GHQ/SCAP Records(RG 331)
Description of contents

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(3) Date: Feb. 1948 - Feb. 1950

(4) Subject:

Classification	Type of record
324	e

(5) Item description and comment:
Governmental organization

(6) Reproduction: (Yes) No

(7) Film no. Sheet no.

CIVIL SERVICE DIVISION
Government Section

27 February 1950

MEMORANDUM FOR: The Record

SUBJECT : Compensation of Employees Assigned to Japanese Overseas Agencies

Telephone conversation was held this afternoon with Mr. Overton of Diplomatic Section, GHQ, SCAP. It was understood that;

1. The memorandum to the Japanese Government, 9 February 1950 from the Diplomatic Section was an invitation to the Japanese Government to establish in the United States, Overseas Agencies. The memo specifically states the functions of agencies and also specifically states those diplomatic and consular functions that these overseas agencies may not perform.

   The memo does not set forth any of the administrative details concerning the operation of these offices.

2. ESS, GHQ, SCAP, having control of the funds to be assigned to this project, submitted a detailed proposed budget for these overseas offices. It is found that this estimate is in conflict with many Japanese regulations and perhaps laws. It will have to be revised by the Japanese.

3. Mr. Overton's attention was called to the fact that the National Public Service Law provided for the status of personnel and since those persons of the Japanese government assigned to overseas agencies ~~would~~ proposed be members of the regular service, the Cabinet Order effecting the establishment of these agencies need not mention the question of "status of personnel".

   Secondly, compensation of the regular service is now established under Law No. 46, 1948. This would preclude the ~~possibility~~ uncertainty of some of the estimated budget items proposed for personnel assigned to these offices.

* An agreement was reached that Mr. Chiba would work with Mr. Sato, Director General of NPA to immediately determine any adjustment necessary ~~in conflicting matters~~ to effectuate this program.
  to law 46

*) Better
* Would you make sure that this has been properly completed by NPA. MS

nothing done as of 15 March

At the same time, the Foreign Office is investigating this particular class of employees assigned overseas. They will also investigate the matter concerning:

(a) government employees who may be assigned as students and reside abroad for some time;
(b) government employees selected to travel for a limited period of time in the United States or other parts of the world.

MS

MACDONALD SALTER
Chief, Classification
and Compensation Branch

MS:vr

Org'n File
PMO-SPB-Misc.

CIVIL SERVICE DIVISION
Government Section

20 February 1950

MEMORANDUM FOR: Mr. MacDonald Salter, Chief
Classification and Compensation Branch

SUBJECT : Record of the Special Construction Division

In accordance with your instructions, the following is a historical transition of the Special Construction Division and Bureau in various agencies within the Cabinet and Prime Minister's office as ascertained in the Civil Service Division files:

Board of Post War Rehabilitation with a Construction Section established in the Cabinet by Imperial Ordinance No. 621, 5 November 1945.

Construction Section abolished in Board of Post War Rehabilitation 29 March 1946 and Special Construction Division with a Supply Section established.

May, 1946: Translation of Board of Post War Rehabilitation altered to Board of Reconstruction.

Speical Construction Division in Board of Reconstruction abolished by Imperial Ordinance No. 538, 14 November 1946, and Special Construction Bureau with a Construction Division established.

1 June 1947: Jurisdiction changed from Cabinet to Prime Minister's Office.

1 January 1948: Construction Board established in Prime Minister's Office in place of Board of Reconstruction by Law No. 237 of 1947 within which was a Special Construction Bureau which supervised and inspected construction and installation work as required by Allied Powers.

8 July 1948: Ministry of Construction established by Law No. 113 with a Special Construction Bureau.

November, 1948: Special Procurement Board established. Name changed to Special Procurement Agency in June, 1949.

WALTER P. DOMANOWSKI
Compensation Specialist

WPD:vr

Files
Org Dict. committees
12-28-49

CIVIL SERVICE DIVISION
Government Section

December 28, 1949

MEMORANDUM FOR : Mr. MacDonald Salter, Chief, Classification and Compensation Branch

SUBJECT : House of Councillors Committee for Cabinet

1. Article 42 of the Diet Law, Law No. 79, April 30, 1947 as amended by Law 214, October 11, 1948, establishes a Standing Committee for Cabinet in each House.

2. The Standing Committee for Cabinet maintains liaison between the Diet and Prime Minister's Office. It examines bills, petitions, representation, and other matters which come under its sphere of work.

3. Director-General Sato advises that this Committee does not investigate working conditions.

4. Members are appointed at the beginning of each session and ordinarily serve on the Committee during the term of office as Diet Members. The names of the present members of the House of Councillors Committee are:

KAWAI, Yahachi
KANIE, Kunihiko
NAKAGAWA, Kohei
SASAKI, Shikazo
HITOTSUMATSU, Masaji
KORO, Mitsu
SHIRO, Yoshiomi
FUKAGAWA, Eizaemon
IWAMOTO, Geshu
ICHIKI, Otohiko
SHIMOJO, Yasumaro
MACHIMURA, Keiki
HORI, Makoto
MIYOSHI, Hajime
UMEZU, Kinichi

Albert R. DeAngelis
ALBERT R. DeANGELIS
Compensation Specialist

ARD:vr

Files
Org Diet
committees

12-28-49

CIVIL SERVICE DIVISION
Government Section

December 28, 1949

MEMORANDUM FOR: Mr. MacDonald Salter, Chief
Classification and Compensation Branch

SUBJECT : Committee for National Personnel

1. Article 42 of the Diet Law, Law No. 79, April 30, 1947 as amended by Law 214, October 11, 1948 establishes a Standing Committee for National Personnel in each House.

2. The Standing Committee for National Personnel has these functions:

(a) examines bills, petitions and representation concerning national personnel
(b) drafts legislation concerning personnel affairs of national personnel
(c) investigates the national administration

3. Mr. Takimoto, Chief of the Compensation Bureau, NPA advises that neither committee has done any actual investigation of working conditions of national government employees since the reorganization.

4. There are eleven (11) members on the House of Councillors Committee for National Personnel:

NAKAI, Mituo, Chairman	KITAMURA, Kazuo
KINOSITA, Gengo	MATUSIMA, Kisaku
KOGUSI, Seiiti	OYAMIA, Yasusi
TERAO, Hirosi	YAMANOUCHI, Takuo
AKAMATU, Tuneko	HANI, Goro
IWAO, Jinzo	

5. There are twenty (20) members on the House of Representatives Committee for National Personnel:

HOSHIJIMA, Jiro Chairman	HIRAKAWA, Atuo
KANBAYASHIYAMA, Eikichi	IKEDA, Masanosuka
KODAIRA, Hisao	OKANISHI, Akiaada
TAKAHASHI, Gonroku	HIROKAWA, Kozen
TAMAKI, Minoru	FUJII, Keiji
FUJIEDA, Sensuke	YAMAZAKI, Takeshi
NARITA, Tomomi	YANAGIZAWA, Yoshio
NAKASONE, Yasuhiro	MATUZAWA, Kaneto
DOBASHI, Kazukichi	SONODA, Tadashi
AIZAWA, Hiroshi	KAWAKAMI, Kanichi

Albert R. DeAngelis
ALBERT R. DeANGELIS
Compensation Specialist

ARD:vr

1) ~~Mr. Bartley.~~
This is a publication I picked up at Postal Inst in Sendai. It is distributed quite widely here. Please return
2) ~~Salter~~. Files
11-21-49
Mericle Postal Affs.

15 November 1949

MEMO FOR: Mr. MacDonald Salter

SUBJECT : KANGYO RODO SOKUHO
(Government Enterprise Labor Report)

1) a. Name - KANGYO RODO SOKUHO (Government Enterprise Labor Report)

b. Publisher - KANGYO RODO KENKYUJO (Government Enterprise Labor Institute) - (non-profit enterprise)

c. Published three times a month in TOKYO

d. Circulation - 20,000

e. Price - one yen per copy

2) The date of this issue is 1 November 1949. This issue is the ninth issue.

3) Contents of 1 November issue.

a. Movements of ZENTEI's leftist faction and the orthodox faction in preparation for their convention.

1. The Orthodox faction will hold its convention from 22 October to 25 October at ATAMI.

2. The leftist faction will hold its convention at TOKYOfrom 25 October to 28 October.

3. Problems arising out of leftist faction's refusal to have its books audited.

b. A report on KOKUTETSU labor union's convention at KAMISUWA (14-17 October)

c. Excerpts from newspapers on split and unification of various unions (Period covered - 10 October to 18 October).

1. TOKYO SHIMBUN (11 October)

2. AKAHATA (8 October)

3. MINSHUKA DOMEI (Democratization League - 10 October)

d. Comments and explanation of KOKUTETSU Union's demand for a new pay base.

e. News for the period 8 October to 15 October.

4) Handling of news items are unbiased. This can be seen from the fact that excerpts from the AKAHATA as well as other newspapers are carried in this publication. Explanations and comments are being made from impartial standpoints.

HIDEKAZU HAYASHI
Research Interpreter

HH:rj

CIVIL SERVICE DIVISION
Government Section

14 September 1949

MEMORANDUM FOR : Mr. Foster B. Roser
Acting Deputy Chief

SUBJECT : Establishment of Personnel Offices in Ministries.

About one-third of the personnel offices have been put through and trainee courses relative to organization under the NPSL are in alignment with the NPA. Originally, before the illness of Mr. Hoover, I was spending each afternoon with a different personnel director, supplying him with a proposed chart and giving a talk on the organization and why we felt it should be established in this manner. This requires approximately two to two and a half hours of time. Under the present circumstances I don't feel that I can continue to give this sort of time to this one project much as I would like to. I would appreciate your mentally reviewing the members of the staff and then discussing with me your recommendation as to which individual should be assigned to this work so that we may proceed with the immediate instructions of all personnel officers. May I have your comments on this suggestion not later than Thursday, 15 September.

WPM:mw

W. PIERCE MacCOY
Acting Chief

Jap Govt - Police Officers

CIVIL SERVICE DIVISION
Government Section

24 August 1949

MEMORANDUM FOR THE RECORD

SUBJECT: Personnel Office, National Rural Police

On 23 August 1949, I discussed the establishment of the personnel office in the National Rural Police with Mr. Yamamoto, Personnel Director. It develops that two basic alterations will have to be made, at least for the time being, in the construction of the personnel office in the National Rural Police that are due in part to the wording of the Police Law and in part to the interpretation which is placed on certain articles of the Police Law. These alterations cover two points: one, training, and the other, equity.

Because of the fact that it has been necessary for the National Rural Police to establish a rather elaborate training program for police officers, it is rather natural that they have combined all of their training in this particular section. In the establishment of this training program they have set up a complete training section, separate and complete from the Personnel Section and on the same level as the Personnel Section. Efficiency would dictate that such a Training Section, so established with elaborate training rooms and equipment, should conduct <u>all</u> training programs regardless of their type to prevent duplication of training staffs, space, and equipment. Thus, it will only be necessary for the Personnel Director to consult with the Director of the Training Section to be sure that a proper clerical and administrative training program is being conducted by the Training Section.

It must be remembered that in a great many cases the individuals handling the clerical and administrative functions of the NRP will be police officers who either: (1) have been brought in for training in the administrative field, or (2) are older police officers who have been promoted into administrative positions.

The second part is not so easy to handle. The Police Law has established an equity system on rather an elaborate scale, but has taken such activity completely out of the hands of the personnel office. There are three large breaks in the administrative structure of the police system: the national or central office located in Tokyo, six regional headquarters, and fifty prefectural and/or areal headquarters. The Police Law has established a system of Public Safety Committees. One of their functions is to hear the type of case which we classify as

an equity case. The Public Safety Committees are something separate and distinct in their establishment from the official administration of the National Rural Police.

The system established by the Police Law has the individuals who are appealing from the prefectural and/or areal headquarters level appeal before the Regional Public Safety Committee, i.e. the next highest supervisory group. The individuals who had appealed under equity procedures in the regional headquarters group would appear before the National Public Safety Committee at the national headquarters level. Likewise, the personnel of the headquarters would appear before the National Public Safety Committee which is a group that is established over and above the head of the Director General of the National Rural Police. This takes the entire process of equity completely out of the hands of the Personnel Director.

It must be remembered that this system was established specifically for police officers; however, the wording of the law is not too specific and, therefore, the NRP has interpreted the law on the equity process to include those employees in the clerical and administrative group who are other than police officers. In a way, this is not too illogical because in many instances the so-called clerical and administrative group will be comprised of young police officers receiving training while conducting clerical work, or of older police officers who have been promoted out of police operations into administrative positions.

Under the circumstances, it appears that it will be necessary to somewhat adjust our thinking in the case of the National Rural Police to conform to their peculiar structure on these matters as delineated in their law.

W. PIERCE MacCOY
Deputy Chief
Civil Service Division

WPM:jb
cc. Miss Machin
(for your information)

~~1) Mr. MacCarty~~
~~2) Mr. Kozma~~
3) Salter.

BH.

Files
Min of Telecom.
MS

CIVIL SERVICE DIVISION
Government Section

28 July 1949

MEMORANDUM FOR: The Record

SUBJECT : Telephone and Telegraph Service Restoration Commission

WBR 1/89

1. The attached Press Translation from Tokyo Shimbun of 13 July 1949 indicated that a Cabinet decision was reached on 12 July 1949 to establish a Telephone and Telegraph Service Restoration Commission.

2. Investigation indicates that there is no legal basis for this Commission or a Council; that it is established at the request of the Prime Minister as a temporary study and research Commission; that it will be established under the Cabinet under the direction of the Prime Minister. Membership is to consist of a president appointed by the Prime Minister, and several members appointed by the Prime Minister from State Ministers and men of learning and knowledge. The purpose is to conduct research and deliberation upon important matters concerning the restoration and improvement of the telephone and telegraph service. In response to an inquiry made by the Prime Minister, it is believed that the reason for the establishment is related to a resolution of the Fifth Diet, dated 18 May 1949 "Furthering of the Restoration of the Communication Services".

3. It appears that the real purpose of the Council is to study ways and means of transferring telecommunication enterprise from government to private operation. The committee is expected to consist of Democratic Liberals and Coalition Democrats among whom will be one of Yoshida's Advisors, Jiro Shirasu. This person was a contender for the presidency of the Japan Broadcasting Corporation, and while not a purgee has become very close to becoming one in view of his prominent activities in the Japanese fishing industry in Alaskan waters. It was never proved that he was a principal espionage agent.

4. Information as of this date indicates that no appointments to this committee have been made. The committee was proposed and agreed upon without the advice or knowledge of the Administrative Management Agency or the Ministry of Telecommunications.

MacDONALD SALTER
Chief, Classification and Compensation Branch

Att.
MS:rj

No. 975 Date: 13 Jul 49

NEWS

ITEM 20 TELEPHONE-TELEGRAPH SERVICE STUDY COMMISSION PLANNED

(Full Translation)

TOKYO SHIMBUN, 13 Jul -- The Government, at its regular cabinet conference yesterday, decided to establish a telephone and telegraph service restoration commission.

The commission will be composed of state ministers and men of learning and experience. The chief function of the commission will be to study whether this service should be placed under public management or left as it is. It will also study ways and means of rehabilitating and improving the service from the technical side and make reports to the Premier.

CIVIL SERVICE DIVISION
Government Section

July 28, 1949

MEMORANDUM FOR: The Record

SUBJECT : The Telegraph and Telephone Rehabilitation Deliberative Council

1. Information received through the Classification Section, NPA, indicates that at the Cabinet Council on 12 July, the Telegraph and Telephone Rehabilitation Deliberative Council was agreed upon. The decision of the Cabinet Conference is attached hereto.

2. As of this date, no members have been appointed to this Council.

MACDONALD SALTER
Chief, Classification and Compensation Branch

MS:vr
Att: 1

Annexed paper No. II

ESTABLISHMENT OF TELEGRAM &
TELEPHONE REHABILITATION DELIBERATIVE COUNCIL
(Decided at the cabinet conference of July 12, 1949)

1. The Telegram and Telephone Rehabilitation Deliberative Council shall be established in the cabinet as a consultative body of the Prime Minister to study and discuss important matters concerning the recovery, rehabilitation, and improvement of telegram and telephone facilities.

2. The Telegram and Telephon Rehabilitation Deliberative Council shall be consisted of a president and a several number of other components.

The Prime Minister shall designate the President among the components.

The Prime Minister shall appoint or entrust to components among Ministers, men of learned or experienced, and public servants concerned.

Reasons;

Telegram and telephone are the basis of productive and economic activities as well as cultural life, and they also play a very important roll for the national reconstruction. In view of the purport of the resolution (the Resolution re Promotion of the Rehabilitation of the Communications Service resolved by the House of Councilors on May 18, 1949) at the Fifth Diet, this Council is decided to be established.

CIVIL SERVICE DIVISION
Government Section

29 July 1949

MEMORANDUM FOR: The Record

SUBJECT : Telephone and Telegraph Service Restoration Council

1. The proposed Council for telephone and telegraph service restoration being asked for by Yoshida is predicated on a resolution of the House of Councillors dated 13 May 1949 and adopted on the 18th in which the government requests a report and an outline of concrete measures which will accelerate the rehabilitation of the communications enterprises. A copy of the resolution is attached hereto.

2. A similar resolution was proposed by the House of Representatives on 19 May and adopted on 20 May. No action was called for by this resolution, copy of which is attached.

3. Resolutions either by the House of Representatives or by the House of Councillors are not legally binding in any respect. They are merely an expression of desire on the part of either house that certain policies or actions be taken. Occasionally where a resolution contains a request for a report back to the respective house that passed the resolution efforts are made to embarrass the government by asking many questions concerning the information sought in the resolution. Apparently Yoshida desires to have some information ready and available for the Diet when it next convenes in compliance with the House of Councillors resolution.

MacDonald Salter

MACDONALD SALTER,
Chief, Classification-Compensation Branch.

MS:mvb
2 Attachments

House of Representatives

May 19, 1949.

Draft Resolution for Accelerating the Reconstruction of the Telecommunication Service

(Presented by TSUJI Kanichi and 24 others)

The Telecommunication service is the basis of politics, economy, and cultural activities, and has close connections with the welfare of national life. Accordingly, the progress of its reconstruction has an important effect upon the rebuilding of our nation.

The reconstruction of the telecommunication service, especially telephone service, is however, now making show progress under many restrictions in the fields of funds, materials, labor, and others. The development of industry and the economic stabilization are, therefore, impeded greatly by such a condition. This is a matter of our grave concern.

Be it so resolved that the Government should take every possible measures for accelerating the reconstruction of the telecommunication service, removing every obstacle thereof, and securing funds, materials, and personnel necessary for the reconstruction of telephone and telegraph services so that the intended purpose of these services may well be accomplished.

HOUSE OF COUNCILLORS

Fri. May 13th, 1949.

Resolution Accelerating Rehabilitation of Communication Enterprises

Proposed by OSHIMA Sadakichi (D.L.)

and five others.

In spite of repeated statements of the Government since the termination of War, the communication enterprises of our country have made no remarkable progress in rehabilitation owing to the war damage and the facilities in existence also are not functioning in full, somuch that communication services the motto as of which are safety, security, and promptness have not been restored as yet. The people are greatly disatisfied with those present conditions.

The Government must admit the facts candidly and in order to discharge its responsibility, must take special measures in the fields of funds, materials and personnels required. By adjusting the enterprise business system covering all fields of management, such as accounts, salaries, expenditures etc., by symplifying administrative organs, and by perfecting and strengthening of the operative business, fairness in distribution of necessary personnel and promotion of efficiency must be translated into practice. Priority being given to practical methods to the utmost, in planning and management of various facilities, prompt restoration of this business should be effected; and extraordinary efforts must be concentrated for achieving the mission of its being a basis of productive economic activities and cultural life as well as a forerunner of rehabilitation of our country.

The Government is requested to report to this House as soon as possible the policies on the above and the outline of the concrete measures thereof.

The House is resolved as above.

(1) ~~Mr. Salter~~ w/s File Org'n
(2) ~~Domanowski~~
Min'y of Telecommns - Reference Mat'ls

CIVIL SERVICE DIVISION
Government Section

July 28, 1949

MEMORANDUM FOR: The Record

SUBJECT : Conference with Mr. Onouchi, Chief of the Classification Section of the Compensation Bureau, NPA

1. Mr. Onouchi was requested to confer with the Specialist. Present during this conference were Mr. Y. Onouchi, Mr. T. Suzuki, Mr. Fukumitsu, CSD interpreter and the Specialist. It was pointed out to the Classification Section individuals that an Advisory Committee on Communications had been inaugurated by the Cabinet. This Committee was to consider the Telecommunications systems and methods for reforming them.

2. Mr. Onouchi was requested to obtain the following information and report back on the afternoon of this day.

(1) Is there actually such a Committee?

(2) Who have been selected as members of this committee, and what is the status of these appointees?

(3) What is the nature of this committee? Is it temporary or permanent?

(4) What are its functions? Will it deal any legislative recommendations? Are any legislative recommendations concerning the Communications system now under consideration?

3. Mr. Onouchi stated that he would attempt to obtain this information as quickly as possible. It was requested that, in the event the Specialist should be out of the office upon another appointment, that he report to Mr. Salter or to Mr. Hayashi.

Walter P. Domanowski

WALTER P. DOMANOWSKI
Compensation Specialist

WPD:vr

Files
Org. Mem. of Postal Serv.
file 6-27-49

CIVIL SERVICE DIVISION
Government Section

27 June 1949

MEMORANDUM FOR THE RECORD

SUBJECT: Inspection of Tokyo Central Post Office, Ministry of Postal Service

Messrs. Rankin and Salter, together with Messrs. Onouchi, Ishikawa and Kanazashi, visited the Central Post Office in Tokyo for the purpose of inspecting their operations and observing the various classes of positions in the agency. The group was met by Mr. Shiraishi, Postmaster, and Mr. H. Watanabe, Chief Personnel Section, Postal Service Bureau, Ministry of Postal Service.

Attached is a general outline of the services performed by this post office. It is one of two in Japan of similar importance and similar in its service; the other being located in Osaka. The principal functions are the handling of mail; the handling of mail funds; the operation of four branch post offices (these are not the local post offices but principal units extending directly the operation of the central post office); the handling of postal savings and life insurance; and the providing of facilities for telegraphic service, now placed under the Ministry of Telecommunications.

The staff of the post office itself consists of about 2,400 employees; housed in the same building is a staff of 2,000 censorship employees attached to GHQ. This second group detracts substantially from the available space normally used by the post office in its operations and has caused a certain amount of crowding. Unfortunately the employees' benefit facilities such as dining room, small shops, etc. have been eliminated in order to provide this additional space.

The principal matters discussed during the conference with Mr. Shiraishi were employee relations. It appears that Zentei has a strong nucelus of approximately 100 members, constituting what is sometimes referred to as a "cell". Of this 100, ten are ardent party sympathizers who constitute the nucelus of disturbing activities in the post office. This cell has maintained a consistently and persistently disturbing program. The postmaster stated that "wave tactics" were being employed. There were many shifts in the post office to provide 24 hour service. At the end of each shift groups of employees called on him. This goes on all day and many persons actually come into his office unannounced. Upon advice from his supervisors he is certain that there are many outsiders included among those who are causing this disturbance. Unfortunately he himself can not recognize them even though his supervisors have done so on various occasions. He states that the former postmaster was literally worn down by three months of such tactics. This results in a major loss of time to himself and his organization since he is unable to spend the time that he should on

regular postal operations. Nevertheless he appears to be seriously concerned about maintaining the postal operation, having a fear that he will lose face if in any way this operation is impeded or actually brought to a standstill. Such an action would have a far-reaching effect throughout Japan. On the other hand, he exhibits some fear of the union, that it might attempt to literally bring the operation to a standstill. He is caught between these two forces.

The union is playing up the fact that they have lost the right to collective bargaining, to strike, and to participate on management committee. The union desires to continue these operations and states that unless they are continued the welfare of the employees will be seriously hurt.

The postmaster has requested the ministry to appoint a deputy postmaster in charge of employee relations. It appears to be his answer to this situation even though he had little concept of what type of person should be placed in this position. It was pointed out to the postmaster that a person holding this position must be the type who can readily gain the confidence of the employees since he will have to repeatedly represent their interests and at the same time have the confidence of the postmaster and his staff since he is part of the staff responsible for the efficient operations of the post office. Such a person is extremely difficult to find and undoubtedly will have a difficult assignment in view of the disturbing influences still at work.

During the course of the inspection of operations a number of political posters were observed. Attention was drawn to these and the fact that the Cabinet and Vice-Ministers had recently agreed upon the removal of any such posters. The reply was that it was virtually impossible to eliminate all such posters since they were put up as fast as they were taken down. No comment was made by the postmaster when he was asked whether infringement of his orders was considered subject for dismissal.

On several occasions problems have arisen concerning special allowance for mail bag handling and special rates of pay and classification of mail bag laborers. Observing these two operations it could be seen management actually had done nothing to correct any grievances that might be present among these two classes of operations. The special allowance for mail bag handlers primarily involved those employees standing at the end of a chute where mail bags were transferred to a cart. By merely raising the end of this chute the problem of lifting could be eliminated and the whole contentious matter corrected. Apparently nobody had thought of this. The special allowance for mail bag repairers is predicated upon the undesirable type of work, being dusty and dirty in every respect. Part of this type of working condition could be eliminated by more properly locating such an operation in the building which it appears could be done if some effort were made on the part of management. Perhaps the best solution, however, would be the elimination of this function and operation completely from the post office and transferring it to a prison industry activity.

These examples are all indicative of the fact that management actually has not been taking any particularly constructive interest in employees. The old concept of the official and the employee still prevails. The postmaster was continually advised that management must take a strong stand in order to correct the situation and eliminate the disturbing influences. On the other hand, in taking such a stand it was maintained that management must take an interest in improving working conditions or they will never succeed in correcting the situation.

MacDONALD SALTER
Chief, Classification
&Compensation Branch

MS:jd

Att.

Jice
6-7-49

CIVIL SERVICE DIVISION
Government Section

7 June 1949

MEMORANDUM FOR THE RECORD

SUBJECT: Abolishment of the Allowance Bureau

Mr. Keitoku, in his new capacity as Chief of the Allowance Section, Budget Bureau, Ministry of Finance, called at this office on 6 June 1949 and advised that under the Administrative Organization Law the Allowance Bureau, Ministry of Finance, was abolished as of 1 June 1949. Part of the functions of this organization were transferred to the Allowance Section of the Budget Bureau, Ministry of Finance and Mr. Keitoku has been named as chief of this section. Other affairs of the bureau were transferred to the Mutual Aid Section of the Budget Bureau with Mr. Nakawa as chief.

The ONPA continues to operate as an independent organization with Mr. Imai as assistant chief and five fulltime employees as follows: Mr. Suzuki, who is senior staff member under Mr. Imai; Mr. Hatoyama, who is now attending an institute on foreign affairs, and Messrs. Aramaki, Moria and Aso. Personnel of the Allowance Section will, in a dual capacity,handle the affairs of the ONPA under the supervision of the above staff.

The abolishment of the Allowance Bureau and the transfer of functions as indicated above appears to be completely in line with previous thinking in this office in regard to the matter.

Mr. Keitoku was accompanied by Mr. Miyakawa, Chief of the General Affairs Section of the National Property Custodian Bureau, Ministry of Finance, who is to handle the administration of housing under the new housing law. Mr. Miyakawa was questioned at length as to what action had been taken by the committee at this time; in reply he advised that no meeting of the committee had been held. He was requested to furnish this office with a detailed report as to the individual assignments of various members of the committee in regard to the functions as outlined in the law and of any further developments in regard to plans of the committee. He also advised that the chairman of the committee had not yet been appointed by the Prime Minister and he was requested to convey to responsible parties the information that it was the desire of this office that this action be taken at an early date.

JESSE B. BETTIS
Compensation Specialist

JBB:jd

1) Romanowski
2) Files
Organization
Municipal Agric
& Forestry

CIVIL SERVICE DIVISION
Government Section

May 20, 1949

MEMORANDUM FOR: THE RECORD

SUBJECT : Horticultural Experimental Station, Hiratsuka

1. A visit was made to Horticultural Experimental Station, Hiratsuka, in company with Mr. Miyaki, Mr. Kobata of the Classification Division and Mr. Kanasaki to observe the operations of this station.

2. This is one of four such stations located in Hiratsuka, Okitsu, Tohoku, and Kurume (Kyushu). Apparently, this station is to be the head office with a branch office located at Okitsu.

3. This station has three divisions. 1) Fruit Division; 2) Vegetable Division; 3) Office Service Division. At Okitsu, there are a Vegetable and Fruit Disease Division and a Chemical Process Division. Office Service Division serves both locations. Within each of these divisions are sections and units.

4. The director of the station is a ~~Chief~~ first Class~~ification~~ official. All division officials are second-class officials and section heads are third-class officials. In addition, there are Yonin and Konin and apprentices. At Hiratsuka, there are approximately 100 personnel consisting of 36 staff members (20 technical, 10 clerical); 30 apprentices; 15 laborers and 15 temporary laborers. The apprentices are selected from many nominees proposed by Horticultural Associations, Agricultural Associations, etc. These apprentices receive no pay nor official appointment. They provide their own food while the Station provides living quarters. They are given lecture training as well as practical experience. Subsequently, they become technicians in these associations, some possibly even going to offices of the Ministry of Agriculture and Forestry.

5. This station is specifically interested in fruits and vegetables which will be divided according to kind with Okitsu. It is part of a converted Naval ammunition factory and has been quite successfully planned and developed in the past two years. There is excellent land together with many partially destroyed buildings that are being slowly renovated.

MacDONALD SALTER
Chief, Classification and Compensation Branch

MS:rr

Reader File

CIVIL SERVICE DIVISION
Government Section

15 April 1949

MEMORANDUM FOR: Mr. Gordon W. Peterson, Organization Specialist

SUBJECT : Reorganization Bill--Ministry of Finance

Attached is a copy of an extract from the proposed draft of the Law Establishing the Ministry of Finance, which is to be presented to the Diet in the present session.

Mr. Sato presented this extract to me at the request of Dr. Asai to call our attention to certain proposed articles in the law which he feels are damaging to the operating ability of the National Personnel Authority. In some cases Dr. Asai feels that the proposed law is a definite trespass on the authority of the National Personnel Authority. I know that some of these points have been discussed both by you and Mr. Salter with this Office and, therefore, that you are cognizant of the weakness of the proposed changes; however, this serves as a sharp warning that we must put this Ministry of Finance Law under the microscope for very careful scrutiny.

I believe that it might be wise for Mr. Bettis to include in the proposed amendments which he is compiling for Law No. 46 of 1948 a definite date for the transfer of the Office of New Pay Administration to the National Personnel Authority, since Paragraph 2 of Article 1 of Law No. 46 states in effect that any change that is to be made in the status of the Office of New Pay Administration must be accomplished by law.

Mr. Hoover is interested in having this changed to read that the Office of New Pay Administration shall be transferred to the National Personnel Authority on a date to be established by the National Personnel Authority and that such transfer shall include the Office's records, equipment and such personnel as the National Personnel Authority may select.

In view of the fact that any bill to be considered by the present session of the Diet must be introduced prior to 20 April, it appears that it is rather imperative that any amendments which we hope to have made to Law No. 46 should be introduced at the first practical moment.

It is my understanding that the Legal Section is objecting rather strenuously to the majority of bills which the Cabinet has presented

on the grounds that the terms of such bills spelling out organizational responsibility, scope of activity, and area of operation are far too ambiguous. The Legal Section feels that it is time that the Japanese Government learns the proper method for preparation of laws in specific language.

W. PIERCE MacCOY
Deputy Chief
Civil Service Division

WPM:jb
Att.
cc. Mr. Selter

File

CIVIL SERVICE DIVISION
Government Section

5 April 1949

MEMORANDUM FOR: Mr. Blaine Hoover, Chief, Civil Service Division

SUBJECT : Plan for Governmental Reorganization

1. Captain Guida this morning reported that the Cabinet did in fact agree upon a plan for governmental reorganization yesterday, 4 April. He added that such plan constitutes the present ideas of the Cabinet to serve as a guide for the construction of organization laws for the various agencies of government. The plan itself, of course, has no legal force or effect.

2. The plan, as adopted, fails to include the transfer of the Pension Bureau to the National Personnel Authority and fails to include a personnel unit at the bureau level or equivalent in each agency of government. Last week Public Administration Division of Government Section did send Civil Service Division a copy of a draft of a plan which likewise failed to incorporate these two ideas but the undersigned failed to examine it promptly.

3. Captain Guida stated that if adjustment of the plan is desired the matter can be brought to the attention of the Administrative Management Agency which can make necessary arrangements with the Cabinet, or we can delay action until the separate organization bills are presented by the Cabinet to Government Section for clearance.

4. On the assumption that a revision of the plan itself is desirable, the attached draft of a memorandum has been prepared for your consideration addressed to Major Napier under whose jurisdiction organizational problems fall.

GORDON W. PETERSON,
Organization Specialist.

GWP:mvb
1 Attachment

file

CIVIL SERVICE DIVISION
Government Section

April 5, 1949

MEMORANDUM FOR: Major J. P. Napier, Chief,
Public Administration Division

SUBJECT : Government Reorganization

In reviewing the recommendation of the Administrative Management Agency relative to the reorganization of the Japanese National Government, which was referred to this office for information, and has now culminated in a plan approved by the Cabinet, it is noted that no particular arrangements have been made in the suggested reorganization for establishing personnel offices within the various agencies. It may be assumed that it was the thought of the Administrative Management Agency that personnel offices would remain within the various ministries and independent agencies in their same position in the echelon of authority as heretofore. This Division feels, however, that if personnel administration is to assume its proper place in the internal administrative structure of the national government and is in a position to exercise to the fullest extent the authority which the National Public Service Law envisions, personnel offices must be established at highest echelon below vice minister. It is therefore recommended that serious consideration be given to modify the plan of reorganization of the Japanese government by placing the ministerial personnel office at the Bureau level to be known as the Bureau of Personnel (or Personnel Bureau), and in the independent agencies at a comparable level with those established by the ministries, using whatever title is approved for similar organizational units within the agency, i. e., division, section or other applicable titles.

BLAINE HOOVER
Chief, Civil Service Division

BH:mvb

Orig's File
Genl - Misc.
11-15-49

CIVIL SERVICE DIVISION
Government Section

28 March 1949

MEMORANDUM FOR: Mr. MacDonald Salter, Chief, Classification and Compensation Branch

SUBJECT : Comparison of the Versions of the National Government Organization Law

Article 2. Official text reads "responsibilities and powers." Supposed text reads "authority and responsibility and specific functions for which they are responsible." Some check should be made of the contextual implications of the Japanese terms respectively meaning "power" and "authority" in order to avoid any traditional pre-war autocratic concepts.

Article 4. "Responsibility" used in official text instead of "authority and responsibility," and "powers" instead of "specific functions." A similar check should be made here to examine the differences in contextual implications.

Article 7. "For the purpose of fulfilling their respective responsibilities, Offices and Ministries shall have ...." is the way the official text reads, while the gazette states, "For the purpose of administering their respective specific functions, an Office on ministerial level, and Ministry shall have ...." Although the wording of the first phrase is more specific and preferrable, the important omission is the specific indication that an office must be on a ministerial level in order to qualify within the terms of the first paragraph.

Article 7, Par. 2 "For the purpose of fulfilling their respective responsibilities, Agencies may have ...." has been substituted for "For the purpose of administering their respective specific functions, an Agency shall have ...." Again, there is poorer wording in the first instance. However, the substitution of "may" for "shall" is a much more serious matter.

Article 7, Par. 4. The substitution of the term "mutatis mutandis" for "correspondingly" greatly alters the intent and meaning of this provision.

Article 8. The addition of "under the administrative organs mentioned in Article 3" in the official text has a commendable point by way of greater clarity. However, rewording the Gazette text from

"in case there is special necessity within the scope of specific functions as provided for by law" to "within scope of their responsibilities as provided for by law, in the cases where there exists special necessity therefor" tends to comprise the main point. In addition, moving this meaning from its original location in the sentence to the end of the sentence increases this defect.

Article 9. The complete Gazette text is clearer than the official text.

Article 10. (Title). The substitution of "powers" for "authority" should be questioned, as in earlier cases.

Article 11. The word "deliberation" is used for "conference". Question should be raised whether there is any distinction.

Article 12, Par. 2. Although much reworded, only one phrase need be considered, the substitution of "the organ" for "his organ."

Article 13, Par. 1. The substitution of "regulations" for "rules" may be very serious, particularly if there are any clear-cut distinctions between the two.

Article 13, Par. 2. The substitution of "mutatis mutandis" for "corresponding" may again be serious.

Article 15, Par. 1. The use of "powers" for "sphere of competence" may be questioned as in the case where "powers" or "power" has been elsewhere substituted. "Agent for the national government" seems an improvement over "national official." The Gazette version offers "or order to the action of each competent Minister." It is likely that there has been an omission in that phrase, for it does not make complete sense. "Decision" is a much more arbitrary term than "action" used in the Gazette version, and possibly may have undesirable commotations. The use of "such control" for "the control" is questionable, and may alter the meaning if two separate conditions are intended to be expressed.

Article 15, Par. 2. Official version more specific than Gazette version.

Article 16, Par. 1. "Office ordinance" misleading compared to "ordinance of an office on ministerial level." The second sentence of Gazette version more clear and specific.

Article 17, Par. 2. The omission of "The Vice-Minister shall.... participate in the formation of policies and program planning...." is a very serious omission in the official version.

Article 18, Par. 2. Gazette version more clear and specific.

Article 20, Par. 2. "Powers" used again in official version.

Article 21. "Exceptions" as used in official version differs greatly in meaning from "Special Provision."

Article 23. Effective date of official version is January 1, 1949, as compared to April 1, 1949 in the Gazette version.

Article 24, Par. 2. "Mutatis mutandis" is used instead of "correspondingly," and alters the intended meaning.

Article 25, Par. 2. "Directors of Agencies" in official version better than "Directors of Agency" in the Gazette version.

Article 26. The use of the word "enforcing" may alter the meaning of the intent indicated by the use of the word "implementing" in the Gazette version.

WALTER DOMANOWSKI
Compensation Specialist

CIVIL SERVICE DIVISION
Government Section

March 24, 1949

MEMORANDUM FOR: Mr. MacDonald Salter, Chief
Classification and Compensation Branch

SUBJECT : Concerning the Proposed Transfer of the Pensions Bureau from the Office of the Prime Minister to the National Personnel Authority

1. The present functions of the Pensions Bureau involves the administration of the current Government Pension System. To carry out this function, the Bureau is divided into three sections: the General Affairs Section, the Examination Section, and the Investigation Section. The first of these is concerned with the keeping of personnel and accounting records, the filing of official documents, and with general liaison relationships with the Pensions Examination Committee and the Pensions Bank. The Examination Section, besides determining the eligibility of individuals for pensions, authorizes payments thereto. In addition, it engages in studies aimed to the improvement of the Pension System. The Investigation Section investigates pension claims and makes recommendations on adjustments in pensions. Also, it compiles and analyses pension statistics.

2. To carry out its activities the Pensions Bureau, according to data received some time during the midyear of 1948, consists of the following personnel:

Director (Secretary First Class)	1
Chiefs of Sections (Secretary Second Class)	3
Secretary Second Class	6
Secretary Third Class	37
Shokutaku	12
Koin	163
Yonin	10
TOTAL	232

In addition to the personnel outlined above, a number of authorized vacancies existed at that time. These are as follows:

Secretary Third Class	6
Shokutaku	8
Koin	137
TOTAL	151

Thus, if the Bureau of Pensions were transferred to the NPA, the size of its staff would increase by approximately 232 individuals, and probably it would acquire a number of vacancies which could be filled for other purposes.

3. The chief advantages of permitting this transfer lies in the fact that it would immediately place control of the Pensions System, such as it now is, into the hands of the National Personnel Authority. Placement of such control would most likely enable the National Personnel Authority to make recommendations for revision or complete overhauling of the current system with much greater facility than would be the case were it to remain under the jurisdiction of some outside agency. It is very likely that, if such transfer were not to occur, the opposition for a new over-all Pension System would be considerably greater, not only on the part of officials within the government and various outside agencies, but also on the part of the entire Pensions Bureau. Such transfer should also enable the National Personnel Authority to maintain a better check on any abuses or inequities that may now be perpetrated in its present operations. Furthermore, the addition of some 225 to 400 additional positions in the National Personnel Authority at this time might mean a greater flexibility in its personnel situation.

4. The major disadvantages of taking over the Pensions Bureau at this time are twofold. In the first place, the National Personnel Authority is not qualified adequately to deal with pension problems. This disadvantage could be eliminated by permitting the Bureau to operate in accordance with its past practices with little interference in its activities from the National Personnel Authority except insofar as inequities and abuses are concerned. The second major disadvantage lies in the fact that whatever criticisms may be charged against the present Government Pension System would be leveled against the National Personnel Authority instead of at the government at large. This does not appear to be too great a hazard in view of the fact that many government agencies are now aware of the responsibilities of the NPA where pensions for government employees are concerned. Under this circumstance, the National Personnel Authority need not be altogether free from unfair criticism for the reason that present inadequacies in the system can be attributed to failure on the part of the NPA to set up a more adequate and competent system at this time.

5. In general, a preliminary review of the situation concerning this Bureau appears to indicate that the advantages in taking over this Bureau by the National Personnel Authority are greater than the disadvantages.

WALTER DOMANOWSKI
Compensation Specialist

WD:vr

CIVIL SERVICE DIVISION
Government Section

22 March 1949

MEMORANDUM FOR: Mr. MacDonald Salter

SUBJECT : Criticisms Concerning the Reorganization Plan for the Japanese Government

The following are the observations concerning the reorganization plan for the Japanese Government as presented by the Administrative Management Agency on 7 March 1949:

Reorganization Plan

1. Prime Minister's Office

a. Suggestions of incorporating Paper Allocation Agency and Decorations Bureau are excellent.

b. Suggestions that the Economic Investigation Board and the Price Board be independent organizations within the Economic Stabilization Board are also excellent, but if adopted, the latter ought to have a title change to Agency or Office.

c. Suggestion that the Central Liaison and Coordination Office be placed under the Ministry for Foreign Affairs, as well as the Prisoner-of-War Information Bureau, is excellent also.

d. Placement of the Reparations under the Ministry for Foreign Affairs has considerable merit and logic providing the duplicating functions now performed by the Ministry of Finance and the Ministry of Commerce and Industry are also transferred thereto.

e. The proposed streamlining of the Statistics Bureau appears to have no effect on the Statistics Commission. There appears no justification for two central organizational units to deal with statistical problems.

f. The setting up of a Local Autonomy Agency, adding to it the Autonomy Section of the P. M. Office, in place of the Local Finance Commission appears very sound.

2. Ministry of Foreign Affairs

a. The proposals appear to simplify this Ministry.

3. Ministry of Finance

a. It would greatly improve good government in Japan were the Budget Bureau to be removed and made a part of the Administrative Management Agency, where it most properly belongs, and the latter to become an organization comparable in its lines of responsibility with the Board of Audit.

b. The Salaries and Allowances Bureau has no justification for further existence, these functions, by the NPSL, now being definitely committed as the responsibility of the NPA. yes

c. There should be an Accounting Bureau, in place of the Budget Bureau and the Salaries and Allowances Bureau, whose primary function should be to maintain central accounting records of current governmental operations. This is something greatly needed, but particularly after the elimination from the Ministry's control of the two previously discussed Bureaus. yes

d. It is difficult to see what merit there is in the elimination of the Securities Exchange Commission. Rather, it may result in giving the Finance Ministry a bigger stick to wield. Seemingly, these functions could well be placed under the Economic Stabilization Board. yes

e. The elimination of the Public Accountants Administration Commission would be most meritorious if an Accounting Bureau were established after removal of the bureaus previously discussed. yes

4. Attorney-General's Office

a. Every suggestion seems to take great strides toward simplification and coordination of related activities.

5. Ministry of Education

a. Good, providing functions properly located and coordinated.

6. Ministry of Welfare

a. The reorganization proposed tends toward simplification and would have merit if functions were carefully re-located.

7. Ministry of Agriculture and Forestry

a. In the reorganization, it is assumed that the Statistics and Research Bureau would be amalgamated into the Agricultural Improvement Bureau. If so, all the proposals as presented show merit.

8. Ministry of Commerce and Industry

a. The most clumsily organized Ministry is this one, and any logical proposal which would simplify this Ministry would be a considerable improvement over its present state.

b. The only surface weakness that could be criticized is that there be an International Trade Bureau and an International Trade Accounting Bureau, which could well be amalgamated.

The S&R Bureau has effectively to S to stop this movement. WPR

9. Ministry of Transportation

a. To evaluate the proposed reorganization of the Ministry of Transportation, it would be necessary to obtain more accurate information concerning the functions that will be taken over by the independent railway corporations and those retained within the Ministry proper. Until such information becomes available, a proper evaluation of this reorganization cannot adequately be made.

10. Ministry of Postal Service

a. Very logical and fine. However, where will personnel activities be performed in the other ministries? Might it not be advisable to have uniform ministerial personnel sections, located organizationally in approximately similar places?

11. Ministry of Telecommunications

a. Proposals appear very sound.

b. It might be a slight improvement to make a title change from Telecommunication Laboratory to Telecommunication Laboratory Bureau, thus pegging its organizational level.

12. Ministry of Labor

a. If the faded out Labor Statistics and Research Bureau is absorbed by the Secretariat or the Labor Administration Bureau, then the proposals can be approved without straining logic.

13. Ministry of Construction

a. There appears, in the proposal, one Bureau too few, unless the functions of the present City Bureau, including zoning activities, are placed in the Secretariat, and all the functions of the Special Construction Bureau are placed in the Governmental Building Bureau.

Walter P. Domanowski

WALTER P. DOMANOWSKI
Classification Specialist

WPD:jb

There must be a "Personnel Bureau" in all ministries and independent agencies. WPD 4/4/49

Adm. Recorg

GOVERNMENT SECTION
CIVIL SERVICE DIVISION

16 March 1949

MEMORANDUM FOR : Mr. Blaine Hoover
Chief, Civil Service Division

SUBJECT : Recommendations of Administrative Reorganization Committee.

On 16 March, Mr. Kenneth D. Morrow, Acting Chief, Research and Programs Division of Economic & Scientific Section called to advise that Mr. Honda, head of the Administrative Reorganization Committee had recommended the abolition of the Research & Statistics Bureau and the Statistics Division of the Ministry of Labor. Mr. Morrow pointed out that the Research & Statistics Bureau was established in compliance with a directive from SCAP and that both of these agencies were ones which GHQ, SCAP depended upon to secure its detailed statistical information concerning the operation of the Japanese Goverrment.

Mr. Morrow was calling to inquire as to whether Mr. Honda was receiving his direction and advice from the Civil Service Division. I assured him that this was not true and that we had depended heavily on facts, figures and information supplied us by both of the agencies indicated. I also stated that we had already gone on record recommending the strengthening of both of these agencies from an organization standpoint and budget-wise and I assured Mr. Morrow that we would stand shoulder-to-shoulder with him and his organization in attempting to combat any ideas the Japanese Government might have of abolishing these agencies.

W. PIERCE MacCOY
Deputy Chief
Civil Service Division

WPM/hm
cc: Mr. M. Salter

fwe

CIVIL SERVICE DIVISION
Government Section

10 March 1949

MEMORANDUM FOR : Captain T. Diamantes
Government Section

SUBJECT : Budget Bureau - Ministry of Finance

This Division is of the opinion that as a device of administrative management it would be highly desirable to remove the Bureau of the Budget from the Ministry of Finance and set it up under the office of the Prime Minister. As presently constituted and operated, the Bureau of the Budget reflects Ministry of Finance rather than "over all" governmental policies and is used as a bureaucratic device which creates a single ministry control of the ministries of the Japanese Government.

BLAINE HOOVER
Chief
Civil Service Division

BH:mw

Mr. Hoover:

I am wondering whether any discussion has come or may come up re the extraction of the Bur of the Budget from the Min. of Finance. As it now stands this budget process instead of being a reflection of Cabinet policy is a reflection of Min of Fin. policy.

H Dalton
3/9

GOVERNMENT SECTION
CIVIL SERVICE DIVISION

9 March 1949

MEMORANDUM FOR : Mr. Blaine Hoover
Chief, Civil Service Division

SUBJECT : Organizational Structure of the Maritime Safety Board -- (Coast Guard).

On 9 March, Mr. G. H. Rettew, Chief of the Maritime Branch, Public Safety Division, G-2 (telephone 26-7541, ext. 214) called to secure some information and clearance on problems with which he is being faced in the organization of the Japanese Maritime Safety Board.

At present the organization is as follows:

Mr. Rettew advised that for an adequate operation of the Maritime Safety Board it will be necessary to split the Maritime Safety Division into two parts, one to be known as the Maritime Safsty Division and the other to be known as the Patrol and Rescue Division. The Maritime Safety Division is responsible for the inspection, licensing and enforcement of maritime safety rules of all boats operating under the Japanese flag, both private and public, while the Patrol Rescue Division is responsible, as its name implies, for all off-shore rescue work; also protection and enforcement of patrols within the three mile limit surrounding the shores of the four islands.

The new organization chart would be as follows:

At the present moment they have a political appointee heading up the Maritime Safety Division who is an old personal friend of the Director General's and, as might be expected, is a graduate of Tokyo Imperial Law School without any experience or knowledge in the marine field. Mr. Rettew feels that it will be necessary to discharge this individual and it is his intention to have a marine engineer appointed as the chief of the new Marine Safety Division and a licensed ship's captain appointed as chief of the Patrol and Rescue Division. He had been advised by the Legal Section of SCAP that it will be necessary to secure Civil Service Division approval of any organizational change which he wishes to propose and therefore had brought the above organizational question to this office for clearance.

Since his recommendation is following the type of thing which we are recommending for the entire Japanese government in the assignment of proper divisions to proper fields of function and the appointment of competent, technically trained personnel to head up each administrative division, I advised Mr. Rettew that I saw no difficulty in securing the Civil Service Division approval for Government Section.

It is my understanding that a recommended bill approving the organizational change indicated will be submitted in the very near future and will eventually come to this office through the Parliamentary and Political Division for our review and concurrence.

W. PIERCE MacCOY
Deputy Chief
Civil Service Division

WPM/hm

Government Section
Civil Service Division

1 March 1949

MEMORNADUM FOR : Dr Justin Williams, Chief
Parliamentary and Political Division

SUBJECT : Deportment in the Diet.

I am surprised!

BLAINE HOOVER, Chief
Civil Service Division

BH:mw
1 incl.

CIVIL SERVICE DIVISION
Government Section

28 February 1949

MEMORANDUM FOR: Mr. Blaine Hoover, Chief, Civil Service Division

SUBJECT : Bureau of Pensions

The following information concerning the functions of the Bureau of Pensions and its status within the Japanese government is submitted in response to your memorandum to Mr. Salter dated 17 February 1949, entitled "Proposed Changes - Organization Government of Japan".

The information contained herein has been compiled from the functional and organizational files of this office and from conferences with ESS Finance.

The benefit program administered by the Pension Bureau was provided under legislation of 1923. This includes disability, retirement, survivorship, unemployment, temporary retirement, and wage loss. The law specifically makes these benefits available through the pension system administered by the Bureau to those classed as "officials" and "quasi-officials" of the Japanese government. This includes officials in the regular service, elected officials, Diet members, judges, and members of permanent or temporary committees. These various classes of government officials receive benefits in accord with their length of service, but not consistent one class with another. Current local government "officials" appointed as national officials prior to the passage of the new constitution still participate in their pension rights through the Pension Bureau based on their years of service as national officials.

The Pension Bureau consists of approximately 300 employees organized into three sections, namely, General Affairs, Examination and Investigation Sections. The Bureau is located in the Office of the Prime Minister and the director reports to the Prime Minister and Chief Cabinet Secretary.

The Pension Bureau operates out of appropriated funds. This includes funds for the payment of benefits under the system. It is not operated on an actuarial basis. Officials contribute one-half of one per cent of their salary to the system. This only represents three per cent of the actual cost. In other words, 97 per cent of the benefits derived from this fund are paid out of appropriated funds. 100 per cent of the administrative expenses are borne by the government. There is no pension reserve fund in operation at the present.

Under the Cabinet Order reorganizing the Office of the Prime Minister, passed in 1947, the functions of the Pension Bureau are:

To decide entitlement to pensions; supervise the payment of pensions; receive complaints and adjust pensions. Maintain

liaison with the Pensions Examination Committee and the Pension Bank. Collect data from various government agencies; maintain statistics relating to the pension system; engage in research for the improvement of the pension system; recommend revisions in pension laws. Administer occupation measures relating to elimination of pensions for certain classes of pensioners, i.e., soldiers and public service purgees.

A related activity is that of the Pension Bank organized in 1905 by a personal contribution made by the Prime Minister and the Minister of Finance at that time. This bank was established to advance funds to employees who are about to receive pensions. A tremendous lag in time during which the claim for pension is investigated and made, necessitated this type of action. It is feared that this bank is now being used as a means of raising immediate loans by the pledging of future pension benefits. It is anticipated that the Pension Bank will be amalgamated with the People's Bank, a government operated small loan agency under the general supervision of the Ministry of Public Health and Welfare.

Rankin

ALAN RANKIN
Classification Specialist

AR:jd

CIVIL SERVICE DIVISION
Government Section

28 February 1949

MEMORANDUM FOR: Mr. Blaine Hoover, Chief, Civil Service Division

SUBJECT : Office of New Pay Administration

The following information concerning the Office of New Pay Administration and its status within the Japanese government is submitted in response to your memorandum to Mr. Salter dated 17 February 1949, entitled "Proposed Changes - Organization Government of Japan".

Information compiled on the ONPA was derived from the New Pay Law, (Law No. 46 of 1948 as amended by Law No. 265), the files of this office, and information derived from technicians working on the problem.

The ONPA is headed by the Chief Cabinet Secretary and is located in the Office of the Prime Minister. The Vice-Chief is ex officio the Director of the Allowance Bureau, Ministry of Finance. The Allowance Bureau has been charged with all matters pertaining to compensation of all government employees. The staff of the ONPA consists primarily of only two or three employees. Personnel may be assigned from other agencies to perform necessary functions and duties in the ONPA as needed. As a practical matter the staff of the Allowance Bureau is the staff for the ONPA.

The functions of the ONPA are to:

Establish and administer rules and regulations covering the initial pay of government employees and processes of promotion. To conduct overall adjustment of wages and salaries of government employees in accordance with the provisions and schedules provided by Law No. 46 of 1948, as amended by Law No. 265 of 1948. To determine policy for the enforcement of new pay scales and receive complaints lodged by employees against the administration of pay.

Establish and administer a plan for the classification system of government employees. Review and approve the classification of employees in various government agencies and determine the amount of wages and salaries as fixed thereupon.

To maintain liaison with the NPA on compensation matters.

The provisions of the law administering new pay are available only to employees of the regular service. Compensation administration affecting other

employees is handled by the Allowance Bureau of the Ministry of Finance. All compensation of regular government employees is subject to control of the NPA. The ONPA was created largely for the purpose of administrative convenience and central control of pay administration during a transitional period. When the NPA deems it advisable the functions now performed by the ONPA may be assumed by the NPA.

Rankin

ALAN RANKIN
Classification Specialist

AR:jd

CIVIL SERVICE DIVISION
Government Section

21 February 1949

MEMORANDUM FOR THE RECORD

SUBJECT: Ministry of Transportation, Nagoya Railway Division
Inazawa Shunting Yard

Visit was made to this establishment on 20 February 1949.

This is one of the principal marshalling yards of the Japanese railways handling a very substantial volume of cars and trains each day. The total employment for the Yard exceeds 1,000 personnel, consisting of station masters, administrative personnel for station operation, railway police, and a large maintenance and operational staff for the yards and roundhouses. This Yard is located just outside of Nagoya division headquarters and on the Tokaido line.

A very complete presentation was made of a breakdown of employment by kinds of work, together with an analysis of pay and age distribution. The average pay at the moment is ¥6240.68, just slightly below the ¥6307 average. This seems to be a reasonable figure in view of the very high percentage of young personnel working in the Yards. Fifty per cent of the personnel are between the ages of 18 and 23. Lower paid personnel are all concentrated in the semi-skilled labor type of operation, such as handyman, car checker, shunters, and point men.

In the conversion to the ¥6307 pay level all personnel received more money than previously except the telephone operators. Apparently this was due to the age factor; two-thirds of them are 17-19 years of age.

As was explained in the previous memorandum concerning the Nagoya Division headquarters, they feel that a change in the area allowance system should be provided to put them in a position to properly compete locally for personnel with industrial establishments located nearby. Their point apparently was based on the difficulty of obtaining very young men to perform the rather hazardous occupation of shunting. These same people can get substantially greater pay in weaving factories. However, they do not get all the benefits derived from the prestige of working for the Japanese railways and uniforms and other perquisites.

A brief discussion was had concerning incentive pay. This is a standard practice in railway operations. Rumors have been spread that

as of April 1, and as a result of the New Pay Law, such incentive pay programs are to be abolished. Employees are quite concerned about this situation. This is a matter that probably needs further and detailed investigation in order that this type of pay be understood, and if utilized by the regular service that it be properly designed to carry out its purpose. This of course will be a matter for the railways themselves to handle after April 1.

MacDONALD SALTER
Chief, Classification
& Compensation Branch

MS:jd

CIVIL SERVICE DIVISION
Government Section

21 February 1949

MEMORANDUM FOR THE RECORD

SUBJECT: Ministry of Transportation, Nagoya Railway Division

Visit was made to the Nagoya Railway Division on 20 February 1949.

Officials of the Division presented and discussed the complete organization of the Railway Division, some of its staffing problems, and distribution and pay of personnel. One problem which greatly concerned them was the situation occurring when an employee, moving up through the ranks, was transferred from the provisions of the Special Railway Pay Schedule to the provisions of the General Pay Schedule. The former pays the employee a slightly higher rate than the latter, resulting in a desire on the part of the employee to remain under the provisions of the railway schedule. This apparently has detrimentally affected their staffing of administrative positions in the Division. Questioned as to why this railway schedule occurred, it was stated that this was a product of specific efforts by the Minister of Transportation to give some additional recognition to operation personnel. He anticipated in presenting this that it would be used, if accepted, as a basis for increasing the general salary schedule. (This special salary schedule was presented and forced upon the Minister of Transportation by union activities a year ago and negotiations with the government in Tokyo.)

They expressed an interest in knowing what the status of the Japanese national government railway employees would be after April 1 and to what extent NPA would enter the picture. It was explained to them that after April 1 they would no longer be in the regular service and therefore would not be subject to any other provisions than were carried in their own legislation and the public corporations labor relations bill. However, compensation matters, while subject to negotiation, were also subject to Diet approval and it was quite likely that the Diet would attempt to standardize personnel administration and pay among all groups and types of employees throughout the government.

It was stated that no year-end payment of any kind was made to employees in this area since they lacked available funds in their overtime accounts.

The area allowance system was explained and the classified areas presented in chart form. This is an excellent example of the complete lack of any scientific basis for the establishment of area allowances. They were quite frank to admit the only controlling factor was the question of recruitment. As an example of this they pointed out that the Inazawa area is now classified as "A" but should be classified along with Nagoya as a special area allowance rate. A large weaving factory in close proximity to this railway installation had been paying much higher salaries and was drawing personnel away from the

railway jobs. To compete with this the railways felt that they should raise their rate of pay for all employees even though it was actually only affecting about 10 per cent of the employees. The statistics that they gave were that the average earnings were slightly over ¥6000 in the railway establishment while the weaving mill paid an average of ¥10000 per month and recently gave an additional 50 per cent increase.

A check on the statistical information concerning employees by grade and salary showed that they had prepared this information in accordance with instructions from Tokyo and submitted examples of their submittals to Tokyo. This can be used as a check at a subsequent date on material turned over to this office.

Questioned with respect to the adequacy of current pay, they pointed out that the pay for the second half of January was low. The current pay was better than they had received at the end of November but still was being reduced by the liquidation of the year-end tax adjustment obligation post-poned on the following basis: 40 per cent to be paid in January, 40 per cent to be paid in February, and 20 per cent to bepaid in March. The salary payment for the second half of March under these circumstances in this jurisdiction will be a full ¥6307. Average pay is approximating that figure according to statistical calculations.

MacDONALD SALTER
Chief, Classification
& Compensation Branch

MS:jd

CIVIL SERVICE DIVISION
Government Section

21 February 1949

1) ~~Not Acc Cy~~
2) Files
Organiz
Insp offices for.
Bur of For.

MEMORANDUM FOR THE RECORD

SUBJECT: Regional Forestry Office

On Saturday, 19 February 1949, I visited the regional forestry office at Kisofukushima in Nagano prefecture. This is one of three such offices controlling the care and administration of the national forests, the other two being located about Aomori and Akita. The total number of regional forestry offices under the Bureau of Forestry is fourteen.

WBR
2/21/49

The Nagano area controls the principal cypress forests of Japan which were owned by the Imperial Household and have recently been transferred to the Bureau of Forestry. The function of this regional office is to care, maintain and cut forests. In this particular region the operations are substantially mechanized. In addition to timber hauling engines and equipment located near the cutting operations, a small narrow-gage railroad including some 100 miles of track is operated. In addition there is a certain amount of grazing and pasture land within the area which is made available for use. Care of wild life is an incidental operation.

In the Nagano region there are 26 district offices, each one of which has specific responsibility for logging and selling of timber, manufacture and sale of charcoal and fire wood, and in some instances the making of paper pulp through soda process. Ranger boxes are located throughout these districts for the protection of the forests. Nurseries are maintained for use in reforestation. Statistics indicate that the national forests in general produce more than one-fourth of the timber cut each year.

The Nagano regional office in all its activities employees in excess of 2,000 personnel. An inspection was made of most of the operations, leading from the felling of trees to their collection and transportation to the depot. In the collecting operation the crews consist of a supervisor, a clerk (sometimes a girl) and six or eight laborers. At the moment these laborers are paid on a per diem basis and are not considered regular employees unless they work in excess of 250 days per year. Because of this method of payment they sometimes receive more than the supervisor. The peculiarity of the employment of these men is controlled by the seasons for cutting and actually by the availability of these per diem laborer workers. They are drawn locally and work during the off-farming seasons. Some exceptions, however, work practically a full year. This is a type of employment which raises a major problem as to their treatment under the NPSL. How are they to be recruited? What status should they have? Under what method of payment should they be compensated? They have been advised to continue on their present basis under the provisions of Law No. 121 with respect to their pay; that they were government employees regardless of their status under the NPSL;

and that the question of status and recruiting would be developed at a later date. While this is a relatively numerically small group in Nagano, it undoubtedly is representative of many thousands of similar types of employment throughout the government service.

MacDONALD SALTER
Chief, Classification
& Compensation Branch

MS:jd

Personnel Bur.
Off of New Pay Admin

GOVERNMENT SECTION
CIVIL SERVICE DIVISION

17 February 1949

MEMORANDUM FOR: Mr. ~~MacDonald Salter~~ Rankin

SUBJECT : Proposed Changes - Organization Government of Japan.

1. I direct your attention to the attached confidential report.

2. Will you please inform me at the earliest possible date concerning the functions of:

a. Bureau of Pensions.

b. Office of New Pay Administration.

Blaine Hoover

BLAINE HOOVER, Chief
Civil Service Division

BH:mw
1 incl.

This report is not
To be revealed to
The Japanese

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section

16 February 1949

MEMORANDUM FOR THE RECORD

SUBJECT: Plan for Reorganization of Japanese Government

The attached plan was submitted to Government Section by the Administrative Management Agency, 15 February 1949, with the statement that it was prepared by the non-government members of the Administrative Organization Renovation Council. The Agency further stated that the plan is regarded by the Cabinet as unofficial and has been submitted to the Prime Minister for reference purposes only. It has been marked "strictly confidential" by the Japanese Government.

The plan embraces every Ministry of the National Government and the Prime Minister's Office. Drastic changes and reductions in the structure are proposed.

Although this has been described as an unofficial plan prepared by non-government members of a temporary council, it may have far greater significance.

Recommendations

That this plan be circulated to various SCAP Sections along with the general policy plan submitted by the Council to the Prime Minister with notation that it represents a plan of the Japanese Government that will be considered in the near future by the Cabinet.

T. Diamantes
CAPT. T. DIAMANTES

1 Incl:
Plan for Reorganization
of Japanese Government

COPY FOR MR. HOOVER

TENTATIVE PLAN FOR THE REORGANIZATION OF THE MINISTRIES AND OTHER ADMINISTRATIVE AGENCIES

10 February 1949

(Prepared by the Civilian Members of the Administrative Organization Renovation Council and submitted to the Prime Minister as a reference only.)

I. PRIME MINISTER'S OFFICE

(Internal Subdivisions)

1. Bureau of Pensions - To be incorporated with the National Personnel Authority.

2. Bureau of Statistics - Statistics Agency is to be established as an independent organization in the Prime Minister's Office by uniting the present Statistics Bureau and the Statistics Commission. Bureaus and Divisions handling statistics in various Ministries will be incorporated with this new Agency.

(Independent Organizations)

1. Bureau of Decorations - To be made a Section in the Secretariat of the Prime Minister's Office.

2. Prisoner of War Information Office - to be made an attached organ of the Ministry of Foreign Affairs.

3. Economic Stabilization Board - To be reorganized and simplified strictly as a combined planning organ. The planning function of the Price Board will be incorporated with it. The remaining part of the Price Board will be simplified in its structure.

4. Economic Investigation Board - To be abolished, its functions being transferred to the police.

5. Special Procurement Board - To be abolished, its functions being amalgamated with construction activities carried out by other agencies.

6. Agency for Allocation of Paper for Newspapers and Publications - To be drastically simplified.

7. Reparations Board - To be transferred to the Ministry of Foreign Affairs, of which it will form one of the internal subdivisions.

8. Fair Trade Commission - The number of commissioners is to be reduced; its secretariat also to be drastically simplified.

9. Liaison and Coordination Office - To be abolished, a simplified liaison office being set up under the Chief Cabinet Secretary.

10. Local Finance Commission - To form a Local Autonomy Commission (or an Autonomy Agency) by uniting with the Autonomy Section of the Secretariat of the Prime Minister's Office.

11. National Public Safety Commission - (a) National Rural Police and municipal police are to be amalgamated; (b) National Fire Prevention Agency is to be incorporated with the new Local Autonomy Commission.

II. MINISTRY OF FOREIGN AFFAIRS

To be reduced and simplified according to the set standard, in line with the general policy.

III. MINISTRY OF FINANCE

To be reduced and simplified according to the set standard, in line with the general policy.

IV. ATTORNEY GENERAL'S OFFICE

a. Structure to be largely reduced and simplified; the positions of Assistants to the Attorney General to be abolished and replaced by one Deputy Attorney General.

b. The bureaus of Legislation and those of Research and Advice to be merged into one agency and made an independent organization of the Attorney General's Office.

c. Remaining bureaus to be consolidated into three bureaus - civil, criminal and reformation.

V. MINISTRY OF EDUCATION

a. This ministry is to be characterized as an organ for assisting and promoting the development and propagation of culture - science, arts, physical culture, social education, etc., and its organization is to be drastically reduced and simplified.

b. In connection with the reorganization of the Ministry, professors and teachers are to be paid better and the standard of their quality raised. In the schools of lower grades, the number of teachers per class to be reduced by 20% and their pay and quality should be raised.

VI. MINISTRY OF WELFARE

In line with the general policy, its structure is to be reduced and simplified according to the set standard, but cares are to be taken not to hamper the working of its functions regarding public health, social insurance and social security.

VII. MINISTRY OF AGRICULTURE AND FORESTRY

a. Drastic reorganization is to be made in line with basic division of its functions.

b. Beside the above, Fisheries Agency is to be made one of the internal subdivisions of the Ministry and the local offices of the Ministry are to be reduced and reorganized drastically.

VIII. MINISTRY OF COMMERCE AND INDUSTRY

a. To be reorganized as a Ministry of Industry and Foreign Trade, incorporating the Board of Trade.

b. The economic control businesses are to be re-examined and reduced, and on that basis the ministry's structure is to be largely reduced and simplified.

c. Agency of Industrial Science and Technology and Agency of Smaller Industry are to be abolished.

IX. MINISTRY OF TRANSPORTATION

a. The structure of the present Ministry is to be drastically reduced

and simplified with the creation of the Japanese National Railway as a public corporation. The ministry thus reduced is to form a new Ministry of Traffics by incorporating the business relating to roads now handled by the Construction Ministry.

b. The Japanese National Railway is to be largely reduced, but adequate measures, such as the transfer of personnel from the management division to the technical division, should be taken to prevent the loss of technical efficiency of the corporation.

X. MINISTRY OF COMMUNICATIONS

a. The Ministry of Postal Service will be set up, but its structure is to be reexamined. The personnel in the operational field is also to be reduced, as far as possible, according to the set standard in line with the general policy.

b. The establishment of the Ministry of Tele-communication is to be suspended. In its stead, a public corporation is to be created as a step toward transferring the business to private enterprise.

XI. MINISTRY OF LABOR

a. Central organization is to be reduced and simplified according to the set standard in line with general policy. However, care is to be taken not to hamper the progress of labor administration.

b. The present local offices of labor standard, employment stabilization and labor administration are to be merged into one system and made a part of prefectural administrative organ.

XII. MINISTRY OF CONSTRUCTION

To be abolished as a ministry and replaced by a new Construction Agency to be established in the Prime Minister's Office.

The business relating to roads will be transferred to the new Traffic Ministry, and the remaining businesses concerning rivers, city planning and construction will be handled by the new Agency.

Jpboat.
Cabinet

GOVERNMENT SECTION
CIVIL SERVICE DIVISION

17 February 1949

MEMORANDUM FOR: Mr. W. Pierce MacCoy

SUBJECT : Cabinet Actions Relating to Personnel Matters.

Will you please inform the Parliamentary and Political Division today that in view of the very delicate and complicated situation existing with respect to personnel administration in the government of Japan, it is requested that all or any contemplated actions of the Cabinet with respect to personnel administration in any of its phases be cleared with this division in advance of taking any action.

BLAINE HOOVER, Chief
Civil Service Division

BH:mw

CIVIL SERVICE DIVISION
Government Section

10 February 1949

File
Org Ministry of Telecomm.

MEMORANDUM FOR: Mr. Blaine Hoover, Chief, Civil Service Division

SUBJECT : Ministry of Telecommunications

A conference was held this morning among Mr. Salter; Mr. Wardell of Civil Communications; Mr. Suzuki, Vice-minister of the Ministry of Communications; and Messrs. Onogi, Nakagawa, and Seki of the Administrative Management Agency, to discuss the development of the Ministry of Telecommunications by April 1.

The situation was discussed with respect to the progress that had been made to date on the establishment of the Ministry. There is no question being raised as to what bureaus should be established, the problem arises as to the establishment of sections. It was agreed that this was the primary responsibility of the Ministry itself. Apparently the thinking in the Ministry on the establishment of sections was bound up substantially with what personnel would be utilized, and where. Mr. Suzuki was urged to separate these two problems completely and approach the division of work to section level on a sound management basis. When he had determined what sections should be established he should then consider the matter of what personnel may be used and in what sections.

Mr. Onogi pointed out that the recommendations of the Government Organization Renovation Council, which has its final meeting today, might have an effect upon the establishment of this Ministry. Mr. Suzuki was told that regardless of the recommendation that this council might make, he must first establish a sound organization down to the section level, and if it was found necessary at a later date to make adjustments in line with the council's recommendation, then he would have a proper basis to make such adjustments or to decline to take action on the basis of sound references.

The meeting adjourned with the understanding that a second meeting would be called shortly to review the progress that was being made. It was clearly pointed out that GHQ was most interested in compliance with the legislation and the establishment by April 1, 1949 of the Ministry of Telecommunications and the Ministry of Postal Affairs.

Mr. Nakagawa of the Administrative Management Agency indicated there was some thinking within the Cabinet that these two organizations should be placed on a public corporation basis similar to the monopolies and railways. It was agreed that this matter, of course, should be left to further discussions should it be presented as a recommendation by the Japanese government.

MacDONALD SALTER
Chief, Classification
and Compensation Branch

MS:jd

CIVIL SERVICE DIVISION
Government Section

10 February 1949

To Org. file
Prime Minister's Off
Mr Hoover: FYI
Please note
last paragraph
& return.
MS.

MEMORANDUM FOR: The Record

SUBJECT : Government Organization Renovation Council

On January 1, 1949 the Cabinet established an advisory organ to:

a. Review the governmental structure to the end of recommending a reduction in size of organization.

b. Study present staffing of the government to the end of recommending a reduction in staffing.

c. Make other studies and recommendations relating to the organization of the government which the Council felt would increase efficiency and contribute to economy in operation.

This Council consists of seven persons drawn from business and professional fields and the teaching field. All Ministers of State are considered non-voting members of this Council. The procedure followed is to hold a series of 8-9 meetings to date, at which time detailed discussions were held concerning the organization, staffing and operations of each ministry and agency. The Council is today holding its last meeting and will develop recommendations which will be presented to the Prime Minister. The Prime Minister will consider these and where necessary pass them on to the new Cabinet. This will reasonably assure the continuous use of the investigations made by this Council.

The Council ceases to exist upon the completion of its survey and the making of its recommendations to the Prime Minister.

Information received late this afternoon indicated that the Council submitted its recommendations to the Prime Minister in two parts, one dealing with general principles and one dealing with concrete proposals. The former set of recommendations is to be made public by the Cabinet and includes the general recommendation of a 30 per cent reduction in employment. The second set of recommendations are being held confidential and not released at this time.

MacDonald Salter

MacDONALD SALTER
Chief, Classification
and Compensation Branch

MS:jd

CIVIL SERVICE DIVISION
Government Section

8 February 1949

MEMORANDUM FOR: Mr. Blaine Hoover, Chief, Civil Service Division

SUBJECT : Organization Chart

Attached herewith is an organization chart recently prepared by the Administrative Management Agency.

I would like to draw your attention to the rather interesting graphical presentation of the relationship of the Cabinet, Prime Minister, various ministries, and the internal organization of the Prime Minister's Office. I believe they may have a very good idea here which could be incorporated in our revised master chart.

MacDONALD SALTER
Chief, Classification
and Compensation Branch

MS:jd

Att.

Nat. Personnel Authority

Prime Minister

CAB INET

Secretar of the Cabine

M. of Foreign Affairs

M. of Finance

Attorney General's Office

M. of Education

M. of Welfare

M. of Agricultu-re & Forestry

M. of Commerce & Industry

Securities Exchange Com.

Public Accountant Administrative Com

Monopoly Bureau

Printing Bureau

Mint

Repatriation Relief Agency

Food Control Bureau

Forestry Bureau

Fisheries Agency

Board of Trade

Coal Bureau

Monopoly Bureau

Agency of Smaller Enterprises

Agency of Industrial Science & Technology

Independent Organization

(Internal Bureau)

Secretariat of the Prime Ministers Office

Pansion Bureau

Statistics Bureau

Imperial Household office

Decoration Bureau

Prisoner of War Information office

Economic Stabilization Board

Economic Investigation Board

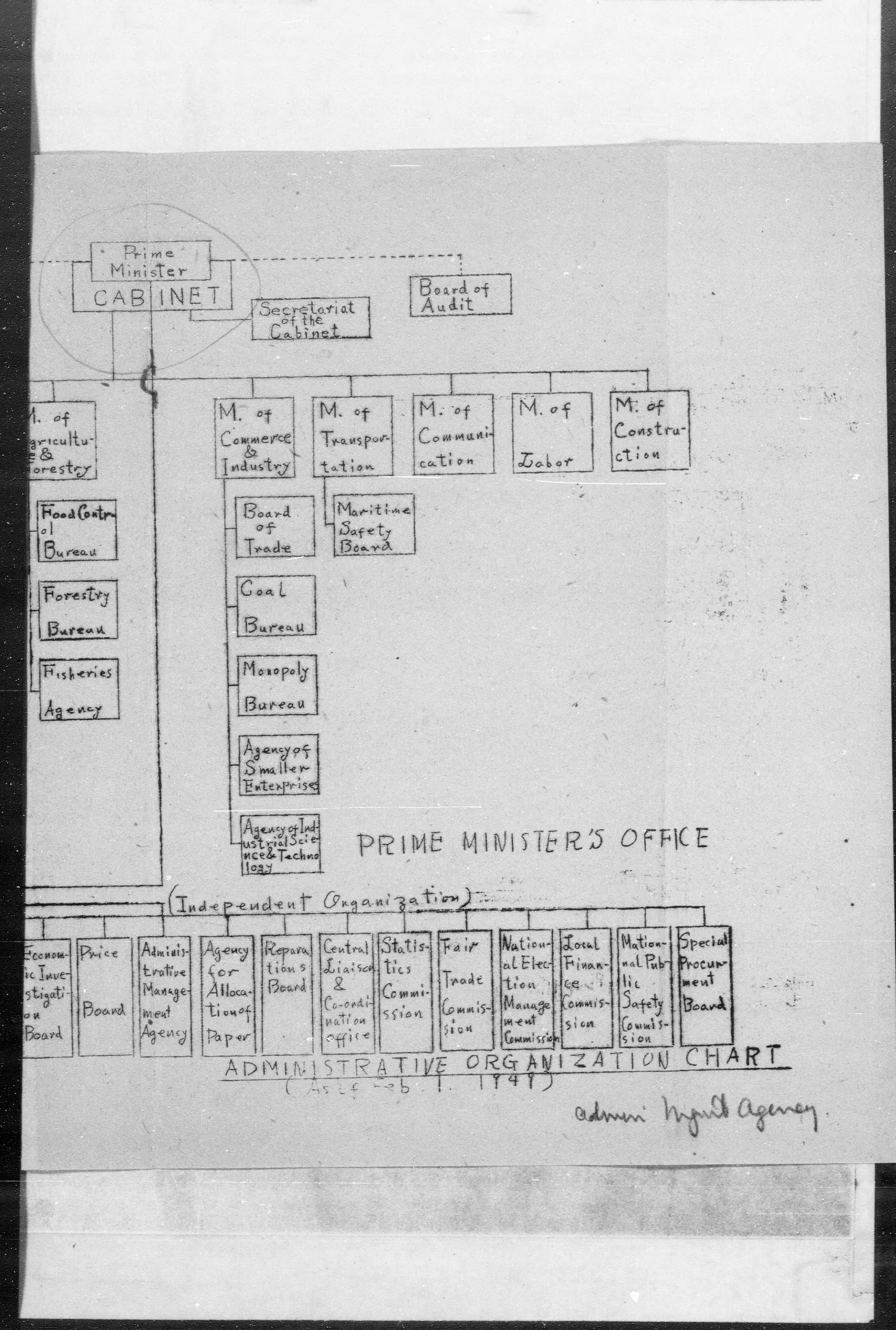
Price Board

Administrative Management Agency

Agency for Allocation of Paper

Reparations Board

ADMINIST



ADMINISTRATIVE ORGANIZATION CHART

(As of Feb. 1. 1949)

admini Mgmt Agency.

Jake Brent
Maintain

GOVERNMENT SECTION
Civil Service Division

7 February 1949

MEMORANDUM FOR: Mr. M. Salter
Mr. M. Shirven

SUBJECT : Personnel Problems - Ministry Transportation

Mr. Hoover requests that you attend a meeting in his office on Tuesday, 8 February 1949, at 1500 to discuss with Mr. Wardell of Civil Communications Section the following problems:

1) Personnel requirements of Ministry of Transportation.

2) Personnel ratings in the Ministry of Communications vs. those of the Ministry of Transportation.

W. Pierce MacCoy
Deputy Chief
Civil Service Division

WPM:mw

CIVIL SERVICE DIVISION
Government Section

2 February 1949

MEMORANDUM FOR THE RECORD

SUBJECT: Establishment of Local Offices, Special Procurement Board

Many activities requiring special procurement to meet occupation needs have been transacted through the use of prefectures. The issuance by the 8th Army of 10 December 1948 to the Japanese Government establishing special procurement field units is to eliminate primarily the use of prefectures in such activities.

The 8th Army has been assigned the specific responsibility of supervising procurement with the ultimate intention that the Special Procurement Board established for this purpose to serve occupation needs would become the central purchasing agency for the Japanese national government. This elimination of the use of prefectures and the establishment of field units will be developed progressively.

It is anticipated that labor requisitions will probably continue to be handled by prefectures but that all other matters pertaining to rental of property, construction, requisition of supplies, and maintenance will be handled through the special procurement field units. In the establishment of these field units undoubtedly many persons now employed by the prefectures will be transferred to national government employment in these field units.

MacDONALD SALTER
Chief, Classification &
Compensation Branch

MS:jd

GOVERNMENT SECTION
CIVIL SERVICE DIVISION

See Actual file
for drawing.
Miss Machin

Okd WPM 1/27/49

25 January 1949

MEMORANDUM FOR : Mr. Blaire Hoover
Chief, Civil Service Division

SUBJECT : Functional Descriptions for Organization Charts.

Government Section has been ordered by G-1 to prepare a new organization chart and the instructions for this chart have been slightly altered this time.

In the past it has only been necessary for us to prepare a functional statement for the division. Under the new instructions it is necessary to prepare, not only a functional statement for the division but for each branch as well as one for the office of the chief of the division. We have been instructed and warned that such functional statements, while they must be inclusive of the duties of the branch, must also be very brief and succinct.

Attached are proposed functional statements for each branch prepared by Miss Machin and approved and/or corrected by each branch chief. Attached also is proposed functional statement prepared for your position. It will be appreciated if you will review these statements indicating what corrections you desire, or approval of the statements as written.

We have been requested to have these in Captain Melvin's hands by Wednesday, 26 January 1949.

W. Pierce MacCoy

W. PIERCE MacCOY
Deputy Chief
Civil Service Division

WPM/hm
Attachment

CIVIL SERVICE DIVISION
Government Section

21 January 1949

MEMORANDUM FOR THE RECORD

SUBJECT: Hiroshima Maritime Safety Headquarters

On January 15 I visited one of the Maritime Safety Board's district headquarters at Hiroshima, accompanied by Mr. Isobe from Tokyo representing the Director-General of the Board.

This headquarters is one of about eight such headquarters located about the coast of Japan. To each such headquarters are attached divisions, stations, port captains' offices, light houses, and signal stations. The functions of these headquarters are the inspection and enforcement of safety measures on all vessels; sea rescue; supervision and examination for pilots and ships' crews; search for and arrest of criminals at sea; prevention and suppression of crimes at sea, hydrographic survey and oceanographic observations at sea; maintenance of navigational aids including light buoys and certain meteorological observation points. From the above list of functions it can be seen that there are two types of activities - those dealing with law enforcement and of a police nature, in contrast to those dealing with matters pertaining to safety of sea lanes, ships and personnel.

The Maritime Safety Board is urging that all personnel in their service, exclusive of clerical workers, telephone operators, chauffeurs, messengers, tea girls, and apprentices be placed under the provisions of the salary schedule applicable to police and Maritime Safety Board personnel. Their argument is that in law enforcement activities those assigned to boats and ships are never sufficient in number and are from time to time supplemented by the land-based staff. All persons at the time of any such activity have police power and the authority to arrest.

As far as I was able to determine this use of land-based personnel is occasional and would not be construed as a duty occupying a substantial or major part of the time of any one employee. It is probable that some type of pay arrangement should be developed whereby land-based personnel when required to act in cooperation with ships' crews on patrol duty would receive an allowance or be placed on a definite basis of pay for the particular time during which they serve in such capacity.

The offices of the Maritime Safety Headquarters in Hiroshima are well located in the dock area in an excellent structure. They have their own docking facilities and maintain a port lighthouse on the roof of their headquarters. The agency seems well staffed and probably upon close inspection would evidence some over-staffing. They stated they were complying with the 48 hour week.

MacDONALD SALTER, Chief
Classification & Compensation Branch

MS:jd

Memo

GOVERNMENT SECTION
CIVIL SERVICE DIVISION

File
WPB
1/19/49

18 January 1949

MEMORANDUM FOR : Mr. W. Pierce MacCoy
Deputy Chief, Civil Service Division

SUBJECT : Check Sheet, CCS to GS, on subject - "Petitions re Reorganization of Ministry of Communications."

The attached check-sheet is self-explanatory.

I told Colonel Lattin and Mr. Wardell who accompanied him that as far as Civil Service Division is concerned, we have no objection to their combating what are apparently wholesale misrepresentations, by informing the employees as far as possible concerning the truth of the matter.

The petitions have been referred to you and after you have finished reading them you may send them to file.

Blaine Hoover

BH/hm
Attachment

BLAINE HOOVER
Chief, Civil Service Division

Ret'd sent to file
Notarized

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

CHECK SHEET

(Do not remove from attached sheets)

File No.: CCS EX GIB/emt Subject: Petitions re Reorganization of Ministry of Communications

Note No.: 1

From: CCS To: Government Section Attn: Mr. Hoover Date: 17 Jan 49

1. Pursuant to conversation this date between General Whitney, Chief, Government Section, and General Back, Chief, Civil Communications Section, there is being delivered to Government Section a file of petitions submitted by various Japanese nationals including employees of the Japanese Ministry of Communications, protesting the implementation of the recent Ministry of Communications reorganization act. It appears that the individuals concerned are laboring under a misconception as to the character and scope of organizational changes which will result from implementation of the Act.

2. CCS is prepared to work with the Ministry of Communications to the end that the Ministry of Communications will insure that full and accurate information regarding the implementation of the reorganizational act is furnished to all concerned, provided such action meets with the approval of Government Section. As suggested by General Whitney, Mr. W. L. Wardell, Deputy Chief for Telecommunications, CCS, is prepared to discuss the entire matter with Mr. Hoover of Government Section.

Tallini
for
G. I. B.

Incl - file of petitions

Japan's Ministries

CIVIL SERVICE DIVISION
Government Section

Cent. Files
4-21-49

13 January 1949

noted
WFB
1/14/49

MEMORANDUM FOR: Mr. MacDonald Salter, Chief, Classification and Compensation Branch

SUBJECT : Functional Statements for the Ministry of Finance

noted
1/17/49

I have been utilizing your material contained in your file entitled "FINANCE - Functional Statements" to secure complete descriptions of all the various functions and responsibilities of the bureaus of the Finance Ministry of the Japanese government.

This study is being undertaken to secure necessary data for writing a circular for the Special Procurement Board on the "Responsibilities and Relationship between the Special Procurement Board and the Ministry of Finance".

Edgar G. de Laski

EDGAR G. de LASKI, Chief
Fiscal Bureau, Procurement Section
Tokyo SPB Division

Dele Aoyn
Genl - Misc.
Domanowski
11-15-49

CIVIL SERVICE DIVISION
Government Section

January 11, 1949

MEMORANDUM FOR: Mr. W. Pierce MacCoy, Deputy Chief
Civil Service Division

SUBJECT : Organization Bills

1. Under the provisions of the National Government Organization Law, each agency of the government must submit to the Diet prior to April 1, a bill outlining in detail its organization and functions. A draft of such a bill from one ministry has already come to our attention informally.

2. What provisions are being made for the critical review of this legislation?

MACDONALD SALTER
Chief, Classification and Compensation Branch

MS:vr

Central files
1-10-49
C.O. #201

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section

7 January 1949

MEMORANDUM FOR : Brigadier General Courtney Whitney
Chief, Government Section

SUBJECT : "No Strike" Provision.

The following information is provided for your office, pursuant to request made by phone from Major Napier to Mr. MacCoy.

1. Cabinet Order #201 which was issued pursuant to General MacArthur's letter of 22 July 1948 contained the "no strike" provision and covered both national and local employees.

2. The Attorney General's office advised the Civil Service Division that with the promulgation on 3 December 1948 of the Amendment to the National Public Service Law, Cabinet Order #201 ceased to be effective relative to national government employees.

3. Since the National Public Service Law covers only national government employees, while Cabinet Order #201 covered both national and local government employees, the Cabinet Order remains in effect relative to local government employees. The Attorney General's office advised that the Cabinet might issue a new Cabinet Order to clarify the situation surrounding local employees, however, it was not legally necessary.

4. The National Public Service Law divides national government employees into two categories of "special service" and "regular service" and the provisions of the law governing the activities of employees cover only those of the "regular service;" therefore, the "no strike" provision of Article 98 is specific in its restfictions of the activities of the national government employees in the "regular service." It should be noted, however, that those in the "special service" are not under the restrictions of the National Public Service Law and since the Cabinet Order #201 ceased to be operative over national government employees as of the date of the promulgation of the National Public Service Law, there are now no restrictions relative to strike on those national government employees designated as belonging to the "special service."

5. Since Kodans have been placed in the "special service" until 1 April 1949 there exists no restriction relative to strike activities on the part of the employees of these organizations until they are placed under the purview of the National Public Service Law, effective 1 April 1949.

SUMMATION

Local government employees are restricted from strike activities by Cabinet Order #201. National government employees, except those in the "special service" and Kodans, are restricted in strike activities by Article 98 of the Amendment to the National Public Service Law, effective 3 December 1948. Employees of Kodans are not restricted in strike activities by either law or Cabinet Order at the present time.

WPM/hm

BLAINE HOOVER
Chief
Civil Service Division

✓ SALTER

CIVIL SERVICE DIVISION
Government Section

21 December 1948

MEMORANDUM FOR: Mr. W. Pierce MacCoy, Deputy Chief, Civil Service Division

SUBJECT : Meeting with ESS Representatives Regarding Possibilities of NPSL Coverage of HCLC, CILC and SCLC Personnel

A meeting, arranged by Mr. Brower of the Finance Division, ESS, was held in Mr. Brower's office at 2 p.m. on 20 December 1948, for the purpose of discussing the pros and cons of including personnel of the Holding Companies Liquidation Commission (HCLC), the Closed Instututions Liquidation Commission (CILC) and the Securities Coordinating Liquidation Commission (SCLC) in the regular government service, subject to the standards set forth in the NPS Law. Other ESS representatives attending this meeting were Messrs. Boylan and Herbster of Mr. Brower's office (Liquidation Branch) and Messrs. Welsh, Gillies and Randall of the Anti-Trust and Cartels Division. Mr. Welsh is chief of this division and Mr. Brower is chief of the Liquidation Branch of the Finance Division.

As indicated in a previous memorandum, several of these men have been contacted individually for the purpose of securing additional information regarding the three commissions in connection with ~~the~~ same research being carried on by ~~this~~ Division. They had at this time indicated considerable concern about the problem of compensation for personnel of these commissions and were wondering what advantages, if any, would accrue if the commissions' personnel were placed in the regular government service, from the standpoint of medical and retirement benefits. The purpose of the subject named meeting was to explore these possibilities.

I was asked to describe the benefits and restrictions which would be applicable if the commission personnel in question were placed in the regular service. Before answering I ascertained the following:

(1) The HCLC, CILC and SCLC are all strictly temporary bodies whose personnel and members are appointed with the definite understanding that their positions are temporary for the duration of the work of their respective commissions.

(2) They do not have retirement or medical benefits comparable to personnel of the regular government service and are therefore paid at a correspondingly higher rate of base pay.

(3) In large part the professional and technical personnel of these commissions come from responsible positions in private financial institutions.

(4) The expected duration of CILC's work is from 5-10 years, judged by present progress; that of the other two commissions is 3 years or less.

(5) Appointment of commissioners to all three commissions must, according to SCAP directive, be approved by SCAP.

(6) HCLC and CILC are juridicial bodies, that is they are incorporated under articles of incorporation. SCLC is not incorporated but is made up of representatives from the two aforementioned commissions as well as the Bank of Japan and interested governmental agencies.

(7) According to the Law and the two Imperial Ordinances which respectively established the three commissions, personnel of these commissions are deemed to be in the public service for purposes defined by laws and ordinances; to wit: the purpose of subjecting them to penal provisions applicable to government officials and employees. No other type of coverage is intended.

I explained that if personnel of these commissions were covered into the regular service they would have the status of temporary employees until 1951 at which time they would be required to take regular examinations or be otherwise evaluated in order to become permanent employees. In the meantime it would be unlikely that they would receive regular retirement benefits. Their positions would be classified according to the position-classification plan and their pay would be according to the pay of other temporary government employees to be set forth in a pay plan under special legislation. Personnel of these commissions, despite their temporary status, would be subject to the restriction on entering related private enterprise, set forth in paragraph 2 of Article 103 of the NPS Law.

It appeared to be the sense of the meeting that they should attempt to keep the three commissions out of the regular service since their inclusion would not appear to satisfactorily solve their main problem, compensation, and would on the other hand introduce rigidities and restrictions of procedure which would hinder operation.

Despite their views indicated in the previous paragraph, they are anxious to have help on their compensation problem, particularly it would seem in the form of data on the basis of which they can formulate fair salaries relative to the rest of the government service. I made no promises in this respect, either on behalf of this division of NPA, but implied that requests for assistance would be given consideration. (In discussions among themselves they appeared highly dubious of depending for advice and assistance upon ESS Labor Division or Central Labor Relations Committee, but these side remarks were squelched). I suggested to Mr. Gillies as he left the meeting that any informal contact relative to their compensation problems might well be made with Mr. Salter of our division.

~~As~~ the advice of this division is requested by the NPA in regard to the status of HCLC, CILC, and SCLC personnel under the NPS Law, I recommend~~ed~~ that our view be that the personnel in question are not in the national public service.

THOMAS L. ELIOT
Personnel Specialist

TLE:jd

1. Please read today.

CIVIL SERVICE DIVISION
Government Section

17 December 1948

MEMORANDUM FOR: Mr. MacDonald Salter, Chief, Classification-Compensation Branch

SUBJECT : Scheduled Conference with Representatives of ESS Anti-Trust Division (Liquidation Branch)

1. As you know, I have been looking into the question of coverage by NPSL of personnel of the Holding Company Liquidation Commission (HCLC), the Closed Institutions Liquidation Commission (CILC), and Securities Coordinating Liquidation Commission (SCLC). In this connection I have had preliminary conversations with Mr. Welsh and Mr. Gillies of the Anti-Trust Division with regard to HCLC. Briefly stated, their desire is that HCLC personnel should be excepted from the standards applicable to the regular government service. I am under the impression that they are indifferent as to whether HCLC personnel are regarded as being in the special government service or are completely outside the national public service. The most pressing problem in their minds is to solve the problem of compensation and they would appreciate NPA's assistance regardless of whether the HCLC is determined to be under NPA's jurisdiction or not.

2. I learned from Mr. Gillies this morning that Mr. Brower of the Liquidation Branch, who has supervision over CILC and SCLC, desires to have the personnel of these two commissions placed in the regular government service within the coverage of NPSL. I therefore telephoned Mr. Brower this afternoon to get his views on this matter and explained to him that this division is making a general study of all three commissions in order to be in a position to render advice with regard to whether or not their personnel will fall under the provisions of NPSL. Mr. Brower expressed great interest in the question and professed to have an acquaintance with the provisions of NPSL to the extent that he desires personnel of CILC and SCLC to be included in the regular government service. Here again the chief concern appeared to be how to handle compensation for the personnel of these two commissions. Judging from some references made by Mr. Brower to alleged provisions of NPSL he is not well acquainted with it and may not appreciate all of the changes and requirements which inclusion of the personnel of these two commissions in the regular service would entail.

3. I have secured a copy of the Imperial Ordinance or law which is pertinent to the establishment of each of the three commissions. In each of these there is a provision to the effect that personnel of each commission will be deemed as being in the public service for purposes as defined by laws and ordinances. This, I have discovered, means solely for the purpose of applying the penal provisions to which regular government service personnel are subject and for no other purpose. From the Japanese standpoint therefore, the personnel of these commissions are not a part of the national public service unless by chance members of the commissions and their staffs are so individually.

4. Mr. Brower has arranged for a meeting in his office next Monday at 2:00 o'clock to which he intends to invite Messrs Randall, Welsh and Gillies (who can speak for HCLC) and he intends to represent ESS's point of view with regard to CILC and SCLC. I thought you should know about this meeting since the question uppermost in all of their minds is compensation. I hope that you will be able to attend.

TE.

THOMAS ELIOT,
Personnel Specialist.

TE:mvb

12-7-48
CO #201

CIVIL SERVICE DIVISION
Government Section

2 December 1948

MEMORANDUM FOR: Mr. James R. Bell, Chief, Organization Branch

SUBJECT : Administrative Ordinance No. 201

Kyodo Press, under date of November 25, quotes President Asai of the Temporary National Personnel Commission to the effect that Administrative Ordinance No. 201 will not apply to personnel of the national government who come under the National Public Service Law after the promulgation of that law, but that the Ordinance will continue to apply to other employees of government, including those at the local level.

Will you please be so kind as to have the Temporary National Personnel Commission give us a legal opinion on this matter within 48 hours. We desire to know whether the promulgation of the National Public Service Law, as revised, will automatically cancel applications of Administrative Ordinance No. 201 as applied to employees affected by the National Public Service Law and whether other employees of government at the national level and at the local level will continue to be legally under Ordinance No. 201.

BLAINE HOOVER
Chief
Civil Service Division

BH:jd

Opinion submitted to W.P. MacCoy 12/6/48
B
12/7/48

Files
I. 9.

CIVIL SERVICE DIVISION
Government Section

November 18, 1948

MEMORANDUM FOR: Mr. James R. Bell, Chief, Organization Branch

SUBJECT : Organization

1. Mr. Miyake stated today that he felt free to discuss the need for a change in the organizational position of classification work. He stated that he represented the opinions of many persons in the National Personnel Authority and not alone technicians of the classification section. The arguments that were presented are as follows:

1. Placing classification as a section in the Bureau of Compensation has implied not only its subordination to compensation but also it has little reference to other personnel functions. Greater emphasis, organizationally, should be placed on classification, at least to the degree of giving it an equivalent representation with compensation.

2. Since the regulations provided by the Office of New Pay Administration provide for grading of the upper level positions by organizational attraction, NPA technicians are graded not higher than grade 9, while comparable technicians in the ministries have been graded at grade 10 or 11. This has the effect of a certain loss in prestige value in internal public relations. Under the present classification system this could be corrected by a change in the organizational status of classification.

(unit chiefs are in 9; technicians are in 6)

3. The ministries have not combined classification and compensation. Different sets of officials, though each of equivalent position, handle pay matters from those who handle classification matters. This is a desirable situation within the ministries and it is desirable that NPA as the central agency should set this example.

4. The officials handling pay matters are trained to consider the employee and not the position. This has been strengthened by the regulations of the Office of New Pay Administration. It appears almost impossible to change the thinking of these pay officials. The combining of pay officials and classification officials as is now occurring in NPA could not be sufficiently integrated on a ministerial level.

5. The Japanese do measure prestige of the individual according to his position in the organization. During the last two classification surveys, the technicians from the National Personnel Authority in contacting the ministries constantly felt that, as representatives of a section, they lacked adequate prestige.

6. There is a danger that NPA will not be able to hold or attract good men for the higher level classification positions under the present pay plan as indicated in (2) above. At the moment, 70% of the classification staff are college graduates in contrast to the usual distribution of 20% college graduates. The nature of the work requires highly qualified analysts and every effort should be made within the present regulations and systems to obtain and hold the best qualified staff available.

7. The characters used by the Japanese for the written translation of Bureau Compensation are the same as those used for the Allowance Bureau of the Ministry of Finance. This should be changed to prevent misunderstanding that could be most detrimental to NPA's efforts and programs.

2. The recommendation of Mr. Miyake was that classification be established as a separate bureau from the Bureau of Compensation.

MACDONALD SALTER
Chief, Classification and Compensation Branch

MS:vr

File
Organization
Under Min of Com.
Classify folder

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Communications Section
APO 500

13 November 1948

SUBJECT: Nomenclature of Subdivisions and Relative Rank and Titles of Officials of the Proposed Postal Service Ministry and the Telecommunications Ministry

MEMORANDUM FOR: Record

1. The following participated in a conference in the office of the Assistant Chief of CCS to discuss the above with a view to arriving at a decision that can be accepted by SCAP, the Ministry of Communications and the Office of the Prime Minister:

Col. Jay D. B. Lattin, Asst. Chief, CCS
Mr. Joe W. Lisman, Deputy for Postal Affairs
Mr. W. L. Wardell, Deputy for Telecommunications
Mr. John E. Pauer, Director of Finance, Savings and Life Insurance Division
Mr. Donald D. Duggan, Director of Domestic Postal Division

Mr. K. Onogi, Deputy-Director-General, Administrative Management Agency
Mr. Y. Osaki, Administrative Management Agency
Mr. T. Kato, Central Liaison & Coordination Office
Mr. S. Suzuki, Vice Minister of MOC
Mr. M. Mori, Interpreter, MOC

2. SCAPIN 5985-A/1 of 16 September recommended to the Japanese Government careful consideration of a suggestion for a reorganization of the MOC with a resulting Postal Service Ministry. After much discussion it was agreed that the term "Administrative Vice Minister" with a job classification of 15 is satisfactory for the official who actually is responsible for directing the business activities under the Postal Administrative Service Ministry. It was further agreed that the designation of "Department" for the four principal subdivisions of the Ministry, namely: Post Office Life Insurance, Postal Savings, Postal Services, and Postal Inspection would be changed to the more general term of "Bureau". However, it was distinctly agreed that, in order to give those responsible for those four principal activities the grade, rank, title, and pay which is considered commensurate with such responsibilities, the title of each of these four persons in charge of these four principal activities would be either "Rigi", meaning more or less Managing Director; or "Kan" (the Japanese term translated as supervisory official, or the highest man of that category, and being equivalent more or less to a Deputy Vice Minister) would be used to designate these four officials, each to have the job classification of 14.

BASIC: Memo for Record, subj: Nomenclature of Subdivisions and Relative Rank and Titles of Officials of the Proposed Postal Service Ministry and Telecommunications Ministry, dtd 13 Nov 48.

3. The four bureaus listed on the chart accompanying SCAPIN 5985-A/1 would be headed by directors with the job classification of not less than 13. The several divisions under each of the four "Rigi" or "Kan" would carry the job classification of not over 13.

4. The 10 local postal management offices and the 10 local postal inspection offices will be headed by chiefs with a job classification no higher than 13. The chiefs of the seven local life insurance branches and the 29 local postal savings branches will have a job classification of not over 13.

5. The conferees from the Japanese Government agreed to recommend the preceding although they advised that the actual matter of ratings would have to be confirmed by the National Civil Service Commission.

6. It was agreed that with these changes the Administrative Management Agency of the Office of the Prime Minister and the Ministry of Communications would go along with recommending to the Diet the Ministry of Postal Services Establishment Law as transmitted to the CCS in English, except for minor changes of interest primarily to the CCS and the present MOC, which changes could be agreed upon after the Bill had been submitted to the Cabinet. It is understood that there may be minor points in the Law that the Cabinet may desire changed, but these will be taken up with the CCS before the Law is finally presented to the Diet.

7. Mr. Wardell, at this point, with the concurrence of the other conferees present, desired to state definitely the status of that part of the revision pertaining to telecommunications.

8. It was agreed as follows: That the operating organization within the Telecommunications Ministry would be headed by a Director General with the job rating of 15, carrying the title now given in the law under consideration. He will have two executive assistants with the title of "Rigi" and a job rating of 14. Chiefs of all bureaus and divisions reporting to the executive assistants holding a "Rigi" rating will carry the normal job and office titles. In no case will job ratings be greater than 13. Independent bureaus and divisions reporting to the Director General will normally carry job ratings of 13 or less. In no case will they exceed 14.

9. Because of the importance of the conference, the number of points covered and in order to avoid any possible misunderstanding, copies of this memorandum for record have been furnished to all representatives attending the conference.

COPIES TO:
Col. Lattin
Messrs. Lisman, Wardell, Duggan, Pauer,
Onogi, Osaki, Kato, Suzuki & Mori

JAY D. B. LATTIN
Colonel, Signal Corps
Asst. Chief

CIVIL SERVICE DIVISION
Government Section

October 27, 1948

MEMORANDUM FOR: The Record

SUBJECT : Transfer of Functions of the Allowance Bureau to The Temporary National Personnel Commission.

1. A careful study of the various functions being performed by the Allowance Bureau, Ministry of Finance has been made and it is believed that the following are, under the provisions of the National Public Service Law, functions of the Temporary National Personnel Commission and should be transferred to and assumed by the Temporary National Personnel Commission at the earliest practicable date.

First Section:
Planning Sub-unit.
Second Section:
Area Allowance Branch
General Allowance Branch and Research Branch except for those functions pertaining to personnel in the Special Service.
Third Section:
Accident Compensation Branch, except for administration of same.
Fourth Section:
Legal Sub-unit.
Special Work Allowances.
Housing Sub-unit.
Retirement Sub-unit.
Family Allowance Sub-unit.

2. Other functions presently being performed by the Allowance Bureau are considered to be of an administrative or operational nature, or are not considered to be functions of the Temporary National Personnel Commission under provisions of the National Public Service Law.

J. B. BETTIS
Compensation Specialist

Copy

CIVIL SERVICE DIVISION
Government Section

September 23, 1948

MEMORANDUM FOR: Mr. MacDonald Salter, Chief, Classification and Compensation Branch

SUBJECT : Resume of Classification Practices in the Ministry of Foreign Affairs.

1. This ministry has a total of 1240 employees, all of whom are paid on the 3791 yen basis.

2. Job standards, based on education and experience of incumbents, were used without revision in allocating jobs to grades. However, in allocating individual positions to grades, the 15 grade definitions were also used either as a guide or where advantage might be gained. It was admitted that higher grades could be assigned where grade definitions were used rather than job standards, and that not too much agreement was gained in using both standards. Most difficulty was encountered in allocating positions to 8th and 9th grades because the ministry places much stress on linguistic ability and no factors exist to give credit for this ability. As a result, the ministry feels that many of their employees are under-allocated.

3. Positions in the 8th and higher grades had to be submitted to ONPA for final approval of allocation, however level positions were approved by Chief of Personnel Section. Any position in the 8th or higher levels which were not unit chiefs did not go to ONPA, but were approved by Personnel Section.

4. 215 complaints were received as to allocation. 120 cases were revised as a result of investigation. For the lower grades, a committee composed of section chiefs not only reviewed initial allocation but also the appeals.

5. No regulations exist for promotion, transfer or within grade increases.

6. New employees are allocated to grade before they start work. Induction rate of pay is handled on an individual basis and no uniformity exists as to practice.

7. Only 20 to 30 employees are receiving more than the maximum of the wage ranges.

8. Concept of 1st, 2nd and 3rd class officials still exists. 1st class are allocated to grade 13, 2nd class to grades 9 to 12, and 3rd class to grades 4 to 8.

9. 280 women work in the ministry, most of which work in the lowest three grades. One third class official is a woman, allocated to eighth grade.

Copy

Note: No stenographic notes were taken of this conference.

Ministry representatives were:

Teraoka, Chief of Personnel Section
Masuko, Assistant to Mr. Teraoka
Akiyama, Assistant to Chief of Accounting Section

FOSTER ROSER
Examination Specialist

FR:vf

1 ~~Sec Sadler~~ WS 9/27
2 - File
file 9/27/48 WF

CIVIL SERVICE DIVISION
Government Section

23 September 1948

noted WRO 9/23/48

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting with Representatives of CI&E Regarding Organization of the Education Ministry

1. This meeting was attended by Messrs. Trainor, Orr, Webb, Carpenter, and Loomis of CI&E, Mr. Brown of Government Section, Mr. Foster of the Finance Division, ESS, and myself. The meeting was occasioned by the problems which have arisen in connection with the drafting of the reorganization bill for the Ministry of Education. CI&E has apparently proceeded on the basis of SCAP policy regarding strong local autonomy to decentralize the activities and the responsibilities of the educational system. However, in drafting legislation and in attempting to carry out this basic policy they state they are confronted by an attitude within the Ministry of Education to the effect that since the national government foots the bill for education the ministry must have a strong hand in all matters relating to education. CI&E was at this meeting interested in determining the attitude and policies of the outside sections and divisions regarding decentralization of functions, personnel and finances.

2. CI&E asked four fundamental questions:

a. What steps, if any, are being and will be taken to put the local public bodies on a more or less autonomous financial basis and even where national subsidies are involved, what "strings" will be attached to these subsidies?

b. What extent will authority over personnel matters at the local levels be in the hands of local administration?

c. Is there any basic policy and any plan regarding the administrative reform of the Japanese government agencies and the rational decentralization of their functions?

d. Is there anything to the program of "personnel cuts" which is repeatedly spoken of in the press?

3. Frankly no specific answers developed to any of these questions. I advised the CI&E men of our basic policy regarding the establishment of strong personnel bureaus in the various ministries but insofar as that particular policy is concerned it was only intended at this time to provide for proper administration of personnel matters within the ministries proper, and with regard to the Education Ministry we had not considered any specific relationship between the personnel bureau of that ministry and the teachers and other education officials of the local public bodies (they state that the Ministry

of Education is using this personnel bureau idea to build up a tremendous program encompassing the management and welfare of all educational personnel throughout Japan). I further stated it appeared to me that the relationships between the national government and local public bodies in personnel matters would have to be clarified and established by the local public service law at such time as it is promulgated. Along with this there would necessarily have to be a clarification of who is a national public servant and who is a local public servant. Within their own scope there would also have to be clarified the authority of the local school boards in the appointment, separation, discipline and welfare of local educational personnel.

4. Nobody could throw any light on the matter of "personnel cuts" except that everybody thought this desirable. The CI&E people are extremely cooperative and are looking for assistance and guidance in these matters. All I can suggest is an early clarification of these problems on our part and a close liaison with CI&E regarding our future intentions on these matters.

JAMES R. BELL
Chief, Organization Branch

JRB:jd

CIVIL SERVICE DIVISION
Government Section

22 September 1948

MEMORANDUM FOR: Mr. MacDonald Salter, Chief, Classification and Compensation Branch

SUBJECT : Functions of the Allowance Bureau, Finance Ministry, which should properly belong to the National Personnel Authority

The following named branches and sub-units of the sections of the Allowance Bureau (based on the functional chart and the report on the organization and functions of the Allowance Bureau) should be dissolved in the Finance Ministry and their functions transferred to the National Personnel Authority. The basis of their selection is that organizational segments having to do with policy formulation, survey, and study should be transferred to NPA and all operational units, i.e. auditing, preparation of payrolls, etc., should remain in the Finance Ministry.

I. Organizational Segments Whose Functions Belong to NPA

Planning Sub-unit (First Section)
Arrangements Sub-unit (First Section)
Budget Sub-unit (First Section)

General Allowance (Base Pay) Branch (Second Section)
Area Allowance Branch (Second Section)
Research Branch (Second Section)

Mutual Aid Branch (Third Section)
Accident Compensation Branch (Third Section)
Welfare Branch (Third Section)

Legal Sub-unit (Fourth Section)
Special Work Allowance Sub-unit (Fourth Section)
Travel Sub-unit (Fourth Section)
Housing Sub-unit (Fourth Section)
Overtime Sub-unit (Fourth Section)
Retirement Sub-unit (Fourth Section)
Family Allowance Sub-unit (Fourth Section)

II. Organizational Segments Whose Functions Should Remain in the Finance Ministry

General Affairs Sub-unit (First Section)
Documents Sub-unit (First Section)
Liaison Sub-unit (First Section)

TE

THOMAS ELIOT
Personnel Specialist

TE:jd

CIVIL SERVICE DIVISION
Government Section

20 September 1948

MEMORANDUM FOR: MR. JAMES R. BELL

SUBJECT: Meeting with Ministry of Education Officials and Representatives of CI&E.

You are assigned to attend a meeting as a representative of Civil Service Division, Government Section, to be held at 0900 Wednesday, 22 September, in Room 602, Radio Tokyo. Mr. Trainor of CI&E will be the host and chairman of the meeting.

The Ministry of Education and CI&E are interested in the future establishment of personnel offices in that ministry. Such questions as the possible size of a personnel office, at what level personnel offices will be established, the scope of their programs, some idea of their responsibilities, and delegations of authority will be some of the subject matter discussed.

I have explained to Mr. Trainor that neither Mr. Hoover nor I can attend and have given him your name as a representative of this division in view of the fact that you are Chief of the Organization Branch of Civil Service Division. I have further explained, however, that you are not in a position to make definite commitments for CSD but can give advice and suggested ideas only. In effect you will sit as a technical advisor from the Civil Service Division, GS.

I shall be glad to discuss this with you before the meeting if you so desire.

W. Pierce MacCoy
Deputy Chief, Civil Service Division

WPC/mta

CIVIL SERVICE DIVISION
Government Section

15 September 1948

MEMORANDUM FOR: Record

SUBJECT : Interorganizational Administrative Contacts on Pay Matters.

1. The procedures and channels of official communication on compensation matters which would be observed in the Federal Government of the U. S. are not observed in the Japanese Government.

2. The Allowance Bureau in the Finance Ministry is charged with responsibility for all compensation matters for Japanese National Government personnel. Within that bureau there are four sections which specialize in particular aspects of the total compensation problem. When advice or decision is sought on some pay matter by another Ministry or Agency of the National Government, a direct contact is first made by the section or unit official concerned in that Ministry or Agency with the chief of the section concerned in the Allowance Bureau. Next, if this fails to be satisfactory to the requesting Ministry or Agency, contacts are made at the bureau level between the Ministry or Agency and the Director of the Allowance Bureau. Contacts described up to this point are referred to by the Japanese as "internal contacts". The next level to which recourse is taken is the Vice-Ministerial level. This seldom appears to be necessary and even more rare is the occasion when the requesting Ministry or Agency would bring a compensation problem to the Cabinet for referral to the Minister of Finance.

T.E.

THOMAS ELIOT
Personnel Specialist.

TE:mvb

CIVIL SERVICE DIVISION
Government Section

1 September 1948

MEMORANDUM FOR: Record.

SUBJECT : Relationship Between the Office of New Pay Administration under the Prime Minister and the Allowance Bureau of the Finance Ministry.

Source: Interview with Mr. Kyogoku, Classification Section, NPC, and Mr. Kanazashi, Chief Interpreter, NPC, August 31, 1948.

1. It was stated that the Planning Branch of the First Section of the Allowance Bureau was the most active and important branch in that bureau at the present time due to its work in connection with the Law Administering the New Pay. The normal functions of the Planning Branch are: General Planning for salary and allowance structure; conferences necessary for the revision of salary and wage structure; survey and research of position classification.

2. Evidently from one to several key personnel of the Planning Branch, including its Chief, have been assigned to the staff of the Office of the New Pay Administration. As members of this staff they receive the instructions of the Office of New Pay Administration and take them back for detailed development to the Allowance Bureau where, in their supervisory or "key" capacity, they direct the Planning Branch or other branches concerned in the necessary research survey work or development of plans.

3. It would seem therefor that the Allowance Bureau is in fact the acting Secretariat of the Office of New Pay Administration.

T.E.

THOMAS ELIOT
Personnel Specialist.

TE:mvb

Tom Clear

8/16/45

File
WPB
8/23/45

Check this first ☞ to find out what L.S.'s objections were, which are ref. to. I think it was to the inclusion of our old standard phrase but I want to be sure.

Hereafter we dont wish to include the old standard phrase but rather to correct the law or cabinet order to conform to the N.P.S. Law.

→ WPB

and Art. 84 of Persian Law
I checked Art. 84 of the Nat'l Public Service Nat'l Aid Ass'n Law. It turned out, as you suspected, to be our old standard paragraph.
O.K.?

T.C.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

File 8/17/48 Mutual Aid Assoc. Law

CHECK SHEET

(Do not remove from attached sheets)

File No.:

Subject: Cabinet Order concerning the Mutual Aid Association Appeal Board (Meiji 2635) A. C. Oppler

Note No.:	From: LS	To: GS	Date: 9 August 1948 Ex 582

1

1. The National Public Service Mutual Aid Association Law which forms the basis for subject Cabinet Order was never submitted to Legal Section for review. This Section, by Check Note #2 from LS to GS, dated 13 July 1948, subject: "Draft of the Provisional Regulations regarding the Special Cases of the Pension Law", raised serious objections to Article 1, para 2 of said regulations, as well as to a similar provision contained in Article 84 of the law first above mentioned. The request for amendment of the objectionable provisions, contained in para 8 of reference check note, is repeated.

2. LS by commenting on subject Cabinet Order in no way approves the provisions of the Law being implemented.

3. It should be noted that the Law not only fails to provide for any notice of hearing before the Appeal Board, but also states in Article 76 that "Any person concerned or his witness may attend the hearings and state his opinion, if permitted by the chairman." This is directly contrary to notice and hearing provisions this Section and GS have continuously required in laws which govern hearings before administrative bodies because such safeguards were considered indispensable for the promotion of fairness and impartiality of the process. Actually, Articles 8 and 9 of the Cabinet Order are far more satisfactory than the law itself in that they are based upon the assumption that the applicant and his witnesses have received notice of hearing, are present and have the unqualified right to testify.

4. It is therefore recommended that the law be amended in accordance with LS objections. There are no legal objections to the Cabinet Order itself.

2 Incls:
1. C.O. re: Mutual Aid Assn. Appeal Boards
2. Natl. Public Ser. Mutual Aid Assn. Law

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

File
PHS
8/10/48

FEAP 6-176 EXCOD PRINTING CO.

To Mr. Mackey

File

WTW

8/16/45

Good summary

The summary of the system Concerning the Mutual Aid Association for the Government Workers

I. Brief summary of the development of the Mutual Aid Association.

The Mutual Aid Association has been organized for the purpose of the reciprocal aid of the members themselves and it is managing to look after the aim of the social insurance with the form of the Association.

The National Government Mutual Aid Association had been organized contrusting the enterprise workers of Railway in 1907. This is the outset of the Social Insurance in this coutry. Thenceforth, the Mutual Aid Associations had been established one after another for the enterprise workers in the Government Enterprise Agencies as such the Monopoly Bureau, the Printing Bureau, the Communication Department, the Mint Bureau and etc.

Thereafter, to the Government Workers, the Mutual Aid Association has developed as to take place of the business of the special insurance in accordance with the establishment of the system of the general social insurance. And that they have been set forth in every Ministries and these applications have covering the over all Government Workers excluding the workers being in the service of irregular, temporary employes and such like. Nowadays, they are managing the business of the general social insurance as well as the business concerning the welfare of the members.

The former Mutual Aid Association had been distinguished between them in their contents as they had been established respectively in accordance with the each Imperial Ordinance, but since the National Public Service Mutual Aid Association Law (Law No. 69) has been established on the July 1, 1948 the contents and items of the all associations benefits have

been uniformed and coordinated.

II. The current activity of the Mutual Aid Association. We are able to divide the Mutual Aid Association into two kinds as following:

(A) The Mutual Aid Associations of the Government enterprise workers

(B) The other Mutual Aid Associations.

The Associations which are included in the A Category has been organized with the workers of the Government enterprise works and they counted seven of the Railway Government Workers Mutual Aid Association, The Communication Worker' Mutual Aid Association, the Monopoly Bureau Workers Mutual Aid Association. The Printing Office Workers Mutual Aid Association, the Mint Bureau Workers' Mutual Aid Association, the Public Works' Workers' Mutual Aid Associations and the Forestry Bureau Workers Mutual Aid Association. At the end of March, 1947, the Total number of the members of the Associations was counted as many as 1030,000 persons and the assets of all Associations were calculated as many as ¥740 million.

The Associatbns included in the B Category are counted 20 of which were established in the House of Representatives, of Councilors, Cabinet , the Legal Affairs Office, every Ministries, Courts, the Board of Audit, besides among the policemen and firemen, Jailers, teachers of the National schools, teachers of the Public Schools, the local Government workers respectively. At the end of March, 1947, the number of membership of these Association were calculated as many as 880,000 persons and their assets had been estimated as much as ¥50 million.

III. Benefits issued from the Mutual Aid Associdion

In addition to benefits corresponding in nature to the health insurance as generally called, the mutual aid association is in a position to issue such benefits as a calamity benefit which is provided for its members in case of emergent disasters and an absent benefit which is given to them when they are absent from their duty on account of unavoidable reasons.

The mutual aid associations for government enterprise workers issue the same benefits as mentioned above. Furthermore, for the government employees, namely, junior clerks, auxiliary workers and others to whom no provisions in the Pension Law are applicable, it provides the separation benefit, disability benefit and benefit for bereaved family in stead of the benefits as established in the Pension Law or Welfare Insurance Annuity Law. These benefits are established, after an elaborate consultation with the said two laws, primarily to protect the living of their bereaved family after the members retired from service or die.

IV. Other Activities

In addition to the issuance of the benefits corresponding to the social insurance benefits as above-mentioned, the mutual aid association is carrying out other necessary activities to insure the welfare and social security of the members by means of:

(a) financing the members with loans offered at a low rate of interest for his extraordinary expenditure,

(b) providing them with necessary sanitary and recreation facilities,

(c) rendering savings business, and

(d) procuring commodities necessary for their daily life.

It is noted that such activities will hardly be carried out independently by small scaled mutual aid association other than government enterprise workers association. The Fedenation of Mutual Aid Association is thus established to work generally in common for the promotion of welfare of all the members of the associations.

V. Outline of health and recreation services

As regards health services, there are cooperation to the Government's activities in health examination, prevention of diseases, etc. or management of the pharmacy for the benefit of the workers.

(Note: All medichl institutions such as hospitals, clinics, etc. provided for the benefit of the workers are under the direct management of the Government organization such as Ministry of Transportation and that of Communication, with the exception of three hospitals operated by the Federation of the Mutual Aid Associations.)

There also some instances which household medicines were distributed among the members by free of charge (this is not in practice at present owing to lack of medicines and funds) or healthy members were honored by the Associations. As regards recreation facilities, lodgings are provided at hotspringplaces, seashores, plateaus, etc. for the purpose of preserving and promoting the health of the members and their families. These facilities generally are highly welcomed and utilized to a great degree by them.

VI. Source of revenue of the Associations.

For the carrying out of the works above stated, the Associations collect the Contribution from their members every month and the Treasury allows grants to the Associations. In addition,

the Treasury bears the office expenses of the Associations.

Grants by the Treasury are made at the rates below-mentioned:

(1) Half the amount of expenses required for grants for health benefits, calamity benefits and absent benefits.

(2) Fifty-five per cent of the amount of expenses required for grants for separation benefit, disability benefit and benefit for bereaved family.

(3) The entire amount of office expenses of the Associations.

The instalments and the grants by the Treasury correspond in nature to social insurance premiums in general and more or less vary according to the Associations. Instalments born by the workers are about 2% of their wages or salaries and about 7% in the case of members who are given grants under (1) and (2).

So the employees have an aid Assn.
but the Nat. Treasury pays 50% or better
of the Assn's losses and all of their operating
expenses!! Nice business, if you can get it.
That outside persons or disbursing
Which means
Govt. funds.

W Rm
8/16/48

Mutual Aid Association Law

file

CIVIL SERVICE DIVISION
Government Section

Mr Hoover

2 August 1948

MEMORANDUM FOR: Mr. W. Pierce MacCoy, Chief, General Personnel Administration Branch, Civil Service Division.

SUBJECT : Cabinet Order Concerning the Mutual Aid Association Appeal Boards.

8/2/48

1. On several occasions representatives of the Allowance Bureau of the Ministry of Finance have consulted with the undersigned regarding the preparation of this Cabinet Order. As a result several adjustments have been made and are incorporated in the accompanying draft.

2. The Cabinet Order would establish a reasonable appeal procedure for persons who believe they have not received all benefits to which they are entitled under the National Public Service Mutual Aid Association Law. The only feature of the Cabinet Order which does not seem reasonable is the large number of each appeal board. This, however, is established in the Law itself and is not subject to modification by Cabinet Order.

3. The Cabinet Order as submitted does not seem to warrant objection by the Civil Service Division.

GORDON W. PETERSON

GWP:mvb