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4. The contract workers who were interviewed when the "boss" was not present expressed a strong desire to be freed and to transfer to the mine payroll. In the presence of the gumi, these workers are either silent or state they prefer their present situation. The unions are strongly opposed to the contract system, are anxious to have it abolished and signify their willingness to take these workers into the union and to protect their interests. At one mine, the union members were pooling a portion of their bonus money to be used to buy radios for contract workers.

D. Salaries for Union Staff

Of the seven mines visited, only Oyuberi has a union staff paid out of union funds. At all other mines, union officials are paid by the company. At Yuberi, in addition to the regular union officials, there is a so-called management council consisting of 5 management and 15 union representatives. As near as we could determine, the principal function of this council was to apportion the production quota among the several pits operated at Yuberi. The wages of the 15 union representatives are paid by the company. At some mines management pays employees of the union who give full time to union activities, on the basis of 1 employee for each 110 workers at the mine.

Trade Union Law?

E. Written Contracts

We were able to find a few mines at which the union and management operate under a written contract. We obtained copies of these contracts and found in each instance that they were couched in general rather than specific terms and were practically useless as a basis for a continuing working agreement. At most mines, written contracts were not used. Even at the places where contracts were in effect, inquiry revealed that specific matters were negotiated each month or more often in case grievances arose between the monthly meetings.

F. Union-Management Responsibilities

We found several cases where the union was concerning itself with problems that seemed to be the sole prerogatives of management. For example, at one mine, the union was protesting the discontinuance of work at one of the faces. They admitted that this matter did not at all affect the workers' rights since other working places were provided but they merely felt that management had erred and it was their responsibility to protest the action. We attempted to discover whether there was any relationship between this action by the company and the amount of coal being produced but could develop nothing to explain the union's concern except their desire to participate in and agree with all management decisions.

III. Factors Affecting Production

A. Production Quota System

1. The practice of setting production quotas by pits, working places and individual workers has, in the past, mitigated against full production, due to the fact that the quotas were set at a figure far below the pit capacity and below the maximum which could be produced in full working time. The quotas are usually agreed upon by a committee composed of both management and labor representatives and there is no evidence to show that one group was any more responsible than the other for the fact that the quotas were low. Both management and labor representatives advanced as the reason for miners leaving the working places before they had worked a full 8 hour portal to portal shift, the fact that they had completed their quotas in less than full time.

2. On management's side, the most common explanation for setting low quotas was a recital of various deterring factors which they anticipated might occur, such as shortage of timber, coal cars, etc. Labor's reasons usually included those advanced by management plus other difficulties relating to wages, housing and rations, all of which they claimed affected the worker's ability to produce.

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3. There is an improvement in this situation. Practically all mines are striving to reach the government goals and have set thedaily quotas accordingly. Many of them have extended the portal to portal work day from eight to nine or ten hours for the period of the current production drive. In addition, they engage in "special digging days," on which days they attempt to make up production lag by producing as much coal as possible, regardless of quotas.

B. Food

Although the food situation is showing some improvement, there are still serious shortages and food is arriving late. The principal shortages occur in fish, vegetables, cooking oil, sugar and soap. At Heiwa mine we were told that in the case of fish, they were promised 450 monme per worker per month but to date had received less than one-third this amount through officials channels. Delivery of these items is said to be extremely irregular.

C. Housing

The housing situation is improving at some mines but the allocation of materials for new housing is apparently not uniform for while at a few locations, hundred of new units have been built, at others, there is little new construction and extreme shortages. In some cases where housing is adequate as to quantity, the workers state that the houses are old and unsuitable for the rigorous winter weather encountered in Hokkaido.

D. Hospital Facilities

Hospital facilities were abominable at all the mines where they were inspected. There is a shortage of supplies, medicines, etc. At two places they were washing and reusing bandages. The staffs are generally incompetent. At one hospital, they had a large supply of penicillin but the doctor had no idea how or when it should be used. The doctors at the mine hospitals are frequently unable to set bones and where breaks or fractures occur, the patients must be transported long distances for treatment.

E. Safety

Without attempting to go into detail, it should be said that the mines are all extremely hazardous to life and limb of the workers and none of them have an effective safety program. Although comparative statistics are not available, it is our impression that the accident rate in Japanese coal mines is higher than the rate in any other country in the world.

F. Ratio of Underground to Surface Workers

1. The Labor Division had intended to make a detailed survey of manpower utilization problems with special emphasis on the disproportion of surface to underground workers in the mines. Upon arriving in the field, it was apparent that the team itinerary did not provide for sufficient time at any one mine to permit a complete survey. Further, it appeared that the objectives of the Labor Division could be better met by covering, in addition to manpower problems, various other phases of the labor program including labor relations and labor education.

2. The following, therefore, results from information obtained incidental to the overall inquiry regarding labor conditions and production problems in the mines.

3. First it should be stated that in only one instance did we find a mine where the theoretical distribution of 60% underground to 40% surface workers had been attained. This was at Sorachi where they claimed to have 65.2% underground to 34.8% surface workers. In view of our experience in mines visited later, where information was at first withheld and came to light only as we probed deeper, we are inclined to believe that the figures furnished at Sorachi omitted clerks, officers, supervisory personnel and contract workers employed on the surface and that the proportions would have been much less favorable if the total of

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these workers had been included. Management was aware that we would criticize this situation where it occurred and attempted to cover it up by failing to include as surface workers, the groups listed above.

4. A few examples of maldistribution are as follows: Yubari, 53% underground, 45.9% surface; Heiwa, 53% underground, 47% surface; Oyubari, 47% underground, 53% surface; Utashinia, 45% underground, 55% surface.

5. The outstanding example of maldistribution between underground and surface workers was found at the Ponbetsu mine where 63% of the work force was occupied on the surface. This mine was partially destroyed by fire in May 1947 and the fact that it has not been completely rehabilitated was offered as a reason for the small underground work force. Both management and the union agreed, however, that twice as many workers could be immediately employed at the faces.

6. It is not believed that this situation is primarily responsible for low production of coal. Management is obsessed with the idea that the only way to increase production is by increasing the work force. Actually, the team members felt, that with very few exceptions, production could be increased to approximately the present mine capacity without a material increase in underground workers. As an example, at Heiwa mine, production for the first nine days in November averaged 274 tons per day. Management stated that the mine capacity was 350 tons per day and that this tonnage could easily be accomplished by the present underground work force.

7. The situation then, is generally one, in which there is an adequate or approximately adequate underground force and an absurdly excessive number of surface workers. The surface of most mines resembles nothing so much as a gigantic work relief project.

8. It is difficult to determine the various kinds of work in which these people are engaged. The data furnished us with respect to surface workers includes in every case a large proportion of workers classified as "miscellaneous." Following is a typical example:

Surface Workers - Yubari Mine

Dressing room	109
Transportation	576
Shop mechanics	227
Machine shop labor	1179
Electricians	268
Miscellaneous	2024
Temporary workers	531
Business workers	374
Engineers	327
Hospital	155
Contract workers	1983
Total	6753

9. The large number of workers classified as "miscellaneous" made analysis of the work force impossible and we requested a breakdown of this category, with the following result:

Main office	571
Carpenters	114
Pit offices	225
Ration office	212
Trainees	131
General Affairs	77
Accountants	68
Store house	67
Hospital	50
Repair shop	80

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Mis. officers	79
Coke plant	54
Generating plant	29
Timber haulage	25
Lamp house	25
Total	1807

10. It will be noted from the above that this tabulation leaves 217 miscellaneous workers unaccounted for and it is improbable that anyone in the mine knows where these people are or what they are doing. As a matter of fact, the breakdown as submitted to us was totalled to show 2024 workers and it was not until after our departure from the mine that we added the columns and found that the balance had been forced. There are ugly rumors, totally unverified, that persons other than mine employees, including small shopkeepers and indigent non-workers are carried on certain mine payrolls solely for the purpose of receiving rations. It is possible that these may wholly or partially account for the 217 workers omitted from the above breakdown. In this connection, at the Horonai mine, a breakdown of surface workers revealed such classifications as gardeners, school teachers and storekeepers.

11. The classification of temporary workers is one encountered at each mine. It is explained that workers are divided into two groups, registered and temporary. The Japanese do not use the word "temporary" in the same sense as we would use it. Many of the so-called temporary workers have been employed at the mine for many years. It is explained that they are not able-bodied and cannot pass a physical examination and as a result perform the same tasks as registered workers but receive lower wages. A request for a breakdown of the 531 temporary workers at Yubari mine, resulted in another forced balance, the column totalling only 467 workers, distributed as follows:

Hospital	71
Main office	215
General affairs	62
Civil works	18
Repair shop	23
Mechanics & Electricians	18
Timber haulage	32
Pit office	28
Total	467

12. As an example of the difficulty encountered in an attempt to analyze the work force engaged in a single operation it will be noted that the first table shows 155 workers assigned to the hospital. To these must be added, however, 50 miscellaneous and 71 temporary workers, also employed in the hospital, making a total of 276 hospital workers.

13. There is no easy solution to the problem of excess surface workers in Hokkaido mines. One might ask the reason that the situation in Hokkaido is so much less favorable than in other coal-mining areas in Japan. It is highly probable that there are wide variations in reporting procedures. Japanese statistics are so generally unreliable that it is foolhardy to draw quick conclusions from statistical reports. It would not be surprising if reports from Hokkaido during ensuing months show immediate and notable improvement in the proportion of surface to underground workers. If this occurs, it will probably be due to a paper rather than an actual transfer of workers.

14. Both management and labor are aware of the need for an adjustment. Many of the unions are conducting campaigns to persuade surface workers to transfer to underground work but with indifferent results. The hazards are too great and the incentives too small. Many of the surface workers are not physically capable of performing underground work. At the Yubari mine, for which data is furnished above, approximately 30% of the surface workers are women who are prohibited from working underground.

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15. This problem would be solved in the western world by informing the necessary number of surface workers that their services were no longer required and that they could either accept dismissal or transfer to underground employment. This procedure is, of course, completely opposed to Japanese employment practice. The problem is directly related to the general problem of labor rationalization of all Japanese industry, and the how and when of this question is still highly controversial. If surface workers at coal mines were to be dismissed in large numbers at this time, some provision for their continued existence would have to be provided by the government.

G. Work Day

Reference has previously been made to the practice of workers leaving the mine before a full day's work has been performed. This situation varies from mine to mine. It results partially from the fact that in accordance with prevailing Japanese practice, a man who reports for duty at the beginning of the shift is paid a day's wages regardless of the hours worked. Supplementary rations have also been granted on the basis of reporting for work, without regard for the length of time the worker remained on the job. As heretofore indicated, the practice of setting quotas far below the maximum production potential, has also contributed to this situation. It is our opinion that if it were possible to keep a majority of the workers engaged in mining coal during the full eight-hour portal to portal work day, there would be no necessity for increasing the standard working hours in order to produce a full quota of coal.

H. Machinery

Many of the mines need additional or new machinery and equipment in order to produce to capacity. In most cases, the equipment is on order and Japanese Government representatives attached to the team have agreed to expedite shipment to those mines whose production is most seriously hampered by the lack of these items

I. Unpaid Wages

Mention has been made elsewhere of the problem of unapid wages. Labor representatives indicate that this as well as other broken promises on the part of management and government is a deterrent factor in the miner's will to produce.

J. Transportation

The transportation problem is serious and may constitute a real "bottleneck" in the months ahead. The shortage of coal cars or the railroad company's inefficiency in routing them is causing difficulty because of the limited stockpile facilities at most of the mines. Cars are also lacking to transport mine timbers and this threatens to restrict production at mines which otherwise would be able to meet production goals.

K. Managerial Deficiencies

1. There is ample evidence for the conclusion that a major portion of the blame for low production rests squarely on management. There are mines where management, in some respects, gives an impression of efficiency; in others, management is a total loss. But even at the better-managed mining operations, there is much evidence of stupid blundering, many transparent alibis are recited and the management is often uninformed on important policies and procedures being carried on in its own establishments. These managerial deficiencies are real or assumed. Perhaps both conditions prevail or it may be that the lower grade managers are the higher skilled actors.

2. There is a simple explanation for the tendency on the part of management to "drag its feet" namely, the lack of incentive for immediate high production. We were told at every mine that at present fixed prices, there is a loss sustained on every ton of coal marketed. This loss may be more theoretical than real, however, for Japanese accounting procedures are marvels to behold. At Oyubari, a Mitsubishi mine, we were solemnly told, that as production increased, the unit cost of production, omitting the cost of production bonuses, also rose.

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A cursory examination of bewildering records revealed that this phenomena was achieved by the device of charging the cost of capital improvements, new machinery, equipment, etc., as current operating costs.

3. There is no way to prove the point, but it is logical to assume that all business concerns in Japan have more interest in preparing for high production at a later period, when reparations questions have been settled and the restraints of the occupation removed, than in currently reaching high production levels.

4. Much has been said about labor morale. There is likewise a management morale problem. Here, we are dealing with a group of individuals who have been reduced from a post-war status of power and prestige which enabled them to dictate national policy, to the status of ordinary citizens.

5. Something should be said about the evidence which lead to the foregoing conclusion. The evidence is not weighty but is significant. Without attempt to identify the information by individual mines, the following exhibits are presented:

(a) Failure on the part of management to exercise foresight in the procurement of mine timbers. Apparently there was no stock on hand when the bad weather set in and transportation became difficult. There is a plentiful supply of timber in Hokkaido and a stock should have been moved to the mines during the summer months. At one mine, they complained that they were receiving plenty of posts but that they were of the wrong lengths. When we suggested that they dispatch representatives to the loading stations to insure that the proper length timbers were loaded, they accepted it as a new and revolutionary idea.

(b) One mine, which had operated for 20 years without a shelter at the pit mouth, suddenly decided to erect one during the first three days of December, thus restricting the movement of coal from the mine and reducing production. Granting that this humanitarian impulse may have sprung from the acceptance of democracy, it is unfortunate that they were not moved to take the step before winter set in and a production drive was in progress.

(c) Unions reported numerous incidents where management had failed to make minor repairs on equipment that "bottlenecked" production. One which occurs to mind was the needed repair of a clip on the endless rope which was neglected for 3 days despite the union's insistence that it be repaired. There are sufficient workers classified as mechanics and repairmen at each mine visited, to provide 24-hour deluxe repair service for every scrap of equipment at the mines.

(d) The failure of management to insist on realistic production quotas related to the maximum capacity of the mines. Labor representatives must also share responsibility in this and their alibis for failing to do so were only slightly more substantial than those advanced by management. Management recited all the dire things that might happen to restrict production during a period of time and then assumed that each and every one of them would happen during that period. The failure of management, a failure which must also be shared by labor and government, to use supplementary rations as a means of increasing coal production, rather than as a reward to a worker merely because he was on the payroll of a mining company was an inexcusable blunder which cost the country thousands of tons of precious coal.

(e) A practice related to that described in (d) above, is that of short-term incentive wage systems tied to low production quotas. At one mine, the quota was set at a figure so low that workers were able to earn as much during the month of December by the incentive bonus as they received in regular wages. Management

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planned to discontinue the bonus at the end of December, thus reducing "take-home pay" by 50% in January. The effect of such action on January production is obvious.

(f) The frequent statement by management representatives that--"labor is stronger than management," constitutes a serious indictment of management. As this report previously pointed out, good labor relations and the willingness of workers to produce were found to exist in direct proportion to the forceful attitude and effective operations of the mine management group. Where management was weak, vacillating and poorly informed, the labor representatives invariably demonstrated an uncooperative attitude and were inclined to dwell at length on their grievances.

The same may be said of management's attempt to blame Communist influence for poor production. As previously stated, on close examination of the facts, this alibi did not stand up in any instance .

6. This recital should not be interpreted as an attempt to "white-wash" labor and to relieve the workers of all responsibility for low production levels during the past 6 to 7 months. Labor shared in setting low quotas, mine discipline was often at a low ebb, the miners were less than diligent in their efforts to produce more coal. But the responsibility for leadership devolves upon management and labor relations is a two-way street.

7. We cite one outstanding example of the effect of intelligent management. New management was installed at Mitsubishi-Bibai mine in November 1947. Prior to this time, production quotas had been set at lower levels each month by agreement between labor and management. When the December quota was set, labor maintained that only 47,000 tons could be produced. The new management insisted on a production goal of 57,000 tons and at the same time outlined a production program which included a well-planned system for bonus payments to the workers. Management took a firm position and labor agreed to the higher quota. As a result, it is anticipated that December production will be in excess of 60,000 tons of coal.

8. It is our firm opinion that the majority of the Hokkaido miners did not, in the past, fully realize the importance of coal to the Japanese economy and the penalties which would be borne by the nation if they failed to produce coal in a sufficient quantity. Management is presumed to be more intelligent than the rank and file worker and should have known that the production of coal is vital to the economic well-being of Japan. They should have furnished some inspiration to the workers and persuaded them to put forth their best efforts. We can testify, as a result of hundreds of contacts made personally and by other members of the team, that as a result of the work done by both American and Japanese team members during the present mission, the workers have responded as if a great light had suddenly dawned on them and they were realizing for the first time that there is some purpose to their labor, beyond their own immediate need for food, shelter and clothing.

9. Subsequent to the preparation of this report in draft form, an editorial in Mainichi Shimbun of December 5 came to our attention. It is believed that the following excerpt from that editorial is significant in this regard:

"The original Coal Mining State Control Bill has been extensively amended, so that the powers of the entrepreneur have been quite strongly safeguarded. We do not as yet know what the fate of the bill will be. But whether it is passed or not, the management bears half the responsibility and possesses much strength for increasing the production of coal. The management would do well to gain more self-confidence in their own ability to make production plans, keep accounts and raise funds and to guide production. But if they adhere to the old idea merely of securing high dividends or of gain only for themselves alone, then no increase in production would be possible. The times have changed. The management would do well to give full play to their inherent capacities in the realization that in their hands lie the fate of national economy. They are orchestra leaders whose each move bring

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the various instruments of production to unified and harmonious activity. No matter how favorable other factors may be, if the leaders are without confidence or consciousness of their mission, no results can be expected. It is the common fact of the various mining enterprises that their managements are lacking in just this consciousness as leaders."

IV. Evaluation of the Production Drive

A. December Production

Barring unforseen developments, the Hokkaido area will exceed production goals in December and will produce more coal than in any single month since the end of hostilities.

B. January Production

January production may not equal that of December. The first of the year holidays will cause some loss. The workers are at a high pitch of enthusiasm and are putting forth unusual efforts. Their spirit as well as their vigor may waver toward the end of the month. The governor of Hokkaido appealed for high production during the period 21 November to 21 December and his appeal will have to be renewed, with increased emphasis on continuance of high production through the month of January.

C. Effects of Team Visit

The work of the Hokkaido coal team may be considered highly successful as a means of giving management and labor, "a shot in the arm," and if the December and January results are favorable, they will be directly and almost entirely attributable to the team activities.

V. Production Subsequent to 31 January 1948

A. Problems in Increasing Production

The above subject proposes the real "iffy" question in the coal situation. Coal production may show continued increase in the months ahead if:

1. management is induced to quit "sitting on its hands" and really attempts to solve production bottlenecks;

2. the Japanese Government likewise expedites the movement of rationed materials, mine machinery and equipment, and transportation equipment to the mines;

3. bonus payments now granted to workers are maintained or new incentives offered for meeting and exceeding production goals;

4. a program to provide safer working conditions is immediately undertaken in order that as additional underground workers are needed, workers now employed on the surface and carried as surplus may be induced to transfer to underground jobs;

5. the Japanese Government takes proper steps to see that incentive goods are distributed in a manner designed to increase coal production;

6. steps are taken to improve housing, sanitation and hospital facilities for workers in order to improve their morale;

7. an accumulation of grievances and bungling by management and government do not result in serious labor strife.

B. Future Outlook

1. Frankly, we are not optimistic about the future outlook for production unless all the conditions discussed above are met, and unless there is constant pressure exerted on the agencies of the Japanese Government responsible for coal production.

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2. It is time that we ceased talking about a two-month drive and began to press for a month by month increase in coal production from now on until the mines are producing at maximum capacity.

VI. Recommendations

A. Activities of Field Team

1. It is recommended that the activities of the field team, on the present basis, should be terminated as of 1 January. As outlined in Section I-D of this report, we feel that the principal objectives of the mission have been achieved.

2. There should be a follow-up at the mines already visited but this should be done by the Japanese Government with a request that they report to appropriate SCAP divisions on adjustments that have occurred as a result of the team's initial visit.

3. Members of ESS divisions concerned with the problem of coal production should schedule individual field trips to Hokkaido during January in connection with their own specific interests, and should work independent of a field team.

B. Labor Education Program

It is recommended that the Labor Division immediately institute an intensive labor education program in the Hokkaido area. This program should include conferences with labor union officials on labor-management contracts and grievance machinery.

C. Wage Incentive Program

It is recommended that interested Divisions of ESS institute a program to induce government, management and labor to develop sound systems for providing incentive wage payments, related to proper production quotas.

D. Responsibility for Increased Production

It is recommended that the Chief of ESS, make it plain to the Japanese Government and to mine management that SCAP is no longer willing to accept alibis for failure to produce coal and that they will be held responsible for reaching reasonable but ever-increasing production goals in each succeeding month.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Economic and Scientific Section

APO 500
15 January 1948

319.1 (15 Jan 48) ESS/LA

SUBJECT: Trade Union Schools and Libraries

TO: Military Government Team Labor Officers

1. A pamphlet titled "Trade Union Schools" was forwarded to all Military Government Teams 10 January 1947, describing the aim, objective and possible functioning of trade union schools. The pamphlet emphasized curriculum, including practical subjects such as trade union principles, collective bargaining, use of labor relations committees, trade union law, the Japanese Constitution and political action by trade unions, trade union educational techniques, grievance machinery, and details of labor agreements. (See inclosure 2.)

2. At present twenty labor schools are reported in operation in various parts of Japan. Some are using a curriculum largely of a practical trade union nature. Many, however, are political in nature, with more emphasis on Marxism, world culture and class struggle economics. While not actually dominated or infiltrated by Communists, such schools serve to confuse politics with trade unionism, do not fulfill the basic mission of helping trade unionists to solve the problems of their everyday activities in the local trade union. The pamphlet "Trade Union Schools" has been reprinted in Japanese by several Japanese sources, and is available to trade unionists for a few yen.

3. The attached bibliography lists books, newspapers, magazines, and film strips published in Japanese in Japan. Name of publisher, address, and price have been included wherever possible. Local Labor Officers may suggest that the schools now in existence, or to be established, include a good selection of such basic labor literature, for this will offset any covert political indoctrination or mis-information. ESS Labor Division does not have any of these pamphlets for distribution. They are for purchase by Japanese through Japanese sources, such as the local labor administration section. Local publication of the list of pamphlets and books will assist rank-and-file to secure labor material for themselves directly; and should thus promote a more vigorous rank-and-file democracy on the local level.

4. Labor schools should of course be independent of political party or employer control, infiltration, or domination. In some cases, the labor school may be operated jointly by several local unions. In other cases, the local labor relations committee, local labor administration, and several local unions may pool resources and finances to create a good labor school. Labor Officers may encourage all such schools to build libraries of periodical literature, labor books and pamphlets, for reference use. Such libraries should also include reports of the local labor relations committee, as well as copies of the constitutions of local unions, and the current contracts of the several local unions and other labor organizations in the ken. Such libraries will be of service to the local labor relations committee, local government labor agencies, the trade unions, employers, students, and the general public.

W. F. MARQUAT
Brigadier General, U.S. Army
Chief, ESS

2 Incls
1. Bibliography of labor managements publication
2. Trade Union Schools, Revised Sep 47.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Economic and Scientific Section

APO 500
6 November 1947

MEMORANDUM TO: Military Government Team Labor Officers

SUBJECT: Democratic Union Elections

1. Recent conferences with labor and CIE officers of MG teams indicate that labor officers on the MG teams can be vitally instrumental in encouraging local labor union members to follow accepted and recognized methods of democratic procedure in the internal administration of their respective unions with particular reference to democratic union elections.

2. A democratic union is one whose policy is made by the freely expressed will of a majority of its members. The only way such democratic policy can be formulated is through a free and unhampered discussion of important issues and the use of democratic procedures in voting on these issues at local district, regional and national levels of the unions. The most democratic method of voting is by the use of a written secret ballot. No intimidation or undue influence by any organized cell or fraction within the union should be permitted.

3. Although voting procedures must necessarily vary under different circumstances, it is important when officials of delegates are to be elected that there be an elections committee elected by all of the members of a given unit for the purpose of supervising the voting procedures. The elections committee, by a given date, should accept nominations under agreed democratic procedures, and then, after reviewing the qualifications of the candidates, conduct the election at a publicized later date. All of the members should have the opportunity of casting a secret written ballot for the candidates of their choice. In voting on issues before the membership of a given unit, the voting, as far as practical, should be by secret written vote.

4. Elections of officials and delegates of Japanese unions are particularly important since the executive committee and officers of the Japanese unions exercise wide executive authority. Where the local organization is weak, where the membership meets rarely as a unit, where the units are too small to be effectively coordinated as an opposition to the leadership, the power of these officials is larger than ordinarily. For the same reasons therefore, the selection of such committee delegates or officials must be made most cautiously so that leadership elected truly represents the rank and file membership.

5. Present election procedures in Japanese unions leave much to be desired. The present concepts provide for so-called pyramid elections, where the membership elect delegates, which delegates elect a central committee, which committee in turn elects a central executive committee, which central executive committee elects in turn the officers of the national union. Rarely does the individual union member ever vote directly for his local union officials, his delegates to the national organization, his national central committee, his national central executive committee, or his national union officials. A practice of "proxy" voting is beginning whereby certain individuals gather up the proxy vote of disinterested members so that these people may exercise influence considerably out of proportion to their actual strength. There has been no instance in Japan of a union election conducted by a direct secret written vote by mail. Such procedures, in their nature, permit trained members of militant fractions to manipulate elections and to achieve a result satisfactory to their purposes.

6. In the interest of stimulating democratic union elections, the labor officers on the MG team may use the following procedures:

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a. Stimulate the local union membership to use a secret written ballot in the selection of officials, delegates, standing and dispute committee within the local and national unions and in voting on issues confronting the union.

b. Encourage democratic union procedures in union elections scheduled in your area to include election of an elections committee to supervise elections, existence of nominations procedures, and elections scheduled at a publicized date, a reasonable interval later than the announcement of the proposed candidates.

c. Maintain familiarity with current labor union elections.

d. Become familiar with the constitution of local labor unions and encourage the adoption of democratic provision for safe-guarding democratic voting procedures and the individuals' rights within the framework of each constitution.

7. A guide reference is made to the election procedures of the National Railroad Workers Union in Japan.

a. A central committee of 124 members is the governing body of this union at the national level. The delegates to the committee are elected on a ratio of one to 5,000 members. These delegates are selected at local or district level but there is no prescribed procedure governing their choice. In some cases the choice may be by the appointment of the district committee and no direct elections by the membership occurs. There appears to be no uniform procedure for grouping the small branch units of the various local unions.

b. The central executive committee, composed of 40 members, is elected by the 124 main central committee from among its own membership. It is thus clear that since the top executive committee of the union, the central executive committee, comes from the central committee, the election of this central committee is of utmost importance.

c. This union, with a total membership of 575,000, is the strongest and most important independent union in Japan. Inclosures 1, National Organizational Structure; 2, Regional Federation Structure; and 3, Sendai Local Union Structure, of the Railroad Union is forwarded herewith for your information and guidance.

d. Elections of delegates to the new central committee of the national union is scheduled at local level for 20 November. These elections will provide an opportunity for local MG Labor officers to observe an important union election and to explore the use of techniques outlined above.

8. For the assistance of the MG Labor officer in an understanding of the problems related, reference is made to the following literature already distributed by ESS/LA to the MG Labor officer.

a. Trade Unionism: The Danger of Totalitarian Undemocratic Control (English)..

b. Trade Unionism: The Danger of Totalitarian Undemocratic Control (Japanese).

c. Democratic Trade Unionism (English).

d. Democratic Trade Unionism (Japanese).

e. Dubinsky: A Warning Against Communists in Unions (A Saturday Evening Post article.)

f. Press statement, "Local Union Meetings".

SANTO M G REGTLN
IN MAR 11 1948
OUT
No. 614

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 715013

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

a. Stimulate the local union membership to use a secret written ballot in the selection of officials, delegates, standing and dispute committee within the local and national unions and in voting on issues confronting the union.

b. Encourage democratic union procedures in union elections scheduled in your area to include election of an elections committee to supervise elections, existence of nominations procedures, and elections scheduled at a publicized date, a reasonable interval later than the announcement of the proposed candidates.

c. Maintain familiarity with current labor union elections.

d. Become familiar with the constitution of local labor unions and encourage the adoption of democratic provision for safe-guarding democratic voting procedures and the individuals' rights within the framework of each constitution.

7. A guide reference is made to the election procedures of the National Railroad Workers Union in Japan.

a. A central committee of 124 members is the governing body of this union at the national level. The delegates to the committee are elected on a ratio of one to 5,000 members. These delegates are selected at local or district level but there is no prescribed procedure governing their choice. In some cases the choice may be by the appointment of the district committee and no direct elections by the membership occurs. There appears to be no uniform procedure for grouping the small branch units of the various local unions.

b. The central executive committee, composed of 40 members, is elected by the 124 main central committee from among its own membership. It is thus clear that since the top executive committee of the union, the central executive committee, comes from the central committee, the election of this central committee is of utmost importance.

c. This union, with a total membership of 575,000, is the strongest and most important independent union in Japan. Inclosures 1, National Organizational Structure; 2, Regional Federation Structure; and 3, Sendai Local Union Structure, of the Railroad Union is forwarded herewith for your information and guidance.

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b. Trade Unionism: The Danger of Totalitarian Undemocratic Control (Japanese).

c. Democratic Trade Unionism (English).

d. Democratic Trade Unionism (Japanese).

e. Dubinsky: A Warning Against Communists in Unions (A Saturday Evening Post article.)

f. Press statement, "Local Union Meetings".

USAFIK M G REGIOR
IN MAR 11 1948
OUT
No. 514

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

g. Press statement, "Union Conventions".

h. Press statement, "The Local Union".

i. Constitution of the American Federation of Teachers.

W. F. Marquat

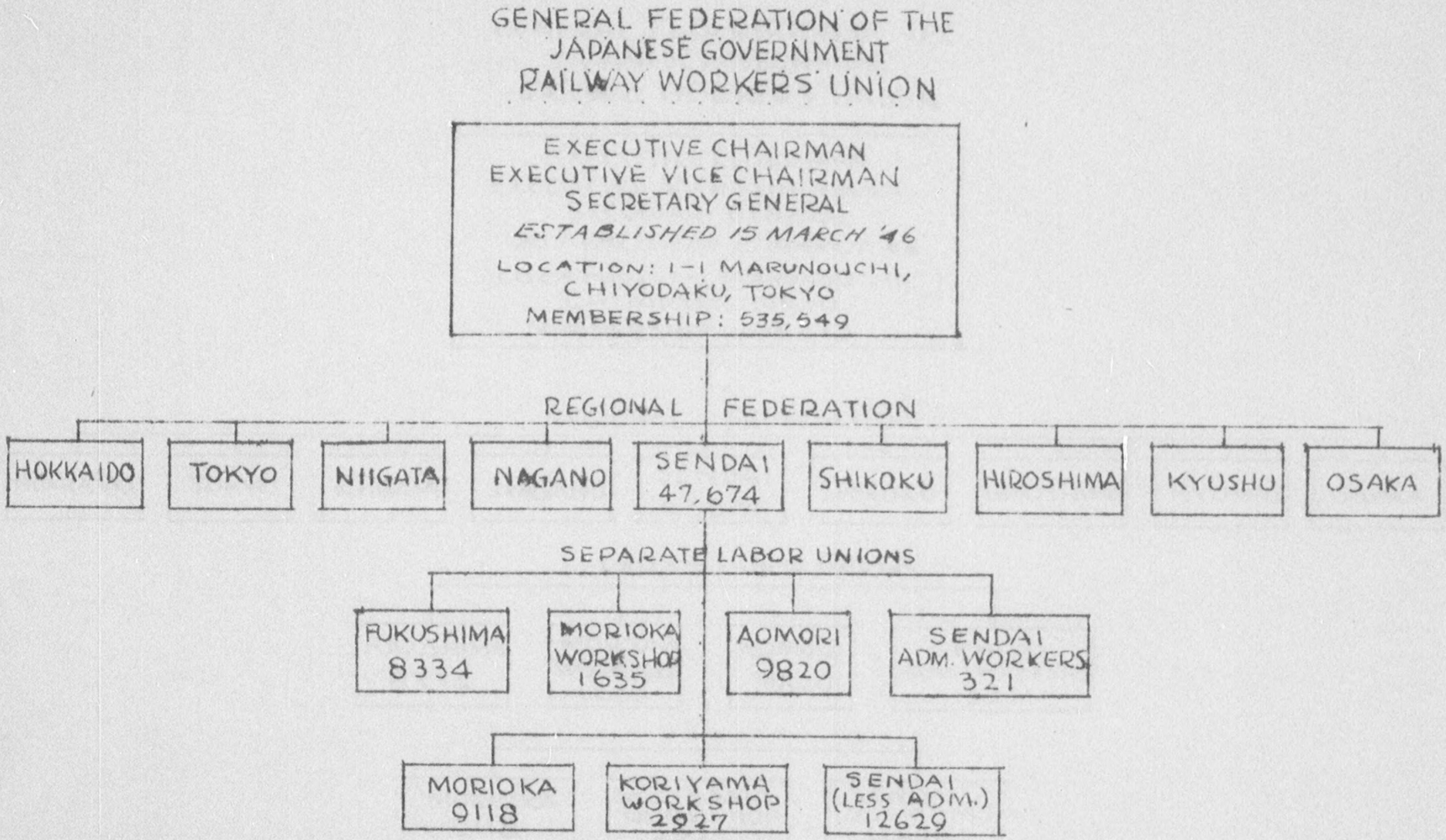
W. F. MARQUAT
Brigadier General, U. S. Army
Chief, Economic & Scientific Section

3 Incls
1. General Federation of Govt Railway Workers Union.
2. Sendai Regional Federation.
3. Sendai Separate Labor Union

7

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

7



Incl. 1

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 75013

SENDAI REGIONAL FEDERATION OF JAPANESE GOVERNMENT RAILWAY WORKERS UNION

EXECUTIVE CHAIRMAN
EXECUTIVE VICE CHAIRMAN
CHIEF CLERK
LOCATION: SENDAI RAILWAY BUREAU, HIGASHI SHICHIBANO
MEMBERSHIP: 47,674

SEPARATE LABOR UNIONS

- SENDAI (LESS ADM. WORKERS)
- SENDAI ADM. WORKERS
- FUKUSHIMA
- MORIOKA
- MORIOKA WORKSHOP
- AOMORI
- KORIYAMA WORKSHOP

Incl. 2

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. JJ5013

7

SENDAI SEPARATE LABOR UNION OF JAPANESE GOVERNMENT RAILWAY WORKERS UNION
(LESS ADMINISTRATIVE WORKERS)

CHAIRMAN
LOCATION: 20 MINAMIMACHI DORI, SENDAI
NUMBER OF CHAPTERS: NINE

CHAPTERS

- ICHINOSEKI
- KOGOTA
- KESENNUMA
- NAGAMACHI
- RIKUZEN HARANOMACHI
- ISHINOMAKI
- HARAMACHI
- TOMIOKA
- SENDAI

TYPES OF BRANCHES

- STATION
- ROUND HOUSE
- COMMUNICATION
- POWER STATION
- ELECTRIC CAR
- MOTOR CAR
- MAINTENANCE
- CAR INSPECTION
- TELEGRAPHIC STATION
- BUILDING

Incl. 3

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Restricted

19 August 1947

MANPOWER PROGRAMS OF ECONOMIC & SCIENTIFIC SECTION, LABOR DIVISION

The major objectives of Manpower Branch, Labor Division are:

1. To develop an effective system of free public employment exchanges.

2. To eliminate archaic and undemocratic recruitment practices.

3. To promote full employment of Japan's manpower resource at productive work for the rehabilitation of the economy and the creation of the kind of society in which democratic institutions flourish.

The major programs of the Japanese Government in the manpower field in which the Supreme Commander for the Allied Powers is most concerned are described in sections I -IV as listed below:

1. Development of public employment exchanges.

2. Public works and other unemployment measures.

3. Vocational training.

4. Elimination of labor bosses and other undemocratic recruitment practices.

I Public Employment Exchanges

1. The Labor Advisory Committee, which visited Japan in the spring of 1946 made a series of recommendations regarding Japanese public employment exchanges. The principal objectives of the employment exchanges, according to the Labor Advisory Committee, were as follows:

a. To recruit labor for the Occupation Forces.

b. To recruit and place labor needed for revival and maintenance of Japanese industry, commerce and services.

c. To select and place unemployed for public works.

d. To provide information of geographical, industrial and occupational patterns of labor demand and supply, for planning distribution and use of manpower.

e. (Covers vocational training programs, which are treated in a separate heading)

f. To develop counseling and placement services for special classes of workers, such as school graduates and physically handicapped.

g. To provide placement and such other services, and will eliminate labor bosses and other economical and archaic forms of recruitment. (Also treated in a separate section)

2. Before the war public employment exchanges were used primarily as a source of cheap and docile labor for employers. During the war they were used as instruments of manpower mobilization. The emphasis during the Occupation has been to make them places where both employers and job applicants come for a free public consultation on their employment problems. The exchanges were first taken out of the control of the Home Ministry and placed under the Welfare Ministry.

For Distribution as Information to Military Government Labor Officers

Restricted

6

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

With the establishment of the Labor Ministry, they will be placed under it. By an ordinance of April, 1947, the name was changed from Kinrosho, or "diligent labor office" to Kokyo Shokugyo Antei Sho, or "Public Employment Security Place," and the concept of a free public service for workers and employers was formally announced. A new bill, the Employment Security Bill, was introduced into the summer National Assembly session in 1947, which gives the basic statement of purpose and administration of these exchanges. The public employment exchanges are under national program, but are administered in prefectures by the governors, in accordance with standards established nationally.

3. Other significant developments during the past two years are described below:

a. For the 1947-48 Fiscal Year a larger budget was established and the totally inadequate national staff was enlarged and the quality of personnel improved.

b. A vocational counseling program for youth and unemployed was established with the purpose of advising them on suitable careers.

c. A labor market analysis program was initiated with the purpose of defining labor market areas (basically areas within commuting distance surrounding an industrial center) and determining labor demand and supply conditions within these areas.

d. Attempts were made to bring the employment exchange services to the public through various forms of publicity, through special temporary employment exchange booths in busy streets, and through improvement of the quality of service provided in the exchanges.

e. Special recruitment campaigns for coal mines, textile factories, and other industries basic to the recovery of the economy.

f. Programs to eliminate recruitment by labor bosses, employer recruiting agents, and other processes which have in the past restricted free choice of job by workers. (Special section on this problem)

g. Special casual labor exchanges to replace labor boss recruitment for Occupation Forces and other day labor.

4. While substantial progress has been made in improving services of the public employment exchanges, only a beginning has been made in realizing the full measure of service which can and should be rendered to the public.

II Public Works and Other Measures to Counteract Unemployment

1. On 19 May 1946 a directive initiated by ESS, (SCAPIN 967) was issued to the Japanese Government instructing them to include an appropriation for a Public Works program of ¥6,000,000,000 in the budget. This program is considered essential to provide employment and to increase the supply of food, clothing and fuel for the Japanese people. It is for the furtherance of the Japanese economy, and as such is coordinated nationally by the Economic Stabilization Board, but administered locally through the Prefectures.

2. Present Structure and Operation of Public Works Program

a. Coordinating Functions of Economic Stabilization Board: Within the Economic Stabilization Board rests the coordination powers for the Japanese Government for the Public Works program. It is handled by the Public Works Section which includes 27 administrators of which 16 are engineers. The function of this section is to determine Japanese Government policy in regard to Public Works and to coordinate the interests of the various ministries to assure a well-balanced and well-integrated program that will benefit the Japanese economy as a whole rather than further the interest of any one particular segment of the economy.

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b. Present Size of the Public Works Program: Budget appropriations for the current fiscal year include 9.5 billion yen for the general account of Public Works, 5 billion for the Transportation Special Account, and 2.3 billion for the Communications Special Account. There are a total of 96,987 individual projects included in the general account alone.

c. Technique of Inclusion of Individual Projects into the Program: Applications for projects may develop at the local, prefectural, regional or occasionally national level. If the agency initiating the application has an engineering section, the idea is developed into a technical plan at that level. If it does not, or if the application has originated within the prefectural government, the plan is developed by prefectural engineers. Projects thus developed are consolidated by the prefecture and those which pass scrutiny are forwarded to that ministry on the national level which is charged with responsibility for the type of work the project would carry out. Plans developed by regional offices of the ministry are consolidated for the region and forwarded directly to the ministry.

At the ministerial level all plans for projects are judged on the basis of their priority in accordance with Japanese Cabinet "Regulations Concerning Public Works" approved 3 September 1946, and from the point of view of their conformity with overall ministerial policy. Potential projects thus usually pass through two reviews prior to being received by the Economic Stabilization Board, which then with a view to the overall economic conditions, of which unemployment is a major factor, request an appropriation for each of the ministries' programs that they feel are financially and practically possible.

Once the appropriation has been received, except for the special accounts of communication and transportation, the Economic Stabilization Board reviews projects again according to the Cabinet's priority regulations, available materials and labor supply factors and their effect on the changing conditions of the Japanese economy. It certifies those which have a reasonable possibility of being completed and which in their opinion will be of most value to the economy.

3. Prefectural Level Operation of Public Works

One of the weaknesses of the Public Works program is the lack of effective coordination at the prefectural level. Various ministry representatives and prefectural governments themselves have segments of the program. In most prefectures there is no effective method of establishing general policy and operational coordination. Two or three prefectures have set up Public Works Committees, usually chaired by the Vice Governor and having membership from all interested agencies at prefectural level. Some type of coordination is desirable in all prefectures.

4. Trends of Public Works

While existing public works programs, for the most part, meet the criteria of providing directly or indirectly vitally needed goods and services for the Japanese economy for the immediate future, they are not very effective in utilizing the urban unemployed. In the next year it will become increasingly important to devise projects which will meet the growing problem of unemployed in cities.

III Vocational Training

1. The vocational training program subsidized and supervised by Ministry of Labor serves three purposes:

a. It takes unemployed workers and trains them in skills for which there is a great shortage.

b. It increases the supply of skilled labor and thus helps to increase the production of Japan.

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c. It helps to implement the new Japanese Constitution which states that all people have not only the right but also the obligation to work, and guarantees in addition the following rights:

Freedom of choice of legitimate occupation.

Maintanance of minimum standards of wholesome and cultured life.

Receipt of education according to the individual's ability.

2. Three types of projects are subsidized by the Ministry of Labor.

a. Vocational Training Centers which provide a six-month training course free of charge to men and women.

b. Jusanjo - small work relief shops where unemployed can learn a limited skill and earn money.

c. Industrial Cooperatives - workshops owned and controlled by the workers in each.

3. The program is operated by the Prefectural Governments and is supervised by the Central Government.

a. Labor officials operate the programs on the prefectural level. Applications for admission to the courses, jusan and cooperatives are accepted by the local Employment Security Offices.

b. On the national level these three programs are supervised by the Vocational Training Section of the Employment Security Bureau of the Ministry of Labor. Coordination with the vocational training program for school-aged children is secured through the joint advisory Committee on Vocational Guidance and Education which advises both the Ministries of Labor and Education. It is hoped that local advisory committees may be set up later.

c. The vocational training program is nominally operated by the Vocational Training Association (Shokugyo Hodo Kyokai). This is a semi-public device for avoiding red tape. Although this type of association is a typical device of Japanese administrative machinery it does not have the unqualified support of the Supreme Commander for the Allied Powers.

4. The Ministry of Transport is also subsidizing a training project for surplus seamen. This is operated under the supervision of the Seamen's Bureau. The actual program is operated by the Seamen's Foundation which is a private benevolent association of shipowners and union representatives. Surplus seamen are being trained in shipbuilding and fishing. Training is actually given in only two ports--Shiogama (near Sendai) and at Uraga. Surplus seamen from all parts of the country may attend these courses. Dormitory facilities are available, and seamen continue to receive pay during the period of training.

IV Elimination of Labor Bosses and Other Undemocratic Recruitment Practices

1. Traditionally, large segments of Japanese labor force have been under the control of "labor bosses." These bosses have contracted for the services of the workers under their control, receiving a lump sum, or a rate for their services. The bosses have taken a large percentage of the wages of the workers as their "cut," but have assumed responsibility for certain minimum obligations for their welfare. During the war, these bosses were the leader of the wartime "labor front," or patriotic labor organizations.

2. During the Occupation, the bosses have assumed whatever expedient roles they could wangle to retain their control. At first, they were utilized for supplying labor to the Occupation Forces. Since such practices were obviously inconsistent with the democratic policies of the Occupation, free public casual labor exchanges were established and the bosses were largely eliminated from supplying

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workers to Occupation Forces. These bosses, however, are still active in other fields. Some of them have become "Gumi," or construction contractors, or are tied in with such gumi, primarily on contracts let by the Japanese Government for projects in the interest of the Occupation or other public projects.

3. There is considerable evidence that labor bosses are also tied in with various other rackets, principally gambling vice, and black marketing. Thus we have a pattern of gangster or racketeer activity in any lucrative field. The elimination of such practices is vital to the freedom of labor and to the economic and political democracy of Japan.

4. In certain Japanese industries, recruitment of workers traditionally has bordered on slave labor practices, although there was a certain benevolence manifested. Coal mines have in the past been staffed by bankrupt farm workers, by foreign labor, or other depressed groups driven by economic necessity to this hazardous and grueling labor. During the war, Chinese, Formosan, Korean, and prisoner-of-war labor was used on a virtual slave basis. After the war, such labor was released and most of the foreign groups repatriated, so that coal mines have been manned by free Japanese labor. Even during the past two years, however, practices of forced labor recruitment have occurred occasionally in coal mines.

5. In the textile industry, the traditional pattern has been to recruit young farm girls through contract with the parents and to keep them in a condition of virtual bondage for four or five years until they returned to their home villages for marriage. This practice has been changed during the occupation by making child labor and servitude illegal, but indirectly a large measure of the same type of recruitment and labor practice has been perpetuated.

6. The Supreme Commander for the Allied Powers has taken vigorous steps to eliminate these flagrant violations of the rights of individuals and those undemocratic labor practices. One of the earliest statements of General MacArthur to Premier Shidehara was as follows:

"I expect you to institute the following reforms in the social order of Japan as rapidly as they can be assimilated:

* * * * * * * * * * * * * * * * * * * *

"2. The encouragement of the unionization of labor-- that it may be clothed with such dignity as will permit it an influential voice in safeguarding the working-man from exploitation and abuse and raising his living standard to a higher level; with the institution of such measures as may be necessary to correct the evils which now exist in child labor practices."

7. The Japanese Constitution protects the rights of individuals to free selection of a job, among other guarantees.

8. The Supreme Commander for the Allied Powers has implemented the program to develop democratic recruitment practices by directing and encouraging the Japanese Government to:

a. Strengthen the services of free public employment agents.

b. Restrict the abuses of private labor recruiting and labor supply agents (labor bosses).

c. Liquidate quasi-public agencies principally concerned with supplying cheap and docile labor to industry.

d. Outlaw child labor.

e. Eliminate wartime labor front officials from labor organizations.

f. Eliminate discrimination in employment of female workers.

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g. Liberalized dormitory regulation.

h. Prevent third party contracting for labor services.

9. The Labor Standards Law implements many of these regulations, particularly those applying to child labor, third party contracting for services, dormitory rules, and non-discrimination between sexes. The draft Employment Security Law strengthens the Public Employment Exchanges and sets up controls for private recruiting and labor supply projects.

10. In many cases labor unions, through collective bargaining have obtained agreements which prohibit abuses described above.

11. While some progress has been made, labor bosses and undemocratic recruitment practices are still overtly or indirectly operating in many industries. Strong and varied measures will be necessary to eliminate them completely.

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Make Labor Relations File a/a

Copy Annex 9

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Economic and Scientific Section

APO 500
18 July 1947

MEMORANDUM TO: Military Government Team Labor Officers

SUBJECT: Labor Relations Committees

1. Reference Memorandum to Military Government Team Officers, dated 23 June 1947, subject: Labor Relations Committees, paragraphs 4 and 8b.

2. Report recently submitted by the Labor Administration Bureau of the Welfare Ministry includes various information concerning the Prefectural Labor Relations Committees. The following inclosures are attached hereto:

a. Inclosure 1: Personnel Employed in Prefectural Labor Relations Committee Offices as of May 1947.

b. Inclosure 2: Personnel authorized for Employment in Prefectural Labor Relations Committee Offices for 1946 Fiscal Year.

c. Inclosure 3: Personnel to be Added to Prefectural Labor Relations Committee Office Staffs During 1947 Fiscal Year, by Quarters.

d. Inclosure 4: Personnel to be Added to Prefectural Labor Relations Committee Office Staffs During 1947 Fiscal Year, by Job Classification.

e. Inclosure 5: Funds Budgeted for Prefectural Labor Relations Committees for 1947 Fiscal Year.

These data are transmitted for your information and guidance in connection with the procedure suggested in paragraph 8b referred to above.

3. The importance of stimulating and implementing recruitment of personnel for the Prefectural Labor Relations Committee offices is indicated in the following observations:

a. A total of 673 persons was reported to be employed during May 1947 on the Prefectural Labor Relations Committee office staffs. Of this number, 240 were designated as full-time employees, 433 as part-time. Detailed breakdowns of these numbers are shown in Inclosure 1.

b. Only 12 of the 46 Prefectures were shown as having employed a full-time Chief Secretary. As you will note in Inclosure 2, it was intended that all of these persons be engaged during the 1946 fiscal year.

c. Employment goals for the fiscal year ending March 1948 total 1,380 full-time employees - slightly more than double the number presently engaged on both full and part-time bases. A total of 782 employees is due at the end of June 1947, 989 at the end of September, and 1,185 at the end of December. Breakdowns of these figures by target dates for hiring are shown in Inclosure 3, and by type of employee in Inclosure 4.

5

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BASIC: Memorandum to Military Government Team Labor Officers, dated 18 July 1947, subject: Labor Relations Committees.

4. Economic and Scientific Section, Labor Division, was further advised that, beginning with May 1947, each prefectural government was to allot out of its own revenues funds to be used by the local Labor Relations Committee. These funds will be supplemented by subsidies from the national government. It is intended that the two levels of government contribute equivalent amounts to the support of these committees. Economic and Scientific Section, Labor Division, is further advised that the amounts which will be budgeted for these purposes by the National Government for the 1948 fiscal year are conditional upon the amounts actually made available by the Prefectures during the 1947 fiscal year. It is thus essential that each Prefecture and its Labor Relations Committee be aware of this fact, and take appropriate action in the immediate future to assure continued support from the National Government. Certain details of the budgets for the 1947 fiscal year are shown in Inclosure 5.

5. Each Prefectural Labor Relations Committee must assume initiative and responsibility in assuring itself an adequate budget by

a. Claiming for its proper use the money already budgeted by the National Government for these purposes.

b. Insisting upon performance by the prefectural government of its duty to provide funds at least equivalent in amount to those budgeted by the National Government.

6. In addition, each Prefectural Committee should concern itself immediately with the scheduled recruitment of competent, full-time personnel for its staff.

7. The scope and importance of the responsibilities placed upon the Prefectural Labor Relations Committees by Japanese Law make them a key part of the machinery established to promote peaceful industrial relations. It is suggested that Labor Officers encourage and implement, by all proper means, the full establishment and proper function of these committees.

W. F. MARQUAT
Brigadier General, U. S. Army
Chief, Economic & Scientific Section

5 Incls
1. Personnel Employed in Prefectural Labor Relations Committee Offices as of May 1947.
2. Personnel Authorized for Employment in Prefectural Labor Relations Committee Offices for 1946 Fiscal Year.
3. Personnel to be Added to Prefectural Labor Relations Committee Office Staffs During 1947 Fiscal Year, by Quarters.
4. Personnel to be Added to Prefectural Labor Relations Committee Office Staffs During 1947 Fiscal Year, by Job Classification.
5. Funds Budgeted for Prefectural Labor Relations Committees for 1947 Fiscal Year.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Economic and Scientific Section

SCAP

APO 500
23 June 1947

MEMORANDUM TO: Military Government Team Labor Officers

SUBJECT: Labor Relations Committees

1. Recent conferences with Labor and CI&E Officers of MG teams, sponsored by CI&E and ESS, indicate that the Labor Officers on the MG teams can be vitally instrumental in encouraging parties to a labor dispute to use established machinery leading toward a peaceful settlement of such disputes.

2. The Japanese Trade Union Law establishes in each prefecture a Labor Relations Committee composed of five (5) labor members, five (5) employer members and five (5) neutral members. These committees are charged with the responsibility of protecting workers in their right to organize, free from employer interference, into unions of their own choosing. Where collective bargaining involves workers in more than one prefecture, the services of the Central Labor Relations Committee in Tokyo can be utilized.

3. These committees are further charged with the responsibility of providing conciliation (assen) to assist the parties to a dispute to arrive at a peaceful settlement of their own choosing. Mediation (chotei) and arbitration (chusai) procedures are also available to the parties through these same committees.

a. Conciliation is a procedure in which a third party assists the parties to a dispute to arrive at a settlement of their own choosing. Each Prefectural Labor Relations Committee should have conciliators readily available and the Labor Relations Adjustment Law provides that the Prefectural Labor Relations Committees can assign a conciliator to a dispute on their own initiative.

b. Mediation is a procedure whereby the parties to a dispute agree to submit the facts to a tripartite committee designated by the Labor Relations Committee, which committee then makes a recommendation. The parties to a dispute, however, need not accept the decision of the Mediation Committee.

(1) Any dispute can be referred to mediation by the parties to a dispute involving the public welfare. The Governor of the Prefecture or the Labor Relations Committee, on their own initiative, can refer the dispute to mediation.

c. Arbitration is a procedure whereby the parties to a dispute submit the facts of a dispute to the decision of an arbitrator or to an arbitration committee of the Labor Relations Committee. The parties are bound to abide by the decision of the arbitrator or the arbitration committee.

4. Present budgetary allotments of the Japanese Government permit these Prefectural Labor Relations Committees to have a full-time, well-paid Executive Director and an office staff exclusively available for the work of these committees.

(4)

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5. American experience indicates that equivalent agencies contribute much toward a peaceful settlement of labor disputes. In the United States over 100 trade union contracts are signed every day of each year without any work stoppage. The United States Conciliation Service handles over 25,000 cases in one year, 95% of which are settled without a work stoppage. In one year the National Labor Relations Board has handled through peaceful adjudication over 3,000 cases of employer discrimination which might have otherwise led to work stoppages. This same Board has supervised secret elections between contending unions in the same plants in which over a million workers voted in one year. Through peaceful means aggravating conditions of jurisdictional disputes which might otherwise have resulted in strikes were thus removed.

6. Collective bargaining in good faith, concluded by the signing of a trade union contract in specific detail, is of primary importance in the establishment and maintenance of peaceful industrial relations. When attempts to arrive at such an agreement are about to break down, the services of a conciliator may bring the parties together. The Labor Relations Committee in each prefecture has a panel of conciliators. Mediation and arbitration procedures may also be utilized, and mediation is particularly useful in disputes vitally affecting the public welfare since public opinion will often persuade the parties to accept a mediation proposal.

7. Labor agreements should provide adequate machinery for resolving disputes arising during the period of the agreements. This should include arbitration as a final step with both parties bound to accept the arbitration decision, thus insuring continuous operations so long as the agreement is in effect.

8. The Labor Officer on the MG Team may use the following procedures:

a. Plan and execute in cooperation with the MG. CI&E Officers a program of labor education. (See SCAP CI&E Information Letter, 2 Jan 47.)

b. Stimulate the Prefectural Labor Relations Committee to appreciate its powers and responsibilities and to assure that it has an adequate budget, an Executive Director and adequate personnel to perform its duties.

c. Create an awareness in the community of the existence of the labor relations committee and an appreciation by the people of the community of its powers and responsibilities so that parties to a dispute will be more inclined to make use of these committees and so that the recommendations of these committees will be given greater weight in the community.

d. Maintain familiarity with current labor negotiations and disputes and require progress reports from the parties when deemed advisable.

e. Make available to the disputants technical, informational material as may be necessary or advisable; for instance, contents of pamphlets supplied by this office - Pamphlets Nos. 1-6 on Labor Relations Agencies; "Collective Bargaining Procedure," "Duties of a Shop Steward," "The Development of a Union Contract with Employers," etc. Attention may also be directed to the following Japanese publications:

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(1) The Practice of Labor Agreements in America - Investigation Section, Labor Policy Bureau, Welfare Ministry. Published by Labor Administration Research, c/o Central Labor Hall, Shiba Park, Shiba Ku, Tokyo, 25 January 1947. ¥23 per copy.

(2) Labor Agreements and Collective Bargaining - by Shichiro Matsui - Ganshodo, No. 2, 2-chome, Jimbocho, Kanda Ku, Tokyo, 20 December 1946. ¥15.

(3) A Foreman's Guide to Labor Relations by U. S. Dept. of Labor (translated by the Kanto Employers' Association) - Nagami Shobo, No. 26, Yanegicho, Koishikawa Ku, Tokyo, 20 November 1946. ¥6.

(4) The United Mine Workers National Bituminous Coal Wage Agreement for 1945, published by Japan Coal Miners' Association.

(5) United Automobile Workers Contract with the Chrysler Company (1945), published by Central Labor College, Tokyo-To, Shiba-Ku, Shiba-Koen, 6 Gochi. ¥7.

(6) Labor Agreements by Tetsuo Otake - Industrial Labor Research Association, Central Labor Hall, Shiba Park, Shiba Ku, Tokyo, 5 February 1947. ¥15 per copy.

(7) Collective Bargaining; A Management Guide - published by the Japan Coal Miners' Association.

(8) An Explanation of the Trade Union Act by Yasuya Takahashi - Japan Industry and Economics Newspaper, Kayabacho, Nihonbashi Ku, Tokyo, 5 February 1946. ¥1.50.

(9) An Explanation of the Trade Union Act by Izutaro Suehiro - Nippon Hyoron-Sya, No. 4, 3-chome, Kyobashi, Kyobashi-Ku, Tokyo, 15 May 1946. ¥4.

e. Encourage the Executive Director and the chairman of the Prefectural Labor Relations Committee to be aware of all labor disputes in the prefecture and to provide the services of the committee, a conciliator, or mediation or arbitration where necessary or advisable.

9. Further informational material will be forthcoming.

W. F. Marquat

W. F. MARQUAT
Brigadier General, U. S. Army
Chief, Economic & Scientific Section

(4)

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

091.42
(24 Feb 47) 1st Ind. AVA/so

HEADQUARTERS KANTO MILITARY GOVERNMENT REGION, APO 201
17 March 1947

TO: Commanding General, IX Corps, APO 309

Receipt acknowledged on one inclosure to basic.

FOR THE COMMANDING OFFICER:

KENNETH O. SEE
1st Lt., Q.M.C.
Adjutant

1 Incl:
withdrawn

(3)

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Economic and Scientific Section

APO 500
24 February 1947

MEMORANDUM TO: Military Government Team Labor Officers

SUBJECT : Transmittal of Monthly Summary, Labor Division, December 1946

1. Forwarded for your information and guidance is the monthly summary, Labor Division, for the month of December 1946.

2. Labor Officers and acting Labor Officers of Military Government unit have reported numerous instances in which similar publications pertaining to labor have not been received. It is important that such material reach the Labor Officer of each Military Government Team.

3. Request that receipt of this publication be acknowledged by indorsement hereon in order to ascertain future distribution requirement.

/s/ W.F. Marquat
/t/ W.F. MARQUAT
Brigadier General, US Army
Chief ESS

Incl
Monthly Summary, Labor
Division, December 1946

B (3)

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LABOR OFFICER

Copy furnished

File A.
Labor Policy File
Gen.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Economic and Scientific Section

AFO 500
7 January 1947

MEMORANDUM:

TO: To All Military Government Officers

SUBJECT: Principles for Japanese Trade Unions

1. Inclosed for your information and guidance is a copy of "Principles for Japanese Trade Unions," adopted by the Far Eastern Commission in a policy decision made on 6 December 1946.

W. F. MARQUAT

W. F. MARQUAT
Brigadier General, U. S. Army
Chief, Economic & Scientific Section

1 Incl
Copy of Principles for
Japanese Trade Unions

IXD-5

2-

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Economic and Scientific Section

Far Eastern Commission Policy Decision
(made on 6 Dec 46)
on

PRINCIPLES FOR JAPANESE TRADE UNIONS

(announced 24 December, thru CI&E press release)

1. Japanese workers should be encouraged to form themselves into trade unions for the purpose of preserving and improving conditions of work, participating in industrial negotiations to this end, and otherwise assisting the legitimate trade union interests of workers, including organized participation in building up a peaceful and democratic Japan.

2. The right of trade unions and their members to organize for these purposes should be assured and protected by law. Freedom of workers to join trade unions should be provided for by law. All laws and regulations preventing trade unions achieving these objectives should be immediately abrogated. Employers should be forbidden to refuse employment to, or discriminate against, a worker because he is a member of a trade union.

3. Trade unions should have the right of free assembly, speech and the press, and access to broadcasting facilities on a non-discriminatory basis, provided only that such assembly, speech, or writing does not directly interfere with the interests of the occupation.

4. Trade unions should be encouraged to negotiate with employers on behalf of their members regarding terms and conditions of employment. The Japanese Government should establish mediation and arbitration machinery for dealing with industrial disputes that cannot be settled by direct and voluntary negotiation between the worker or his representative and the employer.

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The mediation and arbitration machinery should operate under conditions assuring the protection of the interests of the workers, and if employers are represented on the machinery, trade unions should be given equal representation.

5. Strikes and other work stoppages should be prohibited only when the occupation authorities consider that such stoppages would directly prejudice the objectives or needs of the occupation.

6. Trade unions should be allowed to take part in political activities and to support political parties.

7. Encouragement should be given to organized participation by trade unions and their officials in the democratization process in Japan and in measures taken to achieve the objectives of the occupation, such as the elimination of militaristic and monopolistic practices. But such participation should not be encouraged in such a way as to hinder the achievement of the principal obligation and responsibility on the unions and their officials to organize for the protection of union members and union interests.

8. Trade unions should be encouraged to promote adult education and an understanding of democratic processes and of trade union practices and aims among their members. The Japanese Government should as far as possible assist trade union officials in obtaining information on trade union activities in other countries. These objectives should be given due weight when allocations of paper supplies and imports of foreign publications are made.

9. The Japanese should be free to choose the form of organization of their unions, whether on a craft, industry, company, factory or territorial basis. Emphasis should be placed on the importance of a solid local basis for future trade union activity in Japan. However, unions should be allowed

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to form foderations or other groupings, for example in the same area or in related industries or on a nationwide basis.

10. The formation of trade unions should be a process of democratic self-expression and initiative, proceeding from the workers themselves. Employers should not be allowed to take part in the organization or conduct of unions or to finance them.

11. Trade union officials and standing committees should be elected by the workers concerned by secret ballot and democratic methods. It should be the responsibility of the unions to ensure that all officials have been democratically elected at regular stated intervals and that all their activities are democratically conducted.

12. No person who is subject to the purge directive of 4 January 1946, or to subsequent purge directives, should be allowed to hold office in a trade union. All persons who were directly connected in the past in a responsible capacity with the obstruction or repression of trade union organization or activity should be prohibited from employment as union officials, in labor agencies or as mediators, conciliators, or arbitrators. All persons who held office in government-sponsored or controlled trade unions should be subject to screening before being allowed to take office again.

13. Japanese Government and other agencies which were set up or functioned for the purpose of obstructing or in such way as to obstruct free labor organization and legitimate trade union activities should be abolished or their powers in respect to labor revoked. No police or other government agencies should be employed in spying on workers, breaking strikes, or suppressing legitimate union activities.

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14. Any undemocratic workers' organizations or their affiliates, such as the patriotic industrial associations, should be dissolved and not allowed to revive. No new workers' organizations with militaristic, ultra-nationalistic, Fascist, or other totalitarian aims should be permitted.

15. Persons who have been imprisoned because of activity or "dangerous thoughts" in connection with trade unions and other labor organizations should be released.

16. The balance sheet and table of income and expenditure of each trade union showing also the source of large contributions should be available for public inspection. Safeguards such as an annual audit by a professionally competent auditor appointed by the members should be taken to ensure the accuracy of the statements.

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File

GENERAL HEADQUARTERS
UNITED STATES ARMY FORCES, PACIFIC

CIRCULAR)
:
NO....83)

APO 500
18 September 1946

RECRUITMENT OF CIVILIAN PERSONNEL
FROM WITHIN THE OCCUPATION AREA

1. a. Rescission. Civilian Personnel Policies and Regulations No. 3, General Headquarters, Supreme Commander for the Allied Powers, 19 February 1946, is rescinded.

b. References: SCAP Letter, AG 230, CIS, 27 Nov 1945, subject, "Security Clearance and Employment Restrictions of Civilian Personnel," Circular 64, General Headquarters, United States Army Forces, Pacific, 31 July 1946, subject, "Control of Linguists."

2. General. This regulation is issued to govern the recruitment of civilian personnel, other than Japanese Nationals, by occupation forces from within the occupation area (Japan and Korea), and the payment thereof on occupation force payrolls. It does not cover that labor provided by the Japanese government to meet procurement or labor demands of the occupation forces.

3. Establishment of positions. Before recruitment of American and Foreign National personnel, the positions must be established by the preparation of position descriptions and the grading of the job by the appropriate civilian personnel office to determine the proper pay rate in accordance with Appendix I, this circular. Grade levels for Foreign Nationals corresponds in general to those established for United States citizens, and will be established by the same methods and standards as are applicable to positions held by United States citizens, except that separate pay rates will apply. After the job title and pay rate is properly determined, recruitment can be undertaken. Proper evaluation of jobs is essential to insure that agencies do not engage in proselyting workers through wage competition.

4. Employment of United States Citizens. a. United States Military personnel within the occupation area who are United States citizens and eligible for release from active service will be paid at regular United States base rate plus appropriate overseas differential when employed as War Department civilian workers, except that where more than one member of a family is employed, only the head of the family may receive overseas differential.

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b. Residents of the occupation area who are United States citizens will be paid at the regular United States base rate, but without the overseas differential. Such citizenship must be proved by furnishing a signed certificate from the proper State Department official. Until such certificate is furnished, employment as Foreign Nationals is authorized.

5. Employment of Foreign Nationals. a. The term "Foreign Nationals" shall include:

(1) Stateless persons.

(2) Citizens of Axis countries (excluding Japanese Nationals).

(3) Citizens of Allied or Neutral nations who were in the occupation area during the period of hostilities.

(4) A person of Japanese ancestry who claims citizenship of a country other than Japan and who is not disqualified under paragraph 5b (1), (2), or (3) below.

b. A person of Japanese ancestry who claims United States citizenship, but who has not obtained necessary papers from the State Department, may be employed as a Foreign National, unless:

(1) He served in the Japanese armed forces, or

(2) He took an active part in the prosecution of the war against the United States (for example: If he wrote propaganda material. However, if he merely did translation work, that fact alone would not be disqualifying), or

(3) Clear intent was shown of never returning to the United States.

MG → c. It will be the responsibility of the local Military Government Labor Office to determine on the basis of records of the security check whether an individual of Japanese ancestry is eligible to be employed as a Foreign National. The records of such individuals already employed will be reviewed by the using units and proper action taken to change status to that of Japanese Nationals, if disqualified under paragraph 5b, above. In case of doubt, employment will be as Japanese Nationals, whose salaries are paid by the Japanese Government in Japan.

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(Cir 83)

d. Procurement, registration, and referral of all Foreign Nationals for employment by Occupation Forces will be the responsibility of the appropriate Military Government Labor Office. Using units will not employ such personnel without prior clearance with the local Military Government Labor Office.

e. Commanders of using units will designate necessary Payroll Certifying Officers, who will be responsible for payroll preparation, salary payments, and disposition of payroll deductions for Foreign Nationals.

f. Military authorities will make no deductions for social insurance or taxes which may be required by Japanese regulations. This provision does not exempt Foreign Nationals from legal obligations under Japanese law. Payroll deductions for subsistence furnished to Foreign Nationals will be made to the United States in the following manner: Certifying officers will prepare in quadruplicate Standard Form 1044, "Schedule of Collections", stating thereon the source, description, amount, and fund to be credited for presentation to the disbursing officer with the payroll. The disbursing officer will take into his official account the amount of the payroll deductions, as a collection due the United States. One copy of Standard Form 1044, bearing the disbursing officer's signature, will be attached by the latter to the payroll prior to clearing the voucher with the Currencies Funding Division, Office of the Fiscal Director, General Headquarters, United States Army Forces, Pacific.

6. Pay rates. The attached schedule of pay rates in Imperial yen (Appendix I) has been prepared primarily for guidance for the payment of Foreign Nationals employed in the Tokyo-Yokohama area. Labor offices in other areas within Japan will review the rate to be paid and if a lower rate is found advisable, it will be applied uniformly throughout that area. In no case will higher rates for listed grades be paid within Japan without the prior approval of General Headquarters, United States Army Forces, Pacific, APO 500. Rates of pay to apply in Korea for other than United States citizens will be established by Commanding General, United States Army Forces, Korea, based on economic conditions within his command.

7. Security Clearance and Employment Restrictions. All employees will be subject to security clearance, based on the restrictions contained in letter, General Headquarters, Supreme Commander for the Allied Powers, AG 230 (27 Nov 45) CIS, 27 November 1945, subject, "Security Clearance and Employment Restrictions of Civilian Personnel."

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(Cir 83)

8. Miscellaneous. a. Proselyting of employees between military units is prohibited. Transfer of foreign nationals will be effected only with the prior approval of the appropriate Military Government Labor Office. Individuals leaving the employment of one military unit without permission will not be employed by another military unit for a period of sixty (60) days.

b. Special wage supplements in the form of food, extra pay, clothing, or other material considerations will not be granted to workers by labor-using units.

9. Prior to their hiring, linguists will be tested by the Commanding Officer, Translator and Interpreter Service, who will make recommendations to the Civilian Personnel Section, General Headquarters, United States Army Forces, Pacific, as to the linguistic qualifications of the individual. See Circular 64, General Headquarters, United States Army Forces, Pacific, 31 July 1946, subject, "Control of Linguists."
AG 230.14(20 Aug 46)CP

BY COMMAND OF GENERAL MacARTHUR:

PAUL J. MUELLER,
Major General, General Staff Corps,
Chief of Staff.

OFFICIAL:

John B. Cooley
JOHN B. COOLEY,
Colonel, AGD,
Adjutant General.

1 Incl:
Appendix I to AFPAC Cir 83, 18 Sep 46

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APPENDIX I TO AFPAC CIRCULAR 83, 1946
Pay Rates for Foreign Nationals
(Tokyo-Yokohama Area)

PAY GRADE	TYPICAL JOBS	RATES GIVEN IN IMPERIAL YEN PER MONTH (STEPS)			
		I	II	III	IV
1	Janitor Messenger Mimeograph Operator	1200	1240	1275	1310
2	Clerk Office Mach. Operator Storekeeper Supply Clerk Tele-phone Operator Typist	1350	1390	1425	1460
3	Interpreter Payroll Clerk Stenographer	1500	1540	1575	1610
4	Sr. Interpreter Dental Technician Draftsman Engineering Aide Secretary Translator	1650	1690	1725	1760
5	Junior Accountant Junior Engineer Senior Clerk Jr. Exam-Translator Trans. Analyst Sr. Translator	1800	1850	1900	1950
6	Labor Foreman Office Manager Examiner-Translator	2000	2050	2100	2150
7	Asst. Engineer Sr. Exam-Translator	2200	2250	2300	2350
8	Assistant Censor	2400	2450	2500	2550
9	Attorney Censor	2600	2650	2700	2750

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APPENDIX I (Contd)

10	Engineer	2800	2850	2900	2950
11	Tech. Consultant in Professional Fields	3000	3050	3100	3150

ADMINISTRATION OF PAY SCHEDULE

1. Initial appointment will be made on Step I in all cases.

2. Individuals may be advanced from Step I to Step II after 3 months of satisfactory service on the same job.

3. Individuals may be advanced from Step II to Step III after 6 months of satisfactory service on the same job.

4. Individuals may be advanced from Step III to Step IV after 6 months satisfactory service in Step III on the same job.