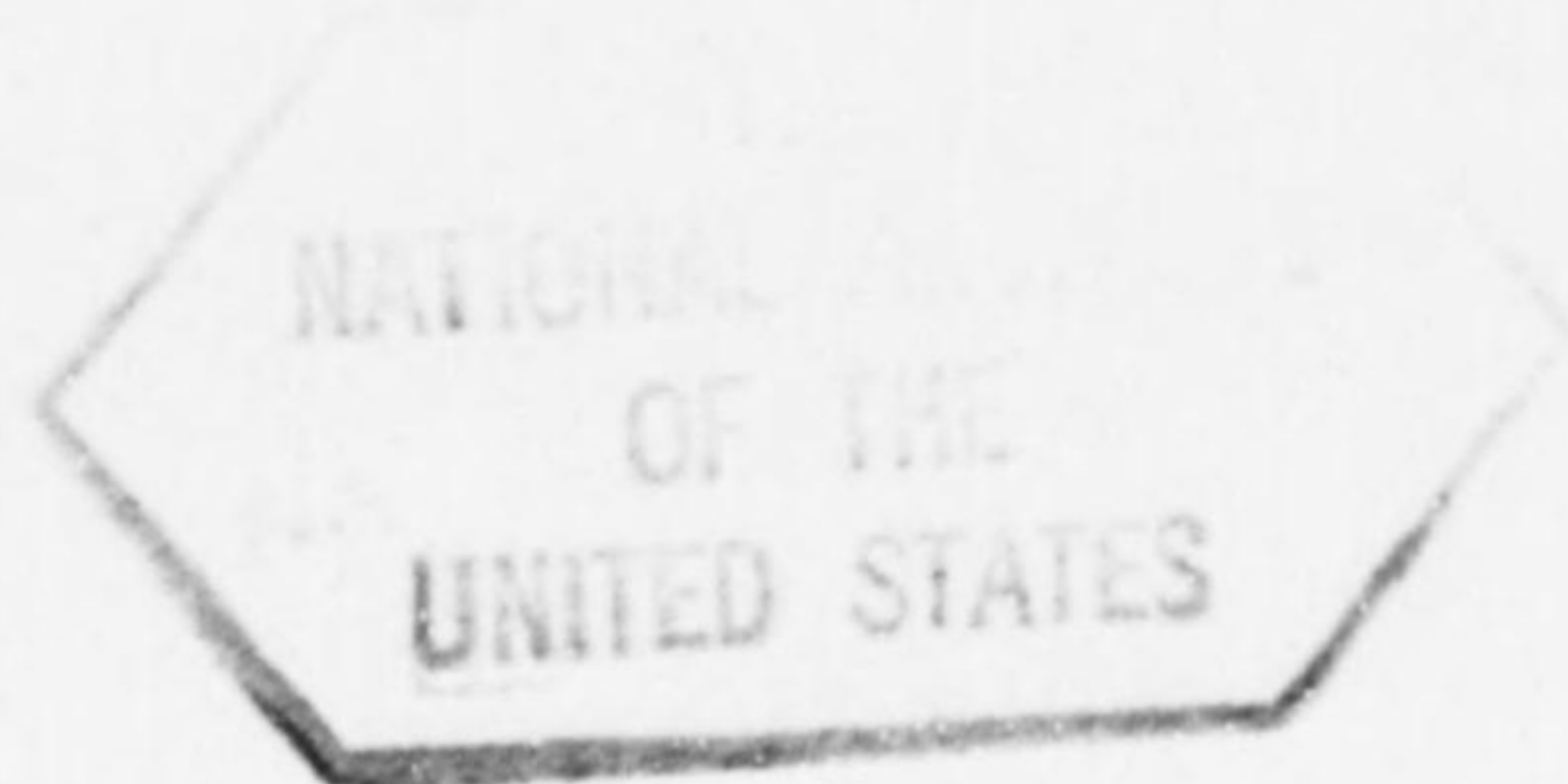


GHQ/SCAP Records(RG 331)
Description of contents



- (1) Box no. 2204
- (2) Folder title/number: (12)
Finance Ministry - 3rd National Diet
- (3) Date: Aug. 1948 - Dec. 1948

(4) Subject:

Classification	Type of record
310	c, m, v

(5) Item description and comment:
Includes Contents List

(6) Reproduction: Yes No

(7) Film no. Sheet no.

File w/serial

RAH

General Headquarters
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Civil Service Division

29 December 1948

MEMORANDUM FOR: Dr. J. W. Williams
Chief, Parliamentary & Political Division

SUBJECT : Bills Proposed for the Ministry of Finance Covering
Proposed Adjustments in Salary for Judges, Procurators
and those of the Special Services.

1. Just prior to the closing days of the Diet, the Ministry of Finance presented three bills proposing pay adjustments for the judges, procurators and those of the special services. These bills were referred to this division by Captain Guida. At that time the Civil Service Division made certain objections to these three bills and returned them to your office with notations to this effect. It is our understanding that these bills were returned to the Ministry of Finance by Captain Guida who at the same time advised them of the objections which the Civil Service Division had raised.

2. At approximately 1630 hours on 22 December, the supposedly corrected bills were again referred to your division and were in turn referred to the Civil Service Division. Mr. Watanabe of the Ministry of Finance called Mr. MacCoy at 1700 on the same day and requested immediate clearance of these bills. Mr. MacCoy advised Mr. Watanabe that while he was completely in sympathy with the Ministry of Finance in attempting to submit the bills prior to the closing date of the Diet, it was impossible at that late hour to secure clearance on the 22nd, but that they would be considered the first thing in the morning, the 23rd. He called Mr. Watanabe's attention to the fact that this was at least the second time the Ministry of Finance had attempted to submit similar bills on the last day of a Diet meeting and that these bills were far too important to be reviewed in such a hurried fashion.

3. On the morning of 23 December, the bills were reviewed by members of the staff of the CSD and found to be still deficient in some of the items to which the CSD had previously objected upon the former submission of these bills. Notations to this effect were made and the bills were prepared for return to the Parliamentary and Political Division.

Dr. Williams

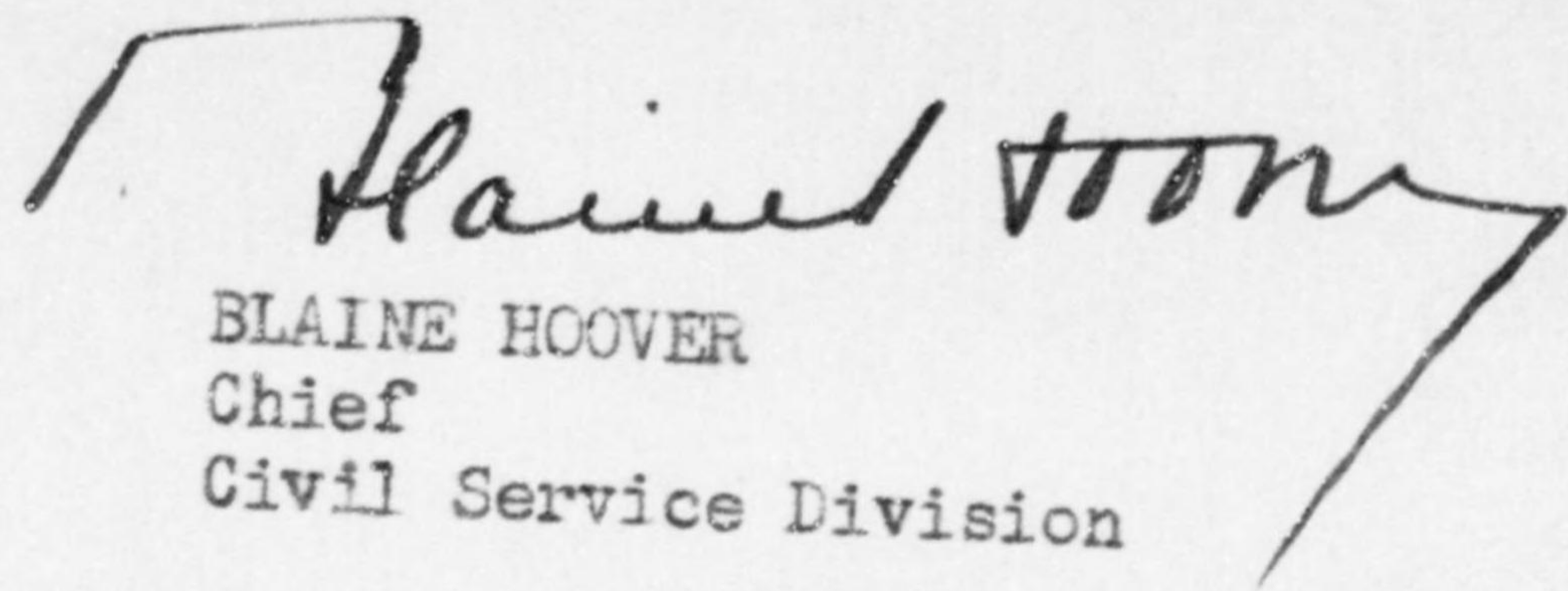
-2-

29 December 1948

4. The Civil Service Division was advised of the dissolution of the House of Representatives on 23 December. Therefore, it was impossible to have the bills corrected by the Ministry of Finance in sufficient time for clearance and submission to the Diet.

5. Civil Service Division wishes to go on record as voicing serious objection to this last minute method of presentation of important bills by the Ministry of Finance or any other Ministry and recommends that the matter be seriously and sharply called to the attention of the Minister of Finance.

WPM:hm


BLAINE HOOVER
Chief
Civil Service Division

(19)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) ~~CS/JPN/JN/CPG/MSF~~

Subject: Draft Legislation

Capt Guide

Note No. From: Govt Sec To: **LS/L&J** Date: **21 Dec 48** 26-6076

1.
 1. Immediate introduction of the attached draft bill in the Diet is proposed by **Finance Ministry**.
 2. Your prompt comment is requested.

1 Incl: **Amend Part of Law Concerning Salary And Other Compensation for National Public Service Personnel in Special Government Service.**

C. W.

P & PD

(19)

(19)

F.C. Novotny
2635 Ext 473

Bill to Amend a Part of Law Concerning Salary and
Other Compensation for National Public Service
Personnel in the Special Government Service.

27 Dec. 1948

IS

GS

1. 1. There are no legal objections to the proposed amendments.
 2. This Section did not review the basic law before enactment. An examination of its provisions reveals several objectionable features, and it is therefore recommended that additional amendments be made to the basic law at the next Diet session in order to delete the following:
 - a. Article 1, Item 16: Article 2 of the National Public Service Law does not contain any provision which would authorize the designation of any other personnel by Cabinet Order, therefore this item is meaningless and even misleading.
 - b. The words "and those designated by Cabinet Orders" in Article 7: These words allow the Cabinet to specify personnel who shall not be paid Family Allowance and overtime allowance which is a matter which should be contained in the law itself as it involves the expenditure of public funds.
- 2 Incls:
1. Draft of subject Bill.
2. Draft of Bill being amended

-----A.C.C.-----

DRAFT OF LAW

to be submitted for GS' approval
Coordination Section, CLCO (TEL. 57-6010)
7845)

- Dec. 22, '48

1. CLCO Number: 24
2. Name of Law: Bill to amend a Part of Law concerning
Salary and Other Compensation for National
Public Service Personnel in the Special
Government Service.
3. Competent Ministry: Finance Ministry
4. Date of Cabinet Approval: 22/Dec.
5. SCAP Section concerned: Mr. Reed
Public Finance E.S.S.
6. Remarks: (Reference:)
.....
.....
.....
.....
.....
7. G.S. Reviewers:
8. Date of G.S. Approval:
9. G.S. Member Responsible: H. Kobayashi

GOVERNMENT SECTION
CIVIL SERVICE DIVISION

23 December 1948

MEMORANDUM FOR: Dr. J. W. Williams, Chief
Parliamentary and Political Division

SUBJECT : Bill to Amend a Part of the Law Concerning Salary
and Other Compensation for National Public Service
Personnel in the Special Government Service

1. The subject Bill amends the "Bill Concerning Salary and Other Compensation for National Public Service Personnel in the Special Government Service" which we understand has been passed by the Diet, although not yet promulgated. The subject Bill should amend that which has already been passed, to correct the titles in Article 1 and in the Annexed Table, to agree with titles in Article 2 of the National Public Service Law, as follows:

Change "Personnel Commissioner" to read "Commissioners of the National Personnel Authority."

Change "Audit Controller" to read "Auditors of the Board of Audit."

Change "Chief of the Imperial Household Office and Grand Chamberlain" to read "Director of the Imperial Household Office and Grand Chamberlain."

Change "Chief of the Central Liaison and Coordination Office" to read "Director of the Central Liaison and Coordination Office."

2. Item 16 of Article 1 of the Bill which has already been passed is questioned as being inappropriate insofar as it might be construed to apply to judges for which a separate law is being passed. However, such a provision should be retained for personnel other than judges.



BLAINE HOOVER
Chief, Civil Service Division

JJB:jb

GOVERNMENT SECTION
CIVIL SERVICE DIVISION

21 December 1948

MEMORANDUM FOR : Dr. J. W. Williams
Chief, Parliamentary and Political Division

SUBJECT : Bill to Amend a Part of the Law Concerning Salary
and Other Compensation for National Public Service
Personnel in the Special Government Service.

1. The subject Bill amends the "Bill Concerning Salary and Other Compensation for National Public Service Personnel in the Special Government Service" which we understand has been passed by the Diet, although not yet promulgated. The subject Bill should amend that which has already been passed, to correct the titles in Article 1 and in the Annexed Table, to agree with titles in Article 2 of the National Public Service Law, as follows:

Change "Personnel Commissioner" to read "Commissioners of the National Personnel Authority."

Change "Audit Controller" to read "Auditors of the Board of Audit."

Change "Chief of the Imperial Household Office and Grand Chamberlain" to read "Director of the Imperial Household Office and Grand Chamberlain."

Change "Chief of the Central Liaison and Coordination Office" to read "Director of the Central Liaison and Coordination Office."

2. Item 16 of Article 1 of the Bill which has already been passed is questioned as being inappropriate insofar as it might be construed to apply to judges for which a separate law is being passed. However, such a provision should be retained for personnel other than judges.

3. Inasmuch as the objective of this Bill is to raise the salaries of special government service personnel coincident with the pay raise for regular government service personnel, it would seem to be good policy to correct Article 9 to conform to the pattern set forth in the General Pay Bill as passed, with respect to the effective date and the pattern of payments. } *anc*

Blaine Hoover

BLAINE HOOVER
Chief, Civil Service Division

GWP/hm
Attachment

19

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) **CM/JTA/31/CPD/122**

Subject: Draft Legislation

Note No.	From: Govt Sec	To: NS	Date: 21 Dec 48 Capt Guide 26-6076
1.	<p>1. Immediate introduction of the attached draft bill in the Diet is proposed by Finance Ministry.</p> <p>2. Your prompt comment is requested.</p> <p>1 Incl: Amend Part of Law Concerning Salary And Other Compensation for National Public Service Personnel in Special Government Service.</p> <p>C. W.</p>		

P & PD

DRAFT OF LAW

to be submitted for GS' approval
Coordination Section, CLCO (TEL.57-6010)
7845)
Dec. 20, '48

1. CLCO Number: 24 A
2. Name of Law: Bill concerning Salary and Other Compensation for National Public Service Personnel in the Special Government Service.
3. Competent Ministry: Finance Ministry
4. Date of Cabinet Approval: ~~20~~ 28/Dec.
5. SCAP Section concerned: Mr. Reed

Public Finance Div. E.S.S.
Mr. Bettis, C.S.

6. Remarks: (Reference:)

.....
.....
.....
.....
.....

7. G.S. Reviewers: *Reed GS 12/20/48*
CS to: ESS
LS/LYJ
GS/CS
8. Date of G.S. Approval:
9. G.S. Member Responsible: H. Kobayashi

19

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) ~~CS/JPS/JA/CFC/MSK~~

Subject: Draft Legislation

~~Capt. Galt~~

26-6076

Note No.:

From: Govt Sec

To: ~~MS/W~~

Date: 11 Dec 45

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

2. Your prompt comment is requested.

1 Incl:

Bill concerning Salary and Other Compensations for National Public Service Personnel in the Special Government Service.

C. W.

P & PD

18

010(17 Dec 48)ESS/PIN

WFM/WKL/EMR/JRM/eb
Mr. Mossier 57-8807

From: ESS

To: GS

Date: 17 Dec 48

2.

Returned without comment in view of subsequent changes in the proposed Bill concerning Salary and Other Compensations for National Public Service Personnel in the Special Government Service.

1 Incl
n/c

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

(18)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) **CG/JFM/31/CFO/100**

Subject: Draft Legislation

Capt Galda

Note No.:

From: Govt Sec

To: **LS/LAJ**

Date: **11 Dec 48**

26-6076

1.

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

2. Your prompt comment is requested.

1 Incl:

Bill concerning Salary and Other Compensations for National Public Service Personnel in the Special Government Service.

C. H.

P & PD

(18)

GOVERNMENT SECTION
Buck Slip

11 Dec 1948

From: Parliamentary + Political Div.
No: _____ INITIAL DATE

- _____ CHIEF.....
- _____ EX OFF.....
- _____ Deputy Chief.....
- _____ Maj Rizzo.....
- _____ Chief Adm Div.....
- _____ Statistics & Review Br
- 1 _____ Civil Service Div. *Wilson 12/13/48*
- _____ Parl & Pol Div.....
- _____ Public Adm Div.....
- _____ Public Aff Div.....
- _____ File.....
- _____ Chief Clerk.....
- _____ Personnel Clerk.....

FOR:

- INFORMATION
- _____ NECESSARY ACTION
- _____ ACTION (Prepare Reply)
- APPROVAL
- _____ SIGNATURE
- _____ INITIAL
- _____ COMMENT OR CONCUR.
- _____ RETAIN
- _____ RETURN
- _____ FILE

Capt. Guido

*CSO/GS passed in an effort to
cooperate and expedite clearance of this
matter before closing of Diet but reserves
right to review this entire subject at a
later date. Note suggested corrections in
md. WBraceley 12/13/48 (18)*

DRAFT OF LAW

to be submitted for GS' approval
Coordination Section, CLCO (TEL. 57-6010)
7845)

Dec. 10, '48

1. CLCO Number: 24
2. Name of Law: Bill concerning Salary and Other Compensations for National Public Service Personnel in the Special Government Service.
3. Competent Ministry: Finance Ministry
4. Date of Cabinet Approval: 10/Dec.
5. SCAP Section concerned: Mr. Reed Public Finance ESS
6. Remarks: (Reference:)
Three copies each Exemption of Law No. 55 '48
.....
and The National Public Service Law (Law No. 120
... '47) and Law concerning the Prohibition of Private
Monopoly and Methods of Preserving Fair Trade
.....
(Law No. 54, '47).....
7. G.S. Reviewers: *Reed GS 12/10/48*
Approved by:
GS/PPF (William)
ESS/PPF (Reed) Thome.
8. Date of G.S. Approval:
9. G.S. Member Responsible: H. Kobayashi

(18)

M. Peterson
GOVERNMENT SECTION
Buck Slip

12/9 1948

From:	INITIAL	DATE
CHIEF.....		
EX OFF.....		
Deputy Chief.....		
Maj Rizzo.....		
Chief Adm Div.....		
Statistics & Review Br.....		
Civil Service Div. <i>12/13/48</i>		
Parl & Pol Div.....		
Public Adm Div.....		
Public Aff Div.....		
File.....		
Chief Clerk.....		
Personnel Clerk.....		

FOR:

- INFORMATION
- NECESSARY ACTION
- ACTION (Prepare Reply)
- APPROVAL
- SIGNATURE
- INITIAL
- COMMENT OR CONCUR.
- RETAIN
- RETURN
- FILE

Bill Amending Undemobilized Persons' Compensation Law forwarded by CS on 9 December to GS/CS .

RAH

CSO/GS passes without comment
W Bracy
12/13/48

(17)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T CW/JFM/JH/RAH/vs

(Do not remove from attached sheet)

Subject: Draft Legislation

Maj. Harris

Note No.: From: Govt Sec

To: FFM

Date: 26-6076
9 December 1948

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

2. Your prompt comment is requested.

1 Incl:
Bill Amending Undemobilized
Persons' Compensation Law
(Law No. 152, 1947)

C. W.

RMW
P&P DIV

17



2.

From PH&W

To: GS

Mr. Rose 26 7057
10 Dec. 1948

1. This Section has reviewed the proposed legislation.
2. Proposed legislation is to alleviate the financial stress of repatriated ex-servicemen and gunzokus and to provide medical care for those in need of it as a result of illness or injury not attributable to their own fault prior to their repatriation and compensation for physical disabilities as a result thereof for those not entitled to such benefits under any other similar program.
3. This Section has no objection to the proposed legislation.

1 Incl: w/d

----- C. F. S. -----

(15)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet)

CH/JFK/JW/RAH/vc

Subject: Draft Legislation

Note No.: From: Govt Sec

To: **ESS/FF**

Date: ~~26-6076~~
9 December 1948

1. 1. Immediate introduction of the attached draft bill in the Diet is proposed by **Finance Ministry.**
2. Your prompt comment is requested.

1 Incl:

**Bill Amending Udemobilized
Persons' Compensation Law
(Law No. 182, 1947)**

C. W.

010(9 Dec 48)ESS/FIN

From: ESS

To: GS

Wagon
WFM/WRP/EMR/JRM/mm
Mr. Mosler, 57-8807

Date: 13 December 1948

2. There is no objection to introduction in the Diet of the proposed Bill Amending Udemobilized Persons' Compensation Law (Law No. 182, 1947).

1 Incl
w/d

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

17

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet) ~~62/174/10/141/10~~

Subject: Draft Legislation

Note No.: From: Govt Sec To: **13/123** Date: **20 6070 Major Harris**
9 December 1943

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

Finance Ministry.

2. Your prompt comment is requested.

1 Incl:

**Bill Amending Undenobilised
Persons' Compensation Law
(Law No. 182, 1947)**

C. W.

ZGH
P&P Div

17

Subject: Bill Amending Undemobilized Persons' Compensation Law (Law No. 182, 1947)

F.C. Novotny
2635 Ext 479
Date: 9 December '48

2. From: IS To: GB

1. Subject bill as amended in the House of Councilors, amends Law No. 182, 1947 as amended by Law No. 61, 1948. It increases the amounts of compensation for repatriated undemobilized persons to conform to the decreased purchasing power of Japanese currency. It also contains new provisions granting expenses for illness and injury.

2. There are no legal objections in view of the fact that it is also proposed to make allowances to repatriates who were not formerly in the Army or Navy. (See Bill for Allowances to Special Non-Repatriates.)

1 Encl:
n/s

A.C.C.

17

DRAFT OF LAW

to be submitted for GS' approval
Coordination Section, CLCO (TEL. 57-6010)
7845)

Dec. 8,

1. CLCO Number: *18*

2. Name of Law:

*Bill amending Undemobilized
Persons' Compensation Law.
(Law No. 182, 1947)*

3. Competent Ministry: *Finance*

4. Date of Cabinet Approval: *Dec. 7*

5. SCAP Section concerned:

*Mr. Rose, Social Security Div. PHW.
Mr. Mosler, Public Finance Div. E&S*

6. Remarks: (Reference:)

..... Law No. 182, 1947
..... (as amended by Law No. 61, 1948)

Received 9 Dec 48 *PH+W*

7. G.S. Reviewers:

*GS/CSJ
E&S/PF
LS/LJ*

8. Date of G.S. Approval:

9. G.S. Member Responsible: *H. Kobayashi*

17

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T CW/GLX/JW/RAH/vs

(Do not remove from attached sheet)

Subject: Draft Legislation

Maj. Harris

Note No.:

From: Govt Sec

To: **ESS/FF**

Date:

26-6076
6 December 1948

1.

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

2. Your prompt comment is requested.

1 Incl:

**Bill re Govt Housing for the
National Public Personnel**

C. U.

010(6 Dec 48)ESS/FIN

From: ESS

To: GS

Date: 7 Dec 1948

[Signature]
WFM/WEL/EAR/JRM/mm
Mr. Hessler, 57-8807

2.

ESS has no objection to introduction into the Diet of the proposed Bill re Govt Housing for the National Public Personnel.

1 Incl

n/c

-----W. F. H.-----

16

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T **CR/CLR/SR/IAN/12**

(Do not remove from attached sheet)

Subject: Draft Legislation

Note No.:

From: Govt Sec

To: **LS/SP**

Maj. Harris
26-6076
Date: **6 December 1948**

1.

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

2. Your prompt comment is requested.

1 Incl:
**Bill re Govt Housing for the
National Public Personnel**

C. W.

PCW
P&P DIV

16

Subject: Bill re Govt Housing for the
National Public Personnel.

From: IS

To: GS

T.L. Blakemore
2695 Ext 473
Date: 9 Dec. 1948

2.

1. Attached draft bill makes completely inadequate provisions in regard to the housing of court personnel and the representation of courts on the Housing Investigation Committee.

2. In view of the imminent adjournment of the Diet, it is recommended that a discussion of amendments of this draft be postponed and that its presentation be deferred until the following Diet session.

1 Incl:
n/c

-----A.C.C.-----

16

Fini

GOVERNMENT SECTION
Civil Service Division

8 December 1948

MEMORANDUM FOR: Dr. Justin Williams, Chief
Parliamentary and Political Division

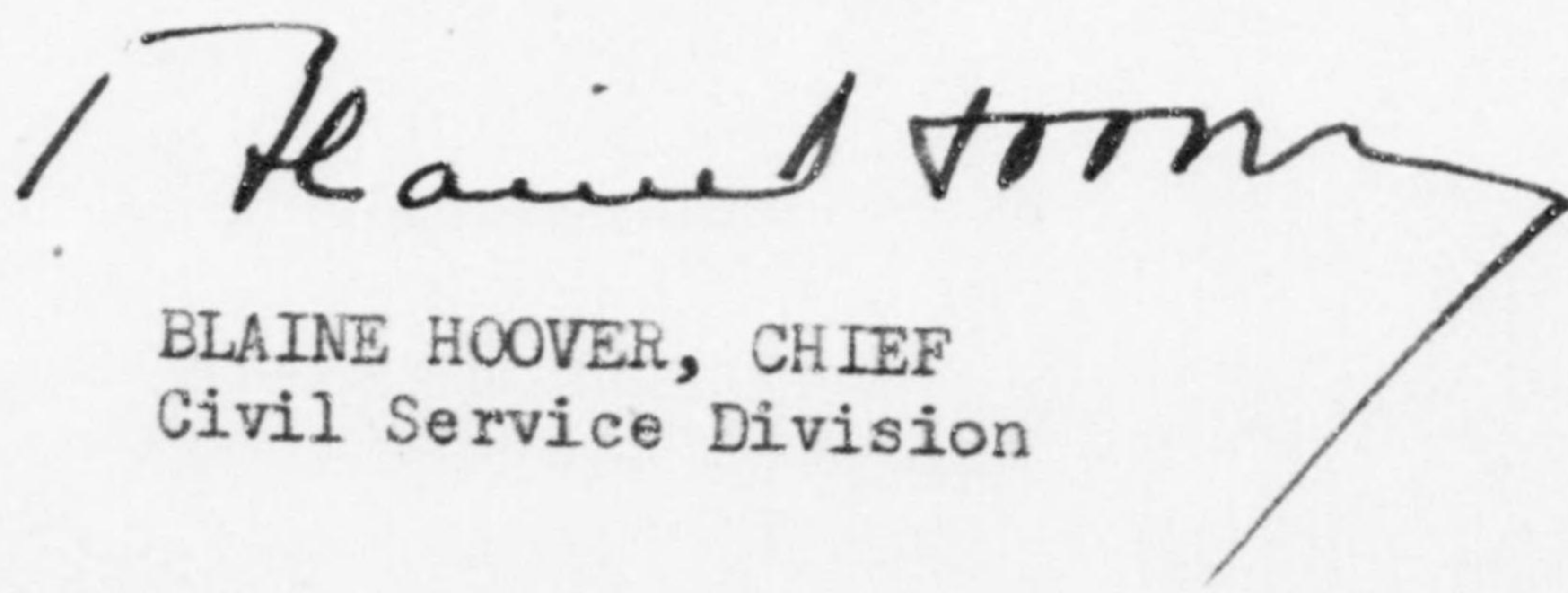
SUBJECT : Bill Concerning the Government Housing for National
Public Service Personnel

The provisions of Paragraph 2, Article 1, should include an additional statement with respect to the housing policy and its relationship to the National Public Service Law. It is suggested that the following be added at the end of the first sentence of Paragraph 2, Article 1: "and housing provisions for government personnel shall be recognized as related to compensation and shall be the proper subject of recommendation by the National Personnel Authority under the provisions of Article 28 of the National Public Service Law (120 of 1947 as amended by Law 222 of 1948)."

Reference is made to Article 4, Paragraph 1, Items 3 and 4. It would seem that the officials referred to in these items should be listed as "Director General or Deputy Director General" of the Economic Stabilization Board, and "Director General or Deputy Director General" of the National Personnel Authority.

It is noted that in Article 10, official residence is provided for the President of the National Personnel Authority. Attention is drawn to the provisions of Article 10 of the National Public Service Law as amended by Law 222 of 1948 which states that a commissioner shall be compensated on the same basis as a Minister of State. To comply with this provision of law, it would seem necessary that the housing law provide in Article 10, Item 6, "Commissioners" of the National Personnel Authority instead of "President" of the National Personnel Authority.

With the exceptions as noted above to Articles 1, 4, and 10, this office will pass the bill without objection.


BLAINE HOOVER, CHIEF
Civil Service Division

MS:jb

(16)

DRAFT OF LAW

to be submitted for GS' approval
Coordination Section, CLCO (TEL. 57-6010)
7845)

Dec. 3, 1948

1. CLCO Number: 11
2. Name of Law: Bill concerning the Government Housing
for the National Public Personnels.

3. Competent Ministry: Finance Ministry
4. Date of Cabinet Approval: 17/Nov.
5. SCAP Section concerned: Civil Service Div. GS
Mr. Salter

Public Service Div. E.S.S.
Mr. Mossler
6. Remarks: (Reference:)
Regulations governing the lease of official quarters.
.....
.....
..... GS-CIV SER DIV
..... ESS/PF
..... LS/GP
.....
7. G.S. Reviewers: *Rec'd 3 Dec 48*
8. Date of G.S. Approval: *RH*
9. C.S. Member Responsible: H. Kobayashi

16

20 December 1948
10⁰⁰ hours

This bill was received on 18 December 1948, 1835 Hours, cleared by Mr. Hoover. Clearance was obtained from Mr. Reed, ESS/Fi through General Whitney and Major Napier approximately 1100 Hours, 19 December. Major Napier informed me that he had cleared the bill with the Japanese Government. At 1130 this date three amendments were proposed. Telephone clearance was obtained from Mr. Reed and Mr. MacCoy. I have not discussed the clearance of this bill with any Japanese officials.

RAH

(15)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

CHECK SHEET WFM/tpo

(Do not remove from attached sheets)

File No.:

Subject: Proposed Legislation

"Opp" Bill

Note No.:

From: ESS

To: GS

Date: 19 December 1948

1

1. For the reason that they do not indicate expenditures within the limits of available revenues, the budget aspects of the Pay Bill for government employees, entitled "Bill to Amend the Bill concerning Salary, etc., for Government Officials, effective as from November 1948," transmitted for concurrence or comment at 1830 hours, 18 December 1948, are not acceptable.

2. The responsibility of ESS in connection with the pay bills for government workers is confined to examination of the financial provisions thereof to insure that, if passed as presented, the bill will not result in an imbalance of the national budget. This assurance cannot be reached unless complete expenditures are shown to come within available sources of income. It is fundamental that salary payments in excess of funds available cannot be made at any time.

3. Reference bill provides for increases in expenditure for overtime work, both because of the increased overtime rate and on the basis of the increased pay level. At the same time no reduction in total overtime worked is contemplated. Funds for this increased expenditure estimated at 1.7 billion yen are not provided in the supplemental budget now pending in the Diet.

4. Reference bill authorizes distribution of possible surplus funds pro-rated among government workers by Ministry without legislative control.

5. It is the responsibility of the Diet to recognize and, if necessary, to provide for the effects of the increase in government employee salaries upon expenditures for the Termination of the War and the operation of the Civil Merchant Marine Commission and upon other expenditures from non-government wage demands, for which no revenues are indicated.

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

15

15

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

CHECK SHEET WFM/tpo

(Do not remove from attached sheets)

File No.:

Subject: Proposed Legislation *W.F.M.*

Note No.:

From: ESS

To: GS

Date: 19 December 1948

1

1. The financial aspects of the Pay Bill for government employees entitled "Bill for Partial Amendment of the Law Administering the New Pay," transmitted for comment or concurrence at 2030 hours, 18 December 1948, appear to come within budgeted financial allowances.

2. It should be understood that no payments of salaries can be made beyond the funds available for the purpose.

3. It is the responsibility of the Diet to recognize and, if necessary, to provide for the effects of the increase in government employee salaries upon expenditures for the Termination of the War and the operation of the Civil Merchant Marine Commission and upon other expenditures resulting from non-government wage demands, for which no revenues are indicated.

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

(15)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section

10 December 1948

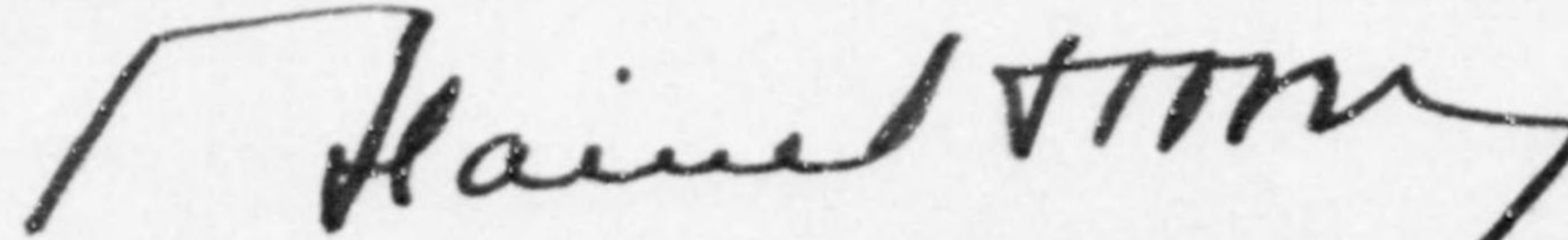
MEMORANDUM FOR : Dr. Justin Williams
Chief, Parliamentary and Political Division

SUBJECT : Bill Concerning Salaries and Other Pays of Government
Workers from November 1948 Onwards. (This is the bill
Submitted as a "Government Bill."

This bill is objectionable for the following reasons:

1. In view of living costs, prevailing rates of pay and other factors pertinent to wage determination, it provides inadequate compensation for government employees.
2. The bill favors the upper bureaucracy as against the mass of government employees and is basically unscientific and inequitable.
3. The bill fails to set up necessary safeguards against loose administration in government pay matters.
4. The bill fails to recognize compensation as a matter of public policy and to bring together in one legislative instrument, to the extent desirable, all matters relating to compensation.

In our opinion, passage of this law at this time will fail to give the government employees adequate financial relief, leave justification for discontent on the part of government employees, make them further subject to subversive influences, perpetuate loose and possibly fraudulent pay administration, make necessary further legislation on compensation at the earliest possible date, delay operations under the National Public Service Law, and due to its inadequacy will deal a most damaging blow to the prestige of the National Personnel Authority and the civil service system at their very inception.



BLAINE HOOVER
Chief
Civil Service Division

BH/hm

15

DRAFT OF LAW

to be submitted for CS' approval
Coordination Section, CLCO (TEL. 57-6010)
7845)

Dec. 3, 1948

1. CLCO Number: 12

2. Name of Law:

Bill concerning Salaries and Other Pays of
Government Workers from November of 1948 Onwards.

3. Competent Ministry: Finance Ministry

4. Date of Cabinet Approval: Nov. 28 (~~Schedule~~)

5. SCAP Section concerned:

G. S.

6. Remarks: (Reference:)

..... GS - CSU
..... ESS/PE
..... LS/GP
..... G-2 - Public Safety
..... CTS

7. G.S. Reviewers:

Sent out for information only

8. Date of G.S. Approval:

9. C.S. Member Responsible: ~~H. Kobayashi~~

G HQ - Buck Slip
For Info only

(15)

Budget
/DRAFTY /OF /LAW/

to be submitted for GS' approval
Coordination Section, CLCO (TEL. 57-6010)
7845)

Nov. 29,

1. CLCO Number: B 1
2. Name of Law: Supplementary or Revised Bill of General Account for Fiscal Year 1948-49 (Nov 1)

3. Competent Ministry: Finance Ministry

4. Date of Cabinet Approval: *Nov. 29. (Schedule)*

5. SCAP Section concerned:

Public Finance Div. E. & S.

6. Remarks: (Reference:)

Cabinet Approval
29 Nov 48 RAI

Received

29 Nov 48

ESS/FI

Civ. SER

RAI

7. G.S. Reviewers:

8. Date of G.S. Approval:

9. G.S. Member Responsible: H. Kobayashi *gac*

(14)

Budget
~~DRAFT~~ / ~~OF~~ / ~~LAW~~

to be submitted for GS' approval
Coordination Section, CLCO (TEL. 57-6010)
7845)

Nov. 29,

1. CLCO Number: B 2
2. Name of Law: Supplementary or Revised Budget Bill of
Special Accounts for Fiscal Year 1948
-49 (No.1)
3. Competent Ministry: Finance Ministry
4. Date of Cabinet Approval: *Nov. 29. (Schedule)*
5. SCAP Section concerned:

Public Finance Div. E.S.S.

6. Remarks: (Reference:)

Cabinet Approval
29 Nov 48
.....
RAH *Received*
..... *29 Nov 48*
ESS / FI *RAH*
Civ. Serv.

7. G.S. Reviewers:

8. Date of G.S. Approval:

9. G.S. Member Responsible: H. Kobayashi *[Signature]*

13

CW/JPH/JW/RAH/ESR

Draft Legislation

Mr. J. Harris 26-6076

Govt Sec

ESS/Int Revenue

7 Dec 48

1. 1. Immediate introduction in the Diet of the attached draft bill is proposed by the Finance Ministry.
2. The attached amended bill supersedes the draft bill as forwarded by check sheet dated 29 November 1948.
3. Your prompt comment is requested.

1 Incl.
Partial Amendments of the Sugar
Excise Law and Others.

CW

2544 P & PD

12

WFM/LHM/KPS/dm
K. P. Snow 57-3812

From: ESS

To: Govt Sec

Date: 10 Dec 1948

2

There is no objection to the introduction in the Diet of the "Law
Concerning Partial Amendments of the Sugar Excise Law and Others".

1 Incl
w/d

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

(12)

CW/JPH/JW/RAH/NEE

Draft Legislation

Maj Harris 28-6076

Govt Sec

IS

7 Dec 48

1. Immediate introduction in the Diet of the attached draft bill is proposed by the Finance Ministry.
2. The attached amended bill supersedes the draft bill as forwarded by check sheet dated 29 November 1948.
3. Your prompt comment is requested.

1 Incl.
Partial Amendments of the Sugar
Excise Law and Others.

CW

22K

P&P D

12

Subject: Partial Amendments of the Sugar
Excise Law and Others.

F.C. Novotny

2635 Ext 473

Date: 9 December 1948

From: IS

To: GS

2.

There are no legal objections to introduction of subject bill in the Diet.

1 Incl:
n/c

-----A.C.C.-----

12

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

CHECK SHEET

CW/CLK/JW/RAH/vs

Subject: Draft Legislation

Maj. Harris 26-6076

From: Govt Sec

To: ESS/Int Revenue

Date: 29 November 1948

1

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

2. Your prompt comment is requested.

1 Incl:

Bill of Partial Amendment of Sugar
Excise Law.

----- C. W. -----

2.

FROM: ESS

To: Govt Sec

KW/CLK
WFW/LHM/KPS/dm
Date: 1 December 1948

ESS offers no objection to the introduction of this bill.

1 Incl:
n/c

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

(12)

Subject: Bill of Partial Amendment of
Sugar Excise Law.

From: IS

To: GS

F.C. Novotny
2635 Ext 473
Date: 1 Dec. '48

KCO
71B

2.

Subject bill contains technical tax adjustment provisions of
primary concern to HRS. There are no legal objections to the bill.

1 Incl:
n/c

----- A.C.S. -----

12

DRAFT OF LAW

to be submitted for GS' approval
Coordination Section, CLCO (TEL. 57-6010)
7845)

Nov. 29,

1. CLCO Number: 59
2. Name of Law: Bill of the Partial Amendment of the
Sugar Excise Law.
3. Competent Ministry: Finance Ministry
4. Date of Cabinet Approval: Nov. 28, 1948
5. SCAP Section concerned: Mr. Moss, Internal Revenue Div.
E.S.S.

6. Remarks: (Reference:)

... Japanese copies will be submitted later

LS/LJ Received

ESS/INT. REV. 29 Nov 48

RAH

7. G.S. Reviewers:

Revised bill sent out 7 Dec 48

8. Date of G.S. Approval: same date RAH

9. G.S. Member Responsible: H. Kobayashi

(12)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheet)

CW/CLK/JW/RAH/vs

Subject: Draft Legislation

Note No.: From: Govt Sec

To: ESS/PI

Date:

26-6076
Maj. Harris
29 November 1948

1.

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

Finance Ministry

2. Your prompt comment is requested.

1 Incl:

Amendment to Law concerning Transfer from General Account, etc.

C. F.

010(29 Nov 48)ESS/FIN

From: ESS

To: GS

[Signature]
WEM/WEL/HR/SRB/RS
Mr. Baron, 57-8806
Date: 30 November 1948

2.

ESS has no objection to introduction in the Diet of the proposed Amendment to Law concerning Transfer from General Account, etc.

1 Incl

n/c

-----V. F. H.-----

(11)

Subject; Amendment to Law Concerning
Transfer from General
Account, etc.

2.

From: LS

To: GS

F.C. Novotny
2635 Ext 473
Date: 1 Dec. 1948

The technical governmental financial aspects of subject bill
involve questions of policy to be decided by MSB. This Section
has no legal objections.

1 Incl:
n/c

-----A.G.C.-----

11

DRAFT OF LAW

to be submitted for GS' approval
Coordination Section, CLCO (TEL. 57-6010)
7845)

Nov. 29,

1. CLCO Number: 49
2. Name of Law: Bill of the Partial Amendment of the Law concerning the Transfer from the General Account to cover the Deficits in Revenues of the Special Account for Deposits Bureau, Ministry of Finance and Other Two Special Accounts for the Fiscal Year 1948.
3. Competent Ministry: Finance Ministry
4. Date of Cabinet Approval: Nov. 28, 1948
5. SCAP Section concerned: Public Finance Div. E.S.C.
6. Remarks: (Reference:)
..... *Received*
..... *29. Nov. 48*
..... *ESS/F*
..... *LS/L* *Roll*
7. G.S. Reviewers:
8. Date of G.S. Approval:
9. G.S. Member Responsible: H. Kobayashi

(11)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T CW/CLK/JW/RAH/vs

(Do not remove from attached sheet)

Subject: Draft Legislation

Maj. Harris
26-6076

Note No.:

From: Govt Sec

To: **ESS/PI**

Date: 29 November 1948

1.

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

2. Your prompt comment is requested.

1 Incl:

**Partial Amendment of Law Concerning
Decision and Revision in Fixed Prices
of Manufactured Tobacco.**

C. W.

010(29 Nov 48)ESS/PIW

WFM/WKL/EMR/STB/mm
Mr. Baron, 57-8806

From: ESS

To: GS

Date: 30 November 1948

2.

ESS has no objection to introduction in the Diet of the proposed Partial Amendment of Law Concerning Decision and Revision in Fixed Prices of Manufactured Tobacco.

1 Incl
n/c

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

10

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T CW/CLK/JW/RAH/vs

(Do not remove from attached sheet)

Subject: Draft Legislation

Maj. Harris

26-6076

Note No.:

From: Govt Sec

To: NRS

Date: 29 November 1948

1.

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

2. Your prompt comment is requested.

1 Incl:

Partial Amendment of Law Concerning
Decision and Revision in Fixed Prices
of Manufactured Tobacco.

2

From: NR/A

To: GS

NR R S Hardie - 26-5503

HCS/WHL/BSH/deg

7 DEC 1948

The proposed bill, "Partial Amendment of Law Concerning Decision and Revision in Fixed Prices of Manufactured Tobacco," a measure to augment public revenue by authorizing an increase in prices of processed tobacco, is favorably considered by NR/A.

1 Incl

w/d

H. G. S.

10

DRAFT OF LAW

to be submitted for GS' approval
Coordination Section, CLCO (TEL. 57-6010)
7845)

Nov. 29,

1. CLCO Number: 51
2. Name of Law: Bill of the Partial Amendment of the Law concerning the Decision or Revision of the Fixed Price of Manufactured Tobacco.
3. Competent Ministry: Finance Ministry
4. Date of Cabinet Approval: *Nov. 28, 1948*
5. SCAP Section concerned: Mr. Moss, Internal Revenue Div. E.S.S.
6. Remarks: (Reference:)
..... *Received*
..... *29 Nov 48*
..... *ESS/Fi* *RAT*
..... *LS/KJ*
..... *NR 1*
7. G.S. Reviewers:
8. Date of G.S. Approval:
9. G.S. Member Responsible: H. Kobayashi

(10)

DRAFT OF LAW

to be submitted for GS' approval
Coordination Section, CLCO (TEL. 57-6010)
7845)

Nov. 27 1948.

1. CLCO Number: 48
2. Name of Law: Bill Concerning the Partial Amendments to
the Reconversion Finance Bank Law.
3. Competent Ministry: Finance Ministry
4. Date of Cabinet Approval: 26 Nov. 1948
5. SCAP Section concerned: E.S.S. Finance Division
Money and Banking Branch Mr. Phillips.
6. Remarks: (Reference:) Excerpts of Reconversion Bank Law.
.....
..... *Received*
..... *27 Nov. 48*
..... *RAH*
7. G.S. Reviewers:
8. Date of G.S. Approval:
9. G.S. Member Responsible: H. Kobayashi

*approved
by phone
(Mr. Phillips)
RAH*

9

Subject: Bill for the National Public
Service Accident Compensation.

From: LS

To: GS

F. C. Novotny
2635 Ext 473
Date: 9 December 1948

2.
 1. A comparison of attached draft with bill forwarded by check sheet dated 27 November 1948 reveals no substantive changes.
 2. Accordingly objections and comments made in check note #2 from LS to GS dated 7 December 1948, subject, "Draft Legislation", still apply to attached draft.

1 Incl:
n/c

-----A.C.C.-----

(8)

Subject: National Public Service Accident
Compensation Law.

F.C. Novotny (Meiji 473)

From: IS

To: GS

Date: 7 Dec. '48

2.

1. Article 10 of subject bill as presently worded states that the whole or a part of compensation shall not be granted if injury or illness incurred is caused by gross negligence of the employee. Decision as to amounts is to be made by the Board (Article 26). In effect this allows a wide power of discretion to an administrative body without setting any rules or standards to be followed. The amounts to be disbursed as compensation will come from public funds which makes it mandatory that more specific rules governing expenditures be contained in the law.

2. Article 13, paragraph 2 in allowing the Chief of the Board to fix the amount of the lump sum within the limit of from five to fifteen months' salary is subject to the same comments as made in paragraph 1 above.

3. Article 27 attempts to set up a board without stating the number of members, the number necessary to constitute a quorum, and without providing other essential rules for its operation.

8

National Public Service Accident
Compensation Law (Cont'd)

2.
(Contd)

4. The manner in which the board is to arrive at decisions is not clearly stated in the law. If it is contemplated that evidence will be presented and hearings held, a new article should be inserted after Article 26 providing for due notice of hearings to all interested parties, for an opportunity for claimants and witnesses to be heard, and for a written decision stating the basis therefor.

5. Article 35 should contain an additional clause requiring that due notice of the hearing be given to all interested parties.

6. Article 37 contains several constitutionally objectionable features. Remuneration contemplated involves an expenditure of public funds which should be fixed by law and not left to Cabinet Order. The Article also contains the phrase "other necessary matters" which is an all inclusive term allowing the Cabinet unrestricted power to issue orders.

7. No comment is made on policy questions involved.

1 Incl:
n/c

----- A.C.C. -----

8

WFM/LHM/KPS/dm
K. P. Snow 57-8812

2. From: ESS To: Govt Sec Date: 10 Dec 48

1. There is objection to the introduction of the "National Public Service Accident Compensation Law".

2. The draft aims to provide monetary and medical benefits to all Japanese Government employees suffering occupational injury or disability. It proposes to establish a new system for workmens' compensation separate from the existing system for private industry. Furthermore, it requires that a new administrative agency be set up duplicating the agency already established. It is believed that such a duplicate system will increase the cost of administration and result in an uneconomical use of skilled manpower in the Japanese Government and SCAP. In areas where there is a low concentration of government workers, efficiency and quality of service will be very low and cost of administration high.

3. The majority of workers to be covered are engaged on the railroads, in communications, in factories and on occupation force projects and are more analogous to other workers in private industry

Draft Legislation (Cont'd)

ISS

Govt Sec

10 Dec 1948

2
Contd

than to employees of administrative agencies of the Government.

4. It is recommended that an amendment be made to the Workers Accident Compensation Insurance Law authorizing the Workmens' Compensation Section, Labor Minister, to pay benefits to Government workers, the cost being charged to the Government.

5. The bill provides higher rates of compensation for Government workers than private industry. For example, Article 6, paragraph 2 of the proposed law provides that absence compensation be at the rate of 80% of total remuneration before deduction of any amount aswithheld income tax whereas the private industry rate is 60%. Absence compensation benefits paid under a provision which makes their receipt tax exempt should not be paid at a level which would give the recipient a higher compensation while he is on sick leave than while he is working at his job.

1 Incl
n/e

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

8

General Headquarters
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Civil Service Division

9 December 1948

MEMORANDUM FOR POLITICAL AND PARLIAMENTARY DIVISION

SUBJECT: National Public Service Accident Compensation Law

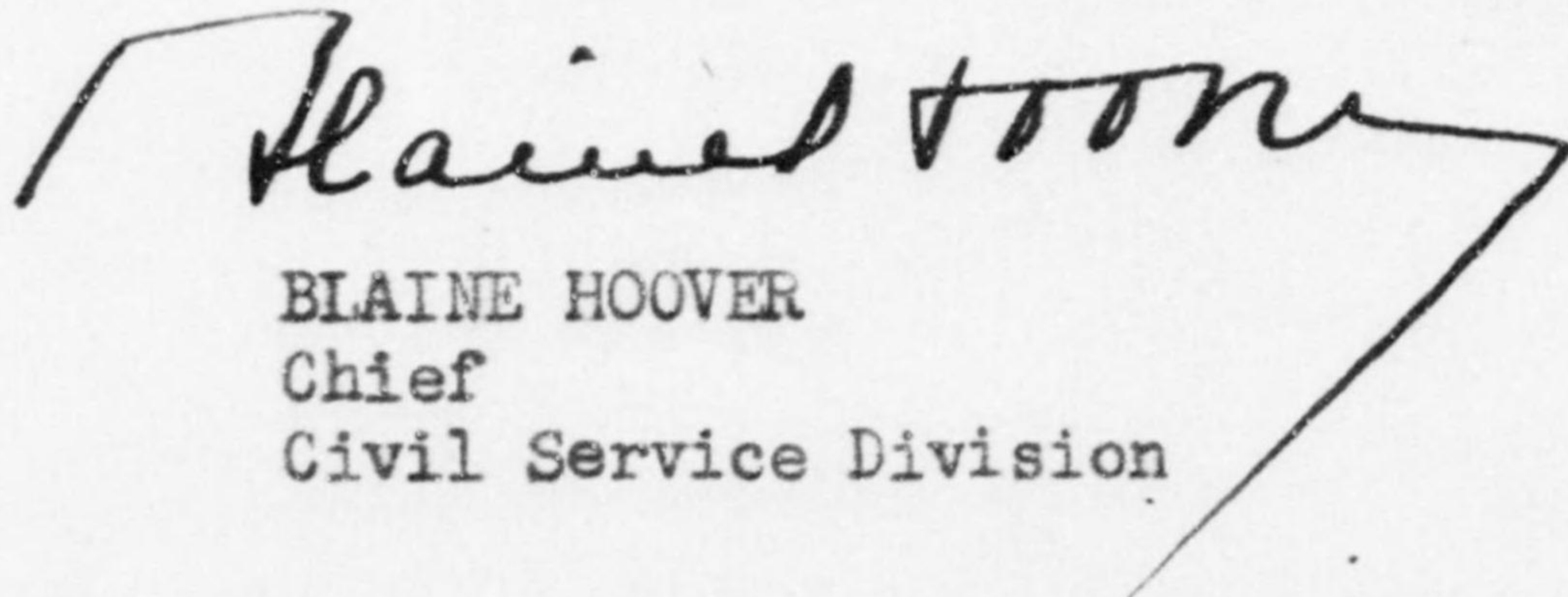
The proposed National Public Service Accident Compensation Law, which has been brought up for consideration in a complicated situation, involves many irregularities of schedule which before they can be straightened out require investigation over a considerable period of time. The National Personnel Authority which has just been constituted has not had an opportunity to conduct such studies. In this situation we are passing the proposed law without objection in order to avoid any injustice to employees of government, provided:

First, that we safeguard the ultimate jurisdiction of the National Personnel Authority as provided in Article 93 to 95, inclusive, of the National Public Service Law by specifying that this law is subject to later recommendation by the National Personnel Authority as follows: (In place of proposed Article 2)

"2. The compensation system established herein by this Law represents compensation system to be established prior to the system to be adopted in accordance with the provisions of Articles 93 - 95 of the National Public Service Law (Law Numbered 120, 1947) and shall be administered by the National Public Service Accident Compensation Board established in the Prime Minister's Office in accordance with this Law."
(Underlined material is new.)

Second, that it be definitely provided that absence benefits shall not exceed those granted as a matter of general national policy in the Labor Standard Law.

BH:mta


BLAINE HOOVER
Chief
Civil Service Division

4

8

CW/CLK/JW/RAH/vs

Draft Legislation

Maj. Harris

26-6076

Govt Sec

PH&S/SSD

7 December 1948

- 1
1. Immediate introduction in the Diet of the attached draft bill is proposed by the Finance Ministry.
 2. The attached amended bill supersedes the draft bill as forwarded by check sheet dated 27 November 1948 to PH&W.
 3. Your prompt comment is requested.

1 Incl:
Bill for the National Public Service
Accident Compensation

C. W.

2

From : PH&W

To: GS

Mr. Rose 26-7057
Date: 8 Dec. 1948

1. This Section has reviewed the attached proposed legislation.
2. Proposed legislation is designed to consolidate all accident compensation provisions for government workers under a single system, which is a desirable objective.
3. This Section has no objection to the proposed legislation.

1 Incl
Bill for National Public Service
Accident Compensation

C. F. S.

①

DRAFT OF LAW

ESS/F,
LS/Ld
GS/Civ SER
PH+W

to be submitted for GS' approval
Coordination Section, CLCO (TEL. 57-6010)
7845)

Nov. 26,

- 1. CLCO Number: 46
- 2. Name of Law: Bill for the National Public Service Accident Compensation .

- 3. Competent Ministry: Finance Ministry
- 4. Date of Cabinet Approval: 26/Nov.
- 5. SCAP Section concerned: Civil Service Division G.S.
Mr. Peterson

Public Health and Welfare Sec.
Mr. Rose

6. Remarks: (Reference:)

Excerpts of
National Public Service Law, and other laws.
.....

*Revised Copy sent to
SCAP section
of Dec 48*

7. G.S. Reviewers:

*Received
26 Nov 48
RAH*

8. Date of G.S. Approval:

9. G.S. Member Responsible: H. Kobayashi

8

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T CW/CLE/JW/SSS/vs

(Do not remove from attached sheet)

Subject: Draft Legislation

Capt Guide

26-6076

Note No.:

From: Govt Sec

To: ESS

Date: 19 November 1948

1.

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

2. Your prompt comment is requested.

1 Incl:

Bill to Amend a Part of Law re Special Account for Enterprises of Monopoly Bureau and Printing Bureau

C. W.

010(19 Nov 48)ESS/FIN

From: ESS

To: GS

Date: 23 Nov 1948

WFM/KEL/DR/SEP/ma
Mr. Baron, 57-8808

2.

ESS has no objection to introduction in the Diet of the proposed Bill to Amend a Part of Law re Special Account for Enterprises of Monopoly Bureau and Printing Bureau.

1 Incl
n/s

-----W. F. H.-----

7

7

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T *01/015/34/070/00*

(Do not remove from attached sheet)

Subject: Draft Legislation

Capt. Guide
26-6076

Note No.:

From: Govt Sec

To: *13/LAS*

Date: **19 November 1948**

1.

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

2. Your prompt comment is requested.

1 Incl:

**Bill to Amend a Part of the Law re
Special Account for the Enterprises
of the Monopoly Bureau and Printing
Bureau**

C. W. _____

P&P Div

7

Subject: Bill to Amend a Part of the Law
re Special Account for the Enter-
prises of the Monopoly Bureau and
Printing Bureau.

From: IS

To: GS

F.C. Novotny
2635 Ext 473
Date: 23 Nov. 1948

- 2.
1. The proposed amendment to law No. 96, 1947 contains technical financial provisions which have been approved by HSS/FI.
 2. There are no legal objections to subject-bill.

1 Incl:
n/e

-----A.C.C.-----

7

DRAFT OF LAW

to be submitted for GS' approval
Coordination Section, CLCO (TEL. 57-6010)
7845)

Nov. 16, 1948

1. CLCO Number: 43
2. Name of Law: The Draft of the Law regarding Amendments to the Financial Institutions Reconstruction and Reorganization Law.

3. Competent Ministry: Finance Ministry
4. Date of Cabinet Approval: 16/Nov.
5. SCAP Section concerned: Economic and Scientific Section, Finance Division, Money and Banking Branch.

Mr. H. J. Robinson

6. Remarks: (Reference:)
The Financial Institutions Reconstruction and Reorganization Law. (Excerpt)
.....
.....
.....
.....

7. G.S. Reviewers: *Rec'd 11/16/48 GS*
CS to: ESS/MRB (Robinson)
8. Date of G.S. Approval:
9. G.S. Member Responsible: H. Kobayashi

Dr. Williams

House of Representatives

November 29th, 1948.

AMENDMENT TO THE BILL FOR THE JAPAN MONOPOLY

PUBLIC CORPORATION APPROVED BY FINANCE

COMMITTEE ON Nov. 29.

Article 9, Para. IV.

"or those who cultivate leaf tobacco and Public Corporation employees" to be added next to "those who are learned or experienced."

Article 16, Para. II.

"and employees of the Corporation" to be deleted.

Article 26.

The whole text of this Article to be deleted.

CN.

H.R.
App'l
11/29/48
GS (Bishop)
ESS/F: (Hutchinson)
LS (Morgan)

5

Bill
DRAFT OF ~~CABINET ORDER~~ (LCO. NO. 36)

To be submitted for GS' approval
Coordination Section, CLCO.

Nov. 13 , 1948

1. Title: Bill for the Japan Monopoly Public Corporation

2. Competent Ministry: Finance Ministry
3. Date of Cabinet Approval: Nov. 9
4. SCAP Section concerned: Mr. Monagan , Legal Sect.
Mr. Hutchinson, Finance Div.
5. Remarks: _____

6. CLCO Member Responsible: H. Kobayashi

Rec'd GS 11/13/48

Approved by:

LS (Carleton)

GS (Whitney) + c/s.

cc: ESS/PP (Hutchinson)

5

5

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheets) **GW/CLK/JH/CPG/MS**

Subject: Draft Legislation

Capt. Guida

Note No.: From: Govt Sec To: **IS/LAJ** Date: **26-6076**
15 Nov 48

1.

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

2. Your prompt comment is requested.

1 Incl: **Bill To Amend a Part of the Gold Fund Special Account Law.**

C. W.

P & PD

(4)

Subj: Bill to Amend a Part of the
Gold Fund Special Account Law.

From: LS

TO: GS

F.C. Novotny
2635 Ext 473
Date: 17 Nov. 1948

2.

1. Subject bill amends the Gold Fund Special Account Law by providing that the Gold Fund Special Account may borrow not to exceed 500,000,000 yen from the Deposit Bureau or the Bank of Japan to cover temporary deficits which ESS/F1 states is a necessary and reasonable amendment.

2. There are no legal objections to the bill.

1 Incl:
n/c

-----A.C.C.-----

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheets) ~~GW/OLK/JN/CPG/mar~~

Subject: Draft Legislation

Capt. Guida
26-6076

Note No.:

From: Govt Sec

To: ~~ESS/FF~~

Date: 15 Nov 48

1.

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

2. Your prompt comment is requested.

1 Incl:

Bill To Amend a Part of the Gold Fund Special Account Law.

C. W. _____

010(15 Nov 48)ESS/FIN

From: ESS

To: GS

Date: 16 November 1948

WFM/WKL/EDR/STB/mn
S.F. Baron, 57-8806

2.

ESS has no objection to introduction in the Diet of the proposed **Bill To Amend a Part of the Gold Fund Special Account Law.**

1 Incl

n/c

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

4

DRAFT OF ~~CABINET ORDER~~ ^{Bill} (LCO. NO. 35)

To be submitted for GS' approval
Coordination Section, CLCO.

Nov.13 , 1948

1. Title: Bill for Partial Amendments to the Gold
Fund Special Account Law.
2. Competent Ministry: Finance Min.
3. Date of Cabinet Approval: Nov, 12
4. SCAP Section concerned: Mr. Jeffers
Finance Division.
5. Remarks: Reference is attached.
6. CLCO Member Responsible: S. Nishida

Spec GS 11/13/48

*CS & : ESS/PF (JEFFERS)
LS/LJT (offler)*

(4)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheets) **CH/CLX/JK/CPG/mss**

Subject: Draft Legislation

Capt. Guida

26-6076

Note No.:

From: Govt Sec

To: **IS/IAS**

Date: **15 Nov 48**

1.

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

2. Your prompt comment is requested.

1 Incl:

**Bill to Amend a Part of the Foreign Trade Fund
Special Account Law.**

C. W.

P & PD

3

3

Subj: Bill to Amend a Part of the
Foreign Trade Fund Special
Account Law.

F. C. Novotny
2635 Ext 473

FROM: LS

To: GS

Date: 17 Nov. 1948

2.

1. Subject bill proposes to amend the Foreign Trade Fund Special Account Law (Law No. 179, 1947) by increasing the borrowing capacity of the Fund, and by amending the rules regarding transfer of funds between the General Account and the Foreign Trade Special Fund, which amendments are approved by ESS/F1. There are no legal objections.

1 Incl: n/c

-----A.C.C.-----

(3)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheets) ~~GM/CLK/JH/OPS/HR~~

Subject: Draft Legislation

Capt. Guide
26-6076

Note No.:

From: Govt Sec

To: ~~ESS/FF~~

Date: 15 Nov 48

1.

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

2. Your prompt comment is requested.

1 Incl:

Bill to Amend a Part of the Foreign Trade Fund Special Account Law.

C. W. _____

010(15 Nov 48)ESS/FIN

[Signature]
WFM/WKL/EMR/STB/mm
S.T. Baron, 57-8806

From: ESS

To: GS

Date: 16 November 1948

2.

ESS has no objection to introduction in the Diet of the proposed Bill to Amend a Part of the Foreign Trade Fund Special Account Law.

1 Incl

n/c

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

3

DRAFT OF LAW

to be submitted for GS' approval
Coordination Section, CLCO (TEL. 57-6010)
7845)

Nov. 13, 1948

1. CLCO Number: 34
2. Name of Law: Bill for Partial Amendments to the Foreign Trade Special Account Law.

3. Competent Ministry: Finance Ministry
4. Date of Cabinet Approval: Nov. 12
5. SCAP Section concerned: Mr. Jeffers
Finance Division.

6. Remarks: (Reference:)
Reference is attached.
.....
.....
.....
.....
.....
7. G.S. Reviewers: *Rec'd GS 11/13/48*
CS & : ESS/PF (Jeffers)
LS/LAS (Jeffers)
8. Date of G.S. Approval:
9. C.S. Member Responsible: H. Kobayashi

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T CW/OLK/JR/RGB/vs

(Do not remove from attached sheets)

Subject: Draft Legislation

Mr. Brown
~~20-6076~~

Note No.: From: GS To: ESS Date: 29 September 1948

1. 1. Immediate introduction of the attached draft bill (Tab "A") in the Diet is proposed by the Ministry of Finance.
2. Your prompt comment is requested.

Incl: Tab "A"

Bill Amending a part of the Law Concerning the Exemption of Import Duties of Foodstuffs

C.W.

010(29 Sep 48)ESS/FIN

WFM/WKL/EMR/STB/BR
S.P. Baron, 57-6806

From: ESS

To: GS

1 October 1948

2. ESS has no objection to introduction in the Diet of the Bill amending a part of the Law Concerning the Exemption of Import Duties of Foodstuffs.

1 Incl
n/c

W. F. M.

2

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DRAFT OF LAW

to be submitted for GS' approval
Coordination Section, CLCO (TEL. 57-6010)
7845)

Sept 29, 1948

1. CLCO Number: 4
2. Name of Law: Bill amending a part of the Law concerning
the Exemption of Import Duties of Foodstuffs
3. Competent Ministry: Finance Ministry
4. Date of Cabinet Approval: 28/Sept
5. SCAP Section concerned: ESS Public Finance
Mr. Lassiter
6. Remarks: (Reference:)
One English copies of Law Concerning the Exemption of
Import Duties on Foodstuffs.
.....
..... Rec'd BS, 9/29/48
.....
..... c.s. ESS/7:1/PF (Lassiter)
.....
7. G.S. Reviewers:
8. Date of G.S. Approval:
9. C.S. Member Responsible: H. Kobayashi

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GOVERNMENT SECTION
CIVIL SERVICE DIVISION

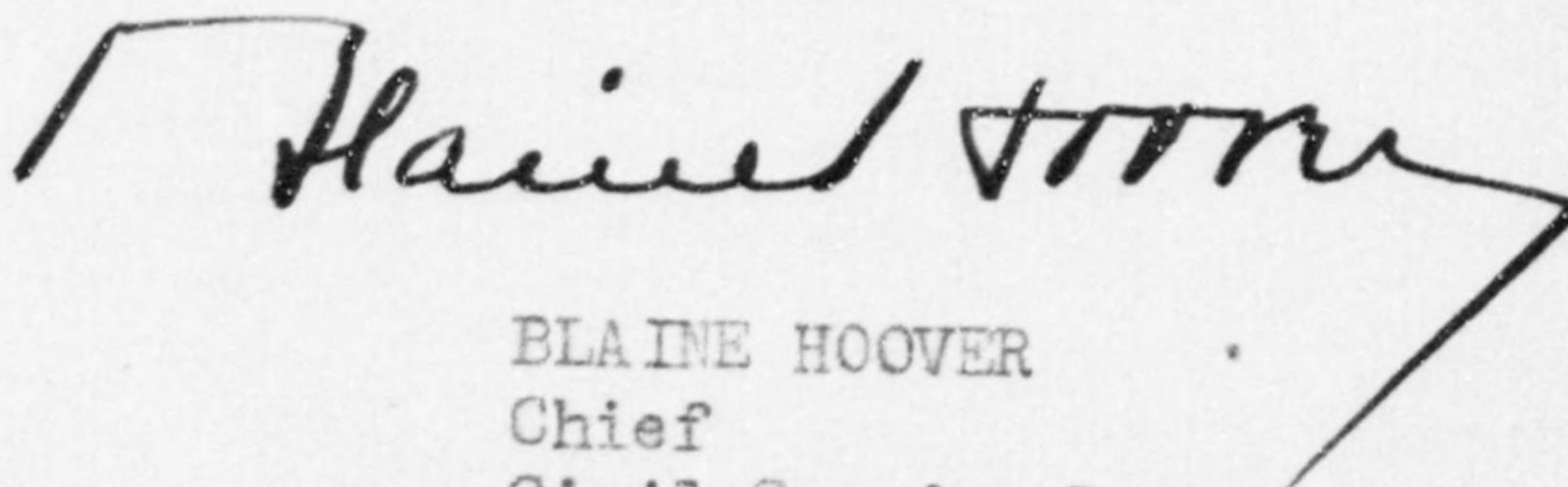
15 November 1948

MEMORANDUM FOR : Dr. J. W. Williams
Chief, Parliamentary and Political Division

SUBJECT : Bill of the People's Finance Corporation Law.

1. The Civil Service Division recommends disapproval of the proposed Bill of the People's Finance Corporation Law.

2. It is basically unsound to permit government pensions to be used as collateral for loans. Pensions are provided for government servants at the partial expense of the tax-payers in an attempt to secure dignified living conditions for an individual after his term of government employment, or as in Japan, during periods of unemployment. After establishing such a system, it is economically unsound and indefensible to permit the individual to mortgage his future security, meager though it may be, for a present day expenditure regardless of the emergency involved. Loans for present day emergencies are often necessary but these should always be provided for in a manner other than to jeopardize a pension system. By tradition and for the reasons given, pension systems are always protected against their inadvertant and unwise use as collateral for loans.


BLAINE HOOVER
Chief
Civil Service Division

WPM/hm
Attachment

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheets) *CS/CLK/JH/ROB/MSR*

Subject: Draft Legislation

Note No.: From: GS To: *RSS* Date: 31 Aug 48 R.O. Brown
Attn: Finance Div 26-6076

1.

1. Immediate introduction of the attached draft bill (Tab "A") in the Diet is proposed by Finance Ministry.

2. Your prompt comment is requested.

Incl: Tab "A"
People's Finance Corporation Law

----- C.W. -----

[Handwritten signature]
P & H

[Handwritten mark]

28 Sep

MEMO

SUBJECT: Bill for People Cooperative Finance

ESS/Fi (Robinson) states that the Ministry of Finance will submit redraft of subject bill.

RGB

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheets) **GW/CLK/JW/ROB/mmr**

Subject: Draft Legislation

Note No.: From: GS To: PH&W Date: 31 Aug 48 R.G. Brown
Attn: Social Insurance Div 26-6076

1. 1. Immediate introduction of the attached draft bill (Tab "A") in the Diet is proposed by Finance Ministry.
2. Your prompt comment is requested.

Incl: Tab "A"
People's Finance Corporation Law

----- C.W. -----

From: PH&W To: GS Mr. Sullivan 26-7057
Date: 7 September 1948

2. 1. Objection is taken to those provisions in the proposed "People's Finance Corporation Law" which relate to taking as security for loans, the rights of social insurance beneficiaries to future payments of insurance benefits.

2. The fundamental purpose of social insurance is to provide funds which will be available for maintenance during such period as the capacity to earn is suspended or terminated. It is expressly intended that such funds shall not be encumbered in advance. All the Japanese social insurance laws prohibit the transfer of or levying upon benefits. It is true that the Pension Law (for government employees) includes a modification of this prohibition with respect to pledging future benefits to the "Pension Bank" as security, but none of the other laws contains any modification of the restriction at all and the Pension Law is to be subjected to an intensive review with the likelihood of several changes in its provisions.

2 contd.

3. In substantiation of the above remarks, attention is invited to the following articles quoted from the several social insurance laws:

a. (Government) Pension Law - Law 48 of 1923:
"Article 11. The right of a pension can neither be transferred nor mortgaged. However, this does not apply to the case in which it is mortgaged to the Pension Bank in accordance with the provisions of the Special Law."

b. Welfare Pension Insurance Law - Law 60 of 1941:
"Article 30. The right to receive insurance benefits shall be neither transferred or seized."

c. Seamen's Insurance Law - Law 73 of 1939: "Article 27. The right to receive insurance benefits shall not be transferred or seized."

d. Health Insurance Law - Law 70 of 1922: "Article 68. The right to receive benefits may not be transferred nor seized."

e. National Health Insurance Law - Law 60 of 1938:
"Article 6. The right to insurance benefits cannot be transferred or attached."

f. National Public Service Mutual Aid Association Law - Law 69 of 1948: "Article 28. The right to receive benefits shall not be transferred, put up as security, or forfeited."

g. Workmen's Accident Compensation Law - Law 50 of 1947: "Article 21. The right to receive insurance benefit money shall not be transferred or attached."

h. Unemployment Insurance Law - Law 146 of 1947:
"Article 25. The right to receive unemployment insurance benefits shall not be transferred nor be impounded."

4. It is to be noted, with reference to Article 18(3) of the proposed People's Finance Corporation Law, that the National Public Service Accident Compensation Law has never been presented to the Diet.

5. It is noted that Article 17(4), in prescribing the membership of the "People's Finance Council," provides that a member shall be drawn from the Pension Bureau of the Prime Minister's Office, but indicates that a representation

8

2 contd. from the Ministry of Welfare shall come from the Social Affairs Bureau rather than the Insurance Bureau.

6. The inclosure to Note No. 1 of this Check Sheet has been detached and is retained in the files of PH&W.

1 Incl:
Withdrawn

----- C. F. S. -----



1

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

C H E C K S H E E T

(Do not remove from attached sheets) **CS/CLK/JH/ROB/HRP**

Subject: Draft Legislation

Note No.:	From: GS	To: IS	Date: 31 Aug 48 R.O. Brown 26-6076
1.	<p>1. Immediate introduction of the attached draft bill (Tab "A") in the Diet is proposed by Finance Ministry.</p> <p>2. Your prompt comment is requested.</p> <p>Incl: Tab "A" People's Finance Corporation Law</p> <p>----- C.W. -----</p>		

Handwritten: P & RD 3

(1)

People's Coop. Fin. Law

F. C. Novotny, Meiji 2635, Ex 582

From: LS

To: GS

Date 16 Sept 48

2

1. The proposal to conduct a small loan business by the government is an invasion of the private banking business involving a policy question to be carefully considered by the sections of SCAP concerned.

2. The bill (Article 16) provides that "officers and personnel of the corporation shall be regarded as those in the government business". The status of personnel of the proposed corporation should be referred to and passed upon by Civil Service Division.

3. In Article 18, paragraph 3, reference is made to the National Public Service Accident Compensation Law (Law No. of 1948). This Section finds no record of the enactment of this law in 1948.

4. Article 37, paragraph 3, provides that profits, with the approval of the Minister of Finance, shall be set aside as a reserve fund or paid to the National Treasury, as determined by stipulations of the Cabinet Order. Such a provision leaves the real decision on a matter affecting national finances with the executive branch, instead of with the Diet as is contemplated by Chapter VII of the Constitution.

5. In Article 49, Item 3, the number of the Article of the Pension Bank Law has been omitted.

①

F. C. Novotny, Meiji 2635.
ex 582

Draft Legislation

LS

GS

16 Sept 48

2 emtd.

6. Careful consideration should be given to the feasibility of using the facilities of existing private banking institutions in the making of the proposed loans. Such use would no doubt be more economical and eliminate establishment of additional branch offices of the national government throughout the country. The proposal to pledge pensions as security for a loan and deprive the pensioner of income while it is being repaid involves a question of policy which should be determined by the Sections of SCAP concerned.

Incl:

n/e

----- A. C. C. -----

(1)

*14 Law of Local Tax Law (Law No. 110 of 1948) Extract

DRAFT OF LAW

to be submitted for GS' approval
Coordination Section, GLCO (TEL. 57-6010)
7845)

Aug. 30, 1948

1. GLCO Number: 1

2. Name of Law: The Bill of the People's Finance
Cooperation Law.

Rec'd GS, 30 August

CS to: ESS/F (Waller)
PH & W/Soc Sec (Sullivan)
LS/L & J (Cajler)
GS/CSO (Hovson)

3. Competent Ministry: Finance Ministry.

4. Date of Cabinet Approval: 8/June.

5. RAMP Section concerned: Money and Banking Branch, Finance
Division, E.S.S.

Mr. G.P. Waller

6. Remarks: (Reference:)

- 1 Civil Code of Japan (Law No. 89, 1896) } Extract
- 2 Non-litigant Case Procedure Law (Law No. 14 of 1898) } Extract
- 3 Law No. 197 (The Currency Issue Investigation Council Law)
- 4 The Pension Law (Law No. 48, 1923) (Extract)
- 5 Welfare Pension Insurance Act (Law No. 60 of 1941) Extract
- 6 Seamen Insurance Act (Law No. 73 of 1939) Extract (48)
- 7 Reviewers:
- 8 National Public Service Mutual Aid Association Law (Extract)
- 9 The Financial Institutions Reconstruction and Reorganization Law
- 10 The Registration Tax Law (Law No. 27 of 1896) Extract (Law No. 38 of 1896)
- 11 Date of Approval by GS: Extract
- 12 C.A.S. Member Responsible: H. Kobayashi
- 13 Stamp Tax Law (Law No. 54 of 1898) Extract
- 14 The Mutual Financing Passbooks Law (Law No. 42 of 1831) Extract
- 15 Act of the Central Bank for Commercial and Industrial Associations
- * 16 The Transaction Tax Law (Law No. 108 of 1948) (Law No. 60 of 1936) Extract

Bills and Resolutions
Received From L.C.O.

TITLE	L.C.O. No.	Originator	Date	Remarks
12. Bill for the Partial Amendment of the Sugar Excise Law. <i>O.K.</i>	50	Fin M	29 Nov	cs to: LS/LJ <i>Approved (Novotny) 12/1/48</i> ESS/Int Rev <i>APPROVED 12/1</i>
13. Supp or Revised Budget Bill for Special Accounts for Fiscal year 1948-49 No.1. <i>O.K.</i>	B2	Fin M	29 Nov	Buck Slip to: Civ Serv Div GS ESS/Fi
14. Supp or Revised Bill of General Account for fiscal year 48-49 No.1 <i>O.K.</i>	B 1	Fin M	29 Nov	Buck Slip to: Civ Serv Div GS ESS/Fi
15. Bill concerning Salaries and other Pays of Gov't workers fr Nov of 1948 onwards. <i>O.K.</i>	12	Fin M	3 Dec	Buck Slip: For INFO ONLY GS/CSD <i>SEE MEMO 12/10</i> ESS/Fi Ls/GP G-2/PS CTS
16. Bill concerning the Gov't Housing for Nat Public Personnel.	11	Fin M	3 Dec	cs/to: GS/CSD (HOOPER) <i>SEE MEMO 12/8</i> Ess/Pf MOSSLER 12/7 Ls/Gp (BRADEN) OBJECTS 12/9
17. Bill amending Undemobilized Persons' Compensation Law (Law No. 182, 1947) (Amendments to above Law - same distribution by BS, 9 Dec 48) <i>O.K.</i>	18	Fin M	9 Dec	cs: PH&W (ROSE) NO OBJECTION 12/10 ESS/PF (MOSSLER) NO OBJECTION 12/13 LS/L&J (NOVOTNY) NO OBJECTION 12/9 GS/CSD NO OBJECTION (MAR COY) 12/13
18. Salary and Other Compensation for Nat'l Public Service Personnel in Special Gov't Service.	24	Fin Min	10 Dec	cs to: LS/L&J (Novotny) ESS/PF (HITCHINSON) NO COMMENT 12/17 GS/CS (MAR COY) NO OBJECTION 12/13
19. Amendment to Law re: Salary & Other Compensation for Nat'l Public Service Personnel in Special Government Service.	24 A	Fin Min	22 Dec	cs to: LS/L&J (NOVOTNY) SEE CS 12/27 ESS GS/CS (HOOPER) SEE MEMO 12/23

Bills and Resolutions
Received From L.C.O.

TITLE	L.C.O. No.	Originator	Date	Remarks
1. Bill for People's Finance Corporation Law	1	Fin Min	30 Aug	cs to: LS/L&J (Oppler) <i>See c/s, 9/16</i> GS/CSD (Hoover) <i>Disapp. 11/17</i> ESS/FI/PF (Waller) PH&W/Soc Ins (Sullivan) <i>Opposed 9/17/48</i>
2. Amendment to Law re Exemption of Import Duties on Foodstuffs	4	Fin Min	29 Sep	cs to: ESS/FI (Lassiter) <i>App'd, c/s, 10/4</i>
3. Amendment to Foreign Trade Special Account Law.	34	Fin Min	13 Nov	cs to: LS/L&J (Oppler) <i>No OBJECTION 11/17</i> ESS/PF (Jeffers) <i>No OBJECTION 11/16</i>
4. Amendment to Gold Fund Special Account Law.	35	Fin Min	13 Nov	cs to: LS/L&J (Oppler) <i>APPROVED 11/17</i> ESS/PF (Jeffers) <i>APPROVED 11/17</i>
5. Japan Monopoly Public Corporation.	36	Fin Min	13 Nov	Approved by: LS (Carpenter) GS (Whitney) SCAP (C/S) cc to: ESS/PF (Hutchinson) <i>INFO ONLY</i>
6. Amendment to Financial Institutions Reconstruction and Reorganization Law.	43	Fin Min	16 Nov	cs to: ESS/M&B (Robinson) <i>APPROVED 11/24</i>
Request for Approval of Establishment of Sub-Branches of the Printing Bureau in AGG with par 4 Art 156 Local Autonomy Law	R5	Fin Min	16 Nov	LS/LJ GS (Hague) GS (Civ Service Div)
7. Amendment to Law re: Special Account for Enterprises of Monopoly Bureau & Printing Bureau.	44	Fin Min	18 Nov	cs to: ESS/PF (Jeffers) <i>No OBJECTION 11/23</i> LS/L&J (Oppler) <i>No OBJECTION 11/23</i>
8. National Public Service Accident Compensation Bill.	46	Fin Min	26 Nov	cs to: ESS/PF LS/L&J GS/CS PH&W/SSD
9. Bill concerning the Partial Amendment to the Reconversion Finance Bank Law.	48	Fin M,	27 Nov	ESS/FI (Phillips) OK by Phone.
10. Bill of the Law of Partial Amendment of the Law concerning the Decision and Revision in the Fixed Prices of Manufactured Tobacco.	51	Fin M	29 Nov	cs to: ESS/FI <i>App'd 30 Nov 48</i> NRS <i>No OBJECTION 30 Nov 48</i> LS/LJ <i>App'd 1 DEC 48</i>
11. Bill of the Partial Amendment of the Law concerning the Transfer from the General Account to cover the deficits in Revenues of the Special Account for Deposits Bureau Minof Fin & other Special Accounts for the Fiscal year 1948.	49	Fin M	29 Nov	cs/to: ESS/FI <i>No OBJECTION 1 DEC 48</i> LS/LJ <i>No OBJECTION 1 DEC 48</i>