

GHQ/SCAP Records (RG 331, National Archives and Records Service)

Description of contents

- (1) Box no. 3009
- (2) Folder title/number: (4)
Industrial Sections of Japanese Government

(3) Date: Aug. 1950 - Jan. 1951

(4) Subject:

Classification	Type of record
9620	e

- (5) Item description and comment:
 - i) Chugoku
 - ii) Includes Contents List

(6) Reproduction: Yes No

(7) Film no. _____ Sheet no. _____

(Compiled by National Diet Library)

DATE	SUBJECT	ISSUING HEADQUARTERS & INDORSEMENTS
22 Aug. 50	A Conference with Shimane Prefectural Civil Engineering Officials.	CCAR
23 Aug. 50	A Conference with Tottori Prefectural and City Civil Engineering Officials.	CCAR
3 Oct. 50	A Conference with Hiroshima Prefectural Industry and Reparations Officials for Industry and Reparations Officials for Industrial promotion.	CCAR
4 Oct. 50	A Conference with Regional Construction Bureau Officials for Stimulation of Activity.	CCAR
4 Oct. 50	A Conference with Hiroshima Prefectural Construction Officials for Stimulation of Activity.	CCAR
3 Oct. 50	A Conference with HITI Reparations and Electric Power Officials for Stimulation of Activities.	CCAR
29 Sep. 50	A Conference with Okayama Prefectural Commerce and Industry officials for industrial promotion	CCAR
30 Sep. 50	A Conference with Tottori Prefectural Commerce and Industry officials for Industrial Promotion	CCAR
2 Oct. 50	A Conference with Shimane Prefectural Commerce and Industry Officials for Industrial Promotion	CCAR
2 Oct. 50	A Conference with Yamaguchi Prefectural Commerce and Industry Officials for Industrial Promotion.	CCAR
29 Dec. 50	Conference on Training- Within-Industry	SCAP/ESS/ID
10 Jan. 50	Conference on Training - Within-Industry	SCAP/ESS/ID

C O P Y

Economic and Scientific Section
Labor Division

10 January 1951

MEMO FOR RECORD:

SUBJECT: Conference on Training within Industry

1. The second conference of the coordinating group for training within Industry was held on 8 January in Room 508 Forestry Building.

2. The following persons attended the conference:

- Mr. T.O. Kennedy, Director of Production and Utilities, ESS
- Mr. R.T. Amis, Director of Labor, ESS
- Mr. E.C. McVoy, Labor Division, ESS
- Mr. H.G. Ihrig, Labor Division, ESS
- Mr. B.C. Dees, Scientific and Technical Division, ESS
- Mr. J.B. Cash, Utilities and Fuels Division, ESS
- Mr. D.J. Carroll, Utilities and Fuels Division, ESS
- Mr. John Standish, Industry Division, ESS
- Mr. J.L. Vandegrift, Education Division, CIE
- Mr. B.S. Dekle, Information Division, CIE
- Mr. E.E. Braden, Land Transportation Division, CTS
- Mr. T.K. Tindale, Civil Service Division, GS
- Mr. D.E. Lee, Mining and Geology Division, NRS

3. Mr. Raymond B. Richardson of Training Within Industry, Inc., Cleveland, Ohio, was introduced to the group and a copy of his press statement distributed. Mr. Richardson then spent considerable time describing the background of his organization and the approach to be used in training Japanese TWI leaders.

4. The basic plan was described as follows: A training institute will be conducted in each of the three basic phases of TWI: Job Instruction, Job Methods and Job Relations training. Twenty Japanese will be selected for each of the three institutes. The JIT institute will begin on 22 January and will be conducted in two groups of ten, for a period of approximately two weeks, at the Army Education Center in Tokyo. At the end of this time, ten of the original twenty will be selected for a master institute of approximately two weeks more. The master institute will include training on presentation of TWI to management and on followup within plants.

FILED
INDUSTRY
1-24-51

5. The JMT institute will be conducted in the same pattern as JIT beginning about two weeks later. JRT, also in the same pattern, will start two weeks after the beginning of JMT. The timing of the program will overlap to some extent.

6. The question was raised by several of the group regarding possible "loss of face" to those not selected for the master institutes. Several solutions were proposed, including giving the master institute to everybody, placing those not selected for the JIT master institute in the JMT course, etc. It was agreed that some means of avoiding embarrassment to those not chosen for the master institutes should be worked out.

7. There was considerable discussion around the question of how the work of the people to be trained by Training Within Industry, Inc. would be spread to others in Japan. Mr. Richardson stated that it was his belief that training specialists should confine themselves to one of the three programs, at least at the top levels. At the company or plant level it would be possible to have one trainer handle all three phases of TWI, but there should be a gap of two to four months in the introduction of each of the three phases at the plant level. It is contemplated that one method of spreading TWI would be through industry associations. They will be asked to sponsor TWI development within their various industries. The group of training specialists to be developed by Training Within Industry, Inc. will spend most of their time conducting institutes to train other trainers who in turn will go into plants and train supervisors and foremen. The Labor Ministry will maintain a staff of training specialists who will continue to spread TWI in industries not already covered through the associations, particularly smaller establishments.

8. Mr. McVoy announced that a meeting would be held on 9 January at the Industrial Club in Tokyo, sponsored by the Labor Ministry and the Japan Federation of Employers Associations. GHQ, SCAP representatives were invited to attend this meeting. Following is a list of industry associations and individuals as well as government agencies to be represented at the conference:

Industry

<u>ORGANIZATION</u>	<u>NAME OF REPRESENTATIVE</u>
Nikkeiren (Japan Federation of Employers Associations)	Shikanai, Maeda, Nakajima
Japan Rolling-stock Mfg. Assn.	Kurata
Japan Steel Industry Assn.	Miki (President)

Shipbuilding Industry Assn.	Rinoie
Japan Synthetic Fibres Mfg. Assn.	Tashiro(Vice-president)
Japan Cotton Spinning Industry Assn.	Abe
Japan Coal Mining Industry Assn.	Hayakawa
Japan Mining Industry Assn.	Okabe(President)
Japan Chemical Industry Assn.	Isomura
Automobile Industry Assn.	Minoura(President of Nissan)
Heavy Electric Machinery Assn.	Wada
Electricity Industry Assn.	Kosaka
Japan Silk Reeling Industry Assn.	Nakazawa(President)
Communication Industry Assn. (Machinery)	Norita Kato(Director of Mitsubishi Electric Machinery Co.)

[Government]

Director of Efficiency Bureau, National Personnel Authority
 Director of Postal Affairs Bureau, Postal Service Ministry
 Director of Savings Bureau, Postal Service Ministry
 Director of Personnel Affairs Bureau, National Railway
 Representative of Telecommunications Ministry
 Director of Enterprise Bureau, Ministry of International Trade and Industry
 Director of Employment Security Bureau, Labor Ministry

9. It was suggested by Dr. Dees that the Federation of Economic Organizations also be brought into the promotion of TWI.

10. It was announced further, that meetings of employers and labor representatives at which Training Within Industry,

Inc. officials will speak are scheduled as follows:

Osaka	11 January
Fukuoka	12 January
Tokyo	17 January
Nagoya	20 January

11. ESS representatives stated that it was desired that the group present continue to act in an advisory capacity and that future meetings would be scheduled at appropriate times. The next one probably would be shortly after the arrival of the three other Training Within Industry, Inc. men on about 15 January.

E. C. McVOY
ESS/LAS

C O P Y

C O P Y

Economics and Scientific Section
Labor Division

29 December 1950

MEMORANDUM

SUBJECT: Conference on Training-within-Industry

1. A conference was held on 28 December in Room 508, Forestry Building, for the purpose of coordinating the work of Training-within-Industry experts coming to Japan from the United States.

2. The following persons attended the conference:

- Mr. T. C. Kennedy, Director of Production and Utilities, ESS
- Mr. John Standish, Industry, ESS
- Dr. B.C. Dees, Scientific and Technical, ESS
- Capt. W. F. Ganeau, Administration, ESS
- Mr. H. G. Ihrig, Labor, ESS
- Mr. E. C. McVey, Labor, ESS
- Col. S. W. Thompson, Labor, ESS
- Mr. A. H. Solomon, Mining and Geology Division, ESS
- Mr. C. Roy, Land Transportation Division, CTS
- Mr. J. L. Vandegrift, Adult Education, CIE
- Mr. J. B. Shively, Civil Service Division, GS

3. ESS representatives described the contract entered into by the Department of the Army and Training Within Industry, Inc. of Cleveland, Ohio to provide assistance to GHQ, SCAP and the Japanese Government in the development of Training-within-Industry programs in Japan. This contract was signed on 1 December and the group of four experts is scheduled to arrive in Japan in January. One of the four is scheduled to depart from Travis Air Force Base on 28 December and the others on 11 January. The advance man is Mr. Raymond B. Richardson. The others include Mr. Lowell O. Mellen, President of Training Within Industry, Inc. and Messrs. Edward E. Scott and Dale R. Cannon.

4. It was stated that the purpose of the conference was to inform the representatives present of the current status with respect to Training-within-Industry, to get their advice as to the approach and the industry groups to be included in the program of the visiting experts, and to solicit the assistance of various interested GHQ, SCAP Sections in promoting the development of Training-within-Industry within Japanese Industries and government agencies concerned.

5. It was noted that the contract provided for certain specific procedures to be carried out by Training Within Industry, Inc. group. The basic program is to prepare Japanese Training-within-Industry Institute

1-49
64
ING

conductors who will be qualified instructors in all basic Training-within-Industry programs, including Job Instruction Training, Job Methods Training, Job Relations Training, and certain other phases. The contract calls for the training of two to four English speaking Japanese from various industry classifications to attend institutes where they will be:

- a. Prepared as trainers
- b. Given experience in the conducting of practice sessions
- c. Quality-checked and coached individually.

A statement is contained in the contract that "The programs may be modified, amended or otherwise changed to afford the services in the best interest of the Government and as mutually agreed between the parties hereto."

6. The next question discussed was the industry and government classifications to be included in the program of Training Within Industry, Inc. Copies of a statement prepared by the Japanese Labor Ministry entitled "The Enforcement Plan of the Instructional Program of the American Training Within Industry Instructor-Specialists in Japan" were distributed to those present. This paper listed twenty trainees to come from private industry and twenty-six from Government, distributed as follows:

a. Industry

<u>Classification</u>	<u>No. of Trainees</u>
Mining	2
Metals	2
Vehicles	2
Shipbuilding	2
Machinery and Tools	2
Spinning	2
Chemicals	3
Artificial fibre	2
Others	3

b. Government

<u>Classification</u>	<u>No. of Trainees</u>
National Personnel Authority	1
Ministry of Education	1
Ministry of Postal Service	2
National Railways	3
Monopoly Corporation	3
Ministry of Labor	16

7. The tentative proposal of service on the part of Training Within Industry, Inc. had listed the same group of industries with the exception of vehicles and had included, in addition, electric light and power. No government groups were included. It was pointed out that the final decision on the list of industries and agencies to be covered would be made after consultation with the Training Within Industry Inc. representative on his arrival in Japan. It is felt that the interests of the Japanese Government and industry and the advice of GHQ, SCAP Sections should be given considerable weight in the determination of groups to be included. It was noted that the omission of electric Power on the part of the Labor Ministry was an oversight and that the Ministry intends to cover that group. It was also noted that telecommunications is being considered for coverage.

8. Mr. Kennedy and Mr. Dees strongly recommended the participation of the Ministry of International Trade and Industry in the program. It was pointed out by Mr. McVey that there had been some rivalry between MITI and the Labor Ministry with respect to industry training programs. While MITI had participated to some degree in Labor Ministry Training-within-Industry promotion, recently MITI had instituted its own training program based on the FEAF supervisor training manual, about 50 percent of which parallels Training-within-Industry. Under the Employment Security Law the Labor Ministry is authorized to establish and promote industrial training for workers, including supervisors and foremen. The MITI in its management development program is in some measure overlapping the Labor Ministry's operations. It was agreed among those present that it would be highly desirable for MITI to be brought in to the Training-within-Industry program as one of the participating agencies and that a satisfactory division of responsibility between the two Ministries be worked out so that their relations with industry in the training field would be coordinated and would not duplicate each other.

9. Questions were raised as to the channels by which the Training-within-Industry program would be spread between Government and industry. ESS Labor representatives stated that it was their understanding that wherever possible industry associations would be used as a means of promotion within various industry groups. Trainees selected for the Training-within-Industry institutes would be either employees of the associations, or if employed by a particular company, would be available to other companies within the industry as instructors. Each government agency participating would be expected to carry out its own Training-within-Industry program on the basis of one or two experts to be trained by the Training Within Industry, Inc. group. The Labor Ministry instructors would fill in the gaps by training additional instructors and concentrating on industries not covered by their own representatives, in particular smaller enterprises.

Representatives present were requested to get in touch with industry associations, company officials and government agencies with whom

they normally deal, for the purpose of determining their existing knowledge of and interest in the Training-within-Industry program, and to stimulate further interest in and better understanding of the Training-within-Industry objectives. It was noted that there is already a considerable demand in industrial circles for assistance in setting up Training-within-Industry programs, but it is probable that some of the interest is of a superficial nature, and that management might not be prepared to back Training-within-Industry by allocation of personnel and funds and by sufficient follow-through to apply Training-within-Industry methods at the shop level as a permanent feature. The Labor Ministry has tentative plans for meetings of employer groups in Tokyo, Nagoya, Osaka, and Fukuoka around the middle of January. It is hoped that members of the Training Within Industry, Inc. group will be able to participate in these meetings. Those present were asked to encourage Japanese representatives whom they advise to participate in these meetings.

ESS Labor representatives stated that another meeting of the group would be arranged in about a week to ten days, and that Mr. Richardson of Training Within Industry, Inc. would be asked to attend and discuss the program with the group.

EDGAR C. McVOY
ESS/LAB

C O P Y

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

2 October 1950

CCAR 319.1 (D-St)

SUBJECT: Report of Field Trip, Yamaguchi City, Yamaguchi Prefecture,
28 September 1950.

TO : Chief
Economics Section

PREPARED BY: R.G. Stredley, Chief, Distribution & Industry Division.

1. REFERENCE:

O. D. 11.

2. PURPOSE:

A conference with Yamaguchi Prefectural Commerce and Industry officials for industrial promotion.

3. BACKGROUND:

None.

4. DISCUSSION:

a. Effects of the Kezia Typhoon on reparations plants are as follows:

<u>Name</u>	<u>Amount</u>
Tachiarai Plant	¥ 146,000
Teijin Seiki	896,600
Omine Plant, Ube Tekkosho,	
Ube Kosan	18,000
Rikken Kinzoku	16,200
Toyo Soda	900,000
Ube Nishi Power Station	93,000
Onoda Power Station	1,500,000

b. Explosion of Industrial detonators.

Place: Otamachi, Mine-gun.
Date: 25 September 1950, at 1545 hours.
Name: Ogata Teruo, designated dealer.

b7-1

Cause: Still under investigation by police. It is presumed the undermentioned persons stepped on the detonators while sorting them after the detonators became wet due to the Kezia Typhoon and moved from the magazine to their private warehouse.

Damaged: Destruction of 97,000 detonators.

Instantly died, Iwasaki Yukio, age 34
Iwasaki Katsuko, age 18

Seriously wounded, Agata Tazuki, age 30
Harada Fusako, age 62
Nomura Teizo, age 48

Minor injures, Several persons

Houses completely destroyed, 3

Partly destroyed, 5

Minor damage, 130

Major use of the detonators, For coal and limestone mining and construction work.

No appreciable effect was been felt on the industries mentioned above.

Prefectueal Commerce and Industry Department has sounded warring to 18 designated explosive dealers, 1 firework maker, 1 explosive manufacturer in the prefecture to taken further precaution in handling explosives in light of this incident.

c. Production of Soda Ash in August 1950 in the prefecture.

<u>Name</u>	<u>Target</u>	<u>Actual Production</u>	<u>Stock as of 31 Aug.50</u>
Tokuyama Soda	2400 ton	2,575 ton	541 ton
Toyo Soda	1,640	1,704	776
Ube Soda	2,847	3,160	119
<u>Total</u>	<u>6,887 ton</u>	<u>7,439 ton</u>	<u>1,436 ton</u>

Since May 1950, the production has been on the increase due to "special demands" and active rayon industry.

d. Crude Salt.

The crude salt on hand by the caustic soda plants in the prefecture has been on the decrease.

Negotiations are underway with the ministries concerned in order to get more salt either from the monopoly bureau or through importation.

e. Tokuyama Teppan K.K.

The application for the utilization of a portion of the Hikari Arsenal for the establishment of rolling mill is now in the hands of the Hiroshima ITI for further technical studies.

Mr. Fukuda, Chief of Machinery and Metal Section is in charge of the matter.

f. Asa Plant of Nippon Kayaku K.K.

The clarification from GHQ, SCAP regarding the additional production of explosives on P.D. to be deemed as over and above the normal production authorization was conveyed to Mr. Oda, Chief of Commerce and Industry Section, and requested him further to pass the information to Mr. Ueno, manager of the Asa Plant.

5. CONCLUSIONS:

A spot inspection of Tachiarai Plant revealed that the ¥146,000 Typhoon damage claimed by the Prefectural Government is totally unwarranted.

No appreciable damage has been done on the industrial plants in Yamaguchi Prefecture as in the case of the considerable damage done on the prefectural public work.

Further electric power allocation to the fertilizer plants (Toyokoatsu and Ube Chisso) is essential to increase fertilizer production.

6. RECOMMENDATIONS:

It was recommended to the officials that:

- a. Efforts be made in the negotiations with the Central Government for the importation of crude salt at this time when the price of crude salt is comparatively low.

b. Consolidation of reparation machines and eventual release of the building concerned at Tachiarai Plant be a wise move in connection with liquidation.

R. G. Stradley

R. G. STRADLEY
Chief, Distribution and
Industry Division

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

2 October 1950

CCAR 319.1 (D-St)

SUBJECT: Report of Field Trip, Matsue City, Shimane Prefecture,
27 September 1950.

TO : Chief
Economics Section

PREPARED BY: R. G. Stradley, Chief, Distribution & Industry Division

1. REFERENCE:

O.D. 11.

2. PURPOSE:

A conference with Shimane Prefectural Commerce and Industry Officials for industrial promotion.

3. BACKGROUND:

None.

4. DISCUSSION:

a. Some of the industrial programs that were carried out in August 1950 are as follows:

Investigation by 2 teams into the prefectural mineral resources.

Industrial analysis of a ceramic industrial plant.

Liaison conference of 16 Commerce and Industry Consultation Office Chiefs, medium and small enterprisers.

Conference regarding the setting up of a branch office of Commerce and Industry Finance Bank in Matsue City.

b. Mechanization of Ceramic industry and mining of gypsum are under consideration as a result of the abovementioned investigations.

5-6h-1
S-49-S

c. Satozoki K.K.

The plant is 65% in operation now due to the subsidy received from the U.S. Aid Counterpart Fund.

The plant has been granted permission to scrap 25 tons of released steel items. It's requirements are 120 tons of steel materials for the current production.

d. Yasugi Plant of Hitachi.

No appreciable improvement in production was in evidence.

e. Daiwa Boseki K.K., Izumo City, is producing about 3,240 packages of cotton yarn per month.

f. Kanebo Plant appears to be improving its production, but no concrete figures were available.

g. 1949 Shipbuilding in Shimane Prefecture.

<u>Classification</u>	<u>Tonnage</u>	<u>No. of vessels</u>
Steel Vessel	607 ton	2
Wooden Vessel	2,499 ton	642

h. Sanin Mokuzai Bofu K.K. expects to export 40,000 pieces of railway ties by October 1950. The plant is creosorting railway ties and telephone poles for which the plant is receiving orders over and above the "Special Damands".

5. CONCLUSIONS:

None.

6. RECOMMENDATIONS:

It was recommended to the officials that:

a. Sato Zoki Plant look for its steel plate materials in O.M. Boki Plant, Gotsu Arsenal, Sangyo Fukodan Stockpiles.

b. Shimane Kagaku K.K. try to produce good raw materials for fast dyestuffs and contact the Nippon Kagaku K.K. in Fukuyama for marketing its products.

R. G. Spadley
 R. G. SPADLEY
 Chief, Distribution and
 Industry Division

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

30 September 1950

CCAR 319.1 (D-St)

SUBJECT: Report of Field Trip, Tottori City, Tottori Prefecture, 26 September 1950

TO : Chief
Economics Section

PREPARED BY: R. G. Stradley, Chief, Distribution and Industry Division

1. REFERENCE:

O.D. 11

2. PURPOSE:

A conference with Tottori Prefectural Commerce and Industry officials for industrial promotion.

3. BACKGROUND:

None

4. DISCUSSIONS:

a. Tottori Match Manufacturing K.K.

Negotiations are in progress to settle some conflicts among the directors of the new company.

Status of capital investment is as follows:

<u>Name</u>	<u>Amount</u>
Kobe Shizai K.K.	¥2,000,000
Local investors	¥2,000,000

The plant was completely burned down by a fire and the total damage is estimated at ¥6,000,000. The crux of

1-49-5

implications is whether Mr. Yoshitake who was the former president and is supported by the Kobe Shizai K.K. or Mr. Yamaga, Prefectural Assembly-man and chairman of Construction and Labor Committee is to be elected as a new president of the company.

b. Tazawa Sangyo K.K. (Lumber Mill)

The mill was partly burned down by a fire which broke out around 20 August 1950, the damage is estimated at ¥1,000,000. The plant is producing furnitures only and is carrying out reconstruction work.

c. No particular problems with respect to Sendai Seishi K.K. Nippon Soda Plant in Yonago city were in evidence.

d. The total number of the unemployed people in the prefecture is estimated at 3000, of which 1000 people are being daily employed for unemployment relief projects. These casual workers seem to be improving their attitudes as evidenced in the water main project that is in progress in front of the prefectural government.

e. Status of inducement of industrial plants to the prefecture is as follows:

<u>Name of plant</u>	<u>Projected site</u>	<u>Chief products</u>
Shikishima Boseki (Cotton spinning)	Kurayoshi	Cotton yarn
Nippon Pulp K.K. (Rayon)	Agei	Agricultural land near the Tenjin River
Kokusaku Pulp K.K.	Yonago	Requirement, 100,000 tsubo

f. Several unsettled reparations questions in regard to Sain Kogyo, Shinko Kogyo (Agei and Kurayoshi) plants, monthly reports on custodial expenses were discussed with Prefectural Reparations officials for clarification.

5. CONCLUSIONS:

None

6. RECOMMENDATIONS:

It was recommended to the officials that continued efforts be made to help the medium and small enterprisers

out of their of poor management and production bottlenecks.

R. G. Stradley
R. G. STRADLEY
Chief, Distribution and
Industry Division

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

29 September 1950

CCAR 319.1 (D-St)

SUBJECT: Report of Field Trip, Okayama City, Okayama Prefecture,
25 September 1950.

TO : Chief
Economics Section

PREPARED BY: R. G. Stradley, Distribution & Industry Division.

1. REFERENCE:

O.D. 11.

2. PURPOSE:

A conference with Okayama Prefectural Commerce and Industry of-
ficials for industrial promotion.

3. BACKGROUND:

None.

4. DISCUSSION:

a. Negotiations are underway to induce the following plants to
establish their plants in Okayama Prefecture:

<u>Name of Plant</u>	<u>Projected Plant Site</u>	<u>Chief Products</u>
Dainippon Boseki K.K.	Fukushima, Okayama City Takewa-mura, Tsukubo-gun	Cotton Yarn
Kokusaku Pulp K.K.	Mizushima, Tsurajima, Asaguchi-gun	Pulp
Tomakomai Paper Manufacturing K.K.	Not decided	Paper
Asahi Denka K.K.	Tsurajima	Artificial butter, Caustic soda, Soap
Toho Rayon K.K.	Fukushima	Rayon Yarn

65-1
1-49

b. Development of electric power.

The Asahi River hydroelectric power generation station, if completed, can generate 2000 KW. Prefectural Government wishes to receive a substantial amount of subsidy from the U.S. Aid Counterpart Fund after the controversial reorganization of Nippatsu into 9 - bloc has been settled.

Nippatsu and Hiroshima Bureau of MITI are exploring the possibility of constructing the Ibara hydroelectric power generation station which will be capable of generating 40,000 KW.

c. The paper yarn plants in Tsuyama City, with a total of 40,000 spindles and 300 looms, are losing money and are scheduled to be changed into cotton spinning and weaving plants in the near future. The textile to be produced will be specially colored, thick textile earmarked for exports to the Southern Pacific area.

Prefectural sewing plants for cotton fatigue clothing and NPR uniforms are 15% in operation and weaving plants are 80% in production.

d. In order to help the small and medium enterprisers in the rationalization of production Industrial Efficiency Association has been established comprising the Prefectural Commerce and Industrial officials as the central figures.

Noted technicians are frequently invited to come to the prefecture from big cities to analyze the production process of a plant and to give valuable suggestion and advice.

e. The Mizushima Plant of Central Heavy Industries Co. Ltd., has decided to continue the production of 400 tricycle per month.

f. The utilization of Muzushima area is under consideration as follows:

<u>Name of Company</u>	<u>Acreage</u>
Kokusaku Pulp K.K.	100,000 Tsubo
Asahi Denka K.K.	30,000 Tsubo
Central Japan Mizushima Plant	150,000 Tsubo
An alcohol plant	20,000 Tsubo
Air Strip	200,000 Tsubo

The volume of the Takahashi River is not adequate to meet the requirements of industrial water for the projected plants mentioned above and for irrigation water needed in the area simultaneously.

The disposition of the waste water from the projected plants is another problem under study.

5. CONCLUSIONS:

Lack of electric power generation facilities in the prefecture constitutes a bottleneck in the development of industry and particularly in the inducement of large size industrial plants to the prefecture.

6. RECOMMENDATIONS:

In connection with the poor management of the Mizushima Plant of the Central Japan Heavy Industries Co. Ltd., it was recommended that the company make use of idle machine tools located in its Hiroshima Machine Tools Plant and Mihara Locomotive Plant of the Central Japan Heavy Industries Co. Ltd., and return to Government owned machines to reduce the overhead expenses.

R. C. Stradley
R. C. STRADLEY
Chief, Distribution and
Industry Division

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
APO 182

CCAR 319 (D-St)

3 October 1950

SUBJECT: Report of Field Trip, Aozaku, Hiroshima Prefecture,
3 October 1950

TO : Chief
Economics Section

PREPARED BY: E. Kawamura, Distribution & Industry Division.

1. REFERENCE:

O. D. 11.

2. PURPOSE:

A conference with HTI Reparations and Electric Power officials for stimulation of activity.

3. BACKGROUND:

Textile industrial plants complain that their electric allocation is only 57% of requirements.

4. DISCUSSION:

a. Electric Power.

Mr. Kojima, chief of Electric Power Department, admitted that the electric power allocation to textile industry is not adequate. This is attributable to the original bloc allocation by ESB and Textile Bureau in Tokyo and to a time lag between the fast expansion of the textile industry and lack of speedy adjustment by the abovementioned agencies concerned.

Generally speaking, electric power allocation does not constitute a problem to the rayon industry as most plants have their own self-generation facilities.

In view of the information furnished by this headquarters HTI has called attention of Chugoku Haiden to take a definite corrective action on the low voltage in some area in Yamaguchi Prefecture in compliance with GHQ, SCAP Memorandum.

Central Government Agencies concerned proposed to GHQ, SCAP to increase the power allocation amounting 20,000,000,000 KWH in the country to adjust the increased consumption of power on the part of the "Special Demand" plants but it was not favorably considered by GHQ on grounds that these plants have already calculated power cost at higher rate before they concluded contracts according to Mr. Kojima.

b. Typhoon damage on the private reparations plants.

<u>Plant Code No.</u>	<u>Damage Claimed by Company on</u>		<u>Remark</u>
	<u>Machinery</u>	<u>Building</u>	
Yamaguchi Prefecture	0	¥ 708,600	Operating
45-02			
45-18	N.A. (greasing only)	¥ 18,000	100% idle
45-01	¥ 46,000	¥ 100,000	100% idle
45-14	¥ 1,200	¥ 15,000	100% idle
45-11	¥ 200,000	¥ 100,000	Operating
45-16	¥ 700,000	¥ 700,000	Operating
45-12	¥ 1,500,000	0	Operating
45-13	0	¥ 93,000	Operating
Tottori Prefecture			
41-01	0	0	
41-02	N.A. (greasing only)	0	
41-03	N.A. (greasing only)	0	
41-04	0	¥ 700	For repair of wall
41-05	0	¥ 150	For nail
Shimane Prefecture			
36-02	0	0	
Hiroshima Prefecture			
11-11	¥ 3,700	(machinery & building)	30 machines involved.

Damage Claimed by Company on

<u>Plant Code No.</u>	<u>Machinery</u>	<u>Building</u>	<u>Remarks</u>
Hiroshima Prefecture(Cont'd)			
11-19	0	0	
11-15	0	0	
11-14	0	0	
11-20	¥ 78,000	(machinery & buildings)	
11-02	¥ 20,000	"	
Other plants	N.A.	N.A.(considered that no damage has been done)	
Okayama Prefecture			
31-01	0	0	
Other plants	N.A.	N.A.(considered that damage has been small)	

5. CONCLUSIONS:

Prefectural Government will make assessment of the damage done by the recent typhoon and directly submit the reports to this headquarters bypassing HTI in this case.

Mr. Kojima promised his efforts to ameliorate power allocation to textile industry as soon as he receives the third quarter (October, November, December) allocation from Textile Bureau to Chugoku Region. The allocation ranged from 60% to 70% of the textile industry's requirement in the part two months.

6. RECOMMENDATIONS:

HTI Reparations official was requested to inform respective prefectural government to make correct assessment of damage done by the recent typhoon before reports are submitted to this headquarters and to use the correct form in reporting in compliance with the CPC Memorandum dated 11 September 1950.

R. G. Stradley
 R. G. STRADLEY
 Chief, Distribution and
 Industry Division

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

CCAR 319.1 (D-St)

4 October 1950

SUBJECT: Report of Field Trip, Hiroshima City, Hiroshima
Prefecture, 4 October 1950

TO : Chief
Economics Section

PREPARED BY: E. Kawamura, Distribution & Industry Division

1. REFERENCE:

O.D. 11

2. PURPOSE:

A conference with Hiroshima Prefectural Construction
officials for stimulation of activity.

3. BACKGROUND:

None

4. DISCUSSIONS:

a. Onomichi - Tadanoumi Road

The road is under repair but passage by car has
been passable since 20 September 1950.

b. Kure - Hiroshima Road (No. 32)

Mr. Iida, chief of Prefectural Civil Engineering
Department promised to repair the road immediately.

c. Preparations are in progress in Nishi Niko Dori
to construct an overhead - crossing which will be started in
October 1950 and will be completed by December 1951 or January
1952.

Total cost:	¥27,000,000
1950 expenditure:	7,000,000

1-46-21

d. Plans are under way to construct a by-pass to substitute the extremely congested, narrow road between Yokogawa - Gion (Hiroshima). The new road will be a three-year project.

e. Construction of Hiroshima - Kake - Hamada Road is under negotiation between Hiroshima and Shimane Prefectures and the Central Government for allocation of national subsidy to the project. Both prefectures intend to start the project from 1951.

f. Harbor project

<u>Name of projects</u>	<u>Total expenditure</u>	<u>Nature of work</u>
Ujina Harbor	¥24,400,000	Construction of quay for 2000-5000 ton ship
Fukuyama "	20,000,000	Dredging
Itozaki "	4,000,000	"
Takehara "	4,000,000	"
Mebaruzaki "	4,000,000	"
Kinoe "	4,000,000	"
Mitarai "	7,700,000	Dredging, construction of embankment and breakwater

g. River Projects

<u>Name of river</u>	<u>Expenditure(1950 JFY)</u>	<u>Nature of work</u>
Nuta River	¥14,000,000	Flood control (improvement of levees)
Kamo "	15,000,000	"
Kurose "	20,000,000	Improvement of upper streams construction of levee and improvement of curves

<u>Name of river</u>	<u>Expenditure(1950 JFY)</u>	<u>Nature of work</u>
Seno River	¥20,000,000	Flood control
Yawata "	25,000,000	" "
Yasu "	10,000,000	(construction of short cut)
Go "	10,000,000	Improvement of levees

5. CONCLUSIONS:

Projects scheduled for 1950 JFY are progressing according to schedule and will be complete without fail according to Mr. Iida.

6. RECOMMENDATIONS:

Careful planning for and close supervision of the projects was requested.

R. G. Stradley
R. G. STRADLEY
Chief, Distribution and
Industry Division

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

4 October 1950

CCAR 319.1 (D-St)

SUBJECT: Report of Field Trip, Hiroshima City, Hiroshima
Prefecture, 4 October 1950

TO : Chief
Economics Section

PREPARED BY: E. Kawamura, Distribution & Industry Division

1. REFERENCE:

O.D. 11

2. PURPOSE:

A conference with Regional Construction Bureau officials for stimulation of activity.

3. BACKGROUND:

Newspapers report 100 million yen is to be spent on Nikko River as relief work.

4. DISCUSSIONS:

a. Nikko River project:

A Kure Branch Office is under construction by the Bureau to directly supervise the Nikko River project.

Date of commencement of the project:

Scheduled on 1 October
1950 (probably starts
from 10 October 1950)

No. of workers involved:

800-1000 per day
20% skilled workers
80% casual laborers
including for 8 other
projects on small rivers
in outskirts of Kure City.

1-46-9

Nature of project: Construction of sand prevention embankment which will be concurrently used as a reservoir in the future. It is estimated that 275,000 m³ of sand will be accumulated before the sand starts to overflow the embankment.

Embankment: Height 15 meters
Length 66 "

Total amount of concrete: 4800 m³

Period for 9 projects: October 1950 - March 1951

Total expenses for 9 projects: ¥50,000,000
Wage (for 6 months) ¥20,000,000 (approx)
(wage per day ¥ 200,000)

Materials etc: ¥30,000,000

b. Yoshii River project (Okayama Prefecture):

<u>Classification</u>	<u>Amount</u>	<u>Period</u>
U.S. Aid Counterpart Fund	¥100,000,000	Aug 1950 - Mar 1951
Public work project expenditure	75,000,000	Apr 1950 - Mar 1951
<u>Total</u>	<u>¥175,000,000</u>	

Nature of work: Construction and strengthening of levee

Period : April 1950 - March 1951

c. Ota River project (Hiroshima City)

Nature of work: Flood prevention by diverting the major volume of water to the Yamate River located in western part of the city

The work is in progress on the Hiroshima - Kabe Area.

5. CONCLUSIONS:

The ¥100,000,000 project as reported in the newspapers for the Nikko project is actually broken down into two projects as follows:

C

D

<u>Classification</u>	<u>Amount</u>	<u>Responsibility</u>
Nikko Project	¥50,000,000	Regional Construction Bureau
Reforestation and Flood Control	50,000,000	Hiroshima Branch of Forestry Bureau, MAF

6. RECOMMENDATIONS:

It was recommended to the official that:

- a. They make careful plans and close supervision on the use of casual laborers to prevent the waste of labor, time and money which is the prevailing situations in the country in regard to unemployment relief work.
- b. They submit reports and maps with pertinent statistics on the current major works in region and 9 projects in the outskirts of Kure City.

R. G. Stradley
 R. G. STRADLEY
 Chief, Distribution and
 Industry Division

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
ECONOMICS SECTION

3 October 1950

CCAR 319.1 (D-st)

SUBJECT: Report of Field Trip, Hiroshima City, Hiroshima Prefecture,
3 October 1950

TO : Chief
Economics Section

PREPARED BY: E. Kawamura, Distribution & Industry Division.

1. REFERENCE:

O. D. 11.

2. PURPOSE:

A conference with Hiroshima Prefectural Industry and Reparations Officials for industrial promotion.

3. BACKGROUND:

None.

4. DISCUSSION:

a. No definite prospects with regard to the inducement of Dai-nippon Boseki to Kaitaichi was in evidence.

b. Prefectural Government allocations to the local financing organs in 1949 and 1950 JFY are as follows:

<u>Name of Financing Organs</u>	<u>Year</u>	<u>Amount of Allocation</u>	<u>Rate of interest by Pref. Govt.</u>	<u>Final Rate of interest to small and medium enterprisers (per year approx)</u>
Shoko Kinyu Kinko (C & I Finance Bank)	1949	¥ 20,000,000	4.7%	10%
	1950	30,000,000	4.7%	10%
Kokumin Kinyu Kinko (National Financing Bank)	1950	10,000,000	Nil	12%

Industrial Section of Jap Govt
1-46-5

<u>Name of Financing Organs</u>	<u>Year</u>	<u>Amount of Allocation</u>	<u>Rate of interest by Pref. Govt.</u>	<u>Final Rate of interest to small and medium enterprisiers</u>
Shinyo Hosho Kyokai	1949	¥ 10,000,000	Nil	12%
(Credit Guarantee Association)	1950	¥ 10,000,000	Nil	12%
Special fund to worthy inventors	1950	¥ 4,000,000	Nil	Nil
<u>Total</u>		<u>¥ 84,000,000</u>		

The Credit Guarantee Assn was established in October 1948.

Total amount of money actually paid by Credit Guarantee Assn to the bank for non-payment of borrower:	¥ 50,000 (1 case)
Total amount of non-payment on call from the local bank:	¥ 2,000,000
Total amount of loans guaranteed by the Assn to date:	¥ 400,000,000 (2000 cases)
Total amount of loans outstanding:	¥ 105,000,000 (550 cases)
Capitalization:	¥ 25,000,000 (8,000,000 not paid up)

The small and medium enterprisiers desiring to get a loan from the local bank will have to pay a 2% interest to the Credit Guarantee Assn for underwriting on their loan from the association.

The Credit Guarantee Assn is authorized to guarantee the loans amounting to ten times may endanger prefectural budget as an underwriter of loans.

c. Typhoon damage on reparations plants in the prefecture.

<u>Name of Plant</u>	<u>Damage Claimed by the Plants on</u>		<u>Remarks</u>
	<u>Machinery</u>	<u>Building</u>	
Kurashiki Boseki Hiroshima Plant	¥ 6,000	¥ 13,700	No action taken on building
Hagoromo Seisakusho	9,800 (Machines & Building)		
Asahi Sengyo	Negligible	¥ 16,000	Almost repaired

<u>Name of Plant</u>	<u>Damage Claimed by the Plant on</u>		<u>Remarks</u>
	<u>Machinery</u>	<u>Building</u>	
Mitsubishi, Gion Plant	0	¥ 100,000	50% repaired
Japan Steel Works	0	¥ 3,170,000	Mostly on embankment. No appreciable damage on reparations facilities.
Nippatsu (Saka Power Plant)	0	0	No apprecial damage on reparation facilities.
Nitto Kogyo	0	¥ 400,000	Embankment (20 meters)

NOTE: Emergency repair has been done by the respective plant.

5. CONCLUSIONS:

Damage done by the recent Typhoon on the reparation plant in the prefecture is comparatively small and almost nil on the reparations machinery according to the prefectural reparation official.

The rate of interest on the loans by the local financing organs to the small and medium enterprisers ranges from 10% to 12% per year. The rate should be reduced substantially in order to bolster up these small businessmen.

6. RECOMMENDATIONS:

A Credit Guarantee Association official was requested to report to this headquarters on 10 October 1950 with data on the status of loans for the month of September 1950.

R. G. Stradley
R. G. STRADLEY
Chief, Distribution and
Industry Division

FIELD TRIP REPORT

T. KAJIYA

Tottori
23 August 1950

1. Purpose:

A conference with Tottori Prefectural and City Civil Engineering Officials.

2. Background:

Surveillance in accordance with O.D. 11.

3. Discussion:

a. Tokura Tunnel.

Construction of the approach to the tunnel on Tottori side is going on. Due to the less difficult work on the approaches on Hyogo side and to financial reason no work is being executed on the Hyogo Prefectural side. Investigations are being made to determine the feasibility between the continuation of the war-time planned tunnel (29 meters out 443 meters were already constructed) and the new construction of tunnel about 50 meter below the above mentioned tunnel with a total length of 850 meters. The Chief of Prefectural Civil Engineering Department is in favor of the latter on ground of shorter approaches and less gradient. When completed, the tunnel is expected to open the No. 25 national road to the traffic volume of 150 trucks per day. It is the earnest desire of the Prefectural Government to have the project designated as one of national projects from 1951.

b. Kurayoshi Prefectural highway.

Of 30 km, 8km are still to be completed with a total appropriation ¥ 50,000,000 yen. The work is expected to be completed sometime in 1958.

c. Prefectural budgetary allocation for maintenance work on road.

<u>Classification</u>	<u>Amount</u>
Gravel road	¥ 22,650,000
Paved road	3,030,000
<hr/>	<hr/>
Total	¥ 25,680,000

NOTE: 1/3 of the above total is national subsidy.



No approval has been given by the Autonomous Board (Jichicho) for the Prefectural Government to raise the remaining two thirds of the above total appropriations due to poor coordination between the Consturction Ministry and the Autonomous Board.

d. Sakai Port.

Sakai Port is one of the best ports along the Japan Sea coast. Its harbor facilities are better than that of Hamada. Before the war the port handled a total of 450,000 tons of cement, lumber, coal, salt, etc. per year. In 1949, a pier extending to 55 meters was constructed. In 1950, dredging of the navigation route to the depth of 7.3 meters will be accomplished with a total appropriation of ¥ 10,000,000. The Prefectural Government desires the favorable consideration of GHQ, SCAP on the construction of concrete pier to substitute for the present deteriorated wooden piers.

e. Prefectural Housing Status.

Shimane Prefecture is short of 20,000 houses. Under the Prefectural city, town and village housing program with one half of the costs being footed by the Central Government only 168 houses have been allotted to Shimane Prefecture.

As of 23 August 1950, only 190 houses have been granted loans from the Housing Financing Bank. The major reasons attributable to such small number of utilizers are too strict terms under which applicants are to be qualified for the loans. The chief of Prefectural Construction Section recommended that some revisions be made to facilitate the loans to people of low income brackets.

<u>Classification</u>	<u>Present terms</u>	<u>Desirable terms</u>
Extent of loans	70% of total cost	85% - 90% of total cost
* Building area	Only 30% of building site is allowed for actual construction	50% in rural 70% in commercial area
Applicants' salary	Must be 7 times the amount of monthly payment	Should be 5 times the amount of monthly payment

* This means that the amount of area remaining after the construction must be 70% of the total area. Therefore if a person builds a 30 tsubo house he must have a yard amounting to 70 tsubo.

f. City's budgetary allocation of maintenance work on road.

<u>Classification</u>	<u>Amount</u>
Maintenance	¥ 1,300,000
Partial improvement	¥ 2,200,000
Changes to be made due to City Planning	¥ 4,800,000
Construction of small bridges	¥ 700,000
<hr/> Total	<hr/> ¥ 9,000,000

NOTE: the above total is eight times the 1949 city appropriation.

The actual work consists of reconstruction of the road damaged by the 1943 earthquake, reconditioning of the road in the new city areas, widening and cutting of the sharp corners, filling holes with gravels, etc., but no pavement of the road is in progress.

g. Housing Status in the city.

Tottori City is short 1600 houses, of which a total of 66 houses will be build in 1950 under the city housing program and repatriates housing program.

h. Hino River Project.

With the acquittal of the farmers who were tried at the Japanese court on ground of demonstration against the utilization of the Hino River for power generation, the project is expected to be included in the 1951 program with due consideration to the future irrigation in the areas concerned.

i. City water work project.

With the completion in the 1947 - 1949 of the No.3 Water Reservoir extension work, Tottori City is now capable of supplying 15,000 tons of water to the city's population of 50,000 people. With the recent inclusion of Karo and Nakanogo districts into the city proper, Tottori City is carrying on the improvement work on the water-mains in these districts. The project is expected to be completed in 1952.

<u>Name of District</u>	<u>Population</u>	<u>Water to be Supplied after Completion</u>
Karo	8,000 ton	2,000 ton
Nakanogo	600 ton	400 ton

NOTE: 1950 budgetary appropriation is ¥8,000,000

In addition to the above the following water work projects are going on in the city proper:

<u>Nature of work</u>	<u>1950 budgetary appropriation</u>
Replacing old pipes with new ones (unemployment relief work)	¥ 4,000,000
Elimination of water leakage caused by 1943 earthquake	¥ 600,000

j. The city's five year program consists of the improvement in sewage or drainage system in the newly developed part of the city (near the Railway Station), expansion of playgrounds, and improvement of the river running through the city (reducing the width from 35 meters to 25 meters and constructing solid embankments on both sides).

4. Conclusions:

No difficulty with respect to the procurement of construction materials was in evidence. However, the officials feared that the future rises of the prices of materials and reconstruction of control system will be effected of the Korean war.

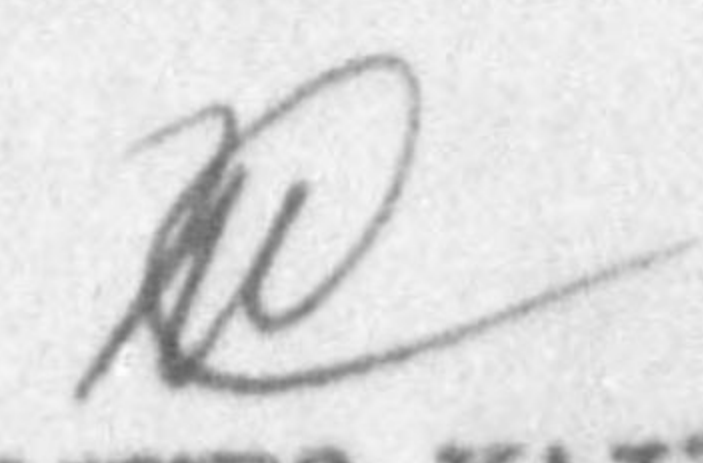
The Tokura tunnel, Kurayoshi prefectural highway, Sakai Port (Dredging only), city water work projects appear to be progressing according to schedule.

5. Recommendations:

It was recommended to the officials that:

- a. Try to accomplish as much work as possible before the inclement weather begins.
- b. Be road-conscious from the standpoint of tourist industry and of economizing government expenditure by avoiding temporary maintenance work but by emphasizing more concrete results.

It was verbally notified to the officials that the release of the former military ground in the city which is expected to be used for a play-ground, will be undoubtedly approved by Camp Sakai and they would be officially notified in the near future.


TETSURO KAJIYA
Distribution & Industry Division

FIELD TRIP REPORT

T. KAJIYA

Matsue
22 August 1950

1. Purpose:

A conference with Shimane Prefectural Civil Engineering Officials.

2. Background:

Surveillance in accordance with O.D. 11.

3. Discussion:

Chief of Department and his staff.

Construction of hydroelectric power generation station at Akizuka, Ago-mura, Ochi-gun has to be postponed due to the suspension of U. S. Aid Counterpart Fund although it has been scheduled to be commenced as one of the 1950 projects. The Prefectural Government is negotiating with GHQ, SCAP and the Central Government in order to start the project sometime in autumn 1950 at the cost of ¥ 1,200,000. When completed, the power station will be able to generate 30,000 KW.

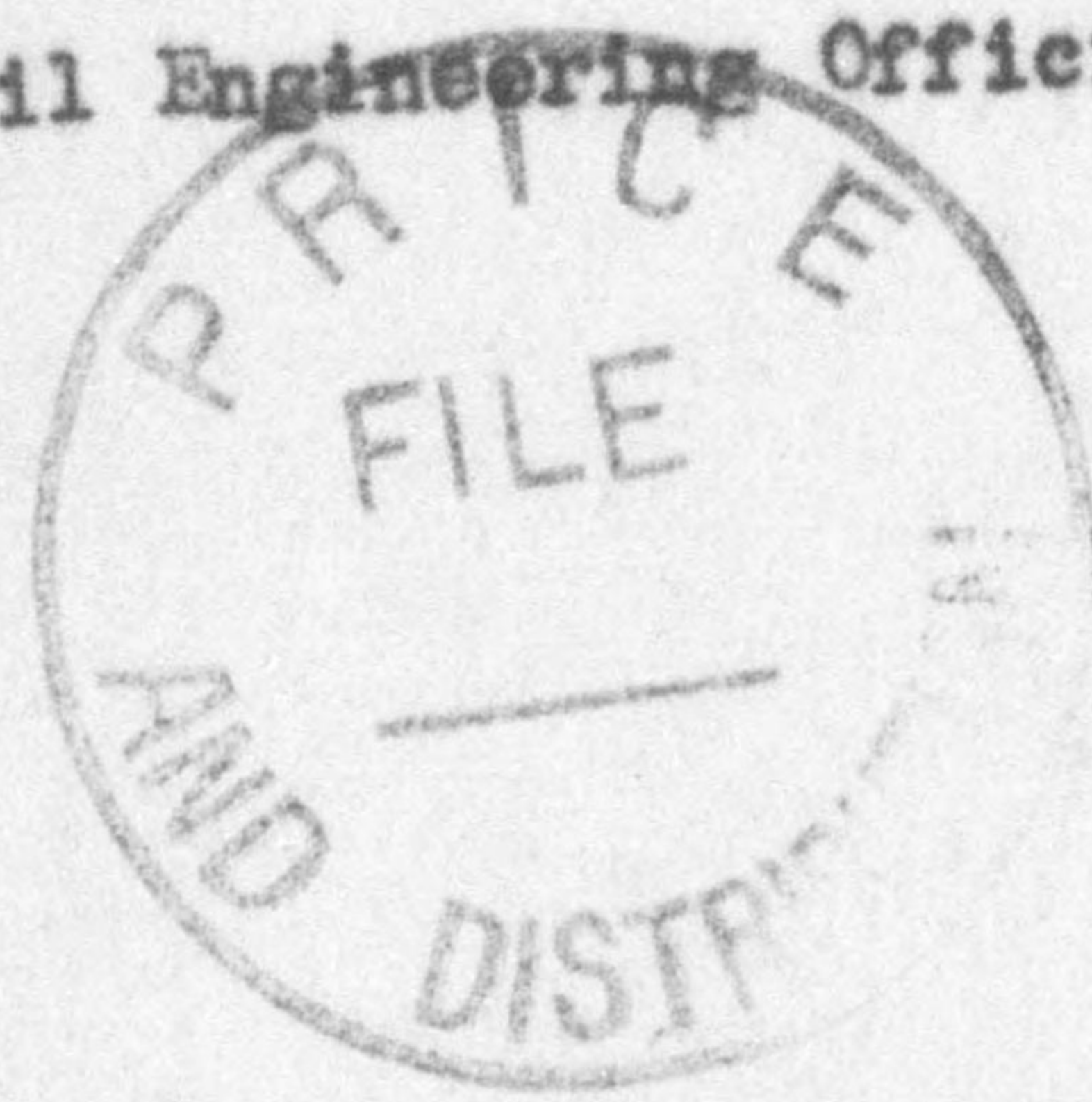
Owing to the same reason mentioned above the construction of hydroelectric power station at Ushio, Kizimura, Iishi-gun will have to be postponed until after the Akizuka project will have been completed. The Ushio project will cost ¥ 2,500,000,000 and aims at generating 40,000 KW.

The inflow of the salt water from the Nakaumi Bay into the Shinji Lake is making the salt content of the Shinji Lake water unsuitable for irrigation of the paddy-field around the lake. The Prefectural Government is contemplating to construct a gate or embankment at the most proper location as countermeasures for the purpose of reducing the present salt content of the Shinji Lake (3.5/1000 - 4/1000) to 1.8/1000 which is the maximum content acceptable irrigation purposes.

4. Conclusion:

In view of the prevailing weather in the prefecture, the concrete road is more endurable and less expensive in maintenance than the asphalt road according to the chief of the Prefectural Civil Engineering Department.

No difficulties with respect to the procurement of construction materials and recruiting of labor were in evidence.



The total average of the Shinji Lake is 90 square km and there are approximately 2500 people in the lake area who make living by fishing.

The Akizuka Hydroelectric Power Station project has no definite prospects for realization due to the suspension of the U.S. Aid Counterpart Fund.

5. Recommendation:

a. Explore a possibility of making a detour from the Hii River and of reclaiming the Shinji Lake for agricultural industry.

b. Try to accomplish as much work as possible before the inclement weather sets in.

c. It is recommended that this headquarters contact SCAP and request emphasis be placed on paving of road instead of the present maintenance policy which mainly consists of filling holes with sand or gravel. The present maintenance work is very ineffective since the following rains will result in nullifying the work done and the process repeated over and over again. Preliminary studies as to paving of roads indicate that if the 1/3 subsidy of the national government is utilized for paving approximately 10 kilometers can be paved every year.



TETSURO KAJIYA
Distribution & Industry Division