

B: 8-b(1)

**JAPANESE IMPERIAL GOVERNMENT**  
**MINISTRY OF FINANCE**  
**THE IMPERIAL JAPANESE GOVERNMENT**

25 April, 1946.

**TO : Major-General Marquat, Acting Chief of the Economic and Scientific Section, G.H.Q. GHAF.**

**FROM: Viscount Koiso Shibusawa.**

**Re: Request for Assistance in the Revision of Salary & Allowance System of Government Personnel.**

As the present system of salary and allowances to government personnel is not based on scientific analysis of jobs, it is outdated and inadequate to meet the needs of the times. Although minor revisions and additions were made from time to time, they were simply makeshift and we admit the necessity of fundamental and thoroughgoing revision to be made.

As G.A.F. system has proved a great success in enhancing efficiency and morale in U.S. Administration, we would like to introduce a similar system in our new plan. We would appreciate very much if in this connection, you could invite some expert on G.A.F. system from the States to give advice and make a draft plan for the revision now under consideration.

/s/ Koiso Shibusawa

Viscount Koiso Shibusawa,

Minister of Finance.

B: 8h (2)

**Request to the G.H.C. of S.G.A.P. for  
the Dispatch of Experts on the Classification of Positions and  
Salary and Allowances.**

**(Understanding of the Cabinet Council on May 14, 1946)**

Whereas we are now assiduously making preparations in order to realize fundamental revisions as regards the system of payments for the Government personnel in the near future; and whereas, in connection with the standard of payments under the new system, which constitute the most important point of the revision, it is not adequate to lay stress, as hitherto, exclusively upon personal elements such as the appointment qualifications, the amount to be paid upon the first appointment, the tenure of office necessary for promotion, the period of continuity of employment, the number of members of family etc., but due considerations should positively be made to other elements as well, e.g. the grade of importance as well as the difficulty of the duties and functions to be discharged, the extent of liabilities, the efficiency in handling business, and the whole system should be designed so as to award every personnel reasonable payments in compliance with the content of his service and, at the same time, so as to stimulate the increase of efficiency; and, whereas in the United States the methods of classification of positions and efficiency rating, with the latter elements chiefly in view, have already been widely in practice for years in connection with payment system with satisfactory results; we intend for the present to apply to the G.H.C. of S.G.A.P. for the dispatch of experts who are versed in both theory and practice of the above-mentioned methods and, with the assistance of such experts, to proceed

to planning and drafting in order that we may have a new payment system which is most reasonable in conformity with the miscellaneous requests under the present circumstance. The understanding of all of you (members of the Cabinet Council) are hereby used beforehand concerning the application to H.Q. for the dispatch of the above-mentioned experts.

End.

B: 8b(3)

**JAPANESE IMPERIAL GOVERNMENT**

**UNDERSTANDING OF THE CABINET MEETING ON MAY 14, 1946**

The Government is making preparations for the fundamental revision of salary and wage system of Government officials so that new system will come into force in the near future. In planning revision the most important question lies in what will be taken as the basis of salary and wage. Under the present system too much stress has been put upon personal factors such as qualifications of appointment, first salary or wage at the time of appointment, length of years required for the raise of salary or wage, length of service, number of families, etc. The importance, responsibility and difficulty of one's jobs, one's efficiency in fulfilling jobs and other factors should be positively considered, so that rational payment might be given in accordance with one's service for the promotion of efficiency and morale. In view of the G.A.F. system having long been successfully enforced in the United States, the Finance Minister, representing the Government, wants to take the liberty of asking the G.H.Q., that the latter will give special and favourable consideration for the invitation of experts with whose assistance and recommendations rational and proper plan might be made to meet the present requirements. Cabinet Ministers are required to give understanding for the above measure.

B: 8h (4)

May 18, 1946

Colonel Kades, G.H.Q.

Sir:

With regard to the letter of Viscount Keiso Sibusawa, Finance Minister, of 25 ultimo, applying your Headquarters for the dispatch of U.S. experts to give us advice in connection with the revision of our system of salary and allowances, I hereby beg you to confirm that there is no objection on the part of the Bureau of Legislation.

Yours sincerely,

/s/ Toshiro Iriye

The President of the Bureau of Legislation.

10/10/10  
10/10/10

B: 8c

Tokyo, Japan.  
July 22, 1948.

"Dear Mr. Prime Minister:

"I have reviewed the conclusions drawn from the joint studies conducted between representatives of your government and this headquarters into the adequacy of the National Public Service Law as a solution to the problems now existing with respect to the Public Service of Japan. I am in general accord with these conclusions as to existing inadequacies which must be corrected.

"It was the purpose of the National Public Service Law to provide for the installation of a democratic and efficient public service in the government of Japan. The plan envisioned a modern type personnel system which recruits public employees from the entire public by competitive test and promotes them on the basis of merit, providing scientific supervision over their classification, compensation, training, evaluation, health, safety, welfare, recreation and retirement. The system provides a grievance procedure for employees and assures them fair and equitable treatment in administration. Enforced by a quasi-judicial administrative authority and supplemented by emergency provisions aimed at immediate reform where urgency demands it, it constitutes a constructive program for dealing with the hazards which old bureaucratic practices present to the success of democracy in Japan.

"The pattern of personnel administration as here inaugurated views the entire people as exercising sovereignty and control over the employees of government through the National Diet which, functioning through a National Public Service Authority, applies principles of scientific personnel management and standardizes the public service, its recruitment, compensation,

discipline, benefits and other factors incident to employment. Such a system in accordance with democratic concepts, is designed to regard the faithful administration of the law and the efficient conduct of the government's business as a prime duty without yielding to the pressure of politics or privilege.

"The studies, now completed, of various laws relating to this subject matter, reveal omissions to deal adequately with the situation. They fail to afford positive safeguards against minority pressure upon the authority and integrity of government and they fail to apply the law to many classifications of governmental employees who clearly are entitled to civil service benefits and protection and subject to its restrictions. Throughout there is a noticeable failure to distinguish between employee relationships in government and labor relations in private enterprise.

"The rapid and unprecedented gains labor has made in Japan during the Occupation attest my own awareness of the vital importance of trade unionism in modern life and of the historical significance of the trade union movement throughout the world in correcting many of the abuses associated with modern industrial economy. In government, however, this movement has but limited application and cannot substitute for or challenge duly constituted executive, judicial and legislative agencies exercising the sovereign power.

"At the start of the industrial era, the tendency existed to treat labor as a commodity, without voice in the price to be paid or the conditions of its employment. As the technology of mass production developed, however, workers had a better opportunity to organize for their mutual benefit and through long and arduous struggle secured the economic power of bargaining collectively through representatives of their own choice for an improved standard of life, a betterment in working conditions and some degree of social

security. This right of association with its inherent power of compulsion has progressively developed in the trade union movement an economic power which has brought to bear an increasingly potent influence upon industrial economy. Such influence in democratic society has in turn been translated into political power through the support it has given to political parties, but it would be violative of the democratic concept for the trade union movement to usurp the function of the duly elected representatives of the people as a whole by superimposing union judgement upon legislation and administration. Unions have always sprung from its independence of government. It is true that in all industrialized countries specific pressure groups exist, representing not only the interests of labor but also those of business, finance, agriculture, and the professions. Although such pressure groups contend for power and influence in a democracy, they are transcended by the fundamental concept of national unity. The "public" is not considered merely the residual members of the community who do not belong to such specific pressure groups, but consists of all the people and the "public interest" is synonymous with the general welfare. The significance of this concept is as well understood in Japan as in any western democracy. The Constitution of Japan itself recognizes the "unity of the people" and the "will of the people with whom resides sovereign power"; the Constitution itself affirms the principle that "the freedoms and rights guaranteed to the people by this Constitution shall be maintained by the constant endeavor of the people" who, "shall always be responsible for utilizing them for the public welfare"; and the Constitution itself envisages a National Diet as "the highest organ of state power" which shall be "representative of all the people".

"If this fundamental concept of the Constitution declaring the unity of



the people and the supremacy of the public interest is to be preserved in-  
violate, no part of the power of government can be delegated to or usurped  
by any private group whatsoever. Were the contrary true the "responsible  
Government" for Japan contemplated by the Potsdam Declaration and created  
by the Constitution, could not exist. For it is axiomatic that a government  
which abdicates its sovereign power is no longer responsible.

"By its very nature, as a private entity, the labor union does not possess  
the attributes of government. Wherever it has flourished, the strength  
of free trade unionism has always sprung from its independence of govern-  
ment and its freedom from domination by government in the pursuit of its  
lawful and legitimate objectives.

"Having experienced the suppression which was an attribute of totali-  
terian Japan, Japanese labor since the Occupation has in general understood  
this principle and chosen the path of free trade unionism, eschewing those  
reckless policies the inevitable effect of which would be to provoke severe  
repressive measures in safeguard of the general welfare. It has recognized  
that free workers in free private enterprise cannot exercise sovereign  
power except in their capacity as free men at free elections. Indeed, be-  
cause it upholds the dignity of the individual and of his labor, free trade  
unionism in the pursuit of labor's legitimate objectives constitutes one of  
the strongest bulwarks of democracy.

"There is, however, a sharp distinction between those who have dedicated  
their energies to the public service and those engaged in private enterprise.  
The former are the very instruments used for the exercise by government of  
the people's sovereign power, and as such owe unconditional allegiance to  
the public trust imposed by virtue of their employment. For upon them rests,

in the words of the late President of the United States, Franklin D. Roosevelt, a foremost exponent of the rights of labor, "the obligation to serve the whole people, whose interests and welfare require orderliness and continuity in the conduct of Government activities. This obligation is paramount. Since their own services have to do with the functioning of the government, a strike of public employees manifests nothing less than an intent on their part to prevent or obstruct the operations of government until their demands are satisfied. Such action, looking toward the paralysis of government by those who have sworn to support it, is unthinkable and intolerable."

"I am in full accord with this view. No person holding a position by appointment or employment in the public service of Japan or in any instrumentality thereof should resort to strike or engage in delaying or other dispute tactics which tend to impair the efficiency of governmental operations. I feel that any person, holding such a position, who resorts to such action against the public of Japan thereby betrays the public trust reposed in him and forfeits all rights and privileges accruing to him by virtue of his employment. For as President Roosevelt further stated, "all government employees should realize that the process of collective bargaining, as usually understood, cannot be transplanted into the public service. It has its distinct and insurmountable limitations when applied to public personnel management. The very nature and purposes of government make it impossible for administrative officials to represent fully or to bind the employer in mutual discussions with government employee organizations. The employer is the whole people, who speak by means of laws enacted by their representatives of Congress. Accordingly, administrative officials and employees alike are governed and guided, and in many instances restricted, by laws which establish

policies, procedures, or rules in personnel matters."

"It must be clearly understood, however, that this concept does not mean that public servants are deprived of the untrammelled right individually or collectively, personally or by chosen representatives, freely to express their views, opinions or grievances for the purpose of seeking a betterment of their conditions of public employment. Such rights are inherent in a democratic society and inalienable and I believe are adequately provided for in the proposed revision of existing law. Moreover, the special restrictions which protection of the national interest impose upon the employees of government make it at all times incumbent upon government to provide adequate safeguards to the welfare and interests of such employees. Indeed, so completely is this concept understood and followed in democratic society that the opportunity for public service with the added dignity, prestige and permanence of such a status, is universally regarded and sought as a desirable privilege.

"So far as the railways, salt, camphor, and tobacco activities presently under government ownership are concerned, I believe that employees thereof might well be excepted from the regular civil service. In this event, however, public corporations should be established by appropriate action to manage and operate these activities. Proper provision should be made for standards, policies, and procedures of employment and while substituting mediation and arbitration measures for the protection accorded others under the civil service, safeguards should be provided to the public interest against any interruption of operations resulting from failure of employees faithfully to discharge their responsibilities of employment. Moreover, in the interest of efficiency, I believe that a complete reorganization of the Ministry of Communications is desirable, with the separation of the postal

services of the government from the other functions of that Ministry and the establishment of two Cabinet agencies in lieu thereof.

"The National Public Service Law was initially conceived in recognition of the fact that a complete reform of the Japanese bureaucracy is essential to the success of democratic institutions in Japan, as such institutions, whether political, economic or social, will inevitably find strength or weakness in direct proportion to the efficiency of the governmental services and the vigorous leadership which government, as organized to safeguard the public interest and advance the general welfare, is capable of extending to the sovereign people from whom its powers are derived. The success of this reform is accordingly no less a primary objective of the Occupation than it is a prerequisite to the future well-being of the people of Japan.

"In the solution of this problem the paramountcy of the public interest is therefore of foremost consideration and corollary thereto is the need that safeguards be erected to insure that the lawful authority of the government as the political instrument to enforce the people's will as expressed in the body of public law be only challengeable at the polls as provided under well established democratic practice. To hold otherwise would be to subvert the public interest by rendering government subservient to a primacy of the special privilege of minority groups, a condition which inevitably leads to anarchy, insurrection and destruction. This is a rule fundamental to the very existence of a democratic society, and yet its enforcement in the great western democracies has only recently necessitated the full application of the police power of the State involving the employment of the armed forces as well as the civil police. In Japan, where the maintenance of armed forces is renounced by constitutional mandate, such application of police power can, however, only be supported by the civil police. This renders it

all the more necessary here than elsewhere that the law carefully define and make unmistakably clear the authority of government and provision for the firm preservation of its integrity and dignity.

"It is to this end that I feel that a comprehensive revision of the National Public Service Law to bring the same within the framework of the concepts herein discussed should be undertaken immediately. To assist you in this matter this headquarters will continue to be available for advice and consultation.

Sincerely yours,

(Signed) Douglas MacArthur

DOUGLAS MacARTHUR

The Prime Minister of Japan,  
Tokyo, Japan."

REPLY

B: 9a

### IMPERIAL RESCRIPT ON EDUCATION

Know ye, Our Subjects:

Our Imperial Ancestors have founded Our Empire on a basis broad and everlasting, and have deeply and firmly implanted virtue; Our subjects ever united in loyalty and filial piety have from generation to generation illustrated the beauty thereof. This is the glory of the fundamental character of Our Empire, and herein also lies the source of Our education. Ye, Our subjects, be filial to your parents, affectionate to your brothers and sisters; as husbands and wives be harmonious, as friends true; bear yourselves in modesty and moderation; extend your benevolence to all; pursue learning and cultivate arts, and thereby develop intellectual faculties and perfect moral powers; furthermore, advance public good and promote common interests; always respect the Constitution and observe the laws; should emergency arise, offer yourselves courageously to the State; and thus guard and maintain the prosperity of Our Imperial Throne coeval with heaven and earth. So shall ye not only be Our good and faithful subjects, but render illustrious the best traditions of your forefathers.

The Way here set forth is indeed the teaching bequeathed by Our Imperial Ancestors, to be observed alike by Their Descendants and the subjects, infallible for all ages and true in all places. It is Our wish to lay it to heart in all reverence, in common with you, Our subjects, that we may all attain to the same virtue.

The 30th day of the 10th month of the 23rd year of Meiji  
(The 30th of October 1890)  
(Imperial Sign Manual      Imperial Seal)

B: 9A

DIET RESOLUTION RESCINDING IMPERIAL RESCRIPT ON EDUCATION

June 19, 1948

Whereas the Diet has legalized a Basic Law of Education in accordance with the universal human principles of the Japanese Constitution, eliminating thoroughly the error of an education that would put our state and nation at the center of the universe and instead proclaiming solemnly the concepts of democratic education aimed at rearing a humanity that stands for truth and peace,

Whereas the Imperial Rescript on Education, as well as the Imperial Rescript to the Army and Navy, the Imperial Rescript to Students, and the like, have thereby lost their validity,

Whereas we fear that some ill-advised elements may entertain the notion that these documents still retain their validity and wish to make clear the fact that they are no longer valid and to cause the Government to collect all copies of such documents in the possession of universities and schools,

Let it be resolved, therefore, that we shall conscientiously strive to disseminate the new educational concepts manifested by the Basic Law of Education, so that the true dignity of education may be upheld and national morals may be uplifted.