting was arranged at this headquarters for Thursday morning. Mr. Doherty of CAS will participate in the conference.

b. Mr. Kaneko, management representative of Ikegai Automobile Mfg. Co. came to submit a report on the reinstatement of five employees who were discharged under the Red Purge on 1 September 1950. The union appealed the cases of eight workers who it claimed were dismissed unfairly and the company upon reviewing their cases decided to reinstate five of them. The original 60 discharges have appealed their cases to the Kanagawa District Court and the reinstated five have withdrawn their appeals because of the above action.

c. Mr. Arai and Mr. Samejima, management representatives of Ikegai Automobile Mfg. Co. came to report that negotiations have become dead-locked over the issue of the year-end bonus. The union is demanding ¥5,400 take home while management is offering ¥1,500. The division chief advised them that he will discuss this matter with both management and union when he visits the plant on 11 December 1950.

e. Mr. Kida, Tokyo Shibaura Electric Co. representative came and submitted a list of names including the union officials of the Toshiba Federation which has a membership of 10,456, and also the names of the officials of the New Federation which has an enrollment of 3,962. The labor officer had requested for the names in order to call them in for a conference.

P. S. KEMSKE

kn

27 November 1950

MEMORANDUM FOR RECORD

SUBJECT: Agricultural Cooperatives, Yamanashi-Ken

1. Reference: OD #12, dated 12 April 1950, subject: "Agriculture."
2. On 20 November 1950 conferred in Kofu with Mr. Hosaka, chief of the Agricultural Cooperative Section of Yamanashi-Ken. He gave a detailed report on the Agricultural Cooperatives in the Ken illustrated with wall charts. He had also prepared as requested, a map and list of the cooperatives in the Ken roughly classified as good, medium, or poor.
3. The Ken-Cho now has four employees engaged in auditing. Only two or three gun employees are qualified to audit cooperative accounts. To date 34 cooperatives have been audited. Mr. Hosaka hopes that surplus land reform personnel may be shifted to auditing. Advised him to be sure that auditing is done carefully since cooperative members will rely heavily on the prefecture's audit.
4. On 21 November visited the Minamikoma-gun office and the Mikaga-mura and Mizuho Agricultural Cooperatives. Advised the officials of Minamikoma-gun responsible for cooperative activities to concentrate on cooperative management and education and leave agricultural extension to the prefectural extension agents. The Mikaga-mura Agricultural Cooperative is located in a relatively poor farming area, but the officers are making a genuine effort to improve farming and farm life in the community. Advised them to combine recreation with educational meetings. There are six non-investment cooperatives in the same territory as the Mizuho Agricultural Cooperative. They are primarily interested in production problems. Their sales activities are coordinated with the Mizuho cooperative.
5. Also visited the portion of the Agricultural Fair at the Yamanashi Agricultural Experiment Station. The fair contained numerous excellent exhibits, but the attendance on this first day of the fair did not seem very large. Suggested that the fair be given further publicity.
6. Summary: On 20 November 1950 conferred with officials of Yamanashi-Ken regarding the status and problems of agricultural cooperatives in the Ken. On 21 November visited a gun office, two agricultural cooperatives, and the portion of the agricultural fair at the Yamanashi Agricultural Experiment Station.

HENRY G. WHITE
Natural Resources Division

Annex 1a

fk

1 December 1950

MEMORANDUM FOR RECORD

SUBJECT: Land Reform - Shizuoka Prefecture

1. Reference: Operational Directive #12, subject: "Agriculture", dated 12 April 1950.

2. Conferences were held with members of the prefectural Agricultural Land Department and with chief of Shizuoka's Registration Office on 1 December. Purpose was to encourage the appropriate authorities to a rapid and successful completion of their land reform program.

3. Land registrations

As of 31 October, Shizuoka's land registration picture appeared as follows:

	<u>Purchase</u>	<u>Resale</u>
Agricultural Land	97%	97%
Pasture	90%	84%
Homesite	93%	89%
Reclaimed Land	54%	15%

4. Land tenure agreements

To make the land rents more realistic, the prefectural government is preparing a guide for the farmers. The guide will help to adjust the rents of tangerine orchards and lands which are heavily taxed. By 31 March 1951, Shizuoka hopes to complete the writing up all land tenure agreements in conformance with recent rent-hike.

5. Land reclamation

Unlike the situation at Nagano, Shizuoka's land reclamation projects are not wanting in reclaimers. All prefectural projects are reported to be progressing favorably while MAF's project at Hamamatsu and Mishi Fuji still require additional improvements and assistance. The prefectural government reports that 50% of the land acquired by the government has been resold.

6. Summary

Shizuoka's land reform activities are presently centered on effecting of land tenure agreements and improving of land reclamation projects.

Annex 1b

JAMES KIMOTO
Natural Resources Division

fk

20 November 1950

MEMORANDUM FOR RECORD

SUBJECT: Pine Bark Beetle Situation in Yamanashi and Nagano Prefecture

1. Reference: Operational Directive #14, dated 12 April 1950, subject: "Forest Conservation".
2. During the period 10-14 November 1950, the writer accompanied Mr. R. L. Furniss, SCAP visiting expert on pine bark beetle control, to Yamanashi and Nagano prefectures. The mission was to investigate the pine bark beetle situation and efforts being made at control.
3. On 10 November 1950 a young red pine stand near Funatsu, Yamanashi prefecture was inspected. The entire stand was being damaged by Matsu-no-kikui-mushi (*Myelophilus piniperda*). A quarter acre plot had been fallen and the stumps covered with earth. The trees had been cut sometime ago but the earthcovering had been made recently. Evidently this had been done for the benefit of the inspecting party.
4. A similar infestation was inspected at Kawaguchi on 11 November 1950. Officials stated that trap trees had been used with "satisfactory results". However no data were assembled nor was a definition of "satisfactory" given. The stand had considerable infestation in the upper branches but no trees had been killed. Nearby stands which did not receive the "benefits" of trap trees were equally infested. Officials stated that damage had decreased when a nearby sawmill had been persuaded to peel logs in its yard.
5. Matsu-no-kikui-mushi feeds in stem tips, thus deforming trees and giving them a rugged appearance. However it is a secondary insect (does not kill trees as does a primary insect). When it emerges from the twigs it seldom attacks the trunk of even weakened standing trees but invades windblown timber and unpeeled logs left in the forest. As this insect appears in practically all pine in Japan, its control is impractical. At least it is impractical to cut all the pine in Japan which is trying to be saved or protected from infestation. As it is not a killer effort should not be wasted on its control. Failure to remove unpeeled logs from the forest has contributed more to the spread of this insect than any other thing with the possible exception of deteriorated site conditions brought about by mismanagement. Thus, if this insect is to be reduced to normal numbers, improved site conditions must be developed through proper management. If logs must be left in the forest for any length of time they should be peeled.

6. Yamanashi foresters reported that control had been necessary since 1946 because logs and stumps had ceased to be peeled during the war. Subsequent to 1946, inspectors refused to inspect unpeeled logs. Now with inspection abolished, only logs being exported to other prefectures are being inspected. Mr. Furniss felt that stumps should be peeled only in areas heavily infested with primary insects and that trap trees should not be used until of proven value. His views on trap trees, contained in a special memorandum on the subject, made during his 1949-50 inspection in Japan, will be made available to prefectural foresters. He was still doubtful of the value of peeling logs because of limited results and the expense to owners. He was definite on the point that unpeeled logs should not be left in the woods for any length of time.

7. On 12 November 1950 the vicinity of Fujima, Nagano Prefecture was inspected. A small farm windbreak, on a poor site, contained the only infestation (Matsu-no-kikui-mushi). It was agreed that this was a local problem. The national forest log yard at Fujima contained some logs that showed signs of primary insects. An effort will be made to check their source. Nagano has prohibited the moving of unpeeled pine logs except (1) at mills which are adjacent to infested woods and (2) when adjacent prefectures needs logs immediately and issue certificates accepting them unpeeled.

8. On 13 November 1950 the vicinity of Ina-machi and Minami-inowazura was inspected. This area contains part of the 17,000 koku that Nagano Prefecture has ordered out under the recently enacted Insect Control Law. A young patch of pine had been clearcut for control purposes near Ina-machi. However the insect for which the control operation was made, still infested adjacent stands. A shrine forest, reported to have 500 infested trees for which cutting orders had been issued, was viewed. Soil packing and litter removal had served to make poor growing conditions and unhealthy trees. Many trees were passing into the overmature class and becoming beetle targets. A few had died or were dying. Although containing a primary insect - Matsu-no-kiboshi-zomushi (Pissodes nitidus) - they would have soon died anyway. Matsu-no-kikui-mushi were also present. The shrine was taking appropriate action by cutting the trees as they died. The importance of such action at the time the broods were in the bark was stressed. However mortality was too low to consider the infestation more than an owner's problem.

9. It was reported significantly by Nagano prefectural foresters that 20 years ago an outbreak of Matsu-no-kikui-mushi had occurred in northern Nagano. No control operations were made but all trees recovered. An outbreak that soon dies down is normal and can be expected in every life cycle of a forest. It is also normal to experience a small amount of infestation and kill from even primary insects throughout the life history of a forest.

10. Summary:

a. During the period 10-14 November 1950, the writer accompanied Mr. R. L. Furniss, SCAP visiting expert on pine bark beetle control, to Yamanashi and Nagano prefectures to investigate the beetle situation and control efforts.

b. No evidence was found to warrant any prefectural or national bank beetle control activity in either prefecture. Practically all infestation is by Matsu-no-kikui-mushi, a secondary insect which does not kill. Improving forest management so as to develop healthier trees and refraining from leaving unpeeled logs in the woods for any length of time offer the best possibilities of reducing insect numbers. Owner responsibility for woods sanitation is the primary idea to be expressed in these areas.

c. The source of logs in the national forest log yard at Fujima, Nagano Prefecture is being checked as some primary insects were discovered therein.

DONALD J. HAIRACH
Natural Resources Division

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27 November 1950

MEMORANDUM FOR RECORD

SUBJECT: Forestry, Ibaraki Prefecture

1. Reference: OD #14, dated 13 April 1950, subject: "Forest Conservation."

2. On 16 November 1950 a conference was held with foresters of the Ibaraki Prefecture Forestry Section. On 17 November 1950, the Daido-mura school forest and the Koibuchi prefectural nursery were inspected. On 18 November 1950, the Kasama National Forest Nursery was inspected, and the Ibaraki Forest Rehabilitation Conference was addressed.

3. Forestry Extension:

a. Five (5) men, including a section chief are authorized as prefectural forestry specialists. This includes specialists in reforestation, management and two (2) in utilization. Only the first two passed the examination. The utilization positions are being filled by the chief of the utilization division and the chief of the management plan division. Before the village agents became established in July the specialists devoted 80-90% of their time to extension affairs and the balance to prefectural affairs. Now it is about 50-50%.

b. The 22 village agents are former ken(3), gun(18), and agriculture (1) officials. Seven gun have two agents each and eight have one each. Nearly all were doing the same work in the gun. Obstacles are presented by lack of travel expenses and lack of knowledge. The latter is being overcome by two days of schooling per month.

4. Management Guidance:

a. These are 39 management units authorized including five class A units. Eighteen officials will cover 24-25 units.

5. Reforestation:

a. Three cho of the 14 cho Daido-mura school forest were inspected on 17 November 1950. The remaining 11 cho had been recently donated by the owners to the school, and were located of some distance from the school. The three cho has been leased from the national forest for 90 years. It had been planted last spring and had less than 2% mortality all of which already have been replaced. The three cho were well cared for. The KaCAR representative addressed the 600 students of

the school on a forestry theme. This school forest, the best in the prefecture, was awarded 4th place in a national contest for school forests sponsored by a prominent Tokyo newspaper.

b. The 14 cho Koibuchi prefectural nursery was inspected on 17 Nov 1950. In general, it was well laid out. Germination tests had not been conducted so that sugi seedbeds were overdense (although the officials stated they were trying the private nursery practice of 2,000 per tsubo) and hinoki seedbeds were understocked. Attempts to control white grubs by bacteria had also been undertaken with no results. Tests with 2-4 D on pine transplants had proven it unsatisfactory.

c. At the Kasama National Forest Nursery, a watering system was being installed based on previous recommendations. Germination tests had not been conducted so that seedbeds were below optimum density. Wide spacing in rows still prevailed.

6. Forest Rehabilitation Conference:

a. About 2,000 people attended the Ibaraki Prefecture Forest Rehabilitation Conference at Kasama on 18 Nov 1950. The governor presented certificates to schools and individuals for forestry activities conducted during the past year. The KaCAR representative delivered an address which was well received.

7. Summary:

a. From 16-18 Nov. the KaCAR representative inspected the Koibuchi prefectural and Kasama National Forest nurseries and the Daido-mura school forest. He discussed the forestry extension and management guidance programs and addressed the Ibaraki Prefecture Forest Rehabilitation Conference attended by 2,000 people. Nurseries were in fair to good condition having followed some recommendations and ignoring others. The school forest was well cared for. Prefectural officials are filling extension specialist positions usually without taking examinations. They presently divide their time equally between extension and regular prefectural work.

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