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also desirable to prevent unnecessary and excessive accumulation of debts.

5. Experiment Stations

a. A visit was made to the Ishikawa fishing experiment station (Kaga branch) where experiments are being conducted to perfect methods of canning sardines. At the present time, 70% of the total sardine catch in Ishikawa is sold as fertilizer. If this research is successful, the experiment station may be instrumental in salvaging the sardine fishery of Ishikawa.

b. The experiment station also has discovered an inexpensive feed for rainbow trout and is planning an extensive trout propagation program.

c. They are required to match their operational expenditures with equivalent revenue to the prefecture. Mr. Nishimura, the director, claims that they are foregoing many valuable research plans in order to divert their energies towards earning the necessary revenue required by the prefecture.

FOREST CONSERVATION PROGRAM.

1. Activities and practical results are increasing in the forest extension program. Regular monthly village agents' training schools are being conducted in all prefectures. Thinning, planting and charcoal demonstrations are the main result demonstrations given at the training schools. The Forestry Agency in Tokyo is supplying training personnel to assist with these schools. The prefectural specialists and village agents are urged to conduct frequent demonstrations on private timberland.

2. "Forest Extension in Action" is illustrated by the following successful demonstration: Mr. S. Sendo, village agent, Gifu prefecture, marked the hinoki stand of Mr. N. Endo, Higashino village for a 25% thinning. Mr. Endo cut the marked trees, skidded the logs to a road where he sold them for ¥500 per koku. Village Agent Sendo then put the story in the Gifu newspaper thereby bringing this information to the attention of many private timberland owners.

3. Clean pruning of branches to secure high quality timber is encouraged at the timber management demonstrations.

4. The song "Midori no Uta" is the song of the Forest Extension program throughout Japan. This song, on a phonograph record has been given by the chief forest extension specialists to the railroad station masters at Toyama, Kanazawa and Tsuruga. The record is played daily thereby

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familiarizing the traveling public with the song and its educational forestry principles.

5. Scout and school officials are making plans for scout forests and school forests next spring.

6. "No illegal shipments of lumber to Okinawa this year" is the report received by Civil Affairs personnel checking this matter with the Maritime Safety Office responsible for the ports in this region.

MINING AND GEOLOGY

1. Mine Safety:

a. As reported in the March 1950 activities report, a peculiar circumstance prevailing in some lignite mines whereby the actual operator is not the person responsible for the implementation of the safety laws, is still considered by the Nagoya Mine Safety Division as the major obstacle to its success in the enforcement of the mine safety laws. According to the Mining Law of Meiji 38, Articles 17 and 94 state in essence that all mine operators must hold a mining right to the area at which they are conducting operations, and that the mine right may not be transferred except by legal processes.

b. Currently, more than 25% of the lignite mines are being operated by "sub-contractors" who are persons holding no mining right but who have an agreement with the mine right owner to operate all or part of his area. Although illegal and even though government mining officials are cognizant of the existence of this situation, these officials have taken no active steps to eliminate it. Since the Mine Safety Law establishes the owner of the mining right as the person responsible for implementation of the safety codes in the mine, by law the "sub-contractor" has no responsibility whatsoever for the safety conditions in the pit in which he is conducting operations. Therefore, the "sub-contractor" generally has but passive interest in mine safety, is reluctant to accept the advice and recommendations of mine safety officials, and is opposed to expenditures which are generally necessary to render the mine safety conditions in conformity with the safety laws.

c. The mine right owner, conversely, feels that in spite of the provisions of the safety laws, expenditures for mine safety should be borne by the "sub-contractor", and that safety conditions in the mine should be the responsibility of the individual actually conducting operations. Consequently, when the Nagoya Mine Safety Division submits its report of inspection to the mine right owner with recommendations relevant to appropriate steps which should be taken to remedy deficiencies,

the mine right owner refers the report to the "sub-contractor" who generally does nothing about it with the result that violations of the safety codes and sub-standard safety conditions are not corrected.

d. Civil Affairs personnel accompanied Mine Safety Division inspectors on an inspection of several lignite mines operated by "sub-contractors." In one pit, the safety inspectors recorded the following violations: (1) the shaft by which miners were descending to the pit was at a 90 degree angle for 120 feet; (2) there was no ladder by which miners could descend into the pit; (3) miners were forced to ascend and descend by riding in a small ore box; (4) no timbering whatsoever existed in the pit; (5) an accident which occurred in October 1950 wherein one miner had been killed by being thrown out of the ore box while descending into the pit had not been reported to the Nagoya Mine Safety Division. In addition to these violations found in one pit, numerous others of similar nature existed in other pits; moreover a safety committee had not been formed at the mine nor was the formation of one being contemplated. Although Mine Safety Division officials notified the mine right owner immediately of the violations and requested a plan for their correction be submitted within a week, to date, the mine right owner has not complied.

e. As a possible solution of this type of problem, the chief of the Nagoya Mine Safety Division suggested that the Mining Law be rewritten recognizing sub-contractors of lignite mines as legal operators, and the Mine Safety Law be revised requiring the actual operators to be the parties responsible for the adherence of the mine to the safety laws.

f. Nagoya Mine Safety Division personnel sponsored seven discussion meetings with lignite miners and safety bosses on carbon dioxide gas detection and cave-in prevention. A pamphlet entitled "Prevention of Carbon Dioxide Gas", which was written by members of the Nagoya Mine Safety Division was printed through the auspices of the Tokai Hokuriku Mine Safety Society and sold to the various mine right owners for distribution to the miners attending the meetings and to others not in attendance.

g. The chief of the Mine Safety Division contends that this type of meeting plus the literature specifically directed at a prevailing condition produces better results than the type of information printed and released for distribution to the field offices by the Tokyo headquarters of the Mine Safety Division. He feels that the fund for information and education purposes should be allocated to field offices rather than handled exclusively by the Mine Safety Division headquarters.

2. Mine Rehabilitation.

a. Installation of a tube mill and a four cell cleaner at the flotation

plant of the Sennotani mine, Toyama prefecture, has permitted a production increase of graphite concentrates from a former 150 tons per month to a reported 257 tons in October with a substantial rise in the grade of the concentrate. With this increase in milling capacity plus the recent discovery of new reserves, the staff of the mine feel that within several months they will be able to supply over 90% of the nation's demand for graphite.

PRICE AND DISTRIBUTION

1. Economic Bureau.

a. Five prefectural coordination conferences and three regional conferences were attended by CA personnel. Major activities involved sugar, blackmarket, restaurant control and extensive preparations to combat an anticipated large increase in staple food violations caused by the unexpectedly generous rice quota reductions. Violations are not as yet prevalent due to the fact that in most prefectures, revised allocations have not generally reached the farmer level.

b. Illegal transactions in sugar involving unusually large amounts (more than 160,000 lbs.) in two months are currently under investigation with evidence pointing to the agriculture cooperatives and specialty manufacturers of such items as baby food, miso, candy, etc., as big offenders. These firms obtain allocations from the MAF but only small amounts are actually used while the remainder is diverted to the blackmarket. Those sections of the prefectural governments who have the responsibility of surveillance of production (items now on free sale) are not delinent in their investigations, accepting as authenic the production records of the factories. All of the tea houses appear to be well supplied with American sugar (cube type) cigarettes and whisky reportedly purchased from brokers from the Kobe, Tokyo and Yokohama districts. EIB officials have forwarded the names of several brokerage houses to the regional offices concerned for investigation.

c. Several wildcat sake stills believed to have been operated principally by Koreans and located on shrine property have been confiscated by agents in the Hokuriku area. This type of offense is expected to increase rapidly during the next three months, and evidently through fear of the operators, the churchmen are not willing to cooperate with the police.

d. Only in a few of the particularly vicious cases have trucks used in the illegal transportation of merchandise been impounded, but the police contend that the threat rather than the application of such action has been sufficient to materially reduce such shipments. They call attention to the recent overall reduction in the number of apprehensions, to the elaborate methods of concealment now being used, and to the increasing

number of truck operators who are expressing a desire to cooperate with enforcement officials. They believe however, that many of the shipments are being diverted to rail and deplore the lack of cooperation by the railway personnel and the absence of similar legislation which would allow corresponding surveillance over illegal rail shipments.

2. Restaurant Control

a. Gifu prefecture held two public hearings and each of the other five prefectures held one hearing. As a result, 13 violators received suspensions, 13 received warnings and four restaurants were sealed.

3. Staple Food Rationing

a. In the six prefectures percentage rejections of staple food rations were as follows: Aichi 16.6%; Gifu 16.9%; Mie 5.7%; Ishikawa 4.4%; Toyama 7.2%; and Fukui 0.8%. Imported foods rather than indigenous foods comprise most of the rejections.

b. Average free market prices of rice per sho in the prefectural capitals were as follows: Nagoya ¥138; Gifu ¥120; Tsu ¥130; Kanazawa ¥125; Toyama ¥95; and Fukui ¥100.

c. The September to November scheduled rice shipments from the three Hokuriku prefectures were completed as scheduled with the exception of 6,719 tons from Toyama. Lack of transportation was given by the officials as the main excuse. Efforts are now being made to expedite this tardy shipment.

4. Perishable Foods

a. 1,489,920 kan of fresh fish and 606,960 kan of processed fish were received by the Nagoya wholesale markets. These amounts were equivalent to an average per capita daily ration of 48 momme of fresh and 19 momme of processed fish. Prices continued the downward trend begun in October.

b. 614,600 kan of fresh vegetables were received at the Central Nagoya Market, the largest in the city, however, prefectural officials say that they no longer have a budget for this type of surveillance and can only estimate the total receipts. It was pointed out that decreasing prices would indicate an ample supply of all types of seasonal vegetables.

INDUSTRY

1. Production

a. Law No. 172 concerning the collection of iron scrap is proving of

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small benefit in solving the scrap shortage. Nagoya ITI Bureau plans to reinvestigate many of the cases of non-cooperation but frankly admit that there is little possibility of obtaining forced sales because of the loose manner in which the law was written. By December 1949 the Bureau listed 5,042 tons as being available under the law but to date MITI in Tokyo has issued coupons for the removal of only 939 tons and so far none of this amount has actually been moved. Owners have agreed to honor the coupons already issued but will refuse to sell any additi nal scrap at the same price, stating that the official price is only one half of the open market price and in addition they must pay for dismantling. In bombed out and destroyed privately owned aircraft and other similar plants there are thousands of tons of scrap iron and steel but according to the owners they classify this material as structural steel and they are not required to sell, although it is apparent that they are playing the market for higher prices. Some experts have expressed the opinion that such steel after being burned over, which is the case in most of the plants here, is no longer suitable for structural steel because of the resultant loss of tensile strength. It is known definitely that some has already been sold to private contractors for the purpose of new construction and the Construction Section of the Aichi prefectural government has been asked to give a decision as to safety and compliance with building codes. Further discussion of the scrap program will be found under "Reparations".

Call Tappan on this

b. In compliance with the request of our NRS to investigate complaints from fishermen that net manufacturers are not honoring their coupons toward the purchase of new nets, our investigations show that generally such complaints are not justified, in fact, several of the larger factories have in their warehouses a stockpile of nets previously ordered but for which the fishermen cannot pay. It appears that the real trouble lies in the fact that the factories do not have sufficiently large operating capital to either stockpile or sell on credit and refuse to accept orders unless there is a deposit or very good reason to believe that they will receive their money when the nets are ready for delivery. It is reported cotton yarn for the weaving of domestic nets is particularly difficult to obtain as those weavers who have export orders can outbid them as much as ¥50,000 per 100 pounds of yarn.

c. Special demand orders are being filled on schedule and the percentage of rejections has definitely improved over that reported last month, according to the Nagoya ITI Bureau. There has been a decided trend toward improvement in efficiency and production in manufacturing circles with an eye toward export business. One notable example is in the textile industry of Fukui, which during the last year has increased employee output 130% and loom production by 50%, according to the figures compiled by the Textile Traders Association.

d. Exports according to bank clearances increased 30% over October of

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this year and 750% over November 1949, exclusive of special demand orders. Ceramics and cotton textiles remain in favor, but textiles for internal consumption took a sharp drop during the latter part of the month. Imports through Nagoya port increased 20% over October 1950 and 2.6% over November, 1949. Imports-exports therefore, were of the greatest volume since the occupation.

e. Exporters from this area recently submitted a petition to MITI requesting negotiations with South Africa for the lowering or cancellation of their recent additional high tariff laws that apply only to Japanese merchandise.

f. According to the Trade Section of Nagoya ITI Bureau export orders could be expedited by at least 10 days if the banks would make loans on cablegrams instead of insisting on receipt of written orders.

g. The Aichi Trade Institute moved to a new modern building one block from the Nagoya railroad station and have very fine plans for the increase of trade in this area. The building is equipped with conference rooms, display rooms, auditorium and restaurant and is setting a good example for other prefectures to follow.

2. Transportation

a. According to the officials of the Nagoya Bureau of the Japanese Railway Corporation the acute shortage of railroad cars remains about the same as reported last month with approximately 40% of the requests being granted, although it is admitted that this figure may not reveal the true situation in view of the fact that all requests are tabulated, and the lists may include duplications. The correctness is further doubted from the records which show that although large backlogs of freight are on hand, even general items (the lowest priority) are moved within a 10-day period. Priorities have been established in the following order: (1) occupation requests (2) export products and Hokuriku rice (3) fertilizer (4) cement (5) coal and coke (6) food and (7) general items.

b. Demurrage was paid on only 25 of the 36,000 cars used in the Nagoya area. This seems to be an exceedingly low figure and may be explained by the fact that demurrage is not charged for between the hours of 1700 and 0800. Reports from 20 of the larger stations in the Nagoya area however, indicate that only 10% of the cars are being unloaded at night, while car repair shops only worked seven nights during November although unlimited overtime was authorized. Although the freight stations generally are not over-crowded, suggestions as to the hiring of additional night unloading gangs to alleviate unemployment as well as the transportation program were not too well received.

c. The concensus of members of this section is that while there really is a shortage of cars the Japanese officials are not putting forth their complete and honest efforts to remedy the situation and are not taking advantage of obvious opportunities within their power. The true situation, furthermore, is believed to be distorted and purposely made to appear darker than warranted in the hope that it can be used as a possible point of leverage to obtain authorization to build additional rolling stock.

d. Coal from Hokkaido and Kyushu is now arriving via water, but cement, lime and fertilizer are still being cross-shipped over long distances via rail. Cement is now being shipped in open cars covered with tarpaulins, but even short hauls of fertilizer in like manner were unsuccessful and resulted in many damage claims. An examination of freight manifests would indicate that there is still much apparently unnecessary shipment of freight. For example, cement, one of the articles produced in this area in abundance is being imported from far distances, even into the producing prefectures. Further investigations are now in progress and conclusions will be reported later.

3. Reparations

a. A total of 73 reparations plants in six prefectures were inspected and no major violations of custody or maintenance were observed. During inspections examinations were made of articles requested for reclassification as scrap.

b. There is a growing reluctance on the part of reparation plants to request reclassification of obsolete or irreparable items as scrap because the government controls both prices and disposition and it is realized that open market prices are much higher. At present, the only applications apparently are motivated solely by a desire to gain additional space. The differential between the official price of ¥4,500, the open market price of ¥7,500 up, and ¥33,000 for new building steel with a rapidly advancing market is sufficient reason for the owners to play the market and holdout sales at this time. Brokers are active.

c. There were no changes in custodial personnel paid for by the government. A detailed listing of all custodial personnel by individual plants as of 31 November has been submitted to higher headquarters by special report.

d. A summary of final authorized expenditures for repair of "Jane" typhoon damage will be submitted as a special report on 11 December. Per the request of Mr. Mandell, CPC, SCAP, no additional authorizations for damage funds will be made by this Section until after the start of the new fiscal year.

VERDAN CALLED ON THIS

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e. Section personnel will start immediately a survey to determine the articles currently carried on reparations which are deemed to be unsuitable for reparations. This report together with a report on the use of property released for private industry, and details of contemplated changes are under preparation together with the report on authorized use of reparations machinery. All will be submitted in December.

f. The large number of applications approved by CPC for the movement and authorized use of machinery at non-coded locations is materially adding to the difficulty of maintaining adequate surveillance of custody and maintenance because of the widely dispersed locations.

4. Restricted Industry

a. Fertilizer

(1) Six chemical fertilizer plants were inspected in Aichi, Mie, Toyama and Fukui prefectures. The reduction of electric power allocations for the third quarter and the shortage of rail transportation still continue to be the biggest problems of the producers. There appears to have been no change in the situation since last month.

(2) In connection with the recent recommendation by ESS/SCAP for the exportation of 92,000 M/T of amonium sulphate to Formosa, Nissan Kagaku KK, Toa Gosei KK and the Tokai Ammonium Sulphate KK, producers in this region, are eagerly awaiting the final decision of the Japanese Government. Tentative quotas have reached the producers for the first shipment, anticipated in December. Producers are hoping that this may be the first step toward the export of chemical fertilizer to foreign markets in sizeable quantities. Up to now exports from this region have been very small.

(3) According to the producers, previous experiences with foreign markets have shown that specifications of foreign buyers are somewhat different from those of domestic buyers. Because of the improved condition of the fertilizer plants and with raw materials more available, any export specifications and competition can be met.

b. Explosives

(1) The Nippon Yushi KK in Aichi prefecture was inspected in accordance with OD 11, and no violations were noted. Production of industrial explosives have been normal during the month amounting to 425.9 M/T. Raw materials have been sufficient and the electric power supply has not developed into a problem because power consumption during

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the winter months is very small. Most of the power is used for their air-cooling system and it is not operated in winter. This is very important during the hot summer months and shortage during those months will involve great safety risks. The coal supply is sufficient. This can be attributed to the very favorable connection that this plant has with the coal producers. A large percentage of their production is shipped to the various coal mines in Hokkaido and Tohoku regions and consequently the obtaining of coal in return from these mines has been very favorable since the lifting of controls on coal.

(2) Management stated that rail transportation has become acute. It was stated that only 70% of their total requirements were obtained on time. Very frequently mines have requested dynamite on short notice, to meet unexpected needs, and in most cases this plant has not been able to meet those requests because even though the stock was on hand, transportation was not available. It was stated that shipments by water are not practical because very few ports have facilities for the handling and storage of explosives and even with the few that have the facilities the handling charges are extremely high, making it unprofitable. Shipments from the port to the mines in the mountainous regions eventually have to be made by rail.

c. Shipbuilding

(1) Eight steel and wooden shipbuilding yards were inspected in accordance with OD 11 and SCAP letters authorizing special construction or reconversion. No violations were noted. Salvage work on the Yamanami Maru and the Seiko Maru by the Higashi Nippon Jyukogyo has been suspended until March because operations have been made impossible by rough seas. No new construction or reconversions were completed during the month.

(2) Salvage of ammunition at Miya-machi by the Fuji Shindo KK as authorized by reference letter, ComNavFE, dated 9 September 1950 has not been too encouraging. It was estimated that about 500 tons of former Japanese military explosives were dumped at the present site. After two months of operation, the Fuji Shindo KK has only been able to bring up 50 tons. This is because the explosives have been scattered in a wide area, probably by the ocean current and have been covered by mud, rendering it difficult to find. Fuji Shindo o ficials stated that it is becoming financially unprofitable to continue the salvage operation.

5. Construction.

a. Building.

(1) Contractors engaged in construction of steel concrete buildings

are complaining of the shortage of skilled labor, stating that in order to meet construction schedules, this type of construction now requires fifteen men per tsubo instead of the former number of ten. Further, contractors have stated that in some instances, the building inspectors sent out by the prefecture and city for inspection, are not qualified. This situation is not expected to change in the future.

(2) Availability of materials for construction varies with different contractors, depending on their connections or contacts with manufacturers. This condition has retarded the progress of construction on some government financed apartment buildings. Many contractors are reluctant to bid on construction projects due to slow payment and the rising prices of materials. There is a general feeling or rumor, however, that the prices will fall sometime during April or May, 1951. No acceptable reasons can be given for this trend of thought.

(3) The Aichi, Gifu and Fukui prefectural assemblies passed local ordinances in accordance with Article 83 of the Architectural Standard Law, Law No. 201, 1950.

b. Roads.

STANEC

(1) 124 road improvement and repair projects were visited. The road improvement project on the Tokaido highway between Kamiyama town, Mie prefecture, and the Nara prefecture border, on which U. S. Counterpart funds are being used, is progressing satisfactorily with the exception that gravel for this project is ¥2.22 per cubic meter. It is believed that, since this gravel is unreasonably expensive, it would be more practicable to spend additional funds for paving or asphalting this road, thus reducing the cost of maintenance in the future.

STANEC

(2) On 11 November, the Tengu bridge, Ishikawa prefecture, collapsed, killing two and injuring eight persons. Investigation of the cause revealed that many of the bridge timbers had been sawed and cable clamps loosened. Through questioning and investigation by the police and the procurator's office, the blame for this sabotage was placed on the chief of the prefectural road section. As of this date, eight persons have been indicted. The procurator has impounded all books of the Kanazawa public works branch office and the books of the prefectural road section in an effort to determine whether more prefectural officials are involved in the case. The chief of the road section is being charged with fraud, attempting to obtain money under false pretense, and attempting to misuse prefectural funds. See Annex A for further details of this case.

BASIC: ANNEX D to Civil Affairs Activities Report, Tokai-Hokuriku Civil Affairs Region for period ending 30 November 1950.

(3) All prefectures of the Hokuriku district, with the exception of Fukui prefecture, are making plans to keep the roads clear of snow this winter. The attitude of public works officials of Fukui prefecture is that nothing can be done to keep the roads clear during the winter. This lack of cooperation on the part of Fukui public works officials is typical and in no way surprising. Maintenance of gravel roads suffers greatly from the desire of prefectural officials to use hand labor rather than make use of available mechnical equipment. After many of these instances have been pointed out, they agree, but still continue to use slow and inefficient methods.

c. Public Works.

FEED NOTE:

(1) Investigation of cement prices in Gifu prefecture revealed a range of from ¥7,500 to ¥11,000 per ton, while in other prefectures the range was from ¥4,800 to ¥6,000 per ton. All cement purchased by Gifu public works section is purchased through agents of the different cement companies at FOB destination. The FOB price of cement in Gifu city is ¥7,500 to ¥8,000 per ton regardless of point of origin. The EIA is now investigating to determine whether price fixing or a monopoly is being practiced by the different agents or cement companies.

FOLLOW

(2) Bank improvement and erosion control projects on rivers under jurisdiction of the prefectural public works sections are progressing satisfactorily.

6. Electric Power.

a. According to Nippon Hassoden hydro generation decreased 2.8% under October and 10.7% under November 1949, while thermal generation increased 24% over October and 2740% over November 1949. The decreases resulted from low stream flows.

b. The 15 November revision of power allocations has been received at this level and adequate dissemination of this information is in progress. The Haidens have called a series of meetings with all consumers from 50 to 3,000 KW and the new allocations will be explained at those meetings which are region wide. At the same time members of this Section will attempt with the assistance of the power officials and civic groups to further the campaign for conservation and to spread the peak load. Agreement has already been reached with 111 factories to make adjustments in working hours, lunch periods, holidays, etc., which it is believed will solve the peak problem, however, adjustments will be sought with smaller users even down to the general public level to insure success in the program. Details of this extensive campaign will be forwarded at a later date.

c. This section has been unable so far to get a satisfactory explanation from the Nippon Hassoden as to why the only thermal plant located in Toyama prefecture and capable of generating 10,000 KW will not be repaired and ready for operation until January 1951, especially since the plant has not been in operation for at least a year and plenty of time has elapsed for repair. Nippon Hassoden also states that by agreement with SCAP officials they do not plan to operate the Shimizu thermal plant, Shizuoka prefecture, capable of producing 20,000 KW, even though the plant is in good condition and ready to operate at the present time.

LABOR

1. Labor Relations.

a. The "red purge" from industry continues to be the main activity in the labor relations field. Figures for the region which have been reported to this section show that 824 communists and fellow travelers so far have been dismissed from 108 companies with a total of 179,455 employees. As far as can be presently ascertained, the purge is not getting out of hand and no innocent employees have been dismissed. Two complaints from discharged workers were called to the attention of the Labor Officer this month. Both of these cases were from Mie prefecture. Investigation proved beyond any further doubt that in both instances management had collected sufficient evidence of the employee's subversive activities to warrant their discharge. These two employees have not appealed their cases any further since management pointed out the evidence.

b. The two major firms in this region experiencing difficulty as a result of discharging communist employees are the Nagoya Shipyard, Aichi prefecture and the Ibigawa Denki company, Gifu prefecture. Both cases were mentioned in October's report.

(1) The Nagoya Shipyard's Union (1,300 employees) violently protested the discharge of 20 persons. Communist executive members of the union had the membership stirred up and disrupting work even before the discharges were announced on 30 October. Strikes were held on 23 and 27 October and the union announced intentions to go on an "indefinite period" strike from 1 November. This lasted two days. Discharged workers (including six out of the nine executive members) continued to enter the company's property and agitate the general membership. The police refused to act on the company's request to keep these people out until a court injunction was issued on 8 November. Five of the dischargees were arrested for illegally entering the company's property on 10 November. On 14 November, at the suggestion of the Labor Officer, an election was held and the radical leadership was ousted. This situation is now pretty well under control, and no further serious trouble is anticipated.

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(2) The trouble at the Ibigawa Denki company, Gifu prefecture, (1,352 employees) was very similar to that in the Nagoya shipyard. Here also, the discharged workers continued to come into the plant and agitate the workers. Before any action could be taken to prevent their entry it was necessary for the company to obtain a court injunction, which was not issued until the end of October. Since the injunction prohibiting the entry of the discharged workers was issued the union has cooled off, and on 8 November voted to expel the discharged workers from the union and to cease to support their cause.

c. Settlement of the "red purge" from the Hokuriku Private Railways, Ishikawa prefecture, is still pending. The management notified the union on 23 October that 19 workers would be discharged. Mana ement requested their resignation before 28 October planning to discharge any who did not resign on 29 October. The union did not concur with this and appealed to the Local Labor Relations Commission for mediation, in accordance with an article in the labor contract. The Local Labor Relations Commission sent the case on to the Central Commission for action, requesting that the management and union hold negotiations in abeyance while waiting for an answer from the Central Commission. The Central Commission instructed the Local Commission to handle the case itself and the Local Commission suggested that management and the union bargain on the problem. An agreement was reached between the management and union representatives on 15 November and the discharge was expected to go on as planned, with some minor provisions added by the union. On 20 November the plan was put to the general membership of the union and was completely rejected. The reason given was that the representatives who negotiated were not authorized by the union. The Local Commission has now recommended that negotiations begin again with authorized representatives acceptable to both parties. This case will probably be settled early in December.

d. Two months have lapsed since the Gifu Labor Relations Commission's term of office ended. Some of the old members are continuin to serve on the Commission until such time as new members are appointed. The reason for delay is that there is considerable difficulty in finding competent persons to act as public members. The Gifu Commission has, in the past, had some very poor personnel who have caused them a lot of embarrassing criticism and therefore they are now being extremely careful in their selections.

e. Mr. Amis, Chief of the ESS Labor Division spent five days the early part of the month in this region, and his talks with prefectural officials, management association members and labor organization representatives was appreciated. It is believed, as a result, that many of the Division's problems and policies are now better understood. The Labor Officer has heard many compliments on Mr. Amis' visit to the region.

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BASIC: ANNEX D to Civil Affairs Activities Report, Tokai-Hokuriku Civil Affairs Region for period ending 30 November 1950.

2. Labor Education.

a. With the requests for supplementary budgets which each section of the prefectural governments usually put in at this time of the year, the Labor Policy sections are attempting to receive permission to procure projectors. At the present time, Fukui is the only prefecture in this region which has its own projector. All other prefectures utilize the projectors they borrow from the Visual Aid Sections. The Gifu and Ishikawa prefectural assemblies met this month and approved the budget for projectors. Aichi is expecting to receive approval when the assembly meets in December. Mie has received the approval of the General Affairs Section and feels confident that the assembly will also approve this request next month. Toyama Labor Policy Section is withholding its request until the prefectural governor returns from the United States. Most prefectures are also expecting to receive approval of requests for additional travel funds. These reports are very encouraging and indicate that some improvement can be expected in the Labor Education programs throughout the region.

3. Labor Standards.

a. Another major firm has been referred to the procurator by the Aichi Labor Standards Bureau for violations of the Labor Standards Law. This case involves the Kondo Cotton Spinning company at Tsushima City, Aichi prefecture, which employs approximately 1,300 workers. Inspections reveal that the company has been forcing its employees, mostly female or minor workers, to work overtime. Overtime work was from fifteen minutes to as high as nine hours a day during a period of approximately two months. Company officials say that this was due to the recent rapid expansion of plant facilities. Dust control devices are unsatisfactory and arrangement of new machinery is disorderly. The procurator has not yet acted on the case.

b. The Labor Standards Bureau in Ishikawa prefecture submitted 13 cases of violations of the Labor Standards Law to the procurator during the month of November.

c. Labor Standards Bureaus throughout the region report that they are receiving more cooperation from management and feel this is due to the fact that management is becoming increasingly aware of the necessity and importance of the Labor Standards Law. The Labor Officer has continually stressed the importance of the law during conferences with management groups throughout the region.

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BASIC: ANNEX D to Civil Affairs Activities Report, Tokai-Hokuriku Civil Affairs Region for period ending 30 November 1950.

4. Workman's Compensation Insurance.

a. Complaints are frequently being received by the Labor Standards Bureaus that they are too slow in processing claims for Workmen's Accident Insurance. This is due entirely to the heavy work load which responsible officials have to meet. It is also difficult to retain competent personnel because the wages for this work, as compared to that of similar personnel in other offices (they cite Taxation Offices as an example), is quite low. In order to insure efficient operations, the offices must be adequately manned. Very little can be done to improve unless consideration is given to these points.

5. Women's and Minors' Bureau.

a. The Labor Ministry sponsored campaign for the protection of working minors, held during the first week of November, was generally considered to be a success. Women's and Minors' Bureau o ficials report that they received the sincere cooperation of other agencies.

6. Employment.

a. Unemployment figures throughout the region continue to decrease. Totals for all six prefectures show a decrease of 14,351 in unemployment for October as compared to September. Each of the prefectures anticipates further decreases when November's totals are compiled.

7. Unemployment Insurance.

a. The exact percentage of premiums collected so far is not available but most prefectures are experiencing difficulty in attaining their goals. It is doubtful that they will reach the required percentage by 15 December, as was planned. A more detailed report on this subject will be made next month.

HEADQUARTERS
KINKI CIVIL AFFAIRS REGION
APO 15 c/o Postmaster, San Francisco

ANNEX D

To Monthly Civil Affairs Activities Report
Period Ending 30 November 1950

ECONOMICS SUMMARY

Prepared by Joe C. Goldsby, DAC

1. Agriculture

a. Fertilizer Requirements

(1) Prefectural governments, Agriculture Cooperative Purchase Federations and local fertilizer dealers in each prefecture were visited. Officials in 8 towns and villages in Kyoto and 3 local offices, 10 towns and villages in Wakayama were interviewed. Sixty farmers were interviewed in the 2 prefectures.

(2) Dealers throughout Wakayama and to a lesser extent in other prefectures are underselling the cooperative organization at wholesale and retail levels in what amounts to a price war. Dealers are recovering some of their losses by discounts for cash and tie-in sales of organic fertilizers. The size of the cooperative organization should enable it to drive the dealers into line within a few months.

(3) Interviews with farmers in Wakayama indicated that 50% of the fall individual farmer requirement for the "N" and "P" type fertilizers have been met. Future purchases are pending arrival of rice payments. Demand for potash was usually found among larger scale farmers. Those cultivating on a smaller scale were found using fuel ashes as substitute.

Take up with Alley and Holt.

(4) Prefectural designated fertilizer handlers in Osaka and Wakayama failed to appear at the second period emergency release auctions, believing that the floor price would be too high. Dealers claim in view of the Kodan stock being old and in many cases requiring repacking, that the floor prices should be ¥630 to ¥650 per 10 kan for ammonium sulphate and ¥260 to ¥270 per 10 kan for superphosphate.

b. Agricultural Reform

(1) Land Reform

(a) Kyoto Land Office of the Ministry of Agriculture and Forestry and all prefectural governments were visited. Officials and farmers in 5 towns and villages in Kyoto and 10 towns and villages in Wakayama were interviewed.

(b) Contracts have been written on 142.4 cho, or 2% of all tenanted land in Osaka, involving 742 landlords and 180 tenants. Wakayama has 2,072.4 cho or 55% of total tenant land involving 9,039 landlords and 20,896 tenants under the new lease system. Reports from the other prefectures were not available.

(c) A total of ¥2,305,044 in local subsidy has been proposed by the various mayors of the 40 model towns and villages for the land consolidation program. Whether the budget will get local assembly support is problematical. Budget status for the program thus far:

Prefecture	National Subsidy	Prefecture Subsidy	Local Subsidy Proposed	Net Budget	Paid Out
Shiga	¥ 937,180	¥ 976,400	¥ 864,000 (18 villages)	¥2,777,580	¥ 900,000
Kyoto	705,160	705,160	553,044 (10 villages)	1,963,364	None
Osaka	952,800	1,297,200	100,000 (1 village)	2,350,000	520,000
Hyogo	1,047,500	3,663,110	None	4,710,610	None
Nara	780,000	None	90,000 (1 city)	870,000	90,000
Wakayama	787,750	787,750	698,000 (10 villages)	2,273,500	None
Total	¥ 5,210,390	¥7,429,620	¥2,305,044	¥14,945,054	¥1,510,000

(d) Some of the prefectural land sections, anticipating budget reduction for the next fiscal year, have started to shift personnel to other sections where vacancies exist. Osaka plans to carry present personnel with deficit made up from prefectural budget. Officials in other prefectures feel that surplus personnel may be absorbed elsewhere by March 1951.

BASIC: ANNEX D to Monthly Civil Affairs Activities Report, Kinki Civil Affairs Region, APO 15, period ending 30 November 1950, cont'd.

(e) The Agricultural Cooperative Credit Federation in Hyogo has consented to make ¥25,000,000 available for long term loans (10 years) to any bona fide farmer who will put up land as collateral. Interest rate is to be 9% with 2½% being subsidized by the prefecture. A maxium loan of 7 times the old land value per tan may be made up to 1.8 cho for paddy and other stipulated increments for pasture land. Loan payments are payable through the local cooperative which will receive 1.5% for handling fee with the Credit Federation obtaining the remaining 7.5%. Under the Registration Tax Law this system is to be exempt from Registration Mortgage Tax. To date no farmer has taken advantage of the offer. The prefecture has set aside ¥500,000 for an informational and publicity campaign.

(2) Agricultural Cooperatives

(a) Agricultural Cooperative Federations, and all prefectural capitals were visited. Officials and farmers in 9 towns and villages in Kyoto and 10 towns and villages in Wakayama were interviewed.

(b) Registration was completed on transferred assets of 17 more Nogyokai. Remaining unregistered assets are 6 in Nara and 1 in Wakayama. Completion date for 3 in Nara is expected in December, the remaining 3, and 1 in Wakayama are pending court decisions.

(c) During November local office and Guidance Federation officials inspected and audited books for 177 cooperatives. They are, by prefectures:

Prefecture	Cooperative Section	District Office	Guidance Federation
Shiga	9	Inspected together	1
Kyoto	7	9	54
Osaka	4	6	10
Hyogo	1	0	3
Nara	9	0	31
Wakayama	9	24	0
Total	39	39	99

Survey indicates the inspection and guidance approach is being received favorably. Many of the cooperative officials interviewed stated that administration procedures has improved since the visit. Guidance Federations in Kyoto and Nara are endeavoring to serve their mission through this method. In Wakayama and Shiga the same federations have laid emphasis on individual farmer production guidance. Wasted energy through duplication of efforts by the extension program was pointed out to these officials and the need for an effective educational program for the local cooperatives was stressed. Survey in the field disclosed that cooperatives in Kyoto and Nara indicated more willingness to pay Guidance Federation fees than in the other prefectures.

(d) One cooperative in Wakayama, 2 in Osaka and 8 in Shiga were given guidance by the advisory councils. Other prefectures complain that the appointed members do not participate in council activities but send clerks in their places. Council members in Nara and Hyogo have not participated to date.

(e) Two cooperatives in Nara which were limiting deposits have returned to normal. Due to personnel friction in the village, Hyogo has an increase of 1 cooperative suspending; 1 cooperative in Kyoto, formerly suspending, is now limiting deposits. Situation elsewhere remains unchanged. Status to date, 19 cooperatives suspending and 23 limiting member deposits.

(f) Another Federation consolidation committee meeting was conducted in Hyogo on 22 November. Plan to include the sericulture and livestock federations in the amalgamation was rejected. Personnel of this headquarters attended and emphasized the importance of proper informational campaigns preceding the general meetings.

(g) With the exception of Nara, the Federation officials claim that an annual saving of ¥43,000,000 can be realized by amalgamating the federations. The breakdown includes:

Employees salary	¥ 9,439,264
Interest on loans	12,643,754
Directors' salary	4,895,000
Other expenses	16,047,045
Total	¥ 43,025,063

ANNEX D

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(Nara has no plans for consolidation.)

(h) Wakayama and Osaka, anticipating the new cabinet order establishing standards for financial activities, have immediately, after its promulgation, dispatched survey questionnaires to each cooperative. All of the prefectures are planning extensive informational programs. Prefectural officials report that 176 cooperatives out of a total of 1,457 have the minimum requirement of 140% capital over physical assets. Increases required by March 1951 are:

Prefecture	Coops Requiring Increase	Coops Having 140%	Total	Increase for 1950 Fiscal Year	Average Increase	Average Individual Farmers Per Month
Shiga	173	15	188	¥50,000,000	¥ 280,000	¥ 120
Kyoto	212	25	237	80,928,000	358,090	215
Osaka	204	29	233	52,308,500	224,500	110
Hyogo	315	80	395	56,530,416	147,214	55
Nara	144	17	161	31,150,000	216,300	97
Wakayama	233	10	243	94,642,000	399,000	222
Total	1,281	176	1,457	¥365,558,916	¥1,625,104	

Osaka and Wakayama prefectures are planning to complete the major part of the program in 3 years. All stated the new cabinet order was necessary and are confident regulations can be complied with.

(i) A regional semi-annual prefectural cooperative section conference was attended in Shiga on 21 November. Some of the issues discussed were three year cooperative commemoration festivals, revision of election regulation requiring 50% membership quorum, and ways and means by which a cooperative director can legally be held responsible for causing cooperative bankruptcy through negligence. A proposal was made by Wakayama to establish a Kinki Cooperative Business Administration Committee made up of various prefectural cooperative officials. The plan is to be studied and discussed again at the next meeting in the spring.

c. Extension

(1) General

(a) All the prefectural governments were visited. Officials and farmers in 10 villages in Wakayama were interviewed. Separate discussions were conducted with 5 farm advisers, two 4-H club members and 10 farm wives. A prefectural Home Improvement Sub-Committee meeting was also attended.

(b) Osaka, Shiga and Wakayama increased 1 home adviser each. Osaka has added 1 specialist and 11 farm advisers. Nara has added 6 home advisers and 10 farm advisers.

(c) Local extension committee elections are being conducted this year in Nara. In addition to consideration by the local assembly, candidates are being recommended by various interested agricultural groups such as local land commission, crop adjustment committee, etc. Names of 2 candidates for each post are being submitted to the district office chief who has been commissioned to select new committeemen (to be officially appointed by the governor).

(d) Shiga has decided to defer its Prefectural Improvement Committee election, due to possible consolidation of the 3 agriculture committees next year. Kyoto and Nara prefectures are planning an election early next year after the new local committees have been appointed. Nine vacancies created by the termination of the two year term of office in the Prefectural Improvement Committee have been filled in Hyogo, Osaka and Wakayama. Procedure in Hyogo and Wakayama merely amounted to appointment by the Area Committee chairmen. Economy and the possible consolidation of the 3 committees are believed to be the reasons for failure to hold elections. Osaka however, has closely adhered to election suggestions outlined by MAF. Prior to the election the prefecture printed 500 copies of posters urging area committeemen to vote. Elections were conducted at the district offices by secret ballot. Voting percentages were 96% in Sempoku and 68% in Kitakawachi District.

(e) The prefectural assembly in Wakayama has agreed to subsidize a ¥3,000,000 construction expense for new buildings on the experimental farm, on condition that half the expense be borne by the farmers. Each farmer is to be assessed ¥5 per tan. The prefectural Improvement Committee opposes the plan. The prefecture is currently endeavoring to gain district and local committee support at district meetings.

(f) Due to the busy harvest and planting season, farm advisers' activities have mostly been restricted to teaching farmers how to select and disinfect "mugi" seed.

(g) Osaka and Shiga are conducting surveys to determine 3 superior 4-H clubs in each prefecture. Clubs are to be judged on the basis of organization, programming, administration, records and accounting. Judges are to be officials from the prefectural extension, cooperative and social education sections and the school boards. Final selections will be early next year.

(2) Home Improvement

(a) Wakayama is the only prefecture which has established a prefectural Home Improvement Sub-Committee to study the problems of farm wives. Members consist of a man each from the prefectural agricultural cooperative and public health sections, a mayor from a Home Improvement Model Village, and 5 women, 2 of whom are from the prefectural social education and public health sections. The remaining 3 are representatives from various private women's groups. A sub-committee of 15 members from various prefecture sections and private organizations is also being formed to study youth problems.

(b) Wakayama has dispatched its 7 home advisers to their "Model Villages." All of them, at present, are gathering statistics prior to embarking on any positive program.

(c) Wakayama extension section has constructed a miniature model kitchen (6' x 6') at an expense of ¥20,000. The kitchen has been exhibited at 4 separate places and has been viewed by approximately 34,000 people. The model has been sent to

Tokyo at the request of MAF to be put on display during December.

(d) In an effort to stimulate interst and gather worthy ideas, the extension section in Osaka sponsored an essay contest on the subjects of food, clothing and housing. Two winners in each subject were selected out of 7 male and 13 female applicants. First and second places on the subject of housing were won by men, a 4-H club member and prefectural planning section official respectively. Three out of the 4 winning women were farm wives. Publicity was given by newspapers and essays have been printed into magazine form and distributed to all farm and home advisers. Improvement Committees and to the mayors of all towns and villages.

d. Staple Food Crop Collection

(1) No field trips or conferences were initiated on the subject of rice collection. However, the food section chief from each of the 6 prefectures made a point of visiting this headquarters to bring the prefectural plan for collection. All agreed that up to 95% of the final revised quota could be collected easily, but made it clear that they would welcome Civil Affairs help with certain villages which always resist collection.

(2) All prefectures have set target dates at about 15-20 January, with the official close of collection on 31 January. Since it is clear that no prefecture will invoke the law against delinquents, this last date is meaningless. Wet weather has delayed processing and collection, and farmers are still waiting for individual quota allocation, which they should receive about 10-15 December. Because of the low quota and momentum from previous collections, there is a good chance that all 6 prefectures will complete by the end of January.

2. Fisheries

a. Supplies

(1) Visits were made to all prefectural government fisheries section. Fishermen and officials were interviewed in 13 villages in the Harima sea area in Hyogo, Kihoku sea area in Wakayama and the Biwako sea area in Shiga.

(2) Fishermen are asking for and receiving more petroleum than they need in the winter season while they do not receive enough during the summer. It is evident that prefectural officials are passing requests along without checking them and that Ministry officials are prorating the petroleum available as a percentage of the original request. There is little evidence of or hope for a system whereby requests are related to actual needs, edited by prefectural officials and conscientiously considered on their merits by Ministry officials.

(3) An additional allocation was received by all prefectures during September. This allocation was given for fuel expended and fuel losses due to typhoon "Jane."

b. Cooperatives

(1) In Wakayama the number of cooperatives participating in Mutual Aid has dropped from 37 to 35. Five cooperatives dropped after completing payment and 3 additional cooperatives joined the program. The number of participating cooperatives in other prefectures remain unchanged.

(2) Sea Area Adjustment Committees are continuing to conduct open hearings with fishermen to obtain their opinions concerning fishery rights and fishery ground planning. Kyoto has requested the Fisheries Agency for additional funds for the Sea Area Adjustment Committees and Inland Water Fishery Ground Administration Commissions. Other prefectures have not made any request to date; however, marine products section chiefs decided at a meeting on 22 November that a unified request would be made by all prefectural governors and chairmen of Sea Area Adjustment Committees. This request will drawn up after a meeting of the marine products section chiefs to be held some time in January. A check with members of 2 committees and fishery sections of all prefectures failed to bring to light any case of misuse of the committee's budget by the governor.

(3) Meetings were held by all Inland Water Fishery Ground Administration Commissions during the month of November. Hyogo prefecture has completed a series of open hearings and will hold commission meetings in

December to evaluate the information obtained. In Kyoto the commission has visited 15 cooperatives to familiarize themselves with fishery rights in those areas. The other prefectures have not started their surveys. Budgets for these commissions have not been received.

(4) Preliminary meetings of Fishery Rights Compensation Committees have been held in all prefectures except Wakayama. A tentative allocation of compensation for fishery rights has been received by all prefectures from the Fisheries Agency.

(5) The revised schedule of informational material on fisheries reform has been received by all prefectures. Only the first of the 3 pamphlets scheduled for November has been received at prefectural level.

(6) A check with cooperatives in Shiga disclosed that there is an association which purchases small trout (Koayu) from fishermen for resale to other prefectures. This association came into being after 15 persons were designated as buyers of small trout under the provisions of the Shiga Prefectural Koayu Distribution Regulation for Transplanting which was enacted in April 1931. After appointment, these designated buyers formed the Shiga Prefecture Koayu Distribution Association as suggested by the prefecture. At present 11 members comprise this association and supply small trout to approximately 34 prefectures. Additional buyers can be designated by the governor; however, the prefecture and the association do not want to increase the number of buyers at present. An investigation is being made by the Fair Trade Commission to determine whether this organization is a control association.

(7) A draft of small trawler regulations has been received by each maritime prefecture. Copies of this draft have been made and distributed to cooperatives in all prefectures except Hyogo. At a meeting of marine products section chiefs held during August it was requested that the opinion of fishermen be obtained concerning various points incorporated in this draft. A letter from the Fisheries Agency received during November requested that information be obtained by each prefecture.

concerning areas and seasons to be restricted to small trawlers, present status of trawling, and present status of piscatory fishing rights. All prefectures in turn have requested this information from cooperatives.

c. Fishing Boat Insurance

(1) A check of premiums of all prefectural insurance associations disclosed that boats from different prefectures of the same size, type, and working in the same area have different premium rates per ¥100 of insurance.

(a) Transfer boats weighing between 5 and 20 tons, operating in Osaka Bay pay a ¥3.12 premium in Wakayama and ¥4.43 in Osaka.

(b) Otter trawlers weighing between 20 and 50 tons and operating in the Hokkaido coastal area pay ¥9.84 in Kyoto and ¥11.70 in Wakayama.

(c) Mother type ships engaged in long line fishing for sea bream, weighing between 5 and 20 tons and operating from south of Aomori prefecture to the coast of Kyushu on the Pacific Ocean pay ¥7.50 in Hyogo and ¥7.80 in Osaka.

(2) Amount of premiums collected and their final disposition:

1949-1950 Budget	Hyogo		Kyoto	Osaka	Wakayama
	Naikai	Tajima			
Premiums Collected	¥909,358	¥2,336,901	¥1,228,718	¥326,447	¥1,044,259
Amount paid out to fishermen for damages	783,136	799,103	101,652	10,347	722,857
Amount paid to National Ins Ass'n (less)	91,087	1,062,324	677,886	134,724	97,729
Amount retained by prefecture	217,319	475,474	449,180	181,376	223,673

(3) A comparison of private marine insurance and government sponsored insurance shows that government insurance is preferred because premiums for boats under 20 tons are much lower. Of the power boats insured, 97% are in this bracket. For example, a trawler weighing between 5 and 20 tons operating from south of Aomori prefecture to Yamaguchi prefecture in the Japan Sea would have to pay ¥ 11.55 per ¥100 of private insurance, whereas under government insurance the average premium is ¥8.63. Also government insurance contains a partial damage clause which private insurance does not. Private insurance companies interviewed stated they could not profitably insure for partial damage.

d. Experimental Stations

(1) Visits were made to 3 prefectural experimental stations in Hyogo, Wakayama and Shiga. It was found that these stations are hindered from conducting many necessary experiments because of the need to make an income. In preparing the budget, each prefecture allocates a certain income that must be met by each station. In Hyogo and Wakayama the station personnel spend approximately 70% of their time on money making enterprise.

(2) At the Akashi Experimental Station in Hyogo prefecture, the majority of the work being done consists of the distribution of small trout, clams, shell fish and tedpoles. Inasmuch as these fish are purchased and released by the cooperatives this work could be done by them and leave more time for the station to conduct actual experiments. Station officials stated that because expenses must be made, main emphasis must be placed on making money rather than scientific study. The main projects conducted are as follows:

(a) Three boats are used to study the effectiveness of various types of equipment. The greater part of the time is spent in fishing with fish caught being sold for expenses.

(b) Fish cultured are sold to farmers with ponds and private culturing facilities to make expenses.

(c) The station has the intention of manufacturing fish paste to provide an income. Equipment costing approximately ¥400,000 has been purchased for this purpose.

BASIC: ANNEX D to Monthly Civil Affairs Activities Report, Kinki Civil Affairs Region APO 15, period ending 30 November 1950, cont'd.

3. Forestry

a. The Osaka National Forestry Bureau and Koyaguchi National Forestry Branch were visited and conferences were held twice with Hyogo and Nara prefectural forestry officials, once with Osaka, Kyoto, Wakayama and Shiga. Visits were made to the Forestry Federations at Wakayama and Hyogo and officials were interviewed at 4 towns and villages in Hyogo, 4 in Nara and 7 in Wakayama.

b. Seed collection is going smoothly in all prefectures except Kyoto. Kyoto had a poor crop and the deficit will be met by utilizing 2.3 koku of stored seeds and importing one koku from Nagano. There is a slight price increase in seeds. The highest price is at Wakayama where sugi and hinoki seeds are approximately ¥800 per sho. At Shiga, where there is a 50% subsidy, the price is approximately ¥300.

c. All prefectures except Osaka expect to exceed their targets for fall planting. At Hyogo, the village agents made fall reforestation their primary program. At Kyoto, 70 cho is being reforested by schools and meetings were conducted at 4 district offices with prefectural officials, school representatives, local officials and boards of education where an explanation of the importance of school reforestation was given by the extension workers.

d. Prefectural forestry officials have many excuses for their reluctance in compelling owners to abide by the managament plans as stipulated in Articles 10 and 11 of the Forestry Law:

(1) Lack of funds often forces the owners to cut and without substantial long term loans, the government does not desire to force owners to comply. Paragraph 2 of Article 11 exempts owners where daily living expenses would be jeopardized.

(2) Securing reimbursement from forest owners for areas planted by the prefecture would involve complicated legal procedure.

(3) Forest management plans have not been made in all villages, and to make other forest owners comply is unfair.

(4) Government does not desire to contradict itself by preventing cutting when wide encouragement was made during the war as the officials will be accused of utilizing the law for their own purposes.

(5) Violation of Article 11 is subject to a fine of only ¥300.

e. The prevailing factor is political. The prefectural governments feel that the present Forestry Law is weak and inadequate and they are awaiting the provision of a law with sufficient teeth before they take any action. The forestry chief, Shiga, noted a current increase in cutting of pulp wood. He suspects that it is due not merely to the increase of prices but also to escape threatened controls over cutting. Chiefs of other prefectures admitted the increase in cutting but blamed typhoon "Jane" and the high price of lumber.

f. In Kyoto, the forestry section found that 74 of 145 forestry associations were withholding part of the reforestation subsidies. In Shiga, 2 associations out of 12 visited and in Wakayama, 4 out of 6 were withholding reforestation subsidies. Some examples:

Locality	Total Subsidy	Deducted by Federation	Deducted by Forestry Assn
Hyogo			
Yoka	¥ 611,161	¥ 18,334	¥ 107,360
Minamitani	701,479	21,044	21,044
Oya	121,816	3,654	4,871
Ikuno	1,040,389	30,491	83,914
		*30,491	
Wakayama			
Kokawa	¥ 244,370	None	¥ 12,180
Kamikono	212,770	None	22,757
Kimi	183,890	3,690	22,730
		*3,690	

(*Withheld by Forestry Federation Branch)

g. Many of the forestry associations claimed that the withdrawal of reforestation subsidies is their main source of income and that the contributions were expended to pay wages to the technicians or for office supplies. It was also claimed by some associations (and verified by forest owners) that in a general meeting the forest owners agreed that the associations may withdraw a certain amount of subsidy before it is given to the forest owners.

h. In Hyogo, 47 forestry guidance officers have been appointed out of 63 authorized and at Osaka 7 out of 8 have been selected during this reporting period. Nara has finally secured a budget from the prefectural assembly and will make appointments in December. The guidance officers in Kyoto and Shiga are concentrating their efforts on investigating the forestry situation in order to set up the planting and cutting plans for next year which will aid the officers in correcting the management plans. Shiga has completed 40% of its investigation of forest land and Kyoto will begin investigation within a short time.

BASIC: ANNEX D to Monthly Civil Affairs Activities Report, Kinki Civil Affairs Region, APO 15, period ending 30 November 1950, cont'd.

i. The noteworthy activities of the specialists and village agents are:

(1) Shiga: Village agents visited 55 localities on autumn planting, industrial forestry, pine bark beetle control, and management which included selective cutting and bamboo forest management. The chief effort was on encouragement of autumn planting.

(2) Kyoto: The specialists visited 4 schools on autumn reforestation meetings and 2 localities on pine bark beetle control. A specialist was dispatched to Tottori and Shimane prefectures to inspect seedlings and he purchased 150,000 sugi and 80,000 hinoki seedlings.

(3) Osaka: The specialists visited 6 prefectural nurseries for technical guidance, and 2 villages on forest management. Their chief efforts were on industrial guidance in drying veneer, and 2 lectures were given on mushroom cultivation with approximately 60 persons attending.

(4) Hyogo: The specialists gave a lecture course for the village agents and prepared an article for publication on cultivation and sale of seedlings and special trees. The village advisers visited 117 localities and also conducted a demonstration at Sugihara village where superior seedlings and statistical data on forestry where shown.

(5) Nara: The specialists succeeded in destroying arrowroot wisteria (kuzu fuji), which harms coniferous trees, by using a solution of 2, 4 D (1 gram in 100 cc water) at a cost of ¥1 per root. They also demonstrated cultivation of edgeworthia chrysantha (mitsumata) and arrowroot (kuzu) to anchor down forest soil in 24 villages.

(6) Wakayama: Emphasis was placed by both specialists and village agents on the reforestation program and 63 principals of schools were visited. Visits were also made to 35 factories to demonstrate the economical way to process lumber. Other activities.

(a) The care of seedlings was demonstrated to 100 persons.

RESTRICTED

(b) Mushroom cultivation was shown to 200 forest owners.

(c) Seed collection was demonstrated to 342 persons.

(d) Forest management was shown to 400 persons.

j. All of the prefectures except Osaka, Nara and Wakayama reported that funds are adequate to control the pine bark beetle. Osaka officials claimed that the prefectural assembly turned down a request for funds because the national subsidy was cut and that they have 1,034 koku to be treated. Nara has an infestation of 20,180 koku with 4,000 koku treated. Their subsidy covered only 5,000 koku. Wakayama complained that the national subsidy was expended in September and that 650 koku remains untreated.

4. Mining

a. The Kanayabuchi Mine at Nosegawa village, Nara prefecture, was inspected.

(1) This mine was closed at the termination of war due to intensive and reckless mining during wartime. The mine resumed operation in April 1949 and present production is 1,200 tons of pyrite per month, concentrated to 600 tons. The grades of crude ores are 29% and of concentrated ores 36%. Nine veins are in operation.

(2) A 200 horse power compressor is utilized for 5 drilling machines and overhand stoping is carried out.

(3) Estimated ore reserves are 700,000 tons, according to prospecting in 1944.

(4) The dressing plant is primitive and handpicking and gravity flotation are the only methods for concentration. The concentrated ores are carried out by a 20 kilometer aerial tramway extension from the mine to Gojo station.

(5) A plan to build a new dressing plant was made but possibility for actual construction is dim as the expenses will amount to ¥4,000,000. If the plan materializes, 1,000 tons will be concentrated monthly and 400 tons of tailings with an estimated grade of 14% could be reprocessed.

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(6) The Kanayabuchi Mine Company is in poor financial shape with unpaid accounts amounting to ¥5,000,000 of which ¥1,500,000 is back wages. The mine itself is operating at a profit. Expenses are 46% mining, 25% aerial tramway, 22% office and 7% refining.

(7) Dr. Takubo, geology professor, Kyoto University, recently visited this mine and wrote a prospectus to be printed in March 1951. A limited geological survey was conducted by Nara prefecture.

(8) The allocation of electricity for mining during October was 18,470 KWH with consumption at 25,000 KWH. The shortage was made up by using only 7,000 KWH out of the allocation of 14,000 KWH for the aerial tramway. There is a shortage of compressor oil as allocation is 200 liters with minimum usage being 300 liters. A request was made by the mine officials for mobil oil No. 40 if there is difficulty in securing compressor oil.

(9) No mine safety commission was organized and rules were not made. This mine was inspected by the Osaka Mine Safety and Inspection Division this summer and it was found that underground ladders slanted too steeply. This has been corrected.

(10) The mine officials stated that in this large mine area on the border of Nara and Wakayama prefectures, there are possibilities for large deposits of ore reserves which have never been explored. The neighboring mining right holders have the same opinion but are greatly hindered by monetary difficulties, inconvenient location and lack of geologists. Complaints were made that the MITI is very uncooperative and disinterested in their petitions. A similar complaint was directed against the Osaka Geological Survey Branch. A request was made that the Central Government give aid to conduct prospecting in the promising areas.

b. The Kinki Mine Association has a membership of 110 out of 180 mines in this region including Fukui prefecture. The total income from membership dues amounts to ¥2,742,946. The membership dues are assessed on 3 bases:

(1) Basic: ¥1,250 per year

(2) Additional: ¥50 a year for each employee

(3) Additional: 0.3% of yearly production

Membership is not compulsory, and the association does not meet the other criteria of a control association. However, this association, like many others which sprang up in the places of disbanded control associations, has at least the blessing of the Japanese Government and is much used to carry out government business. Although complaints are general that the association costs too much and does not render adequate service, none of the complainants are willing to lead a movement for withdrawal or for reduction of dues, fearing repercussions from the MITI.

c. Mine Safety

(1) In November, 14 mines were covered by 8 inspectors of the Osaka Mine Safety and Inspection Division and 17 violations were found. The major violations were inadequacy of hoist equipment, ventilation, and saw and grinder covers, incorrect storage of inflammable materials, and that weight indicators were not maintained at natural gas mines.

(2) One miner was severely injured by a shaft hoist at Nakase Mine. One employee was severely injured and another slightly by a roof fall at Myoho mine, and 1 killed by a roof fall at Kanayabuchi mine.

(3) The two months campaign for prevention of inflammable gas explosion ended on 30 November. During this period, 20 metal mines and 10 coal and lignite mines were inspected.

(4) The new Mine Safety Professional Committee held their first meeting on 2 November and discussed future functions. This committee is composed of 17 mine safety representatives and is established to consider mine safety technical affairs.

(5) A training course for mine supervisors will be held at Ikuno Mine from 27 November to 3 December.

(6) Officials of the Osaka Mine Safety and Inspection Division are quite concerned because the Administrative Management Agency of the Prime Minister's Office is considering a consolidation of the division with the Mine Section, MITI. If consolidation takes place, the

safety division will receive reductions in personnel and in travel allowances which will make thorough inspections of mines difficult. The officials pointed out that NRS/SCAP is against any consolidation. Managers of 4 big mines were in favor of the consolidation, claiming that the present system results in duplication of duties by the government officials.

5. Price and Distribution

a. Economic Investigation Agency

(1) During November representatives of this headquarters attended all prefectural EIB coordination committee conferences, 2 Regional Economic Bureau conferences, and 4 special conferences on sugar distribution and surveillance over operations of OSS and specialty stores.

(2) Attendance of coordination committee members is not satisfactory to the EIB. The majority of the members attend by proxy. The proxies do not have either the confidence or authority to speak for the man they represent, and merely sit in the meeting taking voluminous notes in order to report to their superiors.

(3) The present strength of all EIB's plus Regional EB is 386. This is 27 less than authorized and 6 less than the previous month. The decrease from the first of the year is 173. Reduction in personnel strength has been gradual, and usually voluntary, to accept other positions.

(4) Administrative inspections were made by the REB and the EIB on the accounts of the Oilstuff Distribution Kodan, the SPEB, Coal Distribution Kodan, the Mineral and Industrial Goods Trade Kodan, the Staple Food Distribution Kodan, the transportation section of the Tobacco Monopoly Corporation, on the sugar distribution section of the Oilstuff Kodan, illegal transactions in cotton yarn and textiles and the operation and sales of SS and OSS's.

(5) Prefectural EIB's made investigations and inspections of the SPB, tobacco transportaion charges, textile violations, sugar distribution and blackmarketeering, OSS's and

SS's, restaurant control, staple food processing, school lunches, stapel food rationing and control, critical materials, and surveyed supply, demand and prices of decontrolled materials and foods.

(6) All EIB's and the REB checked accounts of the various Kodans. In almost every case, payments from large consumers to the Kodans were in arrears. Books in many cases were falsified and some cases of embezzlement were discovered. Embezzlement was usually done by falsifying transportation records.

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Requires new law

(7) Sugar investigations were continued throughout the month. The Hyogo EIB completed investigation of a case involving a Chinese who contracted to sell 200 bags of sugar to 2 private schools in Kobe city, a violation of Article 19, Ordinance No. 1 and 2, Regulation for Distribution of Designated Daily Necessities. Action consisted of confiscation and sale to the Sugar Distribution Kodan of sugar that had actually been sold and delivered, and recommendation to the MITI that administrative action, such as suspension of the importer's license be taken. No such action has yet been taken.

(8) In the August Activities Report it was mentioned that the Kobe CID had obtained considerable evidence against Whymark and Company, but they had been told by officials of SCAP that regulations in effect prior to 30 June 1950 did not provide sufficient basis for prosecution. The Hyogo EIB has continued the investigation of Whymark and Company. Evidence of violations committed prior to 1 July 1950 has been referred to the central EIA for research. If criminal prosecution proves difficult, administrative action is contemplated. If violations are uncovered for the period since 1 July 1950, application will be made of Ordinance 1 and 2, Regulations for Distribution of Designated Imported Daily Necessities. The Price Control Ordinance, Transportation Certification Regulation, the Sugar Demand and Supply Adjustment Law, Finance Ministry Ordinance No. 88 and various tax laws may also be applied.

(9) EIB investigation into blackmarket activities of OSS and SS's revealed that payment for most purchases of C category items is made in military scrip. Cotton and wool textiles constitute the primary C category items purchased for blackmarket sales. The majority of the blackmarketeers are Chinese, a large number of whom make this their regular source of income.

BASIC: ANNEX D to Monthly Civil Affairs Activities Report, Kinki Civil Affairs Region, APO 15, period ending 30 November 1950, cont'd.

(10) In Osaka the EIB found that the Pacific Stores had been selling Class A and B items to unqualified purchasers. The violations were referred to the local ITI Bureau which agreed to cooperate and refer the case to the MITI in Tokyo for administrative action. A letter Dai-tsu No. 6179, 1950 dated 10 November 1950 was sent, however, it proved to be only a cover letter forwarding a copy of the Osaka EIB's investigation for information. No recommendations were made, and no answer was requested. To date no administrative action has been taken by the MITI.

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b. Restaurant Control

(1) With the exception of Osaka prefecture, where police requested administrative action be taken for 59 cases, little or no time was spent by police or EIB's on restaurant control, except in discussions at meetings.

c. Staple Food Rationing

(1) Observations show that there has been a big increase in illegal staple food activities. The majority of the rice involved is new crop rice. With the exception of Hyogo prefecture, police have shown a lukewarm attitude toward enforcing the law. Saga station in Kyoto prefecture is a typical example, where 40 to 50 blackmarket carriers debark from each incoming train without fear of police interference.

(2) Railway security officials report that blackmarket carriers frequently damage seats and windows in retaliation for enforcement. One group, caught in a surprise raid by the Takarazuka city police, caused an estimated ¥200,000 damage by breaking plumbing fixtures, seats and windows in revenge. In surprise raids where speed is essential, the sacks of rice are thrown out the window whether it is open or not.

(3) Confiscation of staple food during October increased 25% over the previous month to 268,015 kilograms. Of this, rice constituted 72%, an increase of 36% over September, wheat 10%, beans 8.5% and miscellaneous cereals 9.5%. Hyogo prefecture confiscated 42% of this amount. The number of raids and investigations has decreased, but the amount of foodstuffs confiscated per raid has increased.

(4) All EIB's devoted a portion of their coordination committee conferences to staple food control and crop collection. Discussion centered around confiscation and collection statistics.

(5) Enforcement was at its best in Hyogo prefecture. The NRP and police in Himeji and other smaller cities carried out enforcement programs as in the past.

(6) Many housewives in Osaka city have stated that service rendered by the staple food distribution points since the transfer from Kodan to private management has improved. It is believed that managers of the distribution points are doing their utmost to hold as many of their present customers, since in the coming registration, consumers will be able to register at any distribution point.

(7) Staple food ration refusal during October declined 0.7% over September, a total of 9,078 tons or 8% of the allocation for the entire region. Wheat flour and barley primarily were refused. Refusal in imported food was 15.3% compared with 2.5% for indigenous food.

(8) The Osaka Food Office reported that 3 days' ration of glutinous rice for the holiday season is contemplated. Presently 2 days' ration is available. Whether the third day's ration can be made available or not depends upon collections in Shiga, Mie, Shimane and Toyama prefectures.

(9) The average blackmarket price of rice dropped to ¥165 per sho. The drop in price is seasonal, caused by farmers selling at low prices to raise funds for the New Years Holiday. The average blackmarket price of glutinous rice, much in demand during the holiday season, is ¥220 per sho. The blackmarket price of glutinous rice is expected to rise sharply as New Year approaches, while regular rice is expected to show a slight increase.

6. Industry

a. Reparations

BASIC: ANNEX D.to Monthly Civil Affairs Activities Report, Kinki Civil Affairs Region, APO 15, period ending 30 November 1950, cont'd.

(1) Releases and consolidations have reduced the total number of inspection targets from 206 to 195.

(2) Personnel of this headquarters inspected 92 installations.

(a) Sixty were regular quarterly custody and maintenance surveys, of which 33 were in Osaka prefecture, 16 in Hyogo prefecture and 11 in Kyoto Prefecture. Only minor discrepancies were encountered. Custody and maintenance are rated generally satisfactory.

(b) Sixteen installations were surveyed in connection with applications for expenditure of reparations funds.

(c) Five plants were inspected in connection with applications for release of equipment as melt-down scrap.

(d) Eleven inspections were made to ensure that equipment previously released for melt-down scrap was broken up and motors salvaged. Action was found to be satisfactory in each case.

(3) In addition to the inspections reported above, personnel from CPC/Rep conducted routine custody and maintenance surveys of 50 installations. Only minor discrepancies were reported. Custody and maintenance were reported to be generally very good.

(4) In compliance with instructions telephoned from Civil Affairs Section on 10 November 1950, following is a report of the number of custodial personnel at reparations plants in the region as of 30 November 1950: 2,183 guards employed at 195 custodial areas, of which 686 are paid by the government and 1,497 by the plant managements.

(5) Considerable time was spent in connection with applications for expenditure of government funds for maintenance, centralization of machines and repair of buildings. Applications were carefully screened following receipt from the prefectural governments, and returned if found to be incomplete or improperly prepared. Due to close checking required, an average of one-half day per application was required for the surveys including travel time. Inspections have been completed of all projects for which acceptable applications have been received.

Plant Name & Code Number	Amount	Purpose
Mitsubishi Jukogyo KK, 22-09	¥864,436	Consolidation and building repairs
Shin Nikkoku Kogyo KK, 22-12	11,567	Consolidation
Uji Arsenal, 22-25	106,099	Transfer 100 government owned items from 35-09 to the Uji Arsenal
Kotobuki Kogyo KK, 22-37	3,208	Consolidation
Koa Kikai KK, 28-2	141,243	Consolidation
Howa Kogyo KK, 32-03	666,000	Consolidation and building repairs
Kawasaki Sangyo KK, Sakai Plant, 32-05	12,750	Maintenance
Kawasaki Sangyo KK, Takatsuki Plant, 32-06	105,288	Maintenance
Takada Aluminum KK, 32-25	8,637	Maintenance
Hirakata Arsenal, 32-31	35,394	Transfer 91 government-owned items from 32-99 to the Hirakata Arsenal
Nippon Tanatsu Kogyo KK, 32-40	32,183	Building repairs
Toho Kosakusho KK, 32-81	478,079	Consolidation and building repairs
Nobuhara Seisakusho KK, 32-94	764,096	Consolidation and building repairs
Mitsubishi Jukogyo KK, Tsuruhara Plant, 32-100	161,773	Consolidation and building repairs
Teikoku Kako KK, 32-126	110,000	Building repairs
Mitsubishi Jukogyo KK, Mikuni Plant, 32-137	218,242	Building repairs
Daido Seiko KK, 32-123	4,908,036	Maintenance, consolidation and building repairs

(6) All equipment of the Howa Kogyo K.K., 32-03, was transferred to the Shin Toyo Kiko K.K., 32-91, for storage following collapse of all buildings at the Howa Kogyo Plant due to the typhoon of 3 September 1950. Cost of transfer was ¥666,000, as reported above, while repairing typhoon damage would have cost almost ¥3,000,000. The Howa Kogyo Plant has been released from reparations custody.

(7) Due to typhoon damage to plant buildings, the following 8 items were transferred from the Koa Kikai Kogyo K.K., Nara Plant, 28-02, to the Owada Plant of the same company, 1412 Owada-cho, Nishi Yodogawa-ku, Osaka city: IA1-1, boring machine; IA5-1, grinding machine; IA6-1, lathe; IA7-1, milling machine, IA8-1, 2 and 3, planers and IC2-1, testing machine. The listed machines were the only reparations items left at the Nara Plant, all other 28-02 equipment having been previously dispersed to the Owada and Urae Plants of the Koa Kikai Company, both in Osaka city, due to procurement of the Nara Plant. The cost of consolidation was ¥141,243, as reported above, while cost of repairing damage at the Nara Plant would have been more than ¥175,000. Consolidation further permits termination of government payment for 4 guards at the Nara Plant. Employment of additional guards at the operating non-reparations Owada Plant as a result of the consolidation will not be required.

b. Restricted Industry

(1) Fertilizer production. The Befu Kagaku K.K. in Hyogo prefecture was inspected. Production was found to be in accordance with existing regulations.

(2) Explosives. The Nihon Kayaku K.K. in Hyogo prefecture was inspected. Operations were found to be within limitations imposed by the Japanese Government.

(3) Shipbuilding. Nine steel shipbuilding yards in Osaka prefecture and 4 in Hyogo were surveyed. New construction and conversion operations at each yard were covered by either SCAP authorization or Japanese Government permit.

c. Electric Power

RESTRICTED

(1) In compliance with instructions given to Regional Economics Section Chiefs at the conference held at Civil Affairs Section in Tokyo on 28 October 1950, the electric power situation in the Kinki Region was forwarded in a brief special report on 24 November. In summary, the report brought attention to the prospect of severe power shortages in the coming winter months, high cost of power due to the need for use of electricity at thermal rates and dissatisfaction in the region with reorganization of the electric power industry as presently proposed.

(2) A conference on the electric power situation was held with officials of the ITI Bureau, who stated that due to rainfall in late November, no emergency exists at the present time, that is, frequency is being maintained and power has not been cut off at any time since early November. Since receipt of a letter from MITI dated 14 November, efforts have been made to make contracts with companies owning thermal plants for supply of power, and with large consumers to shift their consumption to off-peak hours. Contracts have been made for an additional supply of 22,000 KW of thermal power, and agreements to shift the work schedule have been reached with consumers with a total demand of 45,000 KW. These agreements will take effect on 5 days' notice, and the chief of the ITI Bureau states that an emergency situation can be seen that far in advance.

Good. Take up with Retail Sect.

(3) A shortage of 280,000 KW is foreseen for February, and efforts are being made to make additional agreements with consumers prior to that date. It is anticipated that 20,000 KW can be saved by an appeal to household consumers to cut usage voluntarily, another 20,000 KW by voluntary savings by small factories, and 30,000 KW by strengthening of efforts to prevent pilferage. This, plus 67,000 KW gained as stated in (2) above, will amount to 137,000 KW, short 143,000 KW of the goal of 280,000 KW adjustment for February. This headquarters willassist officials of the ITI Bureau and Kansai Haiden in attempting to obtain additional agreements for a shift in working hours.

(4) It was expressly agreed by the Chief of the ITI Bureau that no power will be shut off, and the frequency will not be allowed to drop, until all additional power possible has been added to the line and all consumers with whom agreements have been reached have shifted working schedules.

ANNEX D

RESTRICTED

BASIC: ANNEX D to Monthly Civil Affairs Activities Report, Kinki Civil Affairs Region, AFO 15, period ending 30 November 1950, cont'd.

7. Labor

a. Labor Relations

(1) The Red purge was completed during the month of November except for a few scattered cases. The effects of the purge, however, produced the following developments:

(a) Cases of violence, illegal trespass and sit-down tactics in opposition to the purge increased gradually during the month of November, and during the final 2 weeks became a matter of serious importance. The number of arrests and the ammount of property damage resulting from these cases likewise increased.

(b) Early in the month, demonstrations and illegal entry into factory premises were confined generally to purgees and their sympathizing fellow employees, however, by the middle of the month these former employees began to be joined by outside interests including Communist supporters, Koreans and in some cases women. By the end of November many of the demonstrations and entries into factories were carried out entirely by outsiders without the presence of former or purged employees.

(c) In the middle of November Mindo union leadership, vitally concerned over the increase of violence cases, began to organize and to operate "defense units" which voluntarily patroled and protected managements' facilities against Communist violence. In many cases these volunteer workers fought side by side with regular company guards in expelling attacks of the Communists and their radical followers.

(2) Increasing property damage became an issue that necessitated more strict action by the police and better liaison between individual employers and the law enforcement agency. By 29 November revitalized police action became a reality in the Osaka, Kyoto, Kobe area.

(3) Despite the violence cases in connection with the Red purge, there was no significant strike or tie-up of industry, which indicates that most of the cases of violence were not supported by the ranks of organized labor.

Labor unions co-operated thoroughly with management in carrying out the purge except in those few cases where union officers or executive committees were entirely Communist. The month of November produced 1 or 2 cases which indicated lack of discretion on the part of management in administering the purge. The most serious of these was the case of the Dai Nippon Spinning Company branch in Takada City where 2 or possibly 3 non-Communists were dismissed while 3 or 4 active known C. P. party members were left on the payroll. The management here was also guilty of the charge of not consulting with the local union over the dismissal. The dismissal as finally carried out left both this Headquarters and Nara intelligence agencies baffled as to Dai Nippon management's purpose in carrying out the purge. In general, however, management circles administered the purge with a laudable discretion and Dai Nippon's exception is particularly conspicuous because of its rarity.

(4) By late November the year end bonus issue had become a reality, bringing with it many problems which are more critical this year than ever before. Union pressure is greater and employer opposition is stronger to the payment of year end bonuses. Heading the list of potential disputes is the case of the Private Railways in the area which last year produced a strike and subsequent tie-up of private rail facilities. The Railway Union filed an appeal with the Labor Relations Commission on 19 November and therefore will become elligible to strike if the bonus issue is not ameliorated prior to 19 December. So far, management has steadfastly refused to discuss not only the amounts but even to negotiate on the bonus issue. This whole problem is further agitated by the fact that industries enjoying financial security have announced their intentions to pay substantial bonuses to their workers, which leaves industries who are not enjoying financial security in rather a peculiar position. Also, the Communists and leftists, both within and outside the labor movement, have begun to propagandize and agitate the rank and file of unions over the year end bonus issue. Generally, the propaganda line called for workers to demand payment of ridiculously high year end bonuses. The plan here is obviously to incite the rank and file in order to place Mindo leaders in the untenable position of bargaining with management over year end bonus grants which would be impossible for management to meet. Mindo leadership met

this challenge effectively and generally appeared to be keeping the issue within the bounds of reality and logic. In many cases Mindo leaders appealed directly to management to support them and bargain in good faith in order to liquidate the Communist propaganda effort.

(5) The Osaka area headquarters of Sodomei opened 2 drives to organize workers in the month of November. The first, in response to Mr. Amos's statement that organization of construction workers would be desirable, was pushed into a full scale operation on 21 November. The second drive, which is in the planning stage, will effect textile workers in small and medium sized textile factories of which less than one-third are organized in this area. Union officials are apprehensive less these drives be misinterpreted by management, particularly in the textile industries, as being Communist inspired and therefore are cautiously seeking the support of Mindo leadership in all major unions of this area as well as the tacit sympathy of the prefectural labor officials.

(6) Certain Sodomei officials in this area are apparently temporarily representing Sohyo (General Council of Japanese Trade Unions), however, the absence of any particularly identifiable Sohyo liaison officials or any Sohyo branch headquarters is regretable. Both for publicity and for administration purposes, union officials hope for the early appointment of a Sohyo liaison official, and for the location of a Sohyo office in this area.

(7) Only 2 significant strikes occurred during the month of November:

(a) On 22 November the Osaka area headquarters of Nittsu (Japan Express Union) ordered its locals to refuse to work overtime. The issue in this case, national in scope, is an increase in wages which has been under consideration for some time by the C. L. R. C.

(b) On 25 November 230 cargo checkers from the Kobe Port and Harbor Workers' Union went on strike against their employer who had not paid wages for the month of November and part of October. This strike involved only 1 of 3 checking companies in Kobe; therefore the port was not tied up as the other checking campanies were able temporarily to absorb the duties of the

striking checkers. A plan for payment of back wages was worked out and this strike lasted only 2 days.

b. Labor Education

(1) A regional wide labor education conference was held in Wakayama for interested union labor education officials on 22 November. The purpose of this conference was to stimulate activities of labor unions in the labor education field. The conference was attended by Mr. Robertson of ESS GHQ and a representative of this Headquarters and was adjudged to be highly successful.

(2) The Osaka headquarters of Sodomei indicated its intention to open up large scale educational campaigns in the Osaka area on industrial safety and organization of unorganized workers.

(3) Approximately 15 labor-management employees have indicated a desire to travel on their own expense to the United States and to study employers' labor relations activities. These 15 applicants were well scattered over representative major industries. A few more outstanding industries such as chemicals and fertilizers agree to indicate their acceptance or rejection early in December.

c. Labor Standards

(1) Increased financial burdens (taxes, back wages, non-payment of accounts receivable), which are plaguing medium and small sized enterprises, have increased the dilemma of the Labor Standards inspector, who in making inspections realizes that many of his recommendations would involve tremendous outlays of capital if carried out. Therefore, he is reluctant to make such recommendations, and consequently industries that are considered bad working places remain bad working places. Superficial adjustments, necessitating little or no outlay of capital, in most cases do not change the general atmosphere or modify the extremely dangerous or unsanitary environment which characterizes many work shops. This is particularly true in the Osaka area. Employers whose enterprises fall within this category have developed a peculiar self-righteous resistance toward compliance with the Labor Standards Law, which is openly antagonistic, and which was commented upon by an industrial safety expert from the United States who visited

the area during November. In order to overcome this dilemma, the inspection sections of the Bureau, as a policy, are prone to concentrate efforts upon the large industrial category firms, where funds do exist and re medial action therefore is possible on the part of the employer. However, it is in these places where working conditions are far better than average and where compliance with the law is years ahead of firms falling in lower industrial classifications, which employ the bulk of Japanese labor.

d. Workers' Accident Compensation

(1) The Osaka Labor Standards Bureau announced their decision to pay accident compensation claims and bereavement benefits to families of workers who were injured in typhoon "Jane". The Bureau's decision to make these payments, despite the fact that typhoon "Jane" was an obvious natural calamity, satisfied the Osaka Port and Harbor Workers' Union and they withdrew their order to strike (when and if the wind velocity reached 10 meters per second), which had been in effect for some time. The Bureau, however, in making the decision, asked the union not to publicize the fact since this was not a precedent case and said that deaths and injuries resulting from natural calamities would continue to be judged on their individual merits. The union officers announced their intention to continue efforts to have the Accident Compensation Law revised or enlarged to give protection for harbor workers, during calamities, up to the level enjoyed by seamen under the Mariners' Law.

(2) The outlay of benefit payments for claims under the Accident Compensation Law continued to rise in November despite tightened review procedures initiated by the Bureaus. This increase in benefit payments resulted from a continued rise in industrial accident frequency, which has now reached such alarming proportions that even trade unions, which had hitherto shown little interest in accident prevention, are beginning to display concern. The Osaka headquarters of Sodomei is now working on plans for a union sponsored accident prevention campaign, coupled with a drive to force employers to utilize safety devices, especially on machines, and in and around working places where the accident rate is extremely high.

e. Employment

(1) Many industries, particularly in Osaka and Kobe, frequently utilize day or intermitent labor to supplement their regular pay roll work force. These laborers are furnished by the Public Employment Security Office. Both management and unions have raised the complaint that workers dispatched by the PESO are not politically screened and present more of a hazard and threat to their enterprises than regular employees who were purged in the Red purge campaign. The Osaka Port and Harbor Workers' Union claims that many violent Communist Party members, some purgees, are among the group that are dispatched daily by PESO to work alongside regular port and harbor workers. The union points out that these people engage in propaganda activities, do less than one-third of the work of regularly employed personnel and are a continuous potential threat to the security of the Port of Osaka. The Osaka branch of the Port and Harbor Workers' Union, which co-operated fully in the purge of Communists, now finds that theoretically even those leftists who were purged from harbor facilities in Osaka may return to their former enterprises in the role of day laborers. PESO authorities, particularly in large metropolitan areas such as Osaka, Kobe and Kyoto, appear hesitant to deal with this problem and point out that no machinery nor specific instructions exist pertinent to political screening of day laborers. This problem will undoubtedly become more serious as greater numbers of purgees dissipate their termination allowances and begin to appear at PESO's for day labor jobs.

(2) In Kyoto City, day laborers conduct almost daily demonstration at the office of the Prefectural Government. The day labor situation in Kyoto City, although not numerically as critical as in other places, is probably the most explosive in this region at this time due to the following factors:

(a) The workers are actually engaged in work only 11 or 12 days per month, which is far below the minimum of 14 days (or 28 days in a 2 month period) which is necessary to qualify them for unemployment insurance. In both Kobe City and Osaka City of this region, day laborers are working on an average of 17 to 19 days per month. However, in these 2 places employment in private enterprises accounts for some of this work time, whereas in Kyoto the day labor force is not utilized by private industry whatsoever. Although Kyoto is the third largest city by population in Japan,

the industrial capacity of large category firms by comparison is significantly small.

(b) Kyoto officials indicate they feel that sufficient funds from the local treasury are being allocated to the day labor problem and they hope to receive special consideration from the national treasury, based on the fact that the absorption of day laborers by industry in Kyoto is by comparison with other areas very small.

(3) Officials in all prefectures expressed concern over budgets which will be put into effect under the new tax and equalization grant laws. Most officials claim that there will be an automatic reduction of funds available to combat such critical problems as unemployment, etc. In 1 or 2 cases, Japanese officials expressed concern that some functions such as labor education must be completely curtailed on a local level in order to provide funds for the necessary projects such as work relief, job placement, etc. These apprehensions may be exaggerated; however, no real data for evaluation exists as yet.

f. Field Trips and Conferences

(1) Field trips were made to all 6 prefectures during the month of November. Conferences were held with Labor Policy, Labor Standards, and Labor Relations Commissions. The labor officer attended a meeting in Nara, of representatives of Labor Relations Commissions of all prefectures Where current problems confronting LRC's were discussed. The assistant labor officer attended a labor education meeting in Wakayama which was composed of representatives from all significant unions in this region. A total of 51 inter-office consultations were held with labor and management and Japanese Government officials. During the month of November the following visitors from ESS GHQ were received by this section: Mr. John Newland, 7 November to 16 November; Mr. Edward Grosiak, 9 November to 19 November; Mr. Clifford Robertson, 20 November to 23 November; and Mr. Dudley Davis, 22 November to 1 December.

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HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
APO 182

ANNEX D
ECONOMICS SUMMARY
November 1950

By Mr. Henry C. Keisel

1. FIELD TRIPS

Activity	Number of Conferences or Visits	Prefectures Covered	Japanese Participants	Purpose
Land Reform	9	All five prefectures	Pref officials	Discuss proposed personnel reduction.
Agricultural Cooperatives	10	All five prefectures	Unit and federation officials, Pref officials	Discuss finance and management.
Agricultural Extension	15	All five prefecture	Farmers, Farm and improvement agents, Pref and gun officials	Evaluate personnel training policies of advisors. Home improvement project.
Agricultural Research	5	Okayama Yamaguchi Shimane Tottori	Experimental station staff, Pref officials	Evaluate research progress in staple food and other crops.
Crop Production	8	Okayama Yamaguchi Shimane Tottori	Pref officials, Farm agents	Coordinate crop production program
Forestry Management	15	All five prefectures	Forestry associations, Owners, Pref and gun officials	Expedite preparation and ratification of local management plan.

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Forestry Extension	6	All five prefectures	Pref officials	Evaluate progress in extension guidance program.
Forestry Erosion Control	7	All five prefectures	Pref officials	Evaluate progress in flood control measures.
Forestry Insect Control	10	All five prefectures	Pref and gun officials, Forestry associations	Expedite and evaluate pine bark beetle control.
Fisheries Supplies	13	Okayama Yamaguchi Shimane Tottori	Co-op officials, Pref officials, Fishermen	Ascertain effect of material shortage on production.
Fishery Cooperatives	13	Okayama Yamaguchi Shimane Tottori	Co-op officials, Pref officials, Fishermen	Organization of co-ops and liquidation of fishing associations.
Aquatic Production	13	Okayama Yamaguchi Shimane Tottori	Co-op officials, Pref officials, Fishermen	Ascertain unreported fish landings and production trends.
Fishing Rights	13	Okayama Yamaguchi Shimane Tottori	Co-op officials, Pref officials, Fishermen	Current activities and opinions of fishermen.
Fishing Boat Insurance	13	Okayama Yamaguchi Shimane Tottori	Co-op officials, Pref officials, Fishermen	Acceptance and participation.
Fisheries Financing	13	Okayama Yamaguchi Shimane Tottori	Co-op officials, Pref officials, Fishermen	Ascertain financial and credit problems of fishermen and cooperatives.
Occupation Force Gunnery Ranges	2	Yamaguchi Tottori	Co-op officials, Pref officials, Fishermen	Effect of activity on fish production.

Information and Education Materials for Fishermen	13	Okayama Yamaguchi Shimane Tottori	Co-op officials, Pref officials, Fishermen	Ascertain extent Central Government information material is reaching the fishermen and prefecture participation in the program.
Mine Safety	12	Yamaguchi Shimane	MITI officials, Mine operators and workers	Safety practices and problems.
Mine Rehabilitation	10	Yamaguchi Shimane	MITI officials, Mine operators and workers	Acceptance of SCAP suggestions. Utilization of machinery and equipment.
EIA	6	All five prefectures	EIA officials	Stimulate activities.
Restaurant Control	15	All five prefectures	NRP, City police, EIA officials, Pref officials	Stimulate enforcement and administrative dispositions.
Staple Food Rationing	15	All five prefectures	NRP, City police, EIA officials, Pref officials	Elimination of ghost population. Inspection of ration points. Investigation of large scale black-marketing cases.
Industry	30	All five prefectures	Regional and Pref officials, Industrial leaders	Stimulate industry and construction. Survey restricted industry.
Labor Relations	39	All five prefectures	Trade union, Management, Pref and local officials	Surveillance over implementation of SCAP labor program.
Labor Education	17	All five prefectures	Trade union, Management, Pref and local officials	Surveillance over implementation of SCAP labor program.

Labor Standards	5	All five prefectures	Trade union Management, Pref and local officials	Surveillance over implementation of SCAP labor program.
Workmen's Compensation	4	All five prefectures	Trade union, Management, Pref and local officials	Surveillance over implementation of SCAP labor program.
Employment	6	All five prefectures	Trade union, Management, Pref and local officials	Surveillance over implementation of SCAP labor program.

2. AGRICULTURE

a. Land Reform:

A survey was completed during the month to determine the validity of contentions made by some prefectural land department chiefs that the proposed personnel reduction in land department would adversely affect the land reform program. Statistics and prognosis of work to be accomplished by the different land departments were presented to substantiate their claim that more and not less personnel is needed. However, not much credence could be given to this when the motive was considered and actual conditions were found to be somewhat different. An objective examination of the situation reveals that although work in the land department will be slowed down some by the proposed personnel reduction, the land reform program itself will in no way be placed in jeopardy. Claims by department chiefs that the program will suffer greatly are without foundation. The only adverse affect of a large personnel reduction would be on the land consolidation program. This project is of such magnitude and complexity that a great deal of guidance and centralized administration will be required if it is to be accomplished properly. Requests for increased personnel to administer this program are justified and should receive some consideration.

b. Agricultural Cooperatives:

Although the financial condition of unit cooperatives continues to improve, proportionate improvement in the financial condition of the business federations does not follow. This again can be traced to poor management. One of the contributing causes of slow recovery among the federations is the numerous positions concurrently held by the directors and managers of federations. Not one purchase federation in this region has a manager who does not hold at least two other positions which require much of his time. In meetings with the various federations throughout the region economics personnel advised

that the operation of an organization this size is a full time job, and that whoever they choose as the responsible individual should be a man who can give the job his full attention and not have to spread his efforts over multiple other jobs he holds. Perhaps in the future, if the Cooperative Law is again modified, this requirement could be written into the revision.

The first indication that positive and constructive assistance is being rendered in the implementation of certain agricultural reforms by the travel of Japanese to America to observe operations in that country in their respective fields was noted during the month. Chief of Agricultural Cooperative Sections in each prefecture expressed their appreciation for the valuable information and pointers on cooperative management they had received from Mr Uchigoshi of the Ministry of Agriculture and Forestry, who visited this region after his recent trip to America. Although prefectural people were overly impressed with the mechanization of certain operations in American co-ops, they benefited greatly from Mr Uchigoshi's observation on cooperative management and functions. Probably the most far reaching result of his visit will be the impression he obviously made on his colleagues in this area of the relationship between the cooperative spirit and a successful co-op.

c. Agricultural Extension:

A large number of farm homes were visited throughout the region during the month by Economics personnel of this headquarters in company with prefectural home improvement supervisors and other extension officials of guns and villages.

In these homes at least some attempt had been made to improve sanitary conditions as a result of visits by home improvement advisors. However, the economic condition in most farming households obviously precludes improvements on a major scale. During these visits it was noted that farm families understand the objectives of the farm improvement program but costs are paramount in their minds.

Conferences were held, usually with women's groups in all of the areas visited, to explain the home improvement program with visual aids and to emphasize the need at present for only the simplest type of alterations in the kitchen. Nutrition and other phases of better living were also stressed in coordination meetings with public health health nurses and health center officials.

d. Agricultural Research:

Possibilities of plant-stimulating hormones spurring the Increased Production Program in the region appear doubtful at present. Agricultural research officials are inclined to the belief that while hormones may accomplish much in the first phase of the growing season, the harvest finds little or no improvement in quality.

Economics personnel of this headquarters visited the Ube Chisso Plant of the Ube Kosan Company, Yamaguchi prefecture to study reported tests on a waste substance, "gas liquor", which is obtained in the manufacture of commercial fertilizer. Five years of research has been carried on by the firm's research laboratory in an attempt to find potential use of the hormone in stimulating plant and flower growth. Early tests with this substance made at the Yamaguchi Experimental Station were disappointing but station officials indicated that they may not have used the proper formulas. New tests are planned this spring, not only in Yamaguchi but in several other prefectural experimental stations.

However, prefectural agricultural research experts believe that the Ube Chisso substance has no more beneficial qualities than any of the numerous other hormones already on the market in Japan.

c. Crop Production:

Outlook for a normal harvest of "mugi" in 1951 appears dim as late planting seriously impedes the MAF-SCAP Increased Production Program throughout the region. Practically every prefecture has to take prompt action to aid farmers overcome the many obstacles arising when the wheat and barley seeds are planted considerably later than the normal period.

Unusually heavy rains throughout the region have delayed the new "mugi" crop as much as two weeks, and in southern areas of Okayama, the planting of seeds may not be completed until the latter part of December. Realizing the necessity for as large yields as possible in all staple food crops, prefectural officials concerned have maintained excellent liaison with extension agents and farmers to minimize the problems.

Coordination conferences at prefectural, gun and local levels preceded this year's "mugi" planting. The Agricultural Affairs sections in all prefectures have had overall supervision of the Increased Production Plan, and have repeatedly stressed the fact that the government's 50% subsidy for insecticide should spur farmers into taking all possible steps to maintain normal or even increased harvests. Long-range programs to insure prompt availability of insecticides and other chemicals needed in the control of plant diseases and insects have been inaugurated throughout the region.

Extension agents have received special instructions from the prefectural officials concerned with the Increased Production Program, urging them to give more attention than ever to soil analysis. Prefectures have generally obtained portable soil-testing sets and distributed them to all extension offices, to enlarge the areas of acid soil which can be analyzed prior to application of lime.

Economics personnel of this headquarters have repeatedly stressed the importance of long-range planning in the Increased Production Program. Prefectural crop production, extension and agricultural research officials have been asked to consider increased crop yields in the light principally of Japan's needs for the next decade, starting in 1960.

Agricultural research officials have worked hard in the past month, visiting as many localities as possible to demonstrate to agents and farmers alike the best techniques in planting and cultivating "mugi." Chances this year of maintaining wheat and barley yield near the average for the past 15 years depends to a large degree on disease and insect control measures taken by the prefectures. In this respect, control measures are expected to be considerably more effective this year than in the past, as all prefectural sections concerned have mobilized their forces in an "all-out" drive to keep the new "mugi" crop at least at normal yield level. Extension officials believe that most farmers will cooperate wholeheartedly in applying chemicals at the correct time to minimize losses from disease and insects.

Gun and prefectural officials expect to make roving trips in their respective prefectures to stimulate interest in the control measures throughout the growing season. Any serious epidemics will be promptly checked according to present plans, as the guidance on the control program is much farther advanced than probably at any time since the Occupation began.

Despite all of these prodigious efforts to avoid it, there are indications that the new "mugi" crop will be from 5 to 15 percent below the production estimates for 1951. Rains this fall have been the heaviest in many years in this region, making for a poor start in "mugi" production.

f. Crop Collection:

Following is a table showing current rice crop collection figures for 1950 under newly established policy as compared with figures for 1949 and 1948 when Civil Affairs participation in crop collection was both ubiquitous and intense. Figures for each year are as of 30 November:

	1950		1950		1950	
Prefecture	koku	%	koku	%	koku	%
Hiroshima	147,211	26	146,247	22	332,477	56
Okayama	66,983	8	98,948	10	109,286	12
Yamaguchi	173,550	34	203,013	30	256,667	41
Shimane	166,440	47	190,808	45	207,749	50
Tottori	79,280	26	101,534	31	108,653	33

Excessive rains have caused unusual delay in drying of the rice which will in turn result in a later delivery throughout the region. All prefectures agree that their delivery quotas are fair and in line with actual production. Some chiefs of prefectural good sections have gone as far as to state that their quotas can be met without difficulty, which, in terms of previous years' problems, is stark heresy. Prefectures have generally adopted a policy which discourages the use of the Potsdam ordinance to collect rice from delinquent farmers. Prefectural officials are making an all-out effort to meet quotas without the use of legal measures.

3. FISHERIES

a. General:

Nine fishing communities were visited during the month of November 1950 and conferences were held with fishermen, cooperative officials, Japanese Government officials and other interested persons. The Yamaguchi Prefecture Cooperative Federation was also visited to determine its financial status, organization and activities.

b. Cooperatives:

Progress in liquidation of old fishing associations has improved tremendously over last month. Yamaguchi and Tottori are 75% completed, Okayama is 62% completed, Hiroshima is 53% completed and Shimane is 47% completed. The prefectural cooperative federation in Yamaguchi is in poor financial condition although it does provide more services for cooperative members than any other federation in this region. The Tottori federation is near bankruptcy. They have been selling materials on credit and the cooperatives are unable to pay, thereby cutting down operating capital of the federation. Federation information and education program is virtually nil. This is because, in most cases, federations are unable to pay attractive enough salaries for qualified personnel. Where the personnel are already on the payroll, lack of money to finance the program is the handicap.

c. Fishing Rights Reform:

Prefectural fishing rights compensation committees and Inland water fisheries adjustment committees were organized in all prefectures during the report period with most holding their initial meeting within a week after their appointment. An appointee vacancy in Yamaguchi and an elective vacancy in Okayama in the sea area adjustment committee still exist as a result of the same individuals being elected to the Seto Inland Sea United Sea Area Adjustment Committee. Difficulty in filling the position was expressed in Yamaguchi because no qualified personnel are available. A by-election will be held in Okayama sometime during December to fill that vacancy. Most prefectures in the region are organizing a prefectural fisheries adjustment committee elected by and from the members of local sea area committees, to deliberate on problems arising between sea areas within the prefecture

and problems with neighboring prefectures. Local sea area adjustment committees are currently visiting fishing villages to survey the rights and opinions of the fishermen. From all reports, fishermen are responding very actively.

d. Fuel:

Yamaguchi prefecture reported difficulty in obtaining their allocation of fuel oil for the 3rd quarter (October - November - December). Ordinarily, the oil is on hand within the prefecture before the quarter begins; however, as of 27 November 1950, they had received only 75% of their allotted quota. This is not causing a great deal of hardship at present, although it is causing some concern over receipt of future allocations.

e. Himeko jima Air Bombing and Gunnery Range:

Yamaguchi prefecture informed this headquarters on 27 November that the Iwakuni Air Base had been using the Himeko-jima range for some time without notification the the prefectural government, local government or fishermen, causing some loss to fishermen. Neither the Yamaguchi Prefectural Government nor this headquarters were aware of this activity, and evidently no attempt at liaison was made by the Iwakuni Air Base. The range is established by SCAPIN 1952; however, the required 15 day notice prior to use has never been given. The Yamaguchi Prefectural Government is now making a detailed survey to determine the number of days the range was actually in use and the damage caused to fishermen. A preliminary report on this matter was made by telephone to Civil Affairs Section, SCAP, and a detailed report will be forwarded by this headquarters as soon as more information is received.

4. FORESTRY CONSERVATION PROGRAM

a. General:

Economics personnel attended a two day conference of all prefectural foresters in Chugoku region at which time the following points were stressed by the Civil Affairs representatives:

(1) A review of reports prepared by visiting experts from America and Civil Affairs observation of what has been accomplished as a result, indicates that the overall forestry situation is still unfavorable enough to be genuine cause for alarm.

(2) Despite recommendations by these experts, certain dangerous forestry practices are still being carried out among which the following are the most dangerous:

(a) Clear cutting instead of selective cutting in practically every lumbering operation.

(b) Indifference toward the pine bark beetle.

(c) Indiscriminate cutting without regard for flood hazards being created.

(d) Cutting in excess of planting and/or regeneration.

(e) Picking hillsides clean of slash and litter.

(3) Some of the best professional advice on forestry management has been made available to Japan. It behooves responsible Japanese officials to take advantage of this advice and guidance or the fate of Japanese forest resources will be tragic.

b. Pine Bark Beetle Control:

Okayama prefecture which has the highest incidence of pine bark beetles in the region and one of the worst in Japan, is slowly attacking the problem with several measures. First, explicit directions on regulating of private forests which have to be controlled by the prefecture under the Insect Control Law, are to be issued early in December to all district forestry offices. These provide for the prefecture to send control teams into all delinquent areas sometime late in February or early March, to clean up infestations which owners did not eliminate as ordered in this spring's survey. According to Okayama forestry officials, the delay in completing the prefectural phase of control is due to a lack of personnel and a lack of appropriations. However, surveillance by this headquarters indicates that the major deterrent is lack of interest and cooperation at all levels, from the chief of the Forestry Department down to the forest owners.

Yamaguchi prefecture, reporting a rather heavy infestation this month, will have approximately 40,000 koku of trees uncontrolled at the end of November. Prefectural Government officials plan to eliminate part of this total next month, when no serious increase in infestation is expected, and the balance in January or February.

All other prefectures in the region have either eliminated the beetles or have only nominal infestations.

c. New Outbreak in Shimane Forests:

Shimane prefecture with all beetles eliminated, is now worried about an increasing amount of pine trees on Oki Island and

Yatsuta-gun on the mainland which are being damaged by an insect known as the "gall-fly". It is believed that the pest is the same one which has created considerable damage to forests in Nagasaki prefecture and especially Tsushima Island.

Two thousand cho of trees have already been damaged on Oki Island, with a considerable number of young trees damaged in a recent outbreak in Yatsuta-gun. Control measures at present are the same as for the bark beetle, feeling the tree and burning the infested limbs and foliage. Shimane officials are handicapped in combating the new epidemic because the Ministry of Agriculture and Forestry has reportedly informed them that the Insect Control Law has no provisions at present for government grants to affected owners.

d. Forest Management:

Several coordination conferences to expedite approval of Forestry Management Plans at local level have been held by Economics personnel of this headquarters during the month. The outlook for obtaining ratification of these plans from some of the inactive associations is anything but favorable. Some of them are in such a difficult financial state that they are either not interested in the management plan or are too absorbed with the current operating phase.

Private firewood and charcoal dealers are continuing to take business away from the local associations throughout the region. The principal reason is the prompt cash payment on delivery by the dealers for all forest products obtained from owners. The associations on the other hand are still asking their members to turn over forest products to them for sale on a consignment basis, and the lack of ready cash is forcing more and more owners to take the lower wholesale rate from dealers.

Federation officials contend that little progress can be made in stabilizing local associations until the proposed forestry association revision law is passed by the Diet. While the proposed bill has both its supporters and opponents among forestry officials and owners throughout the region, all of them are inclined to depend on the bill for giving the forest industry the push needed to spur all phases of forest conservation.

5. MINING AND GEOLOGY

a. General:

Section personnel accompanied an NRS Mining and Geology Division representative during an examination of the administrative procedures of the Hiroshima [IT] Mining Division.

Inspection visits were made to the Yanahara and Awakura Pyrite Mines and the Tatsuyama Copper-Silver Mine, Okayama prefecture, the Seikyu and Taiyo Daito Molybdenum Mines and the Eiki Mine, Shimane Prefecture. The Joy Manufacturing Company film and the Canadian film "Gold Ore to Bullion" was shown in five areas throughout the region, seen by more than 100 Japanese connected with the mining industry.

b. Mine Rehabilitation:

At the Yanahara Pyrite Mine, production remains at 35,000 tons per month pending installation of a skip in the main haulage shaft and completion of the road to the new Yasumiishi area. Installation of an Ingersoll type mount for the two new American drifters is under way. The performance of new 2 ton, automatic dump cars, designed after seeing the "Anaconda Copper Film", was observed, Eight were in use and an additional 20 had been ordered for delivery during November. Eight mine cars carrying 16 tons of ore can be automatically dumped in 4 seconds. The cars are used at the present time to haul waste rock used for filling. They are reportedly the first automatic dump cars to be designed or used by any mine in Japan. The mine has caught up with filling of the stopes to the extent that filling efficiency is now far ahead of mining efficiency. Management plans to convert completely to all automatic dump cars in the near future.

The Awakura Pyrite Mine, operated by an Osaka Fertilizer Company, commenced operations in February, this year. All ore has been shipped to the Nisshin Chemical Works, Niihama, Shikoku, which reports sulphur content as 36%. Management has never had a complete chemical analysis of the ore made and was not aware that iron and possibly copper in the ore could be sold. The company has not been paid for any ore shipments because the price has not been set by the Price Adjustment Kodan. The operator and all employees are amateurs, only one with any previous mining experience. Efficient prospecting and mining cannot be accomplished until technically qualified personnel are hired.

The Seikyu Molybdenum Mine reopened during August, this year, after being closed since 1947. A flotation plant with a daily capacity of 35 tons is in operation. Management is having difficulty separating pyrite and molybdenum. The Taiyo Daito Molybdenum Mine recommenced operations during September of this year. It was reported that the Seikyu Mine which will mill and flotate the ore. Yamasa, Komaki, Sase, Kakeai and Osa Mines are considering reopening if capital can be obtained. All molybdenum mines in Shimane prefecture need help in mining, milling and flotation problems. A request for a visit by SCAP NRS personnel was voiced.

The Eiki Mine is producing approximately 40 tons per month of complex ore containing copper, zinc, lead, gold and silver. Two hundred fifty-eight tons are stockpiled at the mine pending negotiations with various buyers.

c. Mine Safety:

Cave-ins in four medium and small coal mines during the month resulted in three deaths and one heavy injury. Mine inspectors reported them all avoidable. All occurred in the Hitoeishi seam, when the hanging wall of six inch shale was not broken down because of the additional work and loss in coal tonnage. Civil Affairs recommended that the Mine Safety and Inspection Division send a notification to all mines requiring that the hanging wall shale be broken down and removed before any coal is moved.

6. DISTRIBUTION

a. Economic Board:

(1) Investigation of the Special Procurement Board, Kure Branch

Analysis of investigation results reveals the following discrepancies which are considered worthy of reporting:

(a) Completion of work prior to the issuance of procurement order.

(b) Purchasing of items on construction or maintenance procurement order.

(c) Subcontracting of the total work order by the contracting company without approval of Special Procurement Board.

(d) Collusion of major bidders prior to bidding whereby the contractor is decided beforehand.

The Economic Board recommended strict observance of Special Procurement Board directives to prevent recurrence of similar discrepancies.

(2) Investigation of Transportation Expenses of the Monopoly Bureau:

All Economic Investigation Boards report an average of 36% loss by the government due to utilization of the Japan

Transportation Company as exclusive agency for shipments of tobacco. Because of this, subcontracting is a common practice and the Japan Transportation Company reaps a profit ranging from 20 to 45% without lifting a hand. In view of the above situation a detailed survey was conducted. Findings reveal that all Kodans and the food offices are also contracting with Japan Transportation Company exclusively. Attempts have been made to utilize other transportation companies but qualified agencies are limited. To cite an example, Yamaguchi Food Office recently issued a request for bids in connection with transportation of rice. The Japan Transportation Company and the Prefectural Agricultural Cooperative Association Transportation Company were the only ones responding and Japan Transportation Company was awarded the contract. It is a monopoly over transportation for government agencies and unless other competent companies are established this situation will continue to exist.

(3) Investigation of Imported Sugar (OSS)

Investigation of numerous tea rooms and light restaurants reveals blackmarket cubed sugar to be used throughout the region. Further investigation indicates that the source of this sugar centers around Kobe, Osaka, and Nagoya. Another source uncovered recently is the gift packages sent from relatives in the States. Brokers apparently are well informed as to the recipients and make the rounds purchasing sugar at four times the official price.

(4) Investigation of the Fertilizer Kodan

Liquidation of the fertilizer Kodan appears to be progressing smoothly. However, collection of the credit sales still remains a problem. EIB is expediting payment and has reduced the amount considerably. As of October, ¥7,879,950 remained to be collected, of which ¥1,188,000 is considered a total loss as bad debts.

b. Staple Food Rationing:

(1) Conclusions and recommendations in regards to the present sugar distribution system have been forwarded to Civil Affairs Section, SCAP in a special report dated 25 November 1950, subject, "Sugar Distribution".

Restricted

(2) Due to inclement weather, drying of rice acceptable to the delivery standards set by the food office has been very poor and delivery below expectations. In Okayama, rice rations to general consumers depend largely on this delivery as the present stock of the food Kodan and the food office is now down to 6 days supply of rice. A conference was called by this headquarters with the prefectural government and the food office to effect remedial measures. Subsequently it was decided that rationing will be broken down into three periods during December instead of one. It is thus hoped that consumers will have some rice on hand until delivery is made. If necessary, the present ratio of 60% rice ration will be lowered but such action will depend largely on the weather.

(3) PDF's AFM's and Shokuryos pertaining to food releases were checked. Items listed on the following releases are not yet distributed due to belated shipments of goods:

PDF 202	AFM 150	Shokuryo 5
PDF 203	AFM 153	Shokuryo 15
	AFM 154	Shokuryo 17
	AFM 162	Shokuryo 23
		Shokuryo 24
		Shokuryo 32
		Shokuryo 33
		Shokuryo 34
		Shokuryo 36

Shokuryo numbers received by this region are not shown on the notices sent to the prefectural governments, and much confusion ensues when attempting to verify receipts.

(4) With the present plan for grading of all warehouses to determine the period of usage and payment of fees, a large scale improvement program on the part of all owners is expected. Prior notices of the grading system have been sent out so that warehouse owners can have adequate time to prepare for the inspection.

(5) Ration refusals, effected by decontrol of many items and improvement of food supply, continue to remain high.

(6) As mentioned in paragraph (2) above, inclement weather is delaying drying of rice. Therefore illegal flow of rice is also affected, and confiscations are below the figures of the corresponding month in 1949. However, enforcement agencies are conducting strict control and have confiscated 65,851 Kgs of staple food during the report period.

Restricted

c. Price Control:

Recent price survey of daily necessities in Shimonoseki City made by the Chamber of Commerce reveals a 10% drop in most items for the month of November. Prices in Shimonoseki have always been higher than any city in this region due to its geographical location. A similar trend in prices exists throughout this region. During the New Year's season, however, a sudden rise in prices is expected in all commodities.

d. Restaurant Control:

The elimination of noodle stalls still remains a problem. These food dispensing stalls are usually operated by repatriates who have no other means of making a living. However, efforts are being extended to eliminate them as unsanitary and unsightly.

Recently the Shimonoseki Public Health Center began a drive to eliminate these stalls and twenve violators were sent to the procurator. Similar action on the part of public health officials in other cities will greatly aid in restaurant control, since these stalls are not licensed and illegal dispensing of staple food is practiced.

7. INDUSTRY

a. Production:

(1) Cotton and rayon industries continued to produce at the October level, which is twenty-percent above September. Rayon and staple fibre plants utilized private thermo-electric power plants for supplying fifty-percent of their requirements of electric power. The Okayama Plant, Kurashiki Rayon K.K. has started production of Vinylon.

(2) Caustic soda production remained at the same level as in October, however, soda ash production is increasing. The Ube Soda Company, Ube City, Yamaguchi prefecture, is experimenting with the production of hydrochloric acid from calcium chloride.

(3) Dye and fertilizer plants restricted their production due to shortage of sulphuric acid and pyrite ores.

(4) Paper pulp, cement, and steel products were produced in amounts equal to October production. A ten percent increase in glass production was registered in November, following a seventeen percent increase during October.

b. Reparations:

(1) Inspection of reparations installations in the region during the month revealed custody and maintenance to be adequate.

(2) In reference to CPC inspection report of reparations installations in the Kure-Hiro area, Hiroshima prefecture, during the period 11-23 September 1950, and request for corrective action contained therein, the following action has taken by this headquarters:

(a) Maintenance of dead storage equipment at Amagasaki Seitetsu 11-5 (6) has begun, as has repair of buildings in the area. The sums of ¥148,000 and ¥70,000 of the amount previously reported as authorized by this headquarters, under provisions of CPC Memorandum for Reparations Agency, 387,6(2 June 1950)CPC/EX, 11 September 1950, subject: "Expenditures of Funds for Maintenance, Centralization of Machines, and Repair of Buildings in Reparations Plants," were allocated for maintenance of dead storage machinery and building repair respectively.

(b) Three items of equipment located in Mizuno Area 11-5(7) recommended for consolidation, have been moved to building A-17, Amagasaki storage area, Kure Naval Arsenal.

(c) Reparations tug-boat 11-6(238)-2, which sank while in use by Nissan Salvage Company, has been salvaged and restored to operable condition by the user. This work was completed on 31 October 1950.

(d) Hiroshima Railway Bureau 11-6(8), 11-6 (9) ceased operation on 20 August 1950, formal rescission report of equipment formerly in use was submitted to this headquarters by Chugoku Finance Bureau on 5 September 1950. Records of this headquarters have been adjusted accordingly.

(e) Suehiro Isuzu Jidoshia 11-6(13), on prior instructions from this headquarters, consolidated equipment formerly in use at their Hiro factory to the Chugoku Kosan storage area, 11th Aeronautical Arsenal, Hiro, This consolidation was completed on 18 October 1950.

(f) Custodian at Kure Seisakusho 11-6 (236) has been cautioned by this headquarters concerning poor maintenance of authorized use equipment. Frequent spot-checks will

be made at this plant to insure compliance by custodian with regulations regarding proper maintenance of authorized use equipment.

(3) In reference to SCAP letter, 387.6 (16 June 1950) CAS-EM subject: "Request for Corrective Action of Discrepancies in Reparations Plants in Hiroshima Prefecture", 26 June 1950, the following action has been taken.

(a) 45-05 inventory numbers have been removed from six tanks at plant Number 11-36 and Hiroshima prefecture inventory numbers painted thereon are as follows:

Inventory Number	Type of Tank	Capacity
11-36-1T	8 course revit	3,200 KL
11-36-2T	"	2,100 KL
11-36-3T	"	2,100 KL
11-36-4T	"	2,100 KL
11-36-5T	"	3,200 KL
11-36-6T	"	3,200 KL

(b) 45-05 inventory numbers have been removed from two tanks at plant number 11-42 and Hiroshima prefecture inventory numbers painted thereon are as follows:

Inventory Number	Type of Tank	Capacity
11-42-1T	Vertical steel plate	400 KL
11-42-2T	"	400 KL

(4) Under the provisions of CPC Memorandum for Reparations Agency, 387.6 (2 June 1950) CPC/EX subject: "Expenditure of Funds for Maintenance, Centralization of of Machines, and Repair of Buildings in Reparations Plants," 11 September 1950, the following expenditures were approved by this headquarters during the month:

Plant	Type of Work	Amount of Expenditure
45-1	Maintenance of machines	¥13,962
45-1	Consolidation	23,157
45-1	Building repair	16,380
	Total	53,499

c. Restricted Industry:

(1) Explosives

Production of 493 tons of explosives during November shows a decrease of 121 tons from October production. Production is within annual authorization.

(2) Fertilizers

Ammonium sulphate production of 16,478 tons in November is a slight decrease from the October production of 17,770 tons. Calcium superphosphate production increased from 18,121 tons in October to 18,870 tons in November. Compound fertilizers, containing nitrogen, phosphate and potassium, are growing in popularity; and production has been 958 tons, 1,377 tons, 2,228 tons and 1,910 tons in August, September, October and November respectively.

(3) Oil Refineries

(a) The Kudamatsu Refinery of the Nippon Oil Company processed 112,422 barrels of crude oil and 4,623 barrels of semi products. 117,956 barrels of crude oil and 18,634 barrels of semi products were on hand 1 December 1950.

(b) The Marifu Refinery of Koa Oil Company processed 89,955.6 barrels of crude oil and35,583 barrels of semi products. 157,394.8 barrels of crude oil and 24,376.2 barrels of semi products were on hand 1 December 1950. 36,199.5 barrels of crude oil were transferred to Kudamatsu Plant of Nippon Oil Company.

(4) Shipbuilding:

No unauthorized construction or conversion was uncovered during inspection of steel shipyards during the month. The following ships were launched during the month:

Name of Vessel		Tonnage	Shipyard
Amagisan Maru	(Construction)	7,000 G/T	Mitsui Tamano
Arabiya Maru	(Construction)	12,000 G/T	Hitachi Innoshima
Daibun Maru	(Construction)	4,100 G/T	Hitachi Mukaishima
Undecided	(Construction)	480 G/T	Onomichi Shipyard
Undecided	(Construction)	280 G/T	Matsuura Shipyard
Seiko Maru	(Construction)	4,750 G/T	Nishi Nihon, Hiroshima

No. 8 Fumi Maru	(Construction)	425 G/T	Hayashikane Shipyard
Omi Maru	(Construction)	300 G/T	Nishi Nihon, Shimonoseki
Undecided	(Construction)	420 G/T	Nishi Nihon, Shimonoseki

The following ship conversions were completed during the month:

Name of Vessel	Tonnage	Shipyard
Miyajima Maru	921 G/T	Hitachi Innoshima
Mr. 3 Goko Maru	120 G/T	Onomichi Shipyard
No. 2 Kamokawa Maru	923 G/T	Onomichi Shipyard
No.11 Taiyo Maru	283 G/T	Onomichi Shipyard
No. 1 Heiwa Maru	135 G/T	Setoda Shipyard
Taiyo Maru	533 G/T	Mizuno Shipyard:
Kitakata Maru	2,216 G/T	Kosado Shipyard
Tachibana Maru	200 G/T	Hatami Shipyard

d. Construction:

(1) November completion of 129 public and 1,103 private buildings brings the fiscal year total to 880 and 13,456 respectively. Building construction observed within the region was in compliance with regulations.

(2) River improvement, disaster prevention and disaster rehabilitation work respectively are 60, 50 and 75 percent of the planned work for the year completed.

(3) Harbor improvement is progressing slowly due to delay in minesweeping and authorization for opening the harbors for international trade. The planned year's work has been 55% completed.

(4) Sixty percent of the road program for the year has been accomplished.

e. Electric Power:

The rainfall for November was one hundred eighty five percent of the normal for this season for a ten year's period. Hydro-electric power reservoirs are filled to 92 percent of capacity. November hydro-electric generation of 5.41 MWH per day was the highest for the past 10 years. This month's consumption of electricity (7.16 MWH per day) was the highest during any month in the past 10 years and is probably an all time high. An average of 0.3 MWH per day was transmitted to Kyushu and Kansai areas. This is the first time since February 1947 when the region has generated more power than it consumed.

8. LABOR

a. Labor Relations:

(1) Hiroshima Electric Railway Company (Dentetsu)

In new elections held by general assembly decision during the preceding month, the Mindo faction won ten seats on the sixteen man executive committee. Neutrals took three. One probable Communist Party sympathizer was placed and two purgees were re-elected. This result has ended the former red domination of this union local. During these elections, the Hiroshima Labor Relations Committee secured an agreement between union and management that the purges would be fully discussed between the two, with an understanding that no person involved in the action would be present. At the turn of the month, the new executive committee went speedily into action. An assembly of representatives was called, and the fourteen reds who refused to resign were voted out of the union. Those among them who were full-time officials were voted separation pay by the union through a special assessment. The union then decided to secede from the red-dominated prefectural council of unions. This leaves the Dentetsu situation cleaned up except for the legal phases. However, the court has not yet reached a decision on the reds' bid for an injunction against the company's effort to clean house.

(2) Hitachi Kasado, Kudamatsu, Yamaguchi

The situation in this plant has now become complicated through an unparalleled exhibition of public irresponsibility and evident stupidity on the part of the Yamaguchi Labor Relations Committee. During April, the Hitachi Kasado Workers Union, then tied in with the All Japan Metal Workers Union, entered into a struggle phase opposing a retrenchment program involving over 800 persons. During the next two-and-a half months, thirty short-lived strikes were conducted. Notwithstanding this, 805 individuals submitted voluntary resignations by mid-May. A few days thereafter, an assault was made upon management by nine of the more rabid reds. By 27 May, the retrenchment program was completed. By mid-July the rank and file, thoroughly sickened of its infamous leadership, seceded from the All Japan Metal Workers Union. The new independent union recognized the retrenchment program. Shortly thereafter, about fifty cardcarriers and fellow-travellers stated that they were seceding from the new independent union to form a new chapter of the parent federation, and a week later applied for recognition from the Labor Relations Committee.

Early August, twenty members of this group made a forced illegal entry into the plant grounds to carry on their obstructionist activities. These individuals, as well as the nine who had committed the May-month assault, had been arrested, detained for the maximum legal length of time, and released pending further investigation by the police. Of this group, eight have been indicted, and five hearings have been held in court, while the others are still under investigation. All twenty-nine individuals are members of this new chapter affiliated with the red federation. In mid-September, the Labor Relations Committee certified this chapter as a bona fide union engaged in legitimate union activities despite the fact that the members had had no employment for four months. Two months later, the Labor Relations Committee advised the company to negotiate with it. When the company refused, the Labor Relations Committee, toward November-end, issued an order to that effect. Management is rightfully ignoring this hare-brained decision and is appealing the matter to the Central Labor Relations Commission, which, reportedly, is astonished that any prefectural Labor Relations Committee can reach such dismal depths of idiocy.

(3) Tokuyama Teppan Company, Yamaguchi

In addition to the twenty-two reds ousted, as reported last month, three others voluntarily resigned in token protest to the purge. The one hold-out steadfastly has refused to resign, and may appeal to the court. The original union, now down to sixty-five, is giving hint of considering dissolution.

(4) Nippon Cement Company, Itozaki Plant

This company has had a dual union problem. The first union has been dominated by a red who has remained a full-time union official, despite his disciplinary dismissal for inciting many vicious obstructionist activities. In his capacity, he has been a thorn in the sides of the company, the second union, and even the first union, which has felt uncomfortable under its crimson cloud. This past month, while the company purged its reds, the first union rebelled against its full-time card-carrying officials, expelling them from membership. This recent development has raised discussion for a new amalgamation of the two unions. The red thorn, anticipating this move, had previously sent his family to Fukuoka. It is expected that, in a search for new crimson fields and pastures red, he will likewise turn his attention Kyushu-wards.

(5) Central Japan Heavy Industry, Itozaki Plant

The fourteen individuals in the twenty-two man purge

who have stubbornly held out for dismissal in preference to the monetary advantages of resignation have trooped en masse to the court. Various managements in this area, whose plants have also been red-contaminated, are watching this development with interest. The first hearing has left an impression with some of these observers that the case may be adjudicated in favor of the plaintiffs. As a result, they are apprehensive concerning the effects of such outcome on their own purges.

(6) Mitsui Shipbuilding and Engineering Company, Okayama

Contract negotiations between union and management had reached an apparent deadlock, mainly over the wage issue. Suggestions have been made for a stable wage clause, lasting the lifetime of the contract, which may aid in removing this obstacle. However, the most meaningful trend in this plant is that the union has taken steps to form a Sodomei-Sohyo federation of shipbuilding workers unions, including its fellow council affiliates, and is considering some far-range plans for a future amalgamation of this group with the All Japan Shipbuilding Workers Union, if that group becomes decrimsoned.

(7) Japan Express Company, Chugoku Region

Several local union executives of this company have shown much concern over the likelihood that the current slowdown and potential strike may disrupt Occupation objectives. It was suggested that, with good planning, they could conduct their activities in a manner which would not need to create such interference. It was further suggested that clarification on these points, and the manner in which their dispute tactics could be carried out, ought to come from their Tokyo Central Office. The unions manifested desire to channel their actions in a way that would not impede Occupation objectives.

(8) Kurashiki Rayon Company, Okayama

In a completely stunning reversal of form, the same judge who had come to such a laudable decision in the Onoda Atetsu Union case now gave an appalingly spurious manifestation of what only with Communist Party's or lunatics will pass for reasoning. He has ruled that the union and the company must restore the four red plaintiffs to their former status. In short, this judge has ruled that no union is free to make a democratic decision without threat of direct intervention by legal authoritarianism. Numerous newspaper items have been written on this matter in Okayama prefecture.

In the meantime, the entire card-carrying comradeship in that area is using all megaphonic means to blare up this result as propaganda and political capital of gigantic proportions for attacking red purges. The Sodomei groups are slowly rallying about the defendant union local in lending it moral and other support, and in striving to counteract the negative public effects of the legal miasma drifting out of the court. The defending union, meanwhile, has carried its fight to the Higher Court.

(9) Nishi-Nippon Paper Company, Tsuyama, Okayama

When management still found itself in financial difficulties, despite three retrenchment programs, the union voluntarily offerred to work two twelve-hour shifts as a temporary emergency measure. This was almost a year ago. As time went by, and the company continued this two-shift system, the union began to become embittered, feeling that management has taken advantage of its willingness to cooperate. Management, in turn, finding a gradual increase in absenteeism, and decrease in per worker ratio of production, has blamed its employees for their failure to overcome its difficulties. Morale has become poor, and relations are becoming strained. Both parties have been urged, during the new contract talks this December, to give much thought on changing over from two shifts to a normal three eight-hour shift basis. The present situation in this plant is unhealthy. Observation will be continued.

(10) Izumo Railway, Shimane

Through conciliation efforts of the Shimane Labor Relations Committee, a compromise has been reached between the first Communist Party dominated union and management. Discharge notices against the three red ring-leaders are being withdrawn, and resignations will be taken instead. Management is also withdrawing its court charges against these individuals. However, it has also agreed to consider re-instating this trio on a probationary basis, subject to good behavior for six months. This latter concession points out a degree of spinelessness appaling to contemplate.

(11) Teikoku Rayon Company, Mihara Plant

This plant has scraped out eleven red blots in its purge. Ten, seeing the handwriting on the wall, have resigned. The eleventh, however, one of the most virulently rabid reds in Hiroshima prefecture, has appealed both to the court and the Labor Relations Commission.

Not content with this, he is carrying on a malignant one-man campaign to spread propaganda that the purges occur under SCAP directives which point out specific persons. In his wild chatter, he virtually defies court martial because "Japan is not occupied by one nation."

(12) Hitachi Shipbuilding Company

(a) Innoshima

Two of the nineteen purgees have appeared at this headquarters, claiming innocence of complicity in red activities. They were informed on proper procedures for appeal.

(b) Mukaijima

Election of eight delegates to the national convention of the All Japan Shipbuilding Workers Union resulted in a composition of three Mindoists, two leftists, and three neutrals. However, the latter are believed to incline in direction sympathetic toward the reds.

(13) Daiwa Sangyo, Kabe, Hiroshima

To facilitate rapport between management and the union, and to atone for his failure in concluding a contract, the president of the local voluntarily resigned his union office and was restored to his former position as a worker. A new election was held. Subsequently, negotiations were resumed which resulted in signing a trade agreement at the turn of the month.

(14) West Japan Heavy Industry, Hiroshima Shipbuilding Plant

Four of seven delegates to the national convention of the All Japan Shipbuilding Workers Union were red or red-inclined. The other three were Mindos. Subsequently, the company has purged five of its most troublesome characters. The union plans to conform with the federation policy of indifference, and to take no oppositionist action. However, the five discharge notices were sent back to the company. No trouble is expected.

(15) Chugoku Region Telecommunication Bureau

Fourteen card-carriers and fellow-travellers were ousted from ten offices. All locals, save one in Shimonoseki,

have refused to rally to the aid of the purgees. In the one exception, the union reacted with a five-day slowdown and rejected overtime service. Also, it employed the purgee as union clerk. Management served warning to the local that, if the card-carrier is kept as clerk, it will close down the union office within its premises. In Hikari, the purged character is conducting a vigorous campaign, via handbills and soapboxes, against management, which restrains him from posting printed matter on officer property. Meanwhile, the Bureau is checking further to decide whether a second purge is necessary.

(16) Hayashikane Shipbuilding Company, Shimonoseki, Yamaguchi

The workers of this company are in two unions. The first is red-controlled, commanding 117 members. The second moderate union numbers 1,206. The company purged its twenty most troublesome characters, all in the former group. These persons then tried to stir up a strike. Their efforts were unrewarded when only twenty-five, including the purgees, took part. Talk to induce the second union to join this action met with flat failure. The reds then began new tactics, repeatedly pulling switches in one of the plants and holding kangaroo court over one of the managers. Although management had asked for police to be posted about the premises, it failed to notify them of these things. When they were belatedly notified in cooperation with the procurators office, they started investigation which, very likely, will result in prosecution of the leaders. Shortly after, the purgees, and nine other first union reds, invaded the home of a manager. The company complains bitterly about police and procuratorial failure. However, check shows it has paid little heed to advice given by this headquarters that police be asked to patrol areas near managers' homes, that they be immediately informed of trouble, and that other security precautions be taken. The police were told of the invasion many days later, and it is now under investigation. If enough evidence is found, despite the handicap of late notification, then prosecution will be attempted. Meanwhile, the purgees have appealed to the Yamaguchi Labor Relations Committee. That group, with a zeal outmatched only by its incompetency quickly began investigation. It has leaped eagerly toward this opportunity for hitting a new abysmal low in the type of ruling it can render. It plans to make recommendations on this matter, undoubtedly of a quality consistent with its previous decisions. This headquarters is holding its breath.

(17) Toyo Boseki, Iwakuni Plant, Yamaguchi

Another union-initiated red purge has come to the attention of this headquarters. On 9 August, two workers were expelled from the union on charges of constitutional violation. A week later, the company discharged them in accordance with the union contract. On 26 August, the duo appealed to the district court. Within two weeks, the court held hearings, came to a decision, and dismissed the case, with a seldom paralleled display of dispatch and speed. However, the card-carriers have appealed to the Higher Court, where the case is now at rest.

(18) Other Purge Data

Other red whitewashes have been conducted by the Toyo Steel Plate Company, Kudamatsu, Yamaguchi, which eliminated thirteen characters; the Japan Mining Company Kawayama Mine, Yamaguchi, which dismissed thirteen; the Dowa Kogyo Yanahara Mine, Okayama, which cast off twenty-four reds; the Toyo Kogyo Kabushiki Kaisha, which ousted two individuals; the Hiroshima Postal Service Bureau, which eased out six; and the Toyo Soda Company, Tokuyama, Yamaguchi, which sent away two. The tally for this region on this activity, as of dates indicated, is as follows:

Prefecture	As of	No of Plants and/or Cos	No of Govt Offices	No of Purgees
Hiroshima	18 Nov	17	5	252
Okayama	14 Nov	16	2	149
Yamaguchi	22 Nov	29	7	308
Shimane		6	8	49
Tottori		4	6	34
Total		72	28	792

Of this total, 118 purgees emerged from government offices. Of the 674 swept out of private industry, all but eighty-two have accepted resignations. At least half of the die-hards have appealed to the courts, to the Labor Relations Committees, or to other sources.

b. Labor Education:

(1) Management Education

Discussion of sound labor contract practices simultaneously with management and union has been continued.

In addition, several large management association groups have been addressed in Shimane prefecture. The management-union talks have seemingly stimulated much interest in seniority principles. However, this interest has yet to be realized within a contract.

(2) Union Education

Observation of educational practices among unions gives evidence that these programs are usually weak and undeveloped, save in scattered instances. Even among locals where comparatively well-directed activity takes place, the responses to these efforts, particularly where there are many women, leave much to be desired. Only one local seemed to be making a sincere study on the prospect of exploiting the natural social group for educational purposes, and very few have tried to use the group discussion method. Of the unions visited, only three locals showed any concerted drive to stir up labor education among the rank and file. Of these, two were in Okayama prefecture, one in Tottori. The others seem half-hearted or haphazard in their efforts.

(3) Labor Schools

No new materials have been received on labor schools for continuation of the incipient analysis on this activity. However, the five labor schools in this region show further decline, drawing only 157 students during the month. Cold weather may now be a deterring factor. A total of 125 conferences, for an attendance of 11,031, was held in the five prefectures. The distribution of pamphlets and leaflets dropped from 31,320 to 12,360. Thirty six film-showings were held.

(4) In attending the Bloc Labor Education Conference in Okayama city, it became clear that unions generally do not hold their meetings in a manner most consistent with effective democratic practices. Likewise, nomination and election procedures did not seem often to meet with the principles and ideals of democracy. If this be the case, the Labor Policy Sections have not acted with utmost effectiveness on these matters. Further study of activities on these points will be made. Another example of the current flaws in these sections is the model trade agreement prepared by the Hiroshima Labor Policy Section. This model is sorely lacking in many elements vital to sound contract practices. The peace clause provides that disagreements shall be referred to conciliatory and mediatory procedures, but if no resolution is reached, then dispute tactics may be used.

The only reference to seniority states that, for promotion, lay-off and re-hiring, three criteria shall be applied: number of years' service, work efficiency, and physical aptitude. One article is confusing in that the term: kyogi and kettei are both used. The grievance machinery stipulates conciliation, mediation, and dispute tactics, instead of arbitration. These are some of the faults found in the first brief review. Further analysis awaits translation. The pamphlet was prepared entirely by the Hiroshima office without benefit of advice. Copies had already been passed out before this headquarters knew such an item was even being considered.

c. Labor Standards:

(1) Unpaid Wages

This region has shown fifteen percent improvement in unpaid wages over the previous report. Only Hiroshima, with four percent increase in arrearages, failed to show any betterment. Of the other prefectures, Okayama, with a six percent lessening in this condition, showed slightest gain, while Yamaguchi, with forth percent decrease, had the best record. Shimane and Tottori had twenty-seven and eighteen percent, respectively. The following table shows cases of wages unpaid for two months or more, as of 31 October 1950:

Prefecture	No of Plants	No of Workers involved	Amount of Arrearage
Hiroshima	96	4,572	¥55,015,518
Okayama	21	265	2,852,664
Yamaguchi	65	1,278	22,583,430
Shimane	21	193	2,069,006
Tottori	21	525	6,748,005
Total	224	6,833	89,268,623

Several of the more prolonged cases, such as one arrearage of more than ten months in Shimane, have been referred to the procurators offices. Failure to collect accounts receivable and other financial difficulties are typical reasons given for company indebtedness to workers. Union pressure has caused some companies to seek solution for their financial dilemmas and find funds to pay back wages.

(2) Safety and Sanitation

It has been found that there has been no previous uniformity for reporting accidents in this region. Corrective

steps will be taken. Therefore, comparisons between data for this month and preceding months are invalid. A total of 3,143 accidents during November have caused injuries of 3,131 individuals and deaths to thirty more. Of the total accidents, not more than fifty are categorized as severe. Intensive efforts are needed to reduce these figures.

(3) Violations

A total of 2,133 plants were inspected for possible tresspasses upon the Labor Standards Law. Of these, 1,590 were found to have committed or be committing a total of 6,282 violations. Ten flagrant cases were referred to procurators' offices, which have taken action in eight instances. Through newspaper sources, complaints have been uncovered in Hiroshima prefecture revealing dissatisfaction with the disposal of violations referred to law agencies. Charges were made that procurators show little zeal in these matters, and courts are reluctant to impose severe penalties. This matter has been referred to Legal and Government Section of this headquarters.

(4) Operations

Visits have been made to all Labor Standards Bureaus in the region, save Hiroshima. Earlier impressions found more confirmation. Most bureaus follow rigidly the operational patterns centrally prescribed, and do not exert initiative in advancing along lines pointed out by these patterns. Within the prescriptions, they try to operate as effectively as possible. However, although some good use is made of available statistical data, the utmost utilization of such material is not made. The sole exception is Yamaguchi Labor Standards Bureau. This office exercises more than typical initiative and conscientiousness in carrying out its responsiblities. It has refined prescribed statistics so that they effectively point out where most effort is needed. It has developed a high degree of coordination between accident compensation and safety activities. Results show a steady decline in accident frequency and in amount of accident insurance paid out. All industries show marked decreases in these two phases, save for mining. Here, the Bureau has no authority for safety enforcement. For this industry, accident frequencies and costs seem gradually growing. Also, this office seems democratically operated, as evidenced, during the first half of this fiscal year, by 149 appeals processed to its referees. A number of referee decisions have been further processed to the appeal committee.

d. Workmen's Accident Compensation Insurance:

(1) General

The region has shown yet more improvement on insurance premium delinquencies. A total of 6,946 plants are behind as compared with the previous tally of 7,507. Yamaguchi and Tottori, by November-end, have considerably made up for their lag last month, while the other three prefectures have reported a slight increase of fifty-six plants. Current arrearages are mainly blamed on failures to collect amounts receivable and on other financial hardships. A few flagrant cases have had stringent measures either taken or planned against them.

(2) Operation

As mentioned in paragraph c (4), most Labor Standards Bureaus have room for advancing toward greater efficiency. Although these offices are now among the best in the region, they do not operate at the optimum efficiency potentially possible. Article 19 of the Workmen's Accident Compensation Insurance Law is seldom applied. The single exception is Yamaguchi prefecture which has used it twenty nine times during the present fiscal year, or thrice as often as the other three Labor Standards Bureaus visited. The tendency is great automatically to pay all insurance claims without considering employer dereliction. However, a stringent and careful application of Article 19 would greatly serve the interest of economy and safety.

e. Women's and Minor's Bureau:

(1) General

Three informal talks were made to large gatherings of women union members. Two hundred and fifty were assembled in Kurashiki and Okayama cities, and another three hundred in Tsuyama. Additional talks on the role of women in the labor movement are planned for Kojima, where six hundred women will be expected, and in Hiroshima city. Effort is being made to obtain the feminine point of view on the value and effect of these talks. However, the only real yardstick is in terms of greater feminine activity within the labor movement in areas where talks have been presented.

(2) Human Traffic Cases

Two new cases involving traffic of this type have been uncovered, both in Yamaguchi prefecture. The individuals involved are under indictment.

Legal and Government Section is maintaining surveillance on progress and disposition.

(3) Women's Wages

Complaint rises from female workers in the Yanahara Mine that management practices wage discrimination between men and women working at the same type of assignments, and that the union is indifferent about the matter. The sponsors of these complaints have been referred to the Okayama Women's and Minor's Bureau and to the Labor Standards Bureau. The chief of the Shimane Women's and Minor's Bureau complains that minors in her prefecture are paid as low as thirty yen per day, and women as low as 2,300 yen per month.

f. Employment:

(1) Work Relief Day Laborers

All prefectural Employment Security Sections were visited. In most cases, work available for day laborers remained stationary or decreased, while the demand for jobs kept increasing. Okayama appears to be the only prefecture which shows improvement. The Day Laborer Free Trade Unions pose few troublesome problems for Shimane or Tottori. In the latter, only one locality displays any eruptive leadership among such unions. However, the three larger prefectures were having sporadic difficulties, or were expecting new eruptions. Several prefectures were viewing with some apprehension the effect of purgees in the event they converge their efforts toward Public Employment Security Offices.

(2) Onoda City

Toward October month-end three hundred day laborers, inflamed by red leaders, swept down upon the Onoda Public Employment Security Office, bearing typical demands PESO's have no responsibility for fulfilling. After some brief discussion, the office chief ordered this mob to disperse. When the leaders defied this evacuation order, the police were summoned. Feeling secure in numbers, the reds initiated a free-for-all. Five individuals were arrested. When five more members, including the union chairman, visited the jail to demand release of those arrested, they also were jailed. This month, eight were indicted by the procurators office for vilation of the Public Safety Ordinance.

(3) Yonago City

Ten representatives of the local Free Trade Union, numbering over three hundred, rushed into one of the local offices of the Ministry of Agriculture and Forestry, demanding daily jobs for their entire membership. After milling about and disrupting the entire office for two and a half hours, they quietly dispersed only after police arrived and ordered them to leave.

(4) Kure City

For the first time in many months, the ectoplasm of the grim spectre of economic insecurity that haunts this city shows some signs of fading. The number of unemployed registered with the Kure Public Employment Security Office has dropped down below the September rate. Figures, for the past three months, are as follows: November, 14,496; October, 16,229, September 14,890. This decrease has resulted from the emphasis upon placements made by the local Public Employment Security Offices. In addition, the situation for dismissed Harima Shipyard workers has improved. Only 1,228 of the 1,596 originally dismissed found it necessary to register for employment. By month-end, 123 have been placed through cooperative efforts of the Public Employment Security Office and the Harima Shipyard Employment Council. Another fifteen have moved out of the city. Thus, only11,090, or sixty-eight percent, of those dismissed are still looking for employment.

(5) Unemployment Insurance

Premium collections fail to keep pace with the mounting volume of insurance payments. At the same time, the amount of delinquent premiums keeps gradually increasing. However, collection of the latter would not cover the discrepancy between actual collections and payments. If these tendencies continue, the financial structure of this program may be seriously threatened. Fraudulent insurance claims pose a problem on which there appears increasing awareness. At present, controls are attempted through changes in insurance payment dates, reports from neighbors on persons collecting insurance while working, and check of payrolls during visits by inspectors to find job openings. These methods uncover only few cases. Consequently, prefectures develop drives during which house-to-house checks of insurance receipients are made. During these drives, other Public Employment Security Office operations suffer. Public Employment Security Office cheifs are unhappy over this entire problem, and would like to seal their eyes

against the likelihood of frauds on the theory that, if they see no evil, it cannot exist. However, worried awareness of this dilemma is growing among Employment Security and Unemployment Insurance Collection section chiefs; and some mention is made of bringing up this topic at the next all-Japan conference, to decide if revisions in present legislation might help improve this situation.

(6) General

Within this region, unemployment seems slowly increasing, with the possible single exception of Okayama. Placement activities have dropped, possibly due to drives on fraudulent insurance claims. This month, there have been 7,471 placements into permanent jobs, a drop of 1,514 and 1,809 placements into temporary jobs, a decrease of 315. Casual work was provided for a total of 434,738 days, or 56,798 less than previously reported. Altogether, 9,486 job orders for permanent placements were obtained by month-end, and 6,345 inspections to secure job orders were made. However, inspections for illegal labor supply plunged sharply down to 396. Evidence of illegal labor supply was uncovered in 37 plants, involving 36 labor bosses and 625 workers. None of these cases were referred to the procurators offices. On this omissions, no explanation has been provided.

g. Summary:

(1) Labor Relations

(a) Purge Activities

No pause on this activity has occurred during the preceding month. Unions have generally given silent approval to the blotting out of disruptive elements in labor. Where some measure of opposition might have been expected, unions have chosen a passive role. Only in few scattered places have purged individuals and their well-wishers tried resistance by means other than legal action. However, in localities where small unions prevail, workers are fogged by fear that future purges may rise against non-Communist labor leaders. This fear has immobilized many workers from taking more active part in union affairs.

(b) Court Cases

More purgees have resorted to the courts.

It is likely that the infamous decision in Okayama may have stimulated reds into scurrying for succor behind legal robes. Another important case, involving reds tossed out by their union, has been appealed to the Higher Court from Yamaguchi prefecture. The Higher Court is now sitting on three such cases.

(c) Trade Agreements

More contracts are expiring as year-end approaches. Trade agreement discussions begin to include demands for year-end bonuses, special winter allowances, and increased wages. Seniority barely begins to creep into these talks. Management shows greater resistance to kyogi kettei clauses.

(2) Labor Education

Intensive efforts for labor education by and within unions are only sporadically found. Occasional glimpses are seen of misdirection or misinformation emanating from Labor Policy Sections. Prefectural Labor education activities show further decline, but possibly may be affected by colder weather.

(3) Labor Standards

The Labor Standards Bureaus have fine morale and much interest in carrying out their functions competently. However, only Yamaguchi Bureau displayed an unusual degree of initiative in refining procedures much further than minimum requirements. Little emphasis is placed on an optimum application of Article 19 in the Workmen's Accident Compensation Insurance Law.

(4) Women's and Minors' Bureau

Women's and minors' wages, in many localities, are extremely low. However, women make little effort to level down the mountain of apathy that bars them from taking unified action to seek remedy. Only a few enlightened male leaders seem aware that low wages and poor working conditions among women harm their own interests.

(5) Employment

Unemployment shows gradual increase. The financial phases of the unemployment insurance program show evidences of

progressive deterioration. Renewed attempts are made to cope with fraudulent unemployment insurance claims, but there appear many stumbling blocks in the way of setting up effective continuous procedures to control this break in the financial dyke.

SHIKOKU CIVIL AFFAIRS REGION
APO 1050

ANNEX D
November 1950
ECONOMIC ACTIVITIES

By Mr. Carl A. Larsen

I. Natural Resources

1. Field Trips and Conferences. Natural Resources personnel on the basis of monthly pre-planned activities within the scope of current directives devoted 58 man-days to field work in Agriculture, Fisheries, Forestry and Mining during November. All appropriate prefectural and central government agencies were visited and side trips were made with Japanese officials to various localities of special interest in meeting surveillance objectives. Suggestions, recommendations, and criticisms whenever considered pertinent were made to responsible Japanese section chiefs and as a matter of local technique were always recapitulated in conference with the next higher supervising official for his reference prior to departure from each prefecture.

2. Agriculture

a. Land Reform.

(1) Progress of Land Registration: Reports from prefectural governments (30 November) show the following results in areas reported to the local registration offices.

Purchase Phase

Prefecture	Agriculture Land % reported to R. O.	Pasture Land % reported to R. O.
Kagawa	100.0	100.0
Tokushima	99.9	98.3
Kochi	99.7	85.2
Ehime	99.4	96.8

Sales Phase

Prefecture	Agriculture Land % reported to R. O.	Pasture Land % reported to R. O.
Kagawa	100.0	100.0
Tokushima	99.9	97.3
Kochi	99.6	89.5
Ehime	99.4	93.0

Civil affairs urged all prefectures except Kagawa to issue "follow up" letters to local commissions in an effort to bring about completion of the registration phase as soon as possible.

(2) Land Consolidation. The following chart shows projects and preliminary steps taken to date by prefectures for the 1950 F.Y.

Prefecture	No. of model villages	Number where preliminary publicity & instructional meetings have been held	Number in which farmer's consent has been secured	Number in which land and farm management surveys have been started	Number in which arable land maps are being drawn	Number in which final consolidation plans are being drawn
Kagawa	9	9	4	4	8	2
Tokushima	11	11	0	5	9	0
Kochi	11	11	11	11	11	0
Ehime	13	13	9	3	7	0

Progress in Tokushima so far as local activity to stimulate farmer interest and secure farmer consent was found to be relatively unsatisfactory. Prefectural officials asserted that failure to date of the local assembly to match national subsidy with prefectural funds, in opposition to Ministry Policy (25 Chikyoku No. 404, dated 21 February 1950), is the underlying cause of the unsatisfactory progress. Civil affairs conferred with the Land Department Chief and other responsible officials with the view to focusing attention on the short comings of the program. All prefectural land reform sections have placed orders for the film Mura No Shichizu (New Map of the village) and have scheduled showings for December. Copies of the film, however, have not yet been received. Cabinet Order No. 288, dated 11 September 1950 relative to the Owner-Farmer Establishment law was made the subject of a large number of explanation conferences with local committeemen and clerks by all prefectural land reform sections.

(3) Written Lease Contracts. At Civil Affairs Suggestion last month, each land reform section requested a monthly progress report be initiated from all local commissions to cover activities on this project. Preliminary review of these few reports so far received by the sections would indicate very unsatisfactory progress. In this as in all phases of Land Reform, Civil Affairs is urging section chiefs to exert their efforts toward as much progress as possible during the current fiscal year and while the present allocation of funds and personnel are available to them.

b. Agricultural Co-operatives

(1) Financial Structure. Below is a table showing the number of local co-operatives by prefecture, which were suspending or limiting withdrawals as of 30 November as against 31 October.

Prefecture	Suspending		Limiting	
	31 Oct	30 Nov	31 Oct	30 Nov
Kagawa	1	1	1	1
Tokushima	7	7	3	3
Kochi	14	13	7	7
Ehime	9	5	14	13

With the exception of Kagawa, none of the co-op sections on Shikoku have been well managed or were exerting adequate leadership in the guidance of local co-operatives. Section chiefs have been found over a long period of time to be negative or disoriented, subordinates inadequately trained and supervised, and office management functioning poorly. Civil Affairs has discussed the situation at length with department chiefs on each visit pointing out the shortcomings and urging strengthening of the sections. Some progress has been noted. In Ehime, for example, one apparently capable subsection official was added; in Tokushima the chief seems to have developed a better interest and knowledge of his program; and in Kochi the general administration seems better.

(2) Audit of Local Co-operatives. Information obtained from prefectural agricultural co-operative sections indicates the progress in this phase of the program is as follows:

Prefecture	No. of Local Co-ops to be Audited	Budget Earmarked for 1950 FY (approx)	No. of Local Co-ops Audited to Date	Budget Spent to Date	No. of Officials Asgnd to Auditing in addition to other Duties
Kagawa	182	¥ 350,000	58	¥ 232,000	14
Tokushima	172	¥ 484,000	30	¥ 221,000	9
Kochi	221	¥ 300,000	17	¥ 115,000	8
Ehime	328	¥ 450.000	43	¥ 304,000	8

Prefectures are devoting around nine man-days to the audit of each co-operative and have no regularly assigned auditors but rather are alternating various sub-section officials who can be spared from other duties. On this basis only 72 man-days were utilized in Kochi; 54, in Tokushima; 42, in Ehime, and 45, in Kagawa in auditing during November. In view of this information, it becomes self-evident that present procedures are inadequate to meet policy requirements. Civil Affairs suggested that the problem be reviewed by prefectural governments and offered as one solution; that an adequate group of co-operative officials be divorced from other duties to form traveling auditing teams operating directly under the section chief; that these officials

develop procedures to minimize time requirements for each audit; and that such additional funds as may be necessary to meet travel requirements be locally appropriated. Department chiefs reacted favorably to the suggestion, but section chiefs clearly indicated that they want a much larger staff, that they prefer to use all officials on a spare time basis (probably so that all could share in the travel allowances) and that they desire a larger subsidy. Progress will be followed closely and reported in subsequent reports.

(3) Progress of Registration of Liquidated Local Nogyokai

Prefecture	No. of Ex-Nogyo-kai	Registration completed 31 October	Registration completed 30 November
Kagawa	172	125	132
Tokushima	134	128	128
Kochi	174	115	115
Ehime	259	259	259

Tokushima reports that the 6 Nogyokai remaining there would be liquidated by 31 December. Kochi issued strict instructions on 22 November to the liquidators through the local co-ops and again directly to liquidators on 29 November to accomplish this phase by 20 December 1950. Kagawa also issued instructions dated 4 and 16 November, respectively, to the liquidators to complete expeditiously.

c. Extension Reorganization

(1) Improvement Sections

(a) Reports from farm and home advisors to the prefectural offices have varied greatly. Time-use distribution is not included in the diary record kept by the personnel of two prefectures. A letter to each prefecture from the Ministry, dated 27 October 1950, requires time-distribution reports from each prefectural improvement section. Before receipt of this letter Kagawa and Ehime Prefectures had already modified their diary forms to include time-distribution but both are experiencing difficulty in getting the forms properly used. The importance of accurate time records in evaluating achievement has been stressed in each prefecture by Civil Affairs personnel.

(b) Compliance with Natural Resources Section's suggested policies on Home Improvement as passed to the Governors from the Ministry in letter 1386, dated 31 October 1950, is under consideration by each prefecture. A home improvement subsection, headed by a woman home improvement specialist, has already been set up in Tokushima. In the other prefectures, however, the

home improvement work is still under the direction of a man. Civil Affairs personnel constantly press for compliance and more favorable implementation of the suggested policies. As to salaries it is claimed that the prefectures can do nothing to raise the salaries of home advisors unless they first receive a notification from the Local Autonomy Board to put the home advisors in a special classification of public servants as they are purported to have done in the case of local nurses.

(c) Kagawa has published and distributed analysis of pond and well irrigation waters, showing mineral composition to be considered in connection with fertilizer treatment.

(2) Farm Advisors

(a) Kochi advisors were active in six village fairs and exhibits, held in successive order so as to be able to utilize exhibit material borrowed from the prefectural fair held in October. Achievements of local farm and home advisors, farmers' demonstrations and youth clubs were used to impress and educate the public. Notable success in co-operation with prefectural authorities was obtained in preventing spread of and lessening damage of a serious insect pest of autumn vegetables.

(b) Kagawa advisors have supervised over 6,000 demonstrations. The advisors' extension achievements with winter crops have been compiled, published and distributed. A series of six achievement fairs are to be held in December. Advisors of one Kagawa district office checked by Civil Affairs personnel reported 6-12 farmers, each who had tried transplanting soy beans. Yields averaged more than double that obtained by the old method.

(c) All advisors have been working hard on the "mugi" program, emphasizing proper seeding time, seed treatment, and lime for acid soil. Training in soil testing has been given to at least one advisor in each extension district.

(3) Home Advisors

(a) Home advisors have profited by the Central Training School of September in Tokyo and the subsequent local training periods.

(b) In each prefecture, home advisors have attempted to spend one-third of the time outside their assigned district. Civil Affairs personnel have pointed out that the suggested policy was to concentrate efforts. Now they usually say they have found by experience that it is better to concentrate their efforts.

(c) Projects are selected according to needs and desires of the respective groups.

(d) The most successful and popular projects to date have been improvement of kamados; next to that is the installation of more kitchen windows for lighter rooms.

(e) Suitable working clothes for women have been designed and promoted.

(4) Youth Clubs

(a) A total of 42 new 4 H Clubs were organized during November in three prefectures. Other youth clubs report no change.

(b) Youth club specialists who attended the Leaders' Training School in Tokyo in October are now keenly aware of the importance of suitable adult voluntary leaders for the 4 H clubs and of the need for training them in 4 H club leadership. Some provision and plan for such training is being discussed in each prefectural improvement section. About half of the present leaders are said to be suitable.

(c) All clubs have collective projects but the idea of individual projects is just developing.

(d) Subject matter specialists are being consulted by youth club specialists in making project recommendations. Likewise, local farm advisors are being invited by clubs to lecture and advise on profitable projects.

d. Staple Food Collection. Civil Affairs is following the rice collection program with interest. Prefectures appear well pleased with revised quotas and are breaking them down expeditiously. Collections were progressing ahead of last year.

3. Fisheries

a. Fishing Rights Reform

(1) All four prefectural aquatic sections failed to comply with, 25 sui No. 5110, issued on 11 October by the Director of the Fisheries Agency, which requested a report by 30 November on the establishment of unauthorized areas and terms of operations of small trawl fishing. It appears that the failure of the aquatic sections to comply was due to delay in distributing to Sea-Area Adjustment Committees the necessary information such as the first, second and third plans for principal disposition measures of small trawl fishing sent from the FA. This slowness was conspicuous especially in Kagawa and Kochi Prefectures. All Sea-Area Adjustment Committees in Kagawa, Tokushima and Ehime Prefectures have held necessary meetings with fishermen during November, and discussed the trawl fishing problems in order to reach decisions and implement plans in compliance with 25 sui No. 5110 and the third plan issued by the FA. Required conclusions and reports are expected in December. Civil Affairs personnel have advocated that closer attention be given to implementing the above program in compliance with MAF policy and instructions. In Kagawa and Tokushima Prefectures where sea-bottom drag-net fishing (as indicated in article 10 of chapter one of the third plan concerning small trawl fishing) is being operated to a great extent, it appears that there will be a tendency not to strictly control this type of fishing

until the end of the season in March, (because there reportedly is, at present, no other way for the operators to make a living). The concerned officials of the two prefectures stated that concrete government aid is desired so that the fishermen who will be strictly prohibited from operating trawl fishing will be able to migrate and change their type of fishing.

(2) Sea-Area Adjustment Committees are holding spot meetings in order to hear the opinions of fishermen concerning the plans for new fishing rights and conducting formal ordinary meetings to reach necessary decisions. These meetings are being conducted most thoroughly in Ehime and satisfactorily in Kochi and Tokushima; in Kagawa not enough spot meetings were held. Aquatic Sections in each prefecture are weak in their educational programs to Sea-Area Adjustment Committees. Kagawa, being the worst in that respect, has held no explanation meetings for the committees as yet. Civil Affairs personnel discussed with the proper authorities the weaknesses in their programs and the possibilities of strengthening them.

(3) All prefectural aquatic sections' activities concerning the fishing rights compensation program appears to be progressing satisfactorily. Only in Tokushima Prefecture, the Fishery Rights Compensation and Inland Waters Fishing Ground Administration Committees have not been appointed by the governor as yet. The reasons for the delay are at the level of the governor and are unknown at present. Civil Affairs is watching developments closely.

b. Fisheries Co-op Program.

(1) Implementation of the transfer of assets from old associations has almost reached a standstill. The status as of 30 November is as follows:

Prefecture	Number of old local fishing assns	Number of old local fishing assns which have not had their assets transferred
Kagawa	59	17
Tokushima	36	14
Kochi	59	10
Ehime	100	6

The failure of associations to reach agreement with co-ops because of rivalry and inadequate bookkeeping and plans for amalgamating are the most important reasons for the delay in the transfer of assets, as reported in the September monthly activities report. The shortage of budget for travel expenses of aquatic section officials responsible for giving guidance in the transfer of assets and amalgamation is reportedly a drawback in each prefecture. Amalgamation is underway in some areas. Some co-ops have

submitted the required documents to the aquatic sections in Tokushima Prefecture. One noticeable deterrent to amalgamation is the fact that some of the concerned co-ops are in debt. In Tokushima Prefecture it was noticed that one co-op badly in debt dissolved and its members joined another co-op in the same locality. Civil Affairs personnel have encouraged aquatic section officials to give their utmost attention to assisting associations and co-ops in expediting the transfers of assets so that the program can be completed as early as possible. And it is expected that about 17 transfers of assets will be completed in December.

(2) Business Co-op Federation directors in each prefecture report that their business volume is decreasing because of competition from private companies. The indebtedness of each federation as of 31 October is as follows:

Tokushima Business Federation of Fisheries Co-ops over	¥1,500,000
Kochi Business Federation of Fisheries Co-ops approximately	1,953,000
Kagawa Business Federation of Fisheries Co-ops	1,200,000
Ehime Business Federation of Fisheries Co-ops	344,860

The Tokushima federation has 13 unpaid directors and eleven paid staff workers. These staff workers are the highest paid of any in Shikoku even though this federation is the worst financially. No carefully drawn management plans have been initiated by the directors. The Kochi federation's problem is the reported embezzlement of 2,590,000 yen since July 1948 from the Kochi Fishing Materials Co., Ltd., which had operated the fishing supplies business (with fishermens' capital) in place of the old Fishing Associations Federation until September 1950. The chief of the Kochi Business Federation is also president of the Kochi Fishing Materials Co, Ltd. The embezzlement is reported to have been done by one of the full-time paid directors of the company. Approximately 40 million yen of outstanding credit from fishing material sales to local co-ops is difficult to collect during the present slack-season; and the business volume of the federation, having started in September, is not yet great enough to reduce any indebtedness. The Kagawa federation has improved its financial condition by (a) discharging six staff workers; (b) inheriting 2,850,000 yen of the assets as the booking price from the old federation, in November; (c) reaching a decision with local member co-ops to sell 950,000 yen of stock to them; and, (d) strongly encouraging the payment of outstanding credit from fishermen for fishing materials and credit from fish receiving companies for dried sardine sales. The Ehime Federation is planning to operate as conservatively as possible by eliminating all unnecessary expenses. Civil Affairs personnel encouraged business federation directors to conduct wise management.

(3) All prefectural aquatic sections gave proper instructions concerning warehouse warrants to co-ops. Warehouse warrants are receipts

issued to fishermen when they store fish in co-op warehouses. Co-ops are so small and weak that no use will be made of warehouse warrants in Shikoku.

(4) It was found that five of the seven co-ops visited during the month failed to increase their capital in spite of decisions of members in recent general meetings to promote capital increases. Aquatic sections report that saving deposits continue to be inadequate to meet credit requirements.

c. FishCatch Monthly Report. Civil Affairs personnel have noted weaknesses in the reporting of fish landings as required by MAF 24 Sui 13157 of 5 January, 4 May, and 23 August 1950. Generally, co-ops were not estimating unreported landings as required in the reporting, and cases of duplication and no reporting were notable. The aquatic sections' instructions to local co-ops concerning the reporting of fish landings appeared to be not explicit; consequently fish landing reports to the FA from prefectures were inaccurate. Civil Affairs personal suggested that aquatic sections review their instructions to co-ops in order to determine whether they were faulty. Consequently aquatic sections decided to make the instructions more explicit.

d. Fisheries Guidance Programs. Informational materials are being properly and adequately distributed. Aquatic sections are not giving much guidance to co-op. federations because the section officials believe that administrative authority for federations belongs to the FA as specified in Co-op Law No. 242. Business federations are not conducting forceful guidance programs to co-ops. This weakness seems to be due to lack of interest and reportedly to lack of money. Civil Affairs personnel have made recommendations to business federations that necessary guidance be given member co-ops so that the channeling of business volume can be adequately sustained to promote maximum benefits to its members.

4. Forestry

a. Forestry Extension. Demonstrations, training schools and consultations are being conducted adequately by the extension specialists and village agents in Shikoku. All prefectures, except Tokushima, have the number of specialists and agents prescribed by the Ministry. The Ministry prescribed seven (7) specialists and fifteen (15) agents for Tokushima and it has five and eleven, respectively. The reason given for this limitation was a shortage of qualified personnel. Each prefecture reports that the ¥1,800 nationally subsidized travel allowance per official during the applicable part of 1950 FY is inadequate. By taking funds from other forestry program budgets, it is estimated that each prefecture will spend about six times the amount of the subsidy for travel allowance by the end of this FY. An increase in travel allowance subsidy is desired by all concerned officials.

b. Forestry Management

(1) Management guidance officers are being appointed on 30 November in Kagawa, Tokushima and Ehime Prefectures. In Kochi appointments are expected

in December. The tabulations below indicate the types of area and officers involved.

Source: Prefectural Forestry Section

Prefecture	A Class		B Class		C Class		Total		Off's Prescribed by MAF
	Areas	Officers	Areas	Officers	Areas	Officers	Areas	Officers	
Kochi	13	9	22	9	10	19	45	37	37
Ehime	12	1	46	13	24	21	82	35	35
Tokushima	9	0	15	0	6	15	30	15	28
Kagawa	2	2	4	3	2	1	8	6	6
Region	36	12	87	25	42	56	165	93	106

Tokushima Prefecture is appointing 13 officers less then the amount prescribed by the Ministry, reportedly due to lack of budget. The prefectures are planning to appoint, during the 1951 FY, as many guidance officers as there are management areas and are expecting that half of the total expense of this program will be MAF subsidized.

(2) It appears that the progress of instituting management plans of forest associations is in accord with each of prefectural five year plans.

c. Seedling Production. Despite steadily increasing production, Shikoku is short about 20 million of the 214 million seedlings required this season. Ehime Prefecture has been able to grow its own requirements each year of the five year plan. The other three prefectures and the Regional Forestry Bureau have not been able to do likewise. Civil Affairs personnel have urged maximum utilization of specified land for forest seedling nurseries in order to produce seedlings in the amount sufficient to meet local needs.

d. Reforestation. Extension specialists, village agents, forestry associations, youth organizations and municipal and village offices of Ehime and Tokushima Prefectures have been notified by prefectural officials about the national government policy of having youth organizations participate in reforestation starting this season. In Kagawa and Kochi Prefectures not much action was evident on getting information to the concerned persons and agencies. None of the prefectures, as yet, has a concrete plan of implementing this program. Reportedly, the drawbacks are: (1) finding a means to secure the other 50% of expenses not subsidized; (2) finding accessible forest land in nearby places which has not already been reforested and which is available for leasing; and (3) reluctance of youth associations to take serious interest.

e. Pine Bark Beetle. All prefectures are worried about how to finance the control of pine bark beetle involving less than 20,000 koku of timber this fiscal year. At the beginning of the fiscal year, orders to cut

were issued to forest owners on the basis of expecting national government subsidy of 40%. After the information was received, indicating that there would be no subsidy for the control of less than 20,000 koku per year, prefectures complained that it would be almost impossible for them to provide the funds needed. Each prefecture wants the original subsidy to continue through 1950 FY. The status of control and national government subsidy is shown below.

Prefecture	Spring Season Survey		Am't Subsidized		Autumn Survey (Estimated) koku
	Am't Ordered cut(koku)	Am't Cut koku	*koku	yen	
Kochi	2,958	2,958	1,500	124,480	18,000
Ehime	2,750	2,750	1,500	124,480	1,000
Tokushima	1,130	1,130	500	46,000	500
Kagawa	2,626	2,626	1,000	87,480	1,000
Total	9,464	9,464	4,500	382,440	20,500

Source: Prefectural Forestry Section

* This column represents the amount approved by MAF to be controlled during the first quarter of 1950 FY and for which 40% subsidy was granted. Kochi Prefecture expects to receive subsidy for the full 1950 FY control because of reported recent findings of pine bark beetle infestations which will involve more than 20,000 koku during the 1950 FY.

5. Mining and Geology

a. Mine Safety

(1) Seven mines were inspected by government inspectors. Two of the inspections were attended by Civil Affairs personnel at the following manganese mines in Ehime Prefecture: Ippo, 108 employees; and Nomura, 22 employees. The Ippo mine had made remarkable improvement in complying with the mine safety law since a former inspection eight months ago. Safety programs were good in both mines.

(2) Mine safety posters prepared by the Economic Stabilization Board and the Natural Resources Agency of MITI have been received by the Mine Safety Division and properly distributed. The posters were observed at each mine inspected; and the reaction of the miners to the posters is believed to indicate a recognition of the values of the warnings portrayed.

(3) The Shikoku Mine Safety Division conducted a one-day information meeting on railroad construction to representatives from mines concerned with such rail traffic. The program was of great value and no doubt will

help to reduce the number of accidents caused by poor railway construction. Thirteen percent of all mine accidents in Shikoku during 1950 were repertedly caused by railway construction deficiencies.

b. Mine Production and Rehabilitation.

(1) The Katsuura Coal Mine in Tokushima which recently suffered considerable typhoon damage to coal washing equipment and roads leading from the mine have completed the major portion of the rehabilitation. A loan of some two million yen was secured from the Hirohata Ironworks, Hyogo Prefecture, which was used for rehabilitation and back salaries of workers. Production is now running about 300 metric tons per month. Past financial difficulties and necessary expansion of existing facilities are preventing the mine from reaching a peak production of about 1000 tons per month. It is reported that the present contract price of 3,100 yen per tons delivered at the Hirohata Works is adequate, but that debts accumulated during the past are draining necessary working capital and preventing expansion.

II. Distribution and Industry

1. Field Trips and Conferences. Distribution and industry personnel made field trips to all prefectures holding conferences with appropriate local government agencies and making field inspections and visits in carrying out surveillance as required by current directives. A total of 35 man-days were spent in the field. Distribution and industry personnel devoted considerable time to National Police Reserve work.

2. Distribution

a. Economic Investigation Bureau

(1) All local and regional co-ordination meetings were attended in addition to personal conferences with EIB officials regarding personnel and current enforcement programs. The majority of the meetings had good attendance but of minor officials for the most part. To help overcome the lack of topics and discussion, the regional and local EIBs have adopted the custom of introducing guest speakers from the various governmental agencies to discuss economic subjects of current significance.

(2) Continued investigation of sugar distribution disclosed a major violation by the Shikoku Catholic Mission in Matsuyama. The mission had received 6,000 pounds from the Interdenominational Mission Service through Nikko Bussan of Tokyo; then it sold 3,800 pounds to a broker, gave 200 pounds to a contractor as partial payment for construction work, and distributed 2,000 pounds to seven catholic missions of Shikoku. The money derived from sale of the sugar was used for construction expenses of a church. The mission heads, who received the 2,000 pounds, were reluctant to admit receipt of the sugar. Due to the adverse effect the case might have upon the public and party concerned, the EIA referred the matter to the central EIA for disposition. Investigation is being continued.

(3) Smuggling activities have steadily increased in Kochi since the outbreak of the Korean War. Types of materials smuggled in from Okinawa were scrap-brass, copper, and lead. The customs officers felt that they were at a disadvantage because of inability to investigate the sources.

b. Restaurant Control

(1) Restaurant control by law enforcement agencies was lax throughout the region. In Ehime Prefecture activity consisted of an enforcement program in conjunction with rice collection in six of the major cities. Of 725 inspections, 184 violations were uncovered involving 53 non-licensed operators.

(2) The reviewing council of Kochi Prefecture met to hear reported violations. Result of cases were as follows:

Cases Heard	Suspended	Sealed	Warned	Dismissed
13	6	6	1	0

c. Fertilizer Distribution

(1) Sale of the 12,485 tons of fertilizer authorized for release from the Kodan stock was slow. Eighteen percent was disposed of and the slow disposal progress of the remainder was attributed to high cost, monetary shortages, and preference for new fertilizer.

(2) A warehouse of Japan Express Company, Tokushima Prefecture, contains 22.5 metric tons of calcium cyanamide which lost its fertilizer value due to wetting by typhoon "Jane". The same warehouse contains 250 tons of other types of damaged fertilizers which had been reduced in cost but have remained unsalable to date.

d. Staple Food Rationing

(1) Receipt of 1,000 tons of rice for Ehime Prefecture from Okayama was delayed due to congested railway transportation. As a temporary measure, the Kodan distributed rice substitutes while the prefecture made arrangements with MAF for shipment of 1,500 tons of Burmese rice from Moji. To date 600 tons had been received.

(2) Inspection of food storage warehouses by the Food Management Office for grading purposes is expected to encourage improvement of conditions. However, loss of income by agriculture co-operatives in Tokushima Prefecture, due to a 90,000 koku reduction in rice collection quota will retard warehouse maintenance.

(3) The average blackmarket price of rice was ¥112.5 per sho, a decrease of ¥ 15 since October. Further decreases are anticipated because of the tight monetary situation causing farmers to sell new crops on the open

market. The number of minor blackmarket operators decreased as the price differences narrowed.

3. Industrial Production, Restricted Industry and Construction

a. Chemical Fertilizer Production

(1) Production of ammonium sulphate was 15,212 metric tons against a planned production of 15,400 tons. Delayed shipment of pyrite ore was attributed to be the cause in loss of production. Planned production for December was 14,500 tons.

(2) Production of calcium superphosphate was 8,068 metric tons, exceeding the planned production of 8,000 tons.

b. Textiles. October production of cotton and synthetic textiles continued to establish new post-war highs. For the corresponding period of 1949 increases were: cotton yarn, 82 percent; cotton cloth, 65 percent; staple fibers, 124 percent; staple fiber yarn, 101 percent; staple fiber cloth, 179 percent; and rayon yarn, 62 percent.

c. Rubber Products. Bicycle tire production totaled 19,472, slightly less than the October output. One of the two plants in the region had been closed for a ten day period because of fabric shortage.

d. Shipbuilding. Spotchecks of shipyards were made in one prefecture. No unauthorized construction or conversion of steel or wooden vessels in violation of SCAPIN 1929 was noted.

e. Electric Power. Unusually high rainfall increased natural stream flow to one hundred and fifty-eight (158) percent of the past eight year average. Total power generation was 127,720,000 KWH. Thermal generation declined to 17,034,000 KWH. Reservoirs were reported to be filled to near capacity and thermal plants were functioning smoothly. Repairs of the Nagasawa and Bunsui Daiichi Hydro Power Plants have been completed and are functioning properly.

f. Reparations

(1) The Onishi Paper Manufacturing Company, Mishima Town, Ehime Prefecture, cancelled its request for authorized use of three items of equipment from Kawanishi Aircraft Company (13-11), Daito, Naruo Village, Hyogo Prefecture. Authorization for the use of the three items, 13-11-5221, 5226 and 5234, had been granted 21 July 1950. Equipment was not transferred and still remains at the parent plant.

(2) Maintenance of seventeen items of equipment damaged by typhoon "Jane" was completed at Kawanishi Aircraft Company (13-07).

(3) Scrapping of equipment authorized by CPC memorandums to the Reparations Agency, 11 September and 15 September, has been completed at Nisshin Chemical Industry Company (05-02 and 05-08); Kurashiki Aircraft Co.

(17-01); Noda Industrial Co. (17-02); and Kawanishi Aircraft Co. (13-07 and 13-11). Surveillance is being continued.

(4) Reference, Memorandum, CPC, 3 November 1950, subject: "Salvable Components of Reparations Equipment Released from Reparations Custody." Five motors at Nisshin Chemical Co. (05-02) and two motors at Kawanishi Aircraft Co. (13-07) were component parts of equipment authorized for scrapping. All seven motors were scrapped prior to receipt of reference memorandum. There were no other motors on scrap lists.

(5) Eleven items of equipment of Kurashiki Aircraft Co. (17-06(3) and 17-08) Sakaide City, Kagawa Prefecture, have been transferred to Zentsuji Town, Kagawa Prefecture, for storage in the state property warehouse which incurs no additional expenditure for storage or guards. The single guard employed by the Finance Bureau has been dismissed. Five items of equipment coded 17-01 were to have been transferred to Kawanishi Aircraft Co (13-07), Tokushima Prefecture, according to instructions in 1st indorsement of letter, this region, 7 August 1950, subject: "Applications for Scrapping of Reparations Equipment.". The five items are being held pending location of new storage area for the equipment of Kawanishi Aircraft Co (13-07), due to dispossession of the warehouse, or action on Shikoku Dockyard's application for authorized use of the equipment.

(6) Eight items of equipment of Koyo Precision Industry Co. (40-01), authorized for use 18 August 1950 for the Kokubu Plant (32-115), have been transferred.

g. Public Works

(1) Inspected road and port projects in two prefectures. Operations were being conducted in an efficient and businesslike manner. Criticisms or complaints of Central Government imposed limitations of expenditure and scope of individual projects were recurrent.

(2) Officials report that road repair and river projects in Kagawa Prefecture were being retarded because of prefectural inability to raise ¥ 19,380,000 for roads and ¥ 6,940,000 for rivers to meet Central Government funds of ¥10,260,000 and ¥ 4,000,000 respectively. The prefectural authorities had requested permission from the Central Government to float loans to obtain the total of ¥ 26,320,000 but were refused. A delegation of officials went to Tokyo during November to make an appeal and received a promise of consideration. It was estimated that there would be a loss of approximately 12,000 man-days necessitating release of an undetermined number of personnel. It was tentatively planned to raise the money through additional taxes in the event that other efforts failed.

h. Building Construction. Three officials from the Ministry of Construction conducted orientation lectures on the Building Construction Standard Law in Kagawa, Kochi and Ehime Prefectures on 13, 14, and 16 November, to construction officials, contractors and the general public. Prefectural construction sections continued to publicize the new law through the media of meetings, newspapers and radio.