GHQ/SCAP Records (RG 331, National Archives and Records Service)

Description of contents

(1) Box no. 2951

(2) Folder title/number: (43)
Miscellaneous Military Government Correspondence

(3) Date: Dec. 1948 - Oct. 1949

(4) Subject:

Classification	Type of record
021,032.2	e

(5) Item description and comment:

(6) Reproduction: (Yes) No

(7) Film no. Sheet no.

(Compiled by *National Diet Library*)

SUBJECT: Eviction of Foreign National Occupants. (11 Oct 49)

AG 386.3 - BA 4th Ind FNA/nn

Hq. Osaka Civil Affairs Team, APO 25, 29 October 1949

To: Chief, Kinki Civil Affairs Region, APO 25

Correspondence returned. It is believed it should be forwarded to Hyogo Civil Affairs Team, APO 317.

FOR THE CHIEF:

FRED N ALEXANDER
WOJG USA
Asst Ajutant

HEADQUARTERS
KOCHI CIVIL AFFAIRS TEAM
APO 1050

12 September 1949

AGCA: 676.3

SUBJECT: Inspection of Japanese Radio Station

THROUGH: Commanding Officer
Shikoku Civil Affairs Region
APO 1050

TO: Commanding General
Headquarters, I Corps
APO 301
ATTENTION: Civil Affairs Section

1. In compliance with letter, Headquarters Eighth Army, APO 343 dated 17 June 1948, AGCA 676.3 subject, "Inspection of Japanese Radio Stations", a report submitted by the Japanese is submitted for the month of August.

2. In accordance with SCAPIN 2000/1, dated 21 July 1949, the Shimizu Police Emergency Radio has been authorized to operate until 1 September 1949.

1 Incl:
1. Japanese Surveillance Report for August.

O. A. AXELSON
Lt. Col., FA
Chief

681

1-897
1-898

BASIC: Ltr, Kochi Civil Affairs Team, APO 1050, dtd 12 Sept 1949, subj: "Inspection of Japanese Radio Station."

AG CA 676.3 1st Ind CAL/HLC/st

HEADQUARTERS, SHIKOKU CIVIL AFFAIRS REGION, APO 1050 14 Sept 1949

THROUGH: Commanding General
I Corps
APO 301
ATTN: Civil Affairs Section

CA

TO: Commanding General
Eighth Army
APO 343
ATTN: Civil Affairs Section

2114

HLC
H L C

1 Incl
n/c

1339 AG 000.77 - BA 2nd Ind REC/ai

Hq I Corps, APO 301,

SEP 19 1949

TO: CG, Eighth Army, APO 343

Forwarded for your information.

FOR THE COMMANDING GENERAL:

Charlie Ramsey

1 Incl:
n/c

RECORDED
I CORPS

Charlie Ramsey
C. W. S.
Asst. AG

DH 1922

AGCA 676.3 (12 Sep 49) 3rd Ind
SUBJECT: Inspection of Japanese Radio Station

SEP. 27. 1949

CA

Headquarters Eighth Army, APO 343

3485

TO: Commanding General, I Corps, APO 301

1. Receipt of reports is hereby acknowledged.

2. Due to change in policy, submission of these reports is no longer required. Letter noted in paragraph 1, basic letter, is no longer effective.

8

BY COMMAND OF LIEUTENANT GENERAL WALKER:

Charles A. Hull.

CHARLES A. HULL
Captain AGD
Asst. Adj. Gen

Incl: w/d

19733

AG 000.77 - BA 4th Ind SD/af

OCT 5 1949

Hq I Corps, APO 301,

TO: Chief, Kinki Civil Affairs Region, APO 25
Chief, Tokai-Hokuriku Civil Affairs Region, APO 710
Chief, Chugoku Civil Affairs Region, APO 248
Chief, Shikoku Civil Affairs Region, APO 1050
Chief, Kyushu Civil Affairs Region, APO 24-5

Your attention is invited to 3rd indorsement.

BY COMMAND OF MAJOR GENERAL COULTER:

A. SEIPEL
Lt Col, AGD
Asst Adj General

RECORDED

19733

10180C

BASIC: Ltr, Hq Kochi Civil Affairs Team, APO 1050, ACCA 676.3, Subj: "Inspection of Japanese Radio Station", dtd 12 Sept 1949

MEB/ho

5th Ind

Hq Kinki Civil Affairs Region, APO 25, 10 Oct 1949

TO: Chief, Osaka Civil Affairs Team, APO 25
Chief, Kyoto Civil Affairs Team, APO 301
Chief, Shiga Civil Affairs Team, APO 25-3
Chief, Wakayama Civil Affairs Team, APO 25
Chief, Nara Civil Affairs Team, APO 25-4
Chief, Hyogo Civil Affairs Team, APO 317

For your information.

BY ORDER OF COLONEL O'MOHUNDRO:

GEORGE MINARIK
Capt. CE
Adjutant

10/88c

10/758

HEADQUARTERS
KOCHI CIVIL AFFAIRS TEAM
APO 1050

Kochi, Shikoku
5 October 1949

SUBJECT: Travel Order

TO : Major DAN E. COLLIER, O-406831
Mrs. Robert L. Collier, dependent (wife) of above officer this Hq.

You are authorized to proceed from Kochi, Shikoku to Kobe Base and Osaka Honshu Japan o/a 6 Oct 49 for approximately four (4) days for purpose of shopping at Commissary and Post Exchange.

Tvl by Govt Mtr and/or rail auth. TDN. A copy of this tvl order will be presented to RTO Clerk for issuance of necessary ticket. Auth: Sec II, Weekly Directive, 44, Eighth Army, dtd 9 July 49.

BY ORDER OF CHIEF, KOCHI CIVIL AFFAIRS TEAM:

DAN E. COLLIER
Maj., Ord Dept
Adjutant

OFFICIAL:

s/ Dan E. Collier
t/ DAN E. COLLIER
Maj., Ord Dept
Adjutant

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1- SCAR
1 - Adm file

X CERTIFIED TRUE COPY:

Fred N. Alexander
FRED N ALEXANDER
WOJG USA
Asst Adjutant

HEADQUARTERS
KANAGAWA MILITARY GOVERNMENT TEAM
APO 503

26 March 1949

Colonel Frank J. Kowalski
Osaka Military Government Team
Osaka, APO 25

Dear Kowalski:

Sorry to be so late with this dope but they did some research which took a bit of time.

There are enclosed letter Colonel Porter wrote to M.G. 8th Army - you should deal with First Corps I suppose - and copy of the agreement with the Town Mayor for protection.

The rest is excerpts from daily reports and you may find it interesting.

Sincerely,

EDWIN E. KEATLEY
Colonel, Infantry

HEADQUARTERS
KANAGAWA MILITARY GOVERNMENT TEAM
APO 503

AG 600.162

31 July 1948

SUBJECT: Establishment of Reading Rooms and Information Centers in Kanagawa Prefecture

TO: Commanding General, Eighth Army, APO 343
(Attn: Military Government Section)

1. To enable local Japanese informational media to properly disseminate needed information, it is mandatory that immediate assistance be rendered them by this headquarters. This condition is due, in part, to the absence of a radio broadcasting station and to the presence of only one newspaper (circulation 60,000) in the prefecture. In addition, the crowded conditions existing in the towns and villages limit the use of places where motion picture subjects can be shown. Although there are many small reading rooms in operation at the present time, they are, in most cases, of doubtful value, due to their size and inaccessibility to the Japanese public.

2. With a view to improving this condition, a quonset hut information center and reading room was recently established on the street corner opposite the Grand Cherry Cabaret in Yokohama. This center has been highly praised by civic groups and other organizations in the city. Many requests for the same type of center have been received from other cities and towns. It is hoped that four (4) more centers can be established in Yokohama at places such as Kawasaki, Isogo, Yokohama Railway Station, and Hodogaya. In addition, it is believed that towns like Kamakura, Zushi, Chigasaki, Hiratsuka and Odawara also should have such information centers. These proposed information center sites are located in the same areas with the communist party information centers now established in Kanagawa Prefecture.

3. The cost would be negligible as quonset huts and/or pre-fabricated units now in Engineer storage could be used. Assembly can be done by personnel furnished by mayors of towns or villages where installed, without expense to the Japanese Government or Occupation Forces. Mayors of towns and villages have promised rent free sites, sufficient power for lighting and such furniture as needed. Title to the huts or prefabricated units can remain in Occupation Force hands with the responsibility therefore charged against Kanagawa Military Government Team.

4. It is requested that the above plan be approved and that nine (9) quonset huts and/or prefabricated units, with floors, be made available for use by this headquarters.

/s/ F. B. Porter
/t/ F. B. PORTER
Colonel, FA
Commanding

HEADQUARTERS
KANAGAWA MILITARY GOVERNMENT TEAM
APO 503

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/s/ F. B. Porter
/t/ F. B. PORTER
Colonel, FA
Commanding

18 March 1949

1. The following conditions are entered into and agreed upon by the undersigned in the official capacity as Mayor, Town of Misaki, Miura Gun, Kanagawa Prefecture, Honshu, Japan, with the Commanding Officer, Kanagawa Military Government Team, U.S. Army, stationed in Yokohama, Kanagawa Prefecture, Honshu, Japan.

a. That the land upon which a quonset hut is to be erected shall be, and is set aside by the Town of Misaki for the sole purpose stated, free, and without any obligation on the part of the Occupation Forces, for such period desired, and for no other purpose than for which established,; and that this site is the land designated by me as that piece, measuring 48'3" by 20'8¼", situated at No. 63, Kainan, Misaki-machi, Miura Gun, Kanagawa Prefecture.

b. That the quonset hut erected upon the aforementioned land shall be supplied by, but shall remain, the property of the Kanagawa Military Government Team, U.S. Army, and shall be used solely for the purpose for which established, namely an Information Center, for use by any and all Japanese nationals, resident or not of the town of Misaki, and designated as Kanagawa Military Government Team Information Center No. 8.

c. That the Town of Misaki shall provide a librarian for the Information Center, and assume all charges connected with preparation of the plot, beautification, heating, maintenance, lighting, etc., which may be deemed necessary.

d. That the Kanagawa Military Government Team will not be responsible for damage by fire.

Mayor, Town of Misaki

A True Copy

17 March 1948

Ass't Information Officer, 8th Army, reported that although G-1 had promised KMGT the hut for use as a reading room, we could not occupy it until the new Headquarters Commandant arrives.

30 March 1948

The Information Officer, 8th Army, claimed that although nothing official had been received regarding our obtaining the hut for a library he had been assured that our request would be approved.

3 June 1948

Removal and rearrangement of Information Section and Education Section books, magazines and other materials in Katakura Building, CI&E Library was effected today. Activities were coordinated with Lt. Colonel Blanchard's plans.

8 June 1948

The CI&E quonset-hut has been painted adequately, and the doors are fixed. If Capt. Kawalkowsky or Mr. Burke could be "encouraged" to set up the protective window-bars, the move to the hut could be accomplished.

21 June 1948

The quonset-hut CI&E Library is practically finished, and the move thereto was accomplished today. Painting of bulletin-board awaits end of rainy spell. Retention of the low rain-shield is favored as Japanese readers are much smaller than Americans, and it does afford good protection during inclement weather.

23 June 1948

Information Section is pushing the KMGT Information Center No. 1 project. Colonel Porter's continued encouragement of work is desired if speed is of the essence.

25 June 1948

Interior of the KMGT Information Center No. 1 has been completed. Arrangements have been made to secure sod and shrubbery at 0900 Monday morning. Assistant Information Officer will accompany truck detail to Arsenal area. All office signs and the quonset-hut sign are in the process of being painted.

28 June 1948

Secured truck-load of shrubbery from Sagami Army Arsenal and landscaped the area around the KMGT Information Center No. 1.

6 July 1948

The following calligraphy in Japanese is being prepared to draw attention of Japanese nationals to KMGT Information Center No. 1:

COME INSIDE

This Information Center was established for the benefit of Japanese Nationals. Read the bulletin board daily. Come inside the hut for additional information.

YOU ARE ALWAYS WELCOME

14 July 1948

Contacted Mr. Takeshima of Yokohama in Naka Ku Road Section office regard-

ing plot near Sakuragicho Railroad Station as a possible site for KMGT Information Center No. 2. The Kawasaki City area is also being scrutinized for a good location.

15 July 1948

KMGT Information Center No. 1 is beginning to attract more people:

Mon. 12 July - 27 visitors
Tue. 13 July - 54 "
Wed. 14 July - 26 visitors
Thu. 15 July - 60 "

It is recommended that KMGT Information Center No. 2 be established on plot diagonally southwest of Sakuragicho Railroad Station. This triangular area is roughly 150x120x50 feet and borders on the river. It is on the right-hand side of the bridge approach going south toward Kanagawa Press Building from Sakuragicho Station. Seedy looking Communists and vagabonds roll around the ground all night and day and these characters make this cross roads section an eye-sore and a trouble spot, particularly at night.

Establishment of Information Center No. 2 at this place would beautify the entire Sakuragicho Station area. The city fathers have been interviewed and approval has already been granted to proceed if it is so desired. It is believed that KMGT Information Center No. 2 at this strategic location would be a great credit to our organization, as it would indicate abundant informational facilities for the Japanese in Yokohama.

Information Section personnel are searching the Kawasaki area for a favorable site, but sincerely believe the aforementioned has far greater possibilities from the standpoint of information, beautification, sanitation and "General approbation."

16 July 1948

Called at the office of the Mayor of Kawasaki City regarding suitable corner plot for establishment of another KMGT Information Center. Three sites which appeared to be desirable were pointed out to Mayor Kanasashi. One is opposite the City Hall. The other is opposite the railroad station; and the third is the southwesterly corner lot on the main road to Tokyo --- just as one turns into the street which houses the City Hall.

20 July 1948

SCAP, CI&E Library officer investigated progress being made toward opening the Yokohama CI&E Library. After inspecting the building, conferring with Kencho Social Education officials, and interviewing applicants for clerk positions, he announced that he did not expect the library to open for at least two weeks.

30 July 1948

Visited Zushi, Kamakura and Isogo, and searched for likely Information Center sites.

A very suitable plot was found in Kamakura, right where automobiles usually stop to visit the Great Buddha. It is to the right of the first set of steps on the way to the statue. The plot is owned by Kanagawa Prefecture.

Another excellent location in Kamakura is a corner plot owned by Mr. Tamura on Hachimadori St. It is directly opposite Nissho Hospital and is near the Fire Station.

Mayor Isobe Rieman of Kamakura can be counted on for considerable assistance in having the city help the Information Center idea in every way. He seemed very anxious to help establish such a center in Kamakura.

Zushi has a plot adjoining the Agricultural Cooperative Assn. which is near the Zushi Railroad Station. Good toilet facilities are located nearby.

Mr. Ishi Toshio, Chief of Social Education Section in Isogo was interviewed. He will look around Isogo for a suitable plot and report to Information Office in the near future.

Of the three cities visited, Kamakura had by far the most desirable location for a KMGT Information Center.

3 August 1948

Mr. Toshio Wada, Head of the Isogo Ward Office, submitted a site for a KMGT Information Center. It is located at 472 Maruyama-cho, Isogo-Ku. The area is about 3,600 square feet and has 100 feet frontage on the street. Inspection will be made as soon as possible.

25 September 1948

Telephoned for appointment with Zushi town officials Monday morning, 27 September, to discuss the establishment of a KMGT Information Center. Mr. Takahashi, General Affairs Officer, was requested to prepare the site for the quonset hut immediately. Gravel foundation was recommended.

27 September 1948

Visited Zushi, Kamakura and Kawasaki City with Mr. Suzuki, our KMGT quonset hut builder. The proper officials were connected and all arrangements consumated. The site for KMGT Information Center No. 2, adjoining the Zushi RR Station, will be leveled and bedded with gravel by Wednesday, 29 September. It is planned to have the Kawasaki site ready as soon as the Zushi project is finished.

KMGT INFORMATION CENTERS

5 November 1948

Inspected site selected for Zushi KMGT Information Center No. 2. The agreement will be signed by the Mayor and the quonset hut will be delivered Monday morning. The city has no trucks. A guard and some working men will be furnished, but the Mayor will have to confirm his assistants' promises when he returns tomorrow.

Arrangements between Lt. Col. Blanchard and Yokohama City official and engineer have been completed for the removal of the quonset hut in back of the library next Wednesday, 10 November.

9 November 1948

Sent Yokohama City officials to Lt. Col. Blanchard to continue negotiations for removal of quonset hut behind SCAP Library.

15 November 1948

Visited Kawasaki City Hall and quonset hut site with Sgt. Conner. The Mayor of Kawasaki is willing to cooperate in every way and will sign the agreement submitted.

The agreement about the quonset hut information center in Zushi signed by Mayor Ohta of Yokosuka is appended. The Mayor called to present his respects, to KMGT and was interviewed by Lt. Col. Blanchard. Construction of a foundation for the hut and installation of fixtures will be handled by the City of Yokosuka through a private contractor.

23 November 1948

Attached is signed agreement with Mayor of Kawasaki about KMGT Information Center No. 3. Telephoned to notify Mayor of quonset hut delivery. Mr. Namagami of Liaison Section called in person. He will arrange for guards to protect the hut day and night.

30 November 1948

Mr. Kagami of Kawasaki City Liaison Section called with contractor. He will endeavor to furnish the nails, nuts and bolts for the quonset hut library. Sgt. Connett will meet them at the library site at 0900 Thursday to begin erection of quonset with assistance from contractor.

Telephoned Mayor of Zushi regarding progress of quonset hut in Zushi. City engineer is drawing up plans.

3 December 1948

Mrs. Akasaka, President of Zushi Women's Organization, called to ask if her organization could assist in any way in the establishment of KMGT Information Center No. 2 in Zushi. Several practical suggestions were made and Mrs. Akasaka promised 100% cooperations from her organization. There are 2,000 members in this organization, which holds regular meetings once a month. Conversation indicated considerable good being done for citizens of Zushi under their present programs, especially with their Social Service and Welfare work. They have had entire charge of the collection of relief goods from 229th Naval Unit and the various churches in Yokosuka, and of distribution to the poor and needy in Zushi. Citizens' Public Hall is being promoted in this area.

6 December 1948

Mr. Sato of Kawasaki City Office reported that quonset hut information center there is nearly complete.

7 December 1948

Prior Sato of Kamakura Daibutsu called with Mr. Kawasaki from Kencho and assured this Office that the modest KMGT Information Center No. 4 is desired by the City. It is possible that a new location will be selected.

13 December 1948

Inspected Kawasaki KMGT Information Center No. 3. Construction is almost complete. Conferred with Mayor and Social Education Section officials.

Inspected Zushi Information Center No. 2. Construction difficulty is being encountered, especially by lack of screws, nuts and bolts.

Conferred with city officer in Ofuna anent Information Center No. 5. An excellent location on a corner opposite the railroad station is available.

16 December 1948

Inspected Zushi KMGT Information Center No. 2. The quonset is up! Apparently the contractors secured the necessary nuts and screws or used substitutes. They will now have to work on the interior. Prospects look good. The location is excellent and should draw many readers.

Conferred with Chief of Kawasaki Social Education Section to plan opening ceremonies of Kawasaki Library.

17 December 1948

Conferred with Lt. Col. Blanchard regarding delivery early next week of KMGT quonset hut No. 4 to Kamakura. Representative from Kamakura was present. The Japanese plan to extend the quonset hut as a right wing instead of as a rear addition to the artistic old building which is being rennovated for the purpose by the Japanese.

22 December 1948

Sent stock of books and two exhibit series to Kawasaki Information Center. Notified City officials to prepare for their receipt. Also received several broken chairs from Lt. Kerper for delivery to the new center.

23 December 1948

Over 13,000 people attended the opening of the Yokohama SCAP CI&E Library in September during the first five days. If the weather is good Information Section plans to beat that record 5-day-attendance with the opening of KMGT Information Center No. 2 in Kawasaki, 28 December. Conferred with five City officials to consummate plans for opening ceremonies.

24 December 1948

Negotiating with Ofuna official for establishment of KMGT Information Center No. 5 on excellent corner near Ofuna RR Station. Kamakura erecting No. 4.

24 December 1948

Conferred with Mrs. Akasaka, president of Zushi Women's Organization. She appeared to be tremendously interested in our KMGT Information Center No. 3, which is almost ready to open in Zushi. She expressed desire to help accumulate books for the library and was encouraged by this Office to do so.

Mr. Ono, who is librarian at our KMGT Information Center No. 1, has been transferred to the Kawasaki KMGT Information Center No. 2. Mr. Ohtsuka has been installed as the librarian at Center No. 1. He will be transferred to Zushi next week when the Zushi KMGT Library opens. These transfers will leave KMGT Information Center No. 1 without a librarian. With this in mind, Information Section hired two girls who participated in the Style Show and who are high school graduates. Their services have been obtained for around ¥3000 each compared with librarian's ¥9000 salary. One girl, Miss Ogura, has been retained in our office as messenger, tea-carrier and clerk-typist. The other, Miss Oshima, will function as librarian at KMGT Information Center No. 1.

27 December 1948

Inspected Kawasaki Library preparations for tomorrow's opening. Our books have been delivered and everything will be ready including KMGT sign-board. Program for opening ceremonies attached.

Telephoned Major O'Hanlon regarding dropping of Information Section theme sheets by plane over KMGT Information Center No. 2 at 1615 hours, Tuesday, 28 December, in Kawasaki. He assured us of his cooperation. Collected 500 surplus theme sheets on all of our programs which have accumulated in files, and delivered to Air Strip.

Contacted Lt. Schilling regarding radio listening group meeting in Kanazawa on 29 December and Library open exercises in Kawasaki tomorrow. He is interested in color photographs and we suggested that he endeavor to be present at these affairs. Alerted Eighth Army Photo Lab regarding Kawasaki Library dedication by Colonel Porter.

Telephoned Mayor of Ofuna regarding construction of KMGT Information Center in Ofuna. They have an excellent corner directly opposite the RR Station.

28 December 1948

Accompanied Colonel Porter to dedication of KMGT Information Center No. 3 in Kawasaki. Fifteen hundred theme sheets on ten different programs ranging from Civil Liberties to Blackmarket were dropped by Major Joseph O'Hanlon's liaison plane over the assembly during the program. Kawasaki City officials estimate that a crowd of 15,000 mostly students, jammed the streets around the quonset hut to hear talks by Colonel Porter, Mr. Sebestyen and Kawasaki City official at the opening of ceremonies. Prognostication in our 23 December DAR that record attendance of 13,000 for five day SCAP Library opening would be broken in one meeting was fulfilled.

Prepared written agreement for signature of Mayor of Kamakura anent KMGT Information Center No. 4.

Conferred with chief of Yokosuka Social Education Section on administration and equipment of Zushi Information Center. Also inspected progressive Yokosuka City Library, which has a daily attendance of 150; the Yokosuka Community Center Library, daily attendance 120, mostly students; and the Kanazawa Bunko Library, patronized mostly by scholars.

30 December 1948

Visited Kawasaki's KMGT Information Center No. 2. Attendance appears to be averaging over 1,000 per day.

D/S
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DAILY ACTIVITIES REPORT

ECONOMICS SECTION, TCAT

DAR #159

22 August 1949

1. NATURAL RESOURCES

a. Agriculture.

(1) Tokyo-to reported that of 9 domestic items allocated for 1948 Fall staples, 7 have been received and distributed in the allocated quantities. 4,032 tan of textiles and 2,214 pairs of "tabis" remain to be received. Of 16 U. S. surplus items allocated for over-quota deliveries, 10 items have been received and distributed to farmers in the allocated quantities. Items to be received are: trousers - 1,000, shirts - 2,866, underpants - 917, jackets - 6, coats - 2,000, and candy - 13,500.

(2) Of five domestic items allocated for deliveries of 1949 summer crops (barley, white potatoes), four of the items have been fully available to farmers. 2,720 tan of textiles remain to be received.

b. Forestry. A survey was made of results obtained by the use of benzine hexachloride to control the Fall Web-worm. The Northern (Ueno Park) and Southern (Hibiya Park). District offices were visited. The controlled areas showed good results except for the fact that the insecticide failed to penetrate the web which envelopes the newly hatched eggs. It appears that sprayings must be applied continuously in order to kill larvae which had been protected by the web.

c. Fisheries: The Tokyo Materials Adjustment Offices reported that 650,172 liters of fuel oil and 34 kilograms of grease were distributed to fishermen as ling during the period 11 - 20 August 1949. No shortages were reported.

d. Transportation Control. The MPB reported that of 1,220 vehicles inspected at 4 mobile check points, 4 were suspected of economic violations. Items confiscated included 4.3 M/T of soy bean, 22,000 pairs of gloves, and 22 koku of lumber. Offenders were turned over to the local police for further action.

e. Construction. Mr. M. Kamouchi, representative of the Shinjuku Consumption Cooperative Society, visited this section to enlist our help in preventing Mr. K. Wada, a gangster boss, from reaping further profits from stall operators within his area of influence. The written appeal presented, implied that Mr. Wada was operating in unison with Tokyo-to officials to secure maximum personal benefits in the forthcoming evacuation movement scheduled as part of the Tokyo City Planning scheme. It was feared that the alternate site designated by Tokyo-to will allow Mr. Wada to invite outsiders to the new area, and collect exhorbitant "key money" from prospective stall operators. The lease contract binding Mr. Wada and the land owner (Tokyo Building Co.) is valid and applicable to the new alternate site. Sublease contracts between Mr. Wada and stall operators, however, are automatically cancelled by this movement, in accordance to present laws. Mr. Wada, therefore, is able to charge high rent and privilege fees. Tokyo-to officials will be contacted to determine their stand in the matter of charging over-ceiling rent prices and assessing privilege fees which are illegal.

2. COMMERCE AND TRADE

a. Food Distribution

(1) Marine products retail stores in Tanashi and Hoya-machi, Kita-tama-gun were inspected. Approximately 1/3 of the available supply of fish were found accepted by dealers. Out of this quantity about 1/3 were issued as rations. The balance had to be sold on free sale. Violations were not found.

(2) Four food warehouses in Tokyo were visited and approximately 1,806 kgs. of damaged Siamese rice were inspected. Damages occurred from sea-water while in transit from Yokohama to Tokyo. The food office plans to process this rice into "Kibi mochi" for distribution to laborers as supplementary rations. An equivalent quantity will be withdrawn from regular allocations from the MAF. Approximately 1,174 kgs. of "Kibimochi" are expected to be produced. The Tokyo Food Office was given approval to process the damaged rice as planned.

(3) Bakeries in Chuo Ward were inspected, and improvements were noted in the quality of ration bread being baked. However, it was noted that the quality of yeast distributed to these bakeries had not improved. Visits will be made again to the yeast manufacturers to determine the reasons.

(4) The MPS reported that their special perishable foods surveillance teams apprehended 19 marine products retailers violating economic laws. Fish confiscated totaled 43 kan. Violators were referred to Tokyo-to for administrative action.

(5) Tokyo-to reported that of 5 retailers considered for administrative action by the Inspection Committee, 20 August, one received a one month suspension, and 4 were released.

b. Export-Import. The International Trade Bureau was notified to pick up approximately 11,208 lbs. "C" rations from the Eighth Army Stockade at Nakano Ward. Date for removal has been set for 23 August 1949.

c. Enforcement.

(1) 13 cases forwarded to Tokyo Provost Court; total to date for the month of August - 51.

(2) 18 Japanese restaurants were searched by Japanese police. Rice and cakes were confiscated.

(3) 21 Chinese and one nisei restaurants searched by Japanese police netted illegal tuna, cakes, and noodles.

3. LABOR

a. Employment Security Law.

(1) The Labor Bureau and Ministry are planning a program for the 24th of August to be held at Hibiya Hall in conjunction with

the "Employment Adjustment Enforcement Program". The program is divided into two parts. Part I consists of addresses by Labor Minister, Governor of Tokyo-to, Mr. Collett HSS Labor, and a lecture by the Employment Bureau Chief of the Ministry. The second part will be entertainment. The purpose is to make the public more conscious of the PESO and to have unemployed seek assistance for job placement through the PESO. 5,000 tickets will be issued free. A lot of publicity is being given this program through handbills and posters.

(2) Agitation which the PESO had to contend with recently has now switched to Ward offices who have supervision over Public Work Projects. Reports indicate that Wards are more firm in resisting the demands of these elements, however, they are now (Ward Chiefs) seeking assistance of the Labor Bureau, namely to increase the members of laborers for these projects and an increase in salary. Bureau rejected the idea.

(3) There has been an increase in Koreans desiring to register for work, at all PESO's. PESO's are a little slow in registering them, however, they do register them.

(4) PESO's are contemplating the building of sheds adjacent to the PESO buildings to protect the large number of job seekers from rain and sun. Plans as to cost etc. are not known yet, and it is not known if such plans will actually be executed. This was brought about at the insistance of the laborers.

(5) Kandabashi PESO's chief was visited on Sunday by some laborers who had not been paid for their work on Saturday. These people wanted to work on Sunday. Nothing could be done. PESO should have paid.

(6) Setanda PESO had a false request in the name of a certain company for 120 laborers so they sent 60 without confirming the request. The company refused to accept the people for employment, but the PESO was able to place them elsewhere. They plan to confirm all requests hereafter.

(7) Shibuya PESO was visited but was pretty quiet. No agitators since Public Works Projects have been transferred to Wards. On 22 Aug. this PESO sent out 628; 626 were assigned to Public Works and 2 were placed with private concerns. Private companies seem reluctant to secure labor from the exchange due to the majority of them being radical i. e., less work and more pay and greater privileges.

(8) Mitaka PESO reports that applications for unemployment insurance benefits is on the increase at the rate of about 10 new applicants daily.

b. Labor Standards Law. Continued routine surveillance. Visited the Chief of LSB who explained a plan to transfer some of his LSIO chiefs and indicated

it would be completed this month. Among those to be transferred is the chief of Mitaka LSIO who will become assistant chief of Chuo LSIO. Mitaka LSIO was visited. This office is at present handling 4 companies whose salaries are in arrears. Nippon Radio Company; The Sankyo Company; The Mitaka Electric; The Musashimo Electric Company. The last two companies are in bankruptcy. About four other firms were visited, but no serious violations of the LSL noted.

c. Indigenous Labor. Discussion still continuing as to whether temporary laborers discharged by QM Depot after three years, are entitled to discharge and retirement allowances. Tokyo-to thinks we should advocate payment of these allowances which we cannot do.

4. MANUFACTURING AND INDUSTRY

a. Restricted Production. Two shipyards were inspected under OD #79. Tokyo-to Senpoku Kojo is repairing two tugs and one cargo vessels with toal gross tonnage of 100 M/T. All vessels are of wooden construction. Tokyo-to Kowan Kakucho Jimusho is repairing one wooden tug and one wooden barge. No unauthorized construction or repairs were noted.

b. Stimulating Critical Industry. Inspections were made of Hitachi, Kameido Works and Yamaguchi Denki Kogyo K. K. in order to stimulate production.

(1) Hitachi Kameido reported that toal production of electric motors, transformers and coal mining equipment was progressing satisfactorily. The only difficulty existing at this time directly concerning production was insufficient allocation of electric power. Supplementary allocations of 50,000 K. W. H. and 20,000 K.W.H. had been received from the Ministry of Tsusansho and the Tokyo Bureau respectively. An additional 50,000 K.W.H. is required to maintain production schedule, and the company has received assurance of obtaining the requested amount by the Government expeditor. The present total requirement of electric power is 400,000 K.W.H. per month. It was noted that a drastic cut had been made in the production of coal cutters. Normally 20 units are produced per month but present schedule is 5 units per month. Mr. Miyoshi, Plant director, has been promoted to the head office of Hitachi Ltd. as director.

(2) Yamaguchi Denki Kogyo K K. is a small electrical authomobile electrical parts manufacturers. The monthaly total production of distribution caps and ignition coil covers is ¥200,000. The plant is operating at about 50% of maximum capacity and the products appear to be excellent quality. The management reported a very small profit has been realised in the operation of the Plant. No material shortages were noted.

c. Stock-piled material (OD-27). Three inventories (T-6493, 7539 and 7823) were checked and the following materials found in excess:

Code	Item	Excess	For Confiscation
1	Coal	244,500 Kgs.	---
15	Asbestos	2,976 kgs.	54 kgs. (T-6493)
23	Pig iron	11,000 kgs.	10,200 kgs. (T-6493, 7539)
25	Ordinary Steel	17,455 kgs.	17,455 kgs. (T-6493, 7539)
31	Lead	836 kgs.	---
41	Soda Ash	20,852 kgs.	20,852 kgs. (T-7539)

5. REPARATIONS

a. Tokyo-to reported the standard for dispersement of expenditures for custody and maintenance of reparation equipment under the International Trade and Commerce for the 2nd quarter of the fiscal year as follows:

(1) One (1) custodian for all plants.
(2) "X" guards for all idle plants, insluding aircraft and munition with over 70% of the equipment idle.

(3) Travel expenses.
a. Metropolitan area -- 130 yen per month.
b. 10 KM distance -- 300 yen per month.
c. 50 KM distance -- 600 yen per month.

(4) Electrical expenses.
a. 100% idle -- all plants.
b. 70% - 100% idle - aircraft and munitions.
1. 150 KWH per 200 tsubo.
2. 30 KWH for each additional 200 tsubo.
3. 2.70 yen per KWH.

(5) Stationary and Correspondence Expenses.
a. Aircraft, munition, machine tool.
Bearing plants. 1 - 500 machines - 1,000 yen per month.
500 - 1,000 machines - 1,500 yen per month.
1,000 machines - 2,000 yen per month.
b. Iron and Steel plants.
400 tons -- 1,000 yen per month.
400 - 10,000 tons -- 1,500 yen per month.
over 10,000 tons -- 2,000 yen per month.
c. Sulfuric acid and caustic soda.
500 tons -- 1,000 yen per month.
500 - 1,000 tons -- 1,500 yen per month.
1,000 - 5,000 tons -- 2,000 yen per month.
(Tons - estimated tonnage of the entire facility)
d. Consumable expenses (Lights, flashlights, etc.)
No. of guards - 1 to 5 -- 1,000 yen per month.
5 to 10 -- 2,000 yen per month.
11 to 20 -- 3,000 yen per month.
21 to 30 -- 4,000 yen per month.

b. In compliance with letter 8th Army, Subject-"Reparations Machinery in Authorized Use by Occupation Forces", dated 11 August 1949, the following reparations were reviewed:

Plant	Plant No.	Remarks
Ashina Tekkojo	39-1	None
Dai Nihon Boseki	39-5	None
Dai Nippon Kikai	39-6	None
Dai Nihon Koku	39-7B	4 items in A. U.
Howa Jukogyo	39-10	None
Nikko Industrial	39-13	None

Plant	Plant No.	Remarks
Nikko Industrial	39-14	Under recheck
Kakuwa Kokoki	39-18	None
Kayaba Sangyo	39-19	None
Kayaba Sangyo	39-20	None
Kayaba Sangyo	39-21	None
Mitaka Kokuki	39-23	None
Fuji Sangyo Asakawa	39-27	Under recheck

6. RELEASES. Trips were made to the following installations to check applications for releases of former amilitary property:

a. 5 sets of electric furnace parts, located at Akatsuki Kogyo K. K., 218, Kugahara-machi, Ota-ku, Tokyo-to. The check indicated that they are damaged and corroded. Therefore, they cannot be utilized, and may be released as scrap iron.

b. 2 aircraft frames, located at Show Hikoki Kogyo K. K., Kozaki Kojo (39-44) Nishitama Hane-mura, Nishitama-gun, Tokyo-to. The check indicated that they have been completely destroyed. Therefore, they may be released as scrap Duralumin.

c. 341 corrugated iron sheets, located at Shosaku-Machi, 67, Takagi, Yamato-mura, Kitatama-gun, Tokyo-to. The check indicated that they can be utilized, and may be released as supplies.

D/956

DAILY ACTIVITIES REPORT

ECONOMICS SECTION, TGAT

DAR #156

17 August 1949

1. NATURAL RESOURCES

a. Agriculture. Observation was made of the agricultural extension system in Tokura Village, Nishitama Gun. The 192 farm families are served by one farm advisor who is also assigned to four other villages. A total of 2,528 farm households are served by the one advisor. The appointment of another advisor will be realized as soon as qualifications of applicants are screened. As farming supplements the principal occupation of tending forests, the activities of the area committee and farm advisors are not greatly evidenced. The farm advisor complained that Tokyo-to has not offered compensations for official travel. This matter was referred to Tokyo-to for proper action.

b. Fisheries.

(1) Visited the Jeto Fisheries Cooperative Association. Official recognition of this association is expected during August. Members interviewed stated that their opinions were always recognized by the officials. The officials stated that members working have been cooperating in all association activities. No problems or discrepancies were noted.

(2) Visited the River Fish Breeding Fisheries Cooperative Association regarding reason for not submitting application for recognition. The documents are not ready due to the illness of the secretary. There appears no other officials capable of completing necessary forms. Application will be submitted during August.

c. Ice Distribution. A total of 1,629 M/T of ice were required by the Tokyo Central Market during the period 1 - 10 August 1949. A total of 21 fishing crafts loaded 598 M/T during the period. Inspite of the continued warm weather, all ice plants are cooperating in supplying required ice. No shortages reported.

d. Transportation Control. Four mobile check points operated by the MPB, 17 August 1949, netted 10 cases of economic violations. A total of 841 vehicles were checked. Offenders were referred to the local police for further action. Major items confiscated were: staples - 192 kgs., lumber - 20 koku, steel pipes - 1,200 kgs., and steel wires - 10 M/T.

2. COMMERCE AND TRADE

a. Food Distribution.

(1) Marine products retail stores in Koganei and Mitaka, Kitatamagun were inspected. Two cases of violations involving 25 lbs. of illegally procured horse mackerel and flying fish were discovered. The offenders were turned over to the local police for proper action. In the areas inspected, less than 80% of the ration allocations were accepted by the dealers. Out of this quantity approximately

60% were purchased by registered consumers. It has been noticed that consumers are weary of the usual fish which are rationed and wait until different types of fish arrive.

(2) Staple food ration points in Minato ward were inspected. A 7 days (2.5 kgs.) ration of wheat flour was being distributed. With the exception of one ration point, conditions were found fairly satisfactory. As the Kinno Hachiman ration point was found in a very untidy condition, the proprietor was warned, and the ration point was referred to the Kodan for future observation. Potato refusals for July averaged 30%. Receipts, distributions and price were checked but no irregularities were discovered.

(3) Tokyo-to reported that a meeting was held with local agricultural cooperative associations on 15 August concerning the construction of special types warehouses for heat-treatment and storage of fall crop sweet potatoes. It was explained at this meeting that the original plan to finance this project through government subsidies has been altered. Originally, 20 warehouses were planned for construction. Now, only 12 warehouses are earmarked for part financial aid. The various cooperative have been informed to submit a reply by 20 August whether they would construct additional warehouses besides the 12 mentioned above.

(4) The Tokyo Central Market reported the following receipt of vegetables during the period 1 - 10 August 1949. (Unit kan)

	August plan	Receipt	Percentage
Interprefectural	8,052,000	2,066,727	39.6
Intraprefectural	3,854,000	1,100,334	35.0
	11,906,000	3,161,061	

The daily per capita ration averaged 59.4 monme. The average per capita per diem ration last August was 76 monme. The price of vegetables was 1.79 times the former controlled price, as of 10 August 1949. Tomato, dry onion, egg-plant, squash, pumpkin, and cucumber were selling at below former controlled prices. These items were high-priced items last year. Daikon which flooded the market last year was selling at below official prices during 1948. This item is now scarce and selling at 4.5 times the former controlled prices.

(5) Tokyo-to announced that a special distribution of "tsukudani" (processed cuttlefish) will be initiated for 10 days beginning 20 August 1949. Each person will receive 20 monme at ¥18.80. Special instructions have been issued retailers to post proper signs. Sales will be confined to registered consumers. The police have been alerted to prevent or apprehend "free sales" of this item.

b. Export-Import. Interprefectural shipments of imported cotton, paper, and tortoise shells from Hyogo Prefecture to designated factories in Tokyo were checked. Four bales of cotton allocated to a Mukojima factory in Tokyo was discovered to be incorrectly reported. The Mukojima Spinning Company is located at Mishirabe gun, Hiroshima Prefecture. Tortoise shells allocations to specified companies have been altered but the total receipt in Tokyo corresponded with figures reported by the Hyogo Civil Affairs Team. Paper arrived in specified quantity.

3. LABOR

a. Employment Security Law. Inspection of Hachioji area revealed that there is little trouble with the daily laborers there. The demand for workers by private employers is increasing a little. Many of the daily workers are farmers and their work on crops keeps them busy so that they are not looking for jobs at the present time. Koreans in the area have been hurt economically by the curtailment of blackmarket activities in the area. A spokesman for the Koreans went to the PESO twice demanding work for his fellow Koreans. He was told to return with staple food ration books for those who wanted to register. None of them ever returned. In the Tachikawa area the average wage for daily workers is ¥200 when they work for private concerns. If they work on Simple Public Works they get ¥250. The result is obvious; all the laborers want to work on public works projects.

b. Labor Standards Law. There are 18 wage arrears cases in the Hachioji area. Most prominent of these is the Toyo Watch Company which is behind in its wage payments for June and July in the amount of six million yen. A case is being prepared for prosecution involving a man who has been an intermediate labor supplier for weaving factories and flour mills. He, reportedly, has been making a large profit from the salaries of these people.

4. MANUFACTURING AND INDUSTRY

a. Stock-piled Material (G.D.-27). Six inventories (7019, 10,000A, 10,000B, 10,000C, 10,000D and 10,000E) were checked and the following materials found to be excess:

Code	Item	Excess	For Confiscation
67	Cloth	93 sq. yds.	93 sq. yds. (10,000A, 10,000B)
71	Clothing	297 pcs.	297 pcs. (10,000A, 10,000B)
74	Shoes	62 pairs	62 pairs (10,000C, 10,000D)
74	Odd shoe	14 pcs.	14 pcs.
	Cake	160 pcs.	160 pcs. (10,000E)
	Japanese Cake	214 pcs.	214 pcs. (10,000E)
	Japanese Cake	960 mmms	960 mmms (10,000E)
	Yokan	19 pcs.	19 pcs. (10,000E)
	Senbei	860 mmms	860 mmms (10,000E)
	Rolls	90 pcs.	90 pcs. (10,000E)
	Sweet Rolls	20 pcs.	20 pcs. (10,000E)
	Jam Rolls	55 pcs.	55 pcs. (10,000E)

b. Stimulating Critical Industry.

(1) Iseda Metal Company, Nippon Valve Seiso K. K., and Nagato Seisakusho were inspected for production. Both Iseda Metal Company

and Nagato Seisakusho are producers of babbit for the automobile industry. Ikeda Metal Company produces approximately 4 million yen and Nagato Seisakusho 1.3 million yen per month. The former company is operating at 50% capacity while the later company is producing approximately one-third of capacity. Nippon Valve Seizo K. K. is a producer valued for diesel and gasoline engines. Approximately 30,000 poppet valves are manufactured per month. Both companies reported to be operating at a nominal profit with labor relations good.

(2) Investigation of Meguro Minko Sha (Communist Newspaper of tabloid size) revealed that only five issues have been published to date. It is edited by Mr. Satoru Morishita, 62 Azuma-cho, Meguro-ku, and the printing job was performed at the Akatsuki Insatsu Plant (Communist Hdq. printing firm). To date, five issues (3,000 copies per issue) have been printed on 'senka' paper, which was purchased from the Akatsuki Insatsu Plant. Cost per copy is ¥3.50 or ¥10 for three copies with three issues monthly. Sales have averaged 1,000 copies.

5. REPARATIONS

a. Routine surveillance inspections of the following installation indicated satisfactory compliance with instructions as regards to security, inventory, maintenance, and operations of the plant. Instances inconsistent to the above were few and/or negligible.

(1) Nissan Kagaku (Sulfuric acid) (39-150) satisfactory.
(2) Nissan Kagaku (Soda ash) (39-152) satisfactory.
(3) Misuno Industrial Company (39-34) maintenance discrepancies.
(4) Fuji Sangyo Tamashi (39-145) satisfactory.
(5) Tokyo Seitetsu (39-145) satisfactory.
(6) Nippon Kenteţsu, Omori (39-38) satisfactory.
(7) Tokushu Seiko (39-148) labor dispute.

b. 1st, 3rd, 5th, 8th Mil. Tech. Lab. (39, 70, 72, 73, 76). Investigation disclosed 14 guards were guarding the released area during the month of July at the cost of 105,150 yen. This information was forwarded to T.F.O. for corrective action.

c. Surveillance of Chuo Kogyo, Omori (39-91) disclosed the new reparation signs have not been posted. Maintenance level of "D" and dead storage equipment is steadily declining and the general status of the plant is shaky due to the severe financial condition of the plant. A special report was requested of Tokyo-to pertinent to this matter.

6. RELEASES. Trips were made to the following installations to check applications for releases of former military property:

a. 1,287 shock absorbers for aircraft, located at Nisshin Sangyo K. K., 1111, Shimura Mkeno-cho, Itabashi-ku, Tokyo-to. The check indicated that they are shock absorber parts, and have been completely destroyed. Therefore, they may be

released as scrap special steel.

b. 3,670 rivets located at Inai Seisakujo, 8; 6-chome, Tsukishima, Nishigashi-Dori, Chuo-ku, Tokyo-to. The check indicated that they can be utilized and therefore, they may be released as supplies.

c. 3 D. C. Motors, 154 flower fans and 36 A. C. generators, located at Nihon Denki Reiki K. K., 39, 3-chome, Terashima-cho, Sumida-ku, Tokyo-to. The check indicated that they were burnt, but can be utilized after repairs. Therefore, they may be released as supplies.

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DAILY ACTIVITIES REPORT

ECONOMICS SECTION, TCAT

DAR # 157

18 August 1949

1. NATURAL RESOURCES

a. Agriculture.

(1) Mr. Kato, Chief of the Agriculture Affairs Section, Tokyo-to reported that the land reform program may be considered completed in Tokyo-to. Of 15,279 cho of land designated for transfer 13,210 cho has been resold to tenants. Of the balance of 2,069 cho, 1,289 cho is exempted from sales for five years, and 780 cho is reserved pending decision of the MAF. Persons cultivating the 780 cho are inelgible to purchase the land, as they are not classed as farmers. 78,998 tenants became land-owners. Of ¥95,541,079 due former land-owners, for the purchase of 15,279 cho, ¥54,812,477 has been paid. Land-owners are difficult to locate as a result of the war. Of ¥71,504,360 due to be collected from tenants for the sale of 13,210 cho, ¥60,464,448 has been realised by the government. Completion of the payment phase of the land reform program is expected by May, 1950. Mr. Kato stated that tenant-owner contracts are being held up due to contemplated rate revisions of the MAF. All necessary preparations have been completed by Tokyo-to. Officials are waiting for the "go" signal by the MAF.

(2) Mr. Aoki, Chief of the Agriculture Extension Division, Agriculture Affairs in Tokyo-to reported progress in selection of farm advisers and home demonstration agents as of 15 August 1949. Of 25 extension areas in Tokyo-to, six areas have the following vacancies: Nishitama Fourth Area - 1, Adachi area - 1, Katsushika area - 2, Oshima area - 2, Hijima area - 1, and Hachijo area - 1. Qualified personnel are being approached by Tokyo-to to consider accepting vacancies. Some difficulty is expected in locating a volunteer the work remote Hijima Island. The delay is expected to continue pending approval of the table of organisation for experimental stations by the next Tokyo-to Assembly. Several vacancies will be filled by technicians now employed at the experimental stations. It is feared that transferring at this time would tend to decrease the possibility of being authorized 81 technicians, which is the present number employed at the experimental stations. The welfare of the farmer is being prejudiced by those seeking to protect their "empire". Seven women qualified to accept posts as home demonstration agents; five have withdrawn due to marriage, sickness, etc.; three have been employed, and two vacancies exist. Volunteers are being sought from outside Tokyo-to.

b. Forestry. Tokyo-to forestry officials reported that the MAF subsidy of ¥1,500,000 for the "Fall-Web-Worm" control program, has been complimented by an additional ¥1,000,000 from Tokyo-to. Tokyo-to has been divided into the following three control districts: Southern, with headquarters in Hibiya Park, Northern, with headquarters in Ueno Park, and Western, with headquarters in Inokashira Park. Seven engine duster purchased by the MAF have been loaned to Tokyo-to. The following is the tentative schedule of the control programs

Date	Southern	Northern	Western
20 August	Chiyoda Ward	Daito Ward	Nakano Ward Suginami Ward Shinjuku Ward
21 "	Chiyoda Ward	Daito Ward	Shinjuku Ward
22 "	Chiyoda Ward	Daito Ward	Itabashi Ward Nerima Ward
23 "	Chiyoda Ward	Daito Ward	---
24 "	Chuo Ward	---	---
25 "	Minato Ward	Arakawa Ward	---
	Koto Ward	---	---
26 "	Shinagawa Ward	Arakawa Ward	---
	Shibuya Ward	Adachi Ward	---
27 "	Ota Ward	Bunkyo Ward	---
	Setagaya Ward	Toshima Ward	---
28 "	Ota Ward	Kita Ward	---
29 "	Meguro Ward	Katsushika Ward	
	Meguro Ward	Edogawa Ward	

2. COMMERCE AND TRADE

a. Food Distribution.

(1) Marine products retail shops in Meguro and Setagaya Wards were inspected. T. Otake, fish dealer was discovered holding 16 lbs. of illegally procured horse mackerel and was referred to the local police for proper action. The quantity of fish accepted by the dealers in these areas from available supplies averaged 25%. Of this quantity approximately 70% were purchased by registered consumers. The balance had to be sold below official prices.

(2) Phone call received from Mr. Hester, Civil Affairs Section, 8th Army that SCAP has notified the Agriculture and Forestry Ministry to cut all allocations of materials for food processing to the Christian Food Company in Tokyo. The Tokyo Food Office was advised to discontinue allocations to this company several months ago.

(3) The deca diem report from the Tokyo Food Office for the first 10 days in August is as follows: (Unit: kgs.)

Items	Balance brought forward	Receipt	Distribution	Blance

Items	Balance brought forward	Receipt	Distribution	Balance
Imported foods	34,804,440	21,053,881	29,644,346	26,171,165
Indigenous foods	65,073,022	2,401,038	6,009,524	41,464,536
Total	99,877,462	23,454,919	35,653,870	67,635,699

Out of the total of 35,653,870 kgs. distributed, 25,132,089 kgs. were sold to the staple food distribution kodan and the balance sent to processing mills.

(4) Tokyo-to reported that in accordance with existing regulations, all marine products retailers must register twice a year during February and August. Due to contemplated charges in regulations, the first registration was held during May, 1949. As a new distribution regulation is expected to be enforced 1 October 1949, the registration required during August will be postponed. Registration will be initiated after 10 October 1949.

b. Export-Import. The International Trade Bureau was notified to take delivery of 10,256 lbs. paper, rubber, leather, and cotton scrap, and 1,400 lbs. salt tablets from the Tokyo Quartermaster Depot. Removal date has been set for 22 August, 1949.

c. Enforcement.

(1) Held conference with Mr. Kondo, Third Economic Section regarding strict surveillance of restaurants operating without licenses. It was suggested that Japanese caught operating eating and/or drinking facility be arrested immediately and confined, and that any foreign national doing the same be arrested by Japanese police and immediately turned over to this section if during duty hours, and the PMO if after duty hours. This section will recommend that all such violations be confined and that bail be denied. The above procedure was coordinated with Lt. Sikes of the PMO, and Mr. Fisher of the Provost Court.

(2) 17 cases forwarded to Provost Court for trial.

3. MANUFACTURING AND INDUSTRY

a. Distribution of Critical Material. Reference is made to Report #5346 in which was stated that propaganda materials were printed in the Patent Bureau's Printing Plant. The investigation revealed that Toshio Oshikawa (Communist Party member) and other members of the local plant union had printed propaganda leaflets for Zenkoku Kansho Shokuin Rodo Kumiai Rengokai (Federation of National Government Employees Labor Union) by utilising government printing presses and other materials for thier own private gains. Many other discrepancies were found in conjunction with this investigation. The case has been referred to M.P.B. for further investigation and prosecution for misuse of government property.

b. Stimulating Critical Industry.

(1) Inspections were made of Ishikawajima Heavy industry K. K., Hikoku Kogyo K. K., Otsuka Sangyo and Hakkosha. Ishikawajima reported that 100 H. P. heist is in production for Hokkaido Coal Mining Company. Miscellaneous Construction machinery and equipment for the Ogochi Dam Project has been ordered by the Tokyo-to Construction Bureau. Orders for coal mining machinery have been gradually tapering off since January, 1949. No material shortages were reported.

(2) Hikoku Kogyo K. K. had completed the repairs of 55 railway dump cars for the Shimbashi Division of the National R. R. Orders for repair work and construction of railway rolling stock have fallen off. This plant employs 35 workmen. The plant is taking orders for repairs of all types of machinery and equipment in meeting the present financial emergency. Material allocations are received on schedule with difficulty in receiving payments for work accomplished.

(3) Hakkosha is producing approximately 8,000 units of railway conductor's signal lamps, automobile headlights and tail lights per month. This small plant is utilising 48 employees. No material difficulties were reported.

(4) Atuka Sangyo is an automobile parts manufacturer with production concentrated on brake cylinders. All products are contracted with Isuzu Jidosha K. K.

c. Stockpiled Material (CD - 27). Four inventories (T-5884, 6127, 6652 and 6879) were checked and the following materials found to be excess:

Code	Item	Excess	For Confiscation
1	Coal	6,000 kgs.	6,000 kgs. (T-6879)
7	Other petroleum products	1,041 L.	1,041 L. (T-6879)
25	Ordinary steel	1,000 kgs.	1,000 kgs. (T6879)
64	Fibre	8,958 lbs.	8,958 lbs. (T-6127)
65	Waste textiles	9,818 lbs.	9,818 lbs. (T-6127, 5884)

5. REPARATIONS. A meeting was held between the Tokyo Finance Bureau, Reparations Sectionand Economics Section, Reparations, this headquarters on 19 August 1949 to discuss and correct unsatisfactory custodial and security conditions prevailing in the following former military installations:

a. An inspection trip to the former 2nd Tokyo Military Arsenal, Oji (39-62) revealed the followings

(1) Five bad leaks in the water system, especially near Building No. 21. The leaks must be repaired immediately. A repair cost estimate will be submitted on 22 August, and verbal approval for expenditure will be obtained from GHQ, SCAP, Reparations pending written approval.

(2) All of the guards were in the main guard-house at the time of the inspection (14:00). Orders were given that at least one guard be walking the area at all times. Guard time-clocks will be used in the near future.

(3) The gate between the reparations area and Hodogaya Soda was open, with no guard on duty. Orders were given that the gate not to be opened unless a guard is present.

(4) The custodian did not know how many items were in authorized use.

(5) Evaluation work sheets were not corrected.

(6) The present custodian, Mr. Kawamura1 will be replaced on 22 August 1949 by Mr. Ogata.

b. An inspection trip to the former military fuel board, Fuel Laboratory (39-66) revealed the following:

(1) The Finance Bureau Office had not informed the Provost Marshal of FEAMCOM of the number of Finance Bureau guards and routes of the walking posts. This information was given to the Provost Marshal at the time of inspection.

(2) One clerk is temporarily necessary in order to correct the evaluation work sheets. Corrections are necessary due to the movement of FEAMCOM. Mr. Shimbo has been assigned to this work, since he is familiar with this type of work.

c. An inspection trip to installations (39-86) and (39-87), Tachikawa, revealed the following:

(1) Finance Bureau has two custodians; one custodian for the equipment within TAFB, and one for the seven repratiens buildings outside. Eight guards are assigned to the three dead storage buildings within the base, 33 to the 7 buildings outside of the base, and 10 guards were stationed 5 miles from the base on a non-reparations area. The Finance Bureau claims that one custodian is required inside of the base for custody of approximately 1,000 items in use by the base, which the Finance Bureau claims are not in authorized use. The Finance Bureau was instructed to submit a list of these items. The list will then be forwarded to TAFB for clarification. The Finance Bureau will submit the list on 26 August. After corrections have been made, only one custodian will be required. It is estimated that not more than 20 guards will be required, to maintain security of all reparations buildings.

(2) Discrepancies in the July expenditure report were noted:

a. Electric power - six times more than in June.
b. Travelling expenses - 7 times more than in June.
c. Requested a written explanation for the sudden increase.

d. An inspection trip to the former 1st Tokyo Military Arsenal, Ogu (39-49) revealed that the water pump motor was over-heated. Temporary use of an auxiliary unit was granted until the repair is made. A check by the Finance Bureau revealed that the carbon brushes must be replaced. Repairs will be made immediately.

e. An inspection trip to the former 1st, 3rd, 5th and 8th Military Technical Laboratories, (39-70, 72, 73, 76) revealed the following: The Finance Bureau has 8 guards in the released area; the reason for the guards in the released area being that the former outside fence remains, and no fence has been constructed between the remaining reparations and released areas. In the past no fense between the two areas was justified, due to its length and the expenditure that would be involved. The inspection revealed that three or four large openings existed in the fence of the released area. The Finance Bureau was instructed to move the guards into the reparations area and also to immediately close the openings in the fense. Plans are being made to construct a fense around the remaining reparations area.

f. A check of fire extinguishers in all of the arsenals and laberatories revealed that many were partly or completely empty. Instructions were given to immediately re-fill all extinguishers. In the case of buildings being used by organizations, the Japanese Government is planning to have the occupants provide sufficient fire fighting equipment.

g. Mr. Papagna CPC/RP Section was accompanied on a routine surveillance inspection of Hitachi Keiki (39-101). General conditions were found satisfactory. No discrepancies reported.

6. RELEASES. Trips were made to the following installations to check applications for releases of former military property:

a. 24 electric furnaces, located at Akatsuki Kogyo K. K., 218, Nagahara-machi, Ota-ku, Tokyo-to. The check indicated that they are semi-finished parts but can be utilized. Therefore, they may be released as Supplies.

b. 4,500 revolution, temperature and pressure indicator parts, located at Showa Hikoki Kogyo K. K., 4079, Haijima-mura, Kitatama-gun, Tokyo-to. The check indicated that they are designed for aireraft use and that the main parts have been destroyed. The parts can be utilized in general purpose equipment. Therefore, they may be released as supplies.

c. 69,000 meter pivot parts, located at Pilot Seiki K. K., (39-117). 1044 Manene-cho, Shimura, Itabashi-ku, Tokyo-to. The check indicated that they have been destroyed and cannot be utilized. Therefore, they may be released as scarp supplies.

d. 9 two-story wooden buildings, 55 one-story wooden buildings, 1 one-story concrete building, 1 one-story brick building and 25,528 tsubo of land located at the former 8th Field Heavy Artillery Regiment, 5 Ikejiri-cho, Setagaya-ku, Tokyo-to. The check indicated that most of the buildings are currently being used as living quarters by Tokyo Metroplitan Government and that no forener military supplies and equipment remain in the area. The property may be released.

JR 555

HEADQUARTERS
KUMAMOTO CIVIL AFFAIRS TEAM
KUMAMOTO, KYUSHU, JAPAN

JCB/yfu

APO 24 Unit 1
20 August 1949

300.4

SUBJECT: Travel Order 8-40

TO : See Distribution

Mr. Kazuo Morikawa, DAC, CAF-6, this Hq, is auth to proceed to Osaka Civil Affairs Team, Osaka, Honshu for approx 7 days e/a 22 Aug 49 for recreational purposes. TDN. TCNT. Sleeping accommodations auth. Cost of travel will be borne by individual. AUTH: 2nd Ind to letter, Kumamoto Civil Affairs Team, APO 24 Unit 1, dtd 8 Aug 49, Sec II WD 44 Hq 8th Army 49.

BY ORDER OF COLONEL KUNZ:

John C. Barronton

JOHN C. BARRONTON
1st Lt Inf
Adjutant

DISTRIBUTION:
1 - KCAR
1 - Osaka Civil Affairs Team
5 - DAC
1 - File

HEADQUARTERS
KUMAMOTO CIVIL AFFAIRS TEAM
KUMAMOTO, KYUSHU, JAPAN

JCB/rtu

624

APO 24 Unit 1
8 August 1949

SUBJECT: Request for Ration and Quarters

TO : Chief, Osaka Civil Affairs Team, APO 25

1. Request rations and quarters be provided for Kazuo Morikawa, CAF-6, this headquarters, for the period 22 August - 28 August 1949, if available.

2. Subject DAC will be on annual leave from this office 20 August to 30 August 1949.

FOR THE COMMANDING OFFICER:

John C. Barronton

JOHN C. BARRONTON
1st Lt Inf
Adjutant

HEADQUARTERS
KUMAMOTO CIVIL AFFAIRS TEAM
KUMAMOTO, KYUSHU, JAPAN

JCB/rtu

624

APO 24 Unit 1
5 August 1949

SUBJECT: Request for Ration and Quarters

TO : Chief, Osaka Civil Affairs Team, APO 25

1. Request rations and quarters be provided for Kazuo Morikawa, CAF-6, this headquarters, for the period 22 August - 25 August 1949, if available.

2. Subject DAC will be on annual leave from this office 20 August to 30 August 1949.

FOR THE COMMANDING OFFICER:

JOHN C. BARRONTON
1st Lt Inf
Adjutant

HEADQUARTERS
KANAGAWA CIVIL AFFAIRS TEAM
APO 503

Activities for 3 August 1949

Economics Section, KCAT, Daily Activities Report

NO.....148

Commerce & Trade.....A
Comm Control & Natural Resources..B
Industry.....C
Reparations.....D

A.

COMMERCE AND TRADE:

1. Import-Export: (a) Lt. Clark, Barge Pool Officer, 2nd T Medium Port called on this section (1000, 3 August, Sprow) to discuss power barge situation. Lt. Clark expressed belief that premature news release on power barge investigation would result in serious labor trouble at the port if barge companies are unable to meet payrolls. (b) Approximately 10,000 pounds of condemned rations from Camp McGill were released to the Japanese Government on 3 August 1949. (c) Mr. Naito, Liaison Agent for the local office of Ministry of International Trade and Industry and Mr. Higashikuze of NYK called on this section 3 August and reported that construction on the Foreign Trade Office Building (to be erected of the lot between NYK building and the 7th Base Post Office) would be started on the 25th of this month.

2. Construction: A report was submitted by the Prefectural Construction Section pertaining to construction permits issued during the month of July 1949. Out of the 3,115 applications submitted, 1,366 ordinary and 50 miscellaneous types of construction were approved, while 63 applications were disapproved. The miscellaneous constructions consists of ticket dining rooms, public halls, hotels, repairs alternations, enlargements, etc. The Revised Construction Regulation Article 5, Clause No. 1, states that registered foreign traders who intend to construct a building, shall obtain a permit from the Minister of Construction. Clause No. 2 states "The registered trader shall not construct a wooden dwelling-house with floor space exceeding 172 sq. meters (approx. 52 tsubo) except made of materials bought for foreign currency through the competent ministry." This means that the traders have no tsubo or space limit if the materials are obtained by them through International Trade and Industry Bureau from the Japanese Government with foreign currency.

B.

COMMODITY CONTROL AND NATURAL RESOURCES:

1. Crop Collection: Report of crop collection for the period 21-31 July was reported to Eighth Army CA Section by phone (Tanigawa to Umizawa, 1000 hours, 4 August). Cumulative percentages collected are 110.9% and 79.6% for white potatoes and cereals, respectively. All districts, with the exception of Yokohama, Koza, and Tsukui have completed deliveries of white potatoes. Only Kamakura and Naka districts completed cereal collections, with Tsukui trailing, having collected only 2.6% of its quota.

2. Blackmarket Control: The special enforcement team inspected the Isehara police area, and observed that economic control was satisfactory except only one cake-shop, which displayed a very small amount of cookies. The team made further inspection of the Nakahigashi District Police area, and directed the chief economic inspector to carry out an immediate raid on blackmarket cake-shops. The police arrested 6 cake-shop owners, who violated the food control law and the price control law. Confiscations were 7.1 kgs of cookies.
The blackmarket control team raided in Isezaki and Tsurumi police area, and netted 4 Chinese blackmarket restaurant operators with 0.2 kg of rice, 17.3 kgs of Chinese noodles and bread and 18 kgs of cakes and cookies, while the Japanese police attached to the team arrested 6 Japanese blackmarketeers and one Japanese employee, who violated the food control law and the price control law. The police also took statements from 12 Japanese customers as evidence of violations. Confiscations were 8 kgs of rice, 3 kgs of Japanese noodles, 6 kgs of flour, 12 kgs of cakes and cookies and 5 kgs of fish and fish products.

3. Arrest Results: This section forwarded 9 cases of third nationals for economi violations (violations of food control law, price control law, food emergency measures, and food dispensing business emergency measures) to the Yokohama Provost Court. The above 9 cases are for 1 to 2 violations committed by Chinese, bringing the total number of cases forwarded to the Yokohama Provost Court to 297 cases.

4. Petroleum Distribution:

a. Received weekly report of petroleum distribution for all units of the Occupation Forces from the Kanagawa Road Transportation Office for the period 23-30 July 1949.

Central quota	Allocation & Distribution 23-30 July	Cumulative	Balance on hand
63,157 gals	5,776 gals	61,040 gals	2,117 gals

During this period, no applications were received, and total allocations remain the same as the previous report (51,563 gals 88 memoranda). This total amount is an increase of 1,210 gals compared with the total of the previous month.

b. Received monthly report submitted by the Kanagawa Road Transportation Office of the allocation and distribution of petroleum products for land transportation for the month of July in Kanagawa Prefecture, and consolidated by categories as follows:

	Allocation	Distribution
Occupation Forces	63,157 gals	61,040 gals
Indirect benefit of Occ. Forces	34,210 "	25,475 "
Japanese economy designated quota	149,687 "	149,361 "
Japanese economy undesignated quota	115,000 "	125,580 "
	362,054 gals	361,456 gals

The 361,456 gals distributed for the month of July were an increase of 7,930 gals over the previous month, direct and indirect benefit of the Occupation Forces were decreases of 4,043 gals and 955 gals respectively. However, in Japanese economy, both designated and undesignated allocations increased 3,480 gals and 9,448 gals over the previous month.

C.

INDUSTRY:

1. Inspection was made at Maruzen Sekiyu KK, #700, Nishi-Terao, Kanagawa-ku, Yokohama, to determine their most serious current problems. This company has four installations for the manufacture of grease (cup, mobile, gear and other types). At the present time only two of these installations are in operation and monthly production averages about 30 tons. Present allocation of raw materials from the International Trade and Industry Ministry is adequate for operation of the two installations, but production could be increased to about 100 tons per month at any time this allocation is increased. Company has no other serious problems.

2. Inspection was also made at Kinko Kagaku Kogyo KK, #1000, Utsuro, Nishiterao-machi, Kanagawa-ku, Yokohama. This is a pharmaceutical concern manufacturing mercurochrome and worm medicine. Allocations being made by the Welfare Ministry are adequate at the present time. Company reported no special problems.

3. Stimulation of Industry: Three oil refineries in the Kawasaki-Tsurumi area (Showa Oil Co., Mitsubishi Oil Co., and Koa Oil Co.) were visited to learn what steps were being taken to rehabilitate their facilities and how we could help them. All three plants stated that the Japanese Government had told them to submit their production history, current production status, and future plans by 15 August. We will wait until after that date before continuing the survey in order to save the companies time and trouble during this busy period, and also to obtain more accurate data after their reports have been completed.

D.

REPARATIONS:

1. Mr. Frank Ashida, who has been acting as Reparations Chief of this section, officially left our organization this date to return to Z.I. for further college work. Mr. Ashida, one of the few remaining members of our headquarters who arrived in 1945 holds the distinction of being the first DAC processed in Japan for Civil Affairs duty. We shall really miss him.

2. The reclassification of reparations machinery, unworthy of packaging as reparation items was done at the Sagami Military Arsenal (19-18) on the 21st, 22nd and 25th of July by Mr. Rudis and Mr. Sumida from SCAP R/S. 451 machines from 19-18, 205 from 19-24, and 110 from 19-89 were reclassified as scrap. Responsible custodian of the Tokyo Finance Section, J.G. was also instructed by Mr. Rudis to submit a list of brick furnaces and miscellaneous machinery which should be deleted from reparations, (i.e. gasoline engine, diesel engine, generator, motor generator, pump and reduction gear). List was forwarded on the 27th July to SCAP in the following listed classification.

Sagami Military Arsenal (19-18): 57 engines, 61 generators, 58 brick furnaces, 37 motor generators, 20 (new) pumps, 10 (product) reduction gear. Koza Naval Arsenal (19-24): 8 engines, 112 generators, motor generators, and engine generators. Fuchinobe Military Ordnance School (19-89): 24 engines, 19 generators, motor generators, 29 rice boiling vessel and dish disinfectors.

P. S. KEMSKE
Chief, Economics Section

HEADQUARTERS
KANAGAWA CIVIL AFFAIRS TEAM
APO 503

Activities for 2 August 1949

Economics Section, KCAT, Daily Activities Report

NO.....147

Commerce & Trade.....A
Comm Control & Natural Resources....B
Industry.....C
Reparations.....D

A.

COMMERCE AND TRADE:

1. This section was advised by telephone (Mr. Halff, Exec. Officer to General Marquat, Chief SCAP/ESS on 2 August) that neither SCAP/ESS nor the Provost Marshal, Far East Command, had any objection to the withdrawal of Occupation Force guards from the Export Bazaars in Yokohama or Tokyo. 8th Army Provost Marshal notified by letter of this fact, this date.

2. Import-Export: Mr. Sano, Chief of Kagacho Police Station called on this section (2 August, Sprow) and reported that the Yomiuri Shimbun (issue of 2 August) carried a story about the power barge investigation now underway. This section had previously requested Mr. Sano to release no news concerning this affair until actual facts of fraud were found and case was placed in hands of procurator. This request was made to avoid possible injury or slander against innocent firms or individuals and to further avoid labor unrest that would result from such suspicions. Mr. Sano agreed that it would be most unwise to release any premature news. This investigation is still not completed but Mr. Sano was quoted in the Yomiuri Shimbun as saying: "It has come to a point where it is clear that they (six barge operators) cheated in the classification of fares and extra charges——" This is a very positive statement and it appears unusual that a public official should make such a public statement prior to the investigation being completed or any actual charges being filed. When questioned about his statement Mr. Sano denied ever releasing such news. An interview was held (PM 2 Aug) with Mr. Kobayashi the reporter who wrote the newspaper story. Mr. Kobayashi stated that he personally interviewed Chief Sano at three different times and the published statement was given to him by Mr. Sano on 29 July. Mr. Kobayashi's story was written in such a manner as to convince the general public that the information in the story was factual and that all persons named were definitely guilty. Further questioning of Mr. Kobayashi revealed that his main source of information was Mr. Ishida, Director of the Yokohama Kihansen (Barge Owners Association). Mr. Ishida's statements were printed as facts. This whole situation constitutes a serious breach of duty on the part of a public official and responsibility on the part of a newspaper. The release of the story has already caused serious damaging results. All banks immediately refused further credit to the barge companies. This alone will cause serious labor trouble when the companies are unable to meet payrolls and will reflect finally in the unloading and loading of cargo at the 2nd T. Medium Port. It is doubtful if a published retraction can repair the damages already done.

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B.

COMMODITY CONTROL AND NATURAL RESOURCES:

1. Crop Collection: Pursuant to letter received from farmers of Fukuzawa-Mura, Ashigara-kami-gun, Kanagawa Prefecture, regarding influence of the Nichino party in the land reform program, incentive goods distribution, and crop collection quota allocations, Mr. Ozawa, Chief of the Delivery Unit, Agriculture and Forestry Division, KPG, was instructed to investigate. Most of the accusations contained in the letter, after a detailed investigation, proved to be groundless, and seemed to be based on a move to harass operations of village officials, mainly because authors of the letter were ignorant of the SOP governing the programs in question. However, report of findings submitted by KPG is very non-commital. This section will make an investigation on some of the unclarified matters (e.g. incentive goods) at a later date.

2. Price Control: Financial statements for June have been submitted by the Cabaret Association. Total gross income of nine Yokohama establishments was 2,369,504 yen against 2,811,390 last month. That profits decreased to 1,022,483 yen from 1,138,090 yen due to decreased income four dance tickets and increased labor costs and miscellaneous expenditures. Yield against investment decreased by 86.5%. We have tried to analyse the financial statements submitted monthly by cabarets, but it is rather a complicated problem due to an apparent attempt to evade taxes. A call from Col. Johannson, YPM regarding one of the cabarets who had failed to report certain income known to the Colonel, prompted this section to make a little closer scrutiny of reports. Several months ago in a conference with Major Riaz, the cabaret association and many cabaret managers and tax office officials regarding a price change this section recommended to the tax officials that they investigate cabaret reports as they were obviously padded. A talk with the assistant legal officer Lt. Schuman indicates that the cabarets are now under scrutiny by that section and by the Tax Office.

3. Lumber: Report of lumber production and distribution for the third month of the 1949 fiscal year (June), was submitted by the Materials Adjustment Office, Kanagawa Prefecture. 114,432 koku (68% of the quota) of lumber were delivered (previous month - 176,774 koku). Out of this total, 73% were interprefectural import (a sharp decrease to 83,434 koku from 137,174 koku), while 27% was locally produced (a slight decrease to 30,998 koku from 39,600 koku). 13,698 koku were actually cut from private forests in Kanagawa during the month. 61,640 koku (154% of the quota) were distributed during the month, larger receivers being housing construction, iron and steel industries, and Occupation Forces.

4. Blackmarket Control: The special enforcement team made an inspection of Yamato town, and directed the chief of police to carry out a surprise raid on blackmarketeers. The police arrested 8 blackmarket cake-shop owners who violated the food control law and the price control law. The police impounded 9 kgs of cakes and cookies and 4 kgs of processed marine product. Yamato is a very small town, but economic control was not satisfactory. The team therefore gave a stern warning to the chief of police, and directed him to clean cut the present condition in future.

The combined team made an inspection of Fujisawa, and directed the Fujisawa police station to carry out an immediate raid. The team arrested 2 Chinese noodle, while the Japanese police netted 22 Japanese blackmarket cake-shop owners, who violated the food control law and the price control law. The Japanese police impounded 49 kgs of cakes and cookies. The team directed both chief of police and the chief economic inspector to keep their eyes on the above blackmarketeers to crack down.

C.

INDUSTRY:

1. Transfer of Materials:

a. The Economic Investigation Board has notified this section that they will transfer 33,660 kgs of lead, from the Second Construction Bureau to Sangyo Fukko Kodan.

b. The Kanto Maritime Bureau has notified this section that 15,990 kg of steel tube and 7,169 kg of steel rod, which is now located at Yokohama Yatch Co. and is excess to their needs, will be transferred to Sangyo Fukko Kodan.

2. Release of Materials: The Sangyo Fukko Kodan has notified this section that they will release the following materials to their respective owners, either because the materials are of very low quality or because they are not included in the 76 critical items list and should not have been frozen. (a) Showa Denko Co. Ltd., Yokohama Plant: 3,470 kg. special steel, 3,679 kg. brass, 11,900 kg. paint, 2,200 ft. conveyor belt, and 4,222 kg. babbit metal. (b) Toyo Denki : 6,980 kg. ferro-chrome, 1,230 kg. hoop steel, 500 kg. ferro-titan, 4,000 kg. metallic manganese, and 16,800 kg. ferro-silicon.

3. Blackmarket: Telephone call from Tokyo C.A.T. (Iida to Hutchinson, 0930, 3 August) requested investigation of Osaka Shipbuilding Co. in Tsurumi. T.C.A.T. has seized the company's books at the Tokyo Office and it appears that this company has been rolling bar-steel into sheet-steel and selling it at a price far above that authorized. It is estimated that this company has made an illegal profit of ¥360,000,000 since December 1947. In one case the buyer had to pay ¥5,800,000 over the authorized price for 636 tons of steel. The Tsurumi Plant will be investigated and results reported to T.C.A.T. and future DAR's.

4. Stimulation of Industry: The Furukawa Electric Co., Yokohama Electric Wire Plant, was inspected to learn what problems they are confronting. Power allocation was declared adequate. Raw materials were said to be obtained by allocations and supply of them was enough to meet their needs, with the exception of rubber and cylinder oil. This plant, like many others, has been increasing their stock during recent months. At present they have ¥160,000,000 of various kinds of wire. This large

stock didn't seem to alarm them however, because they believe the Communications Ministry will soon purchase ¥70,000,000 of wire which will reduce their stock to only about one-third of what they had about a year ago. Most of this company's production is sold to the Communications Ministry and about 30% is exported to India.

D.

REPARATIONS:

1. Following reports that live explosives were still prevalent in the Nihon Kako area (19-49), members of this section visited the Totsuka Plant. On 15 July, 6 pieces of explosive tubes were found in the 2nd plant area of Nihon Kako. Company immediately reported the detection to the Totsuka Police who in turn notified the Cavalry forces at Camp McGill in Takeyama. On 17 July, a Cavalry officer inspected the plant and explosives, and made arrangements to dispose of all explosives. The following items were uncovered and reference made to disposition. (a) 6 pcs. 1.5 meters long, 1" diameter steel pipe full of picric acid, former Japanese army supply, transferred from Takeyama to Zushi by the disposal crew. (b) 200 pcs. of dynamite (small). 100 pcs. were already disposed by the Cavalry. Others remain pending. (c) 46 pcs. of signal bomb. A sample is being tested to determine its' potentialities. Results not manifested. (d) 20 tons of magnesium - in magazines. Company wants to sell them (which we recommend) as blended with water, it could ignite and cause a spontaneous fire. (e) 45,000 pcs. of fuse for hunting rifle. (f) 50 kg. of black powder. Mining industry needs them. Sale or release recommended.

2. Mr. Tozuki and Mr. Imaizumi of the Liquidation Office of Japan Steel Tube Co., Arms Disposal Board were on hand to report on the progress made so far in recovering or replacing two boilers which disappeared from the Ogino Branch of the 2nd Naval Explosive Arsenal (19-29) sometime late last year. They were able to locate the whereabouts of the two boilers, but their return were infeasible as the Lancashire boiler is in operation for the Occupation Forces at Yamate Base in Sendai, while the Cornish boiler is at Ayukawa-cho, Sendai, used by the Kyokuyo Fishery Co. To offset this impracticality, two similar boilers, meeting specification, were located at Kasu-machi, Saitama Prefecture, which will be transferred to the 2nd Naval Explosive Arsenal in Hiratsuka by the set deadline of 15 August when an inspection will be made by this office to ensure that that the replacements meet adequate specification. Further developments on the boiler incident will be reported in subsequent DAR's.

P. S. KEMSKE
Chief, Economics Section

HEADQUARTERS
KANAGAWA CIVIL AFFAIRS TEAM
APO 503

Activities for 1 August 1949

Economics Section, KCAT, Daily Activities Report

NO.....146

Commerce & Trade.....A
Comm Control & Natural Resources...B
Industry.....C
Reparations.....D

A.

COMMERCE AND TRADE:

1. Import-Export:

a. Phone call from the Special Procurement Board (Mr. Hayakawa to Sprow, 1030, 1 Aug) concerning expiration of all contracts to power barge operators in 2nd T. Medium Port. Because of SPB's inability to formulate a concrete plan for awarding future contracts on a "bidding" system, the SPB has extended all present existing contracts for another 30 days. A plan has been established for awarding contracts to the stevedoring firms and will go into effect within two weeks.

b. Mr. Madill, SCAP Water Transportation Section, called on this section (1 Aug, Sprow) to discuss difficulties encountered in supplying food (Japanese rationed items) to Korean crews of 3 ECA vessels undergoing repairs in Yokohama. Difficulties arose from failure of ECA officials to initiate action requesting food and problem was left to SCAP Transportation Section. All crew members (66) were returned to Korea 1 August and vessels have been transferred from Army to ECA. Vessels will probably be transferred to Korean Government on a loan basis within a short time.

2. Procured Property: An investigation and inspection of the property owned by Mr. Iida (letter received by KCAT from Mr. Iida asking assistance in getting his property released) reveals that property is a small strip of land (6 x 25 meters) within a large area under PD to the 598th Engineer Base Depot. Property is being utilized by Engineers as open storage for heavy engineering equipment. There is no possibility of getting this property released at the present time.

B.

COMMODITY CONTROL AND NATURAL RESOURCES:

1. Crop Collection: Phone message received from Eighth Army CA Section (Latham to Tanigawa, 0900 hours, 2 August), regarding non-payment of monetary premiums for over-quota deliveries of white potatoes and cereals (ref DAR #145, dtd 29 and 30 July), revealed that the Agriculture and Forestry Ministry had FORGOTTEN to send out memoranda to the prefectures with

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information on the over-quota delivery prices. This section was informed of final prices during the early part of July. Such negligence on the part of ministry officials makes crop collection efforts on the prefectural level a useless enterprise.

2. Food Distribution: Fish report was submitted by the Food Section, KPG, for the second 10 days of July. 312,953 kan (116% of the quota) of fish were received during the period, showing the lowest figures since the first period of April. This was due mainly to the decreased receipts from other prefectures. The local catch was 157,215 kan (91% of the quota or the highest figures since the first period of May), while 155,738 kan (137% of the quota or the lowest figures since the first period of April) was imported from other prefectures during the month. Fukushima, Ibaragi and Fukuoka shipped nothing against their monthly allocation (10,000 kan, 14,000 kan and 2,000 kan respectively). Distribution was as follows:

	Per day per capita distribution		
	Official target	1 - 10	11-20
Designated areas	15.0 momme	14.3 momme	11.3 momme
Non-designated areas	10.0 "	8.4 "	5.7 "
Average		12.3 "	9.4 "

3. Firewood and Charcoal:

a. Solid fuel receipt and distribution report for July (16 June-15 July 1949) from the Forestry Section KPG, revealed that supply of both firewood and charcoal in Kanagawa showed an unprecedented by small monthly figures after successive decreases during these three months, as follows:

Firewood:	Production	% of the quota	Import	% of the quota	Total	% of the quota
16 Apr-15 May	88,959 soku	100	688,402 soku	106	777,361 soku	120
16 May-15 June	95,290 "	100	498,615 "	77	593,905 "	91
16 Jun-15 July	38,532 "	200	292,188 "	56	330,720 "	61
Charcoal:						
16 Apr-15 May	66,361 hyo	135	351,179 hyo	118	417,710 hyo	120
16 May-15 June	83,348 "	498	251,786 "	83	335,134 "	104
16 Jun-15 July	38,525 "	115	148,003 "	116	186,528 "	116

This was due to the following facts: (1) Delayed purchases by the Ministry of Agriculture and Forestry, i.e. charcoal offices in producing prefectures. (2) Transportation suspension taken by the same ministry as an emergency measure to restrict solid fuel shipment. (3) Maturity of the summer farming season. (4) Anticipation of decontrol.

b. Distribution of both firewood and charcoal accordingly decreased sharply, and yet stockpiles of both commodities showed the smallest figures since the beginning of the year (charcoal some 200,000 hyo, firewood 180,000 soku). Curtailed distribution was more conspicuous in case of firewood with 12.6 days delayed distribution from the plan. Charcoal, however, was distributed 13.7 days in advance due to a special distribution enforcement program by the ministry to get "back funds", i.e. free sale of a maximum of two bales to each household with gas laid on in Yokohama City,

and a maximum of two bales to each household whether gas is laid on or not in other seven cities (this continued by the end of July 1949).

c. Briquette production was only 25,500 bales (8.7% of the quota) while distribution was only 30,600 bales (or 11.4% of estimated requirement) due mainly to poor demand, during the month.

d. Firewood and briquette was completely decontrolled on 1 August 1949, while charcoal, control is to be continued except government purchases (i.e. purchases by the charcoal offices are abolished) as of the same date. As the reasons of this decontrol were rather financial than purely economical, some temporary influences are expected especially in Kanagawa as follows: (1) Overcutting of Kanagawa forests is expected due to their proximity to large consuming areas. (2) Concealed stockpiles of firewood will be shipped by the decontrol, but larger quantities will be attracted by higher prices in Tokyo, and if supplies of substitutes (coal, briquettes, etc.) do not increase, shortage of firewood in the coming winter season will be unavoidable. (3) As the result of the fact that approximately 30% of final consumers price of charcoal is given to dealers as their margin since the decontrol, which has long been imposed to maintain charcoal offices, transaction will become active if their funds are sufficient. Financing policy of the government (i.e. enactment and good application of charcoal bill law) seems to be a vital key to tide over the difficulties in the coming winter season.

4. Petroleum Distribution: Received monthly report submitted by the Kanagawa Road Transportation Office of the distribution of petroleum products for land transportation for the month of June in Kanagawa Prefecture, and consolidated as follows:

	Distribution
Occupation Forces	65,083 gals
Indirect benefit of Occ. Forces	26,430 "
Japanese economy designated quota	145,990 "
Japanese economy undesignated for requirement of local importance	116,069 "
	353,572 gals

The 353,572 gals distributed for the month of June were a decrease of 6,477 gals from the previous month, direct benefit of Occupation Forces decreased 21,281 gals while indirect benefit increased 718 gals. In Japanese economy there were increases of 7,000 gals and 7,086 gals in the designated and undesignated allocations respectively.

5. Arrest Results: This section forwarded 76 cases of third nationals, for economic violations (violations of price control law, food control law, food dispensing business emergency measures, food emergency measures, provisions sanitation law, and monopoly law) to the Yokohama Provost Court. The above 76 cases cover 2 to 12 violations committed by Chinese, Philippino, and English. Thus, bringing the total number of cases forwarded to the Yokohama Provost Court to 288 cases.

6. Blackmarket Control: The special enforcement team made an inspection of the Kawawa police area, and found that conditions of economic control was satisfactory except one small cake-shop, which was selling cookies. The chief economic inspector of the Kawawa police station reports that 13 licenses were given against 13 applications made in this police area in connection with the temporary readjustment law for food dispensing business. The blackmarket control team made an inspection of Isezaki, Yamate, Kagacho and Isogo police areas, but the team observed no violation of third national-owned establishments except one tea-room. This may be due to an attention given by this section through newspapers and the Chinese Association. The Japanese police attached to the team arrested 12 Japanese blackmarket cake-shop owners and 1 Korean tea-room operator, who violated the food control law and the price control law. The police took statements from 3 Japanese customers as evidence. Confiscations were 5 kgs (3 kgs from foreign national and 2 kgs from Japanese) of other staple foods than rice and flour and 6 kgs (1 kg from foreign national and 5 kgs from Japanese) of cakes and cookies.

C.

INDUSTRY:

1. Release of Machinery: The 99th Engineer Maintenance Company has released 85 items of Japanese machinery and various types of tools (in addition to reparations equipment). These items will be reported to the Japanese Government for return to rightful owners. "Rightful owners" are unknown, as this equipment "scrounged", "midnight requisitioned" stolen, borrowed, etc. in 1946 for Keio Schools. Machinery nor not needed (since Etajima School established).

2. Public Works:

a. The 5th Engineer Construction Group was contacted in order to borrow an air-compressor with jack-hammer for the Yokohama Road Section. This air compressor will be used in repairing route 1-S, in the vicinity of the B.C.O.F. cemetery, from 3 August to 10 August.

b. The Yokohama Road Section replied, in answer to a question by this section regarding the use of pyrite cinders for road construction, that they have a contract with the Nitto Chemical Company for all the pyrite cinder they can use at present. They stated that pyrite cinder is suitable for use only on unimportant rural roads because heavy traffic soon makes the road to dusty.

c. Several of the road construction and repair projects considered of paramount importance by the 5th Engr Const Group are not being worked on at present due to lack of funds. A letter requesting the necessary funds will be submitted by the Yokohama Road Section to the Construction Ministry.

3. Stimulation of Industry: The Yokohama Shipyard and Engine Works of the Mitsubishi Heavy Industries Ltd. was visited by members of this section. It was learned that they have had no difficulties obtaining materials they need, when they are able to pay for them. They stated that they could use a larger power allocation as their furnaces use a great deal of power. It was explained to them that at the present time it was impossible to increase their allocation without reducing allocations to other industries.

D.

REPARATIONS:

1. Packaging progress at 19-20, with the exception of team #5 (Kosho KK), the selected contractors for packaging have already begun crating. Kumagaya Gumi, especially have gone ahead from all others. Two contractors for AN 1-72 were also making progress. A brief conference relative to packaging schedules, methods, etc., was held today by all contractors and responsible government officials. Each contractor was instructed to submit advanced monthly packaging schedules (i.e. the No. of packages to be crated monthly) probably on SCAP's request.

2. The Bomb Disposal team of Ikego Ammunition Depot with 10 Japanese members begun the long delayed disposal of bombs and explosives still prevalent in the Nichibei area. Some of the heavier bombs were excavated from the caves and nearby debris, with proper disposition made. Disposal will continue throughout this week.

3. Oil Storage Facilities: Activities at General Bussan: The above company is handling heavy oil exclusively. According to instructions from Foreign Trade Bureau, the company ships in oil from varied sources and stores them in tanks, while the head office in Tokyo forwards instruction for it's disposition. The company upon receipt of these instructions assumes the transporting of oil. Their functions are limited to the above. Progress on new construction already approved by SCAP. 12,000 KL Tank - The base is 60% complete, while the whole thing is schedule for completion by the end of October 1949. 100 KL Tank - Nearby complete. Is being painted, and fully completed by the end of July. 100 KL Tank - machining made on working materials, but assembling and installation have not begun as yet.

F. S. KRAMSKE
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HEADQUARTERS
KANAGAWA CIVIL AFFAIRS TEAM
APO 503

Activities for 29 & 30 July 1949

Economics Section, KCAT, Daily Activities Report

NO.....145

Commerce & Trade.....A
Comm Control & Natural Resources.....B
Industry.....C
Reparations.....D

A.

COMMERCE AND TRADE:

1. Import-Export: (a) Mr. Fujino, Deputy Mayor of Yokohama, called on 30 July to report progress made in getting additional space for the Export Bazaar. Mr. Fujino called to see Colonel Keatley but since the Colonel was on leave, reported to this section. All parties concerned are now agreed on moving the Foreign Trade Institute and it is hoped the Bazaar will be able to expand in about 2 weeks. (b) Agreement of Labor Union officials to work the SS Miranda beyond their 8 hour strike limit has resulted in the vessel being loaded within the time limit of the charter party. The steel will be sent to the Philippines as scheduled. (c) Sgt Ronshausen of the 40th AAA Bn called on this section (1000, 30 July) concerning release of rations. Sgt Ronshausen was instructed as to proper procedures in effecting release.

2. Utilization of Vacant Property:

A report, subject as above, received from KPG reveals that the following constructions are to be built on lots listed in the Economics Section, Kanagawa Civil Affairs Team survey:

Location	Builder	Type of Building
#11, 2-chome, Honcho, Naka-ku	Saitama Bank	Branch Office
#35, 3-chome, Kitanaka-dori, Nakaku	Etsuji Eto	Bakery
- ditto -	Kohsaku Sekine	Warehouse
- ditto -	Tsuneo Takeda	Office and warehouse
#18, 2-chome, Kitanaka-dori, Nakaku	Tamakichi Aoki	Office building
#13, 2-chome, Motohama-cho, Nakaku	Ogawa Express Co.	Office building
#74, 4-chome, Aioi-cho, Nakaku	Nihon Keizai KK	Branch office
#11 & #17, Yoshidamachi, Nakaku	Takichi Ochiai	Office and warehouse
#70, 4-chome, Aioi-cho, Nakaku	Yasuo Shimizu	Branch office

In addition to the above, about 25 lots will be used for erecting ordinary dwelling houses. All construction listed will start this year.

B.

COMMODITY CONTROL AND NATURAL RESOURCES:

1. Food Distribution: Phone call received from Eighth Army CA Section (Latham to Tanigawa, 1100 hours; 30 July) revealed information on the revised quantity of imported cereals to be released for distribution during August (ref DAR #139, dtd 21 July). PDF #105 was changed to effect the release of 15,110 m/t of cereals instead of the 11,205 m/t previously reported. There will be no changes in the release of exchange rice.

2. Crop Collection:

a. Routine inspection was made at Ebina-machi. Information on normal and over-quota prices for delivery of summer crops was given to the farmers. Although a few delinquent farmers are expected to fail in fulfillment of crop deliveries, white potato collections exceeded 100% during the first 10 days of July, while cereal collections reached 100% as of 27 July. Farmers complained of the inadequate system of distributing sake incentives. The village office has nothing to do with it, and coupons are issued by the Tax Office, directly to farmers, and sometimes, when dealers have a large stock on hand, they request farmers to purchase their total allocation at one time. There should be some changes made in the system. One interesting factor revealed by the farmers was that the best incentive was not the goods tabbed as "incentive goods", but the premium price paid for over-quota deliveries spurs farmers to deliver. Over-quota deliveries in Ebina-machi were begun during the last 10 days of June, but normal prices were paid until the present date. The prices for payment of over-quota became effective on 20 July but no information has been received by village offices. The Kanagawa Food Office was contacted, and they stated that the present over-quota delivery prices are to changed within a few days, so payment is being withheld pending announcement of new prices. Call to Eighth Army (Tanigawa to Latham, 0950 hours, 29 July), on this subject revealed that Eighth Army was not aware of this action. Eighth Army officials will contact SCAP officials for authentication, and information will be given this section.

b. Pursuant to CCD intercept, [redacted], forwarded to this section by Eighth Army CA Section, this section investigated the Hiratsuka Agricultural Cooperative, 1595 Hiratsuka-shi, and the Hiratsuka city officials, regarding crop damage by noxious fumes from the Tokyo Carbon Co. Interview revealed that no such thing happened. Investigation was closed.

3. Agriculture:

Forecast of rice crop: The Experimental Station of the Prefectural Government has published the forecast of rice crop in accordance with the temperature and sun-light as follows: (a) Paddy rice: There was high temperatures and abundant sun-light at the stage of seeding the bed, but the growth of seedlings was extremely bad due to the cloudy or rainy weather with low temperature, continuous rain and little sun-shine from the beginning of June. Rice was inundated by the typhoon in the middle of June which caused softening and weakening of the seedling, affecting slow growth. Thereafter, the fine weather continued, but the height of seedlings and the number of

stalks are a little below the yearly average for the early middle and late crop species. The crop is presumed to be ordinary. A shortage of irrigation water is feared for in various places and an outbreak of "sejiro-unga" (noxious insects) is noted, the result of harvest lies on the weather in the future. (b) Upland rice: The growth was favorable in the early stages due to the clement weather, but drought is feared for in several places due to the dry weather since the middle of July. According to the investigation of the Agriculture Administration Section, KPG, the area covering 1,500 chobu in Miura-gun was placed in a serious situation due to the drought. However, the upland rice in the area west of Koza-gun has been much relieved with the torrential rain in these few days. The situation in Miura area will be somewhat relieved with some more rain.

4. Transportation:

a. Report submitted by national rural police on violation of petroleum products consumption control revealed that officials of Misaki police station disclosed misuse of gasoline committed by Kiyoshi Ishikawa (Car #Shin 1418 - Motorcycle) located at Kamihashi, Misaki-machi, on 28 July, in carrying 5 bags of blackmarket commodity in the town. Kanagawa Road Transportation Office has duly been informed of detail of the case and requested to report to this section what action will be taken.

b. This section was notified by the Yokohama Municipal Police and the National Rural Police of temporary highway check points and train raids to be in operation during the month of August 1949. 111 temporary vehicle check points (an increase of 3 over the previous month) will be operated by 12 police stations under the jurisdiction of the Bureau at different intervals in Yokohama City. 252 temporary check points (an increase of 4 over the previous month) will be in operation in Kanagawa prefectural rural area, also 59 train raids (a decrease of 3 from the previous month) throughout Kanagawa Prefecture with approval by the 3rd TMRS, operated by the National Rural Police and autonomous police. Spot checks will be made in accordance with OD 76 by member of this section.

5. Petroleum Distribution: This section was notified by the Kanagawa Road Transportation Office of the allocation of petroleum products for the Occupation Forces and Japanese economy in Kanagawa Prefecture during the month of August 1949, directed by the Land Transportation Administration Bureau of the Transportation Ministry.

Quantities are as follows:

	Occu. Forces	Jap. Economy	Total
Gasoline	105,263 gals	273,016 gals	378,279 gals
Mobile oil	2,500 "	5,461 "	7,961 "
Cylinder oil	252 "	168 "	420 "
Diesel Engine oil	—	642 "	642 "
Grease	1,056 lbs	701 lbs	1,757 lbs
Light oil	—	32,097 gals	32,097 gals
Mobile oil (Charcoal burning car)	—	3,947 "	3,947 "

Gasoline for the Occupation Forces is a decrease of 5,263 gals as compared with the previous month, that for the Japanese economy is a decrease

of 5,841 gals from the previous month (147,753 gals are designated allocation, an increase of 738 gals while 125,263 gals are undesignated, a decrease of 6,579 gals.) 32,894 gals are stated for the special quota in the undesignated allocation (a decrease of 6,579 gals). The amount for the special quota is being reduced month by month, however, it could be cut another 3,000 gallons in order to comply with instructions of this section.

6. Food Control: Weekly fish control report submitted by the Kanagawa Rural police for the week ending 21 July revealed that 334 persons (465 persons in the previous week) were checked and 37 persons (84 persons in the previous week) were arrested for violations, while 23 persons (69 persons in the previous week) were sent to or are likely to be sent to the Procurator's office. This is 62% of the persons arrested. Confiscations of fish for the weekly period were 0.4 ton, a decrease of 1.5 tons from the previous week.

7. Blackmarket Control:

a. The special enforcement team made an inspection of Atsugi town and found that economic control was satisfactory although the team observed the condition was unsatisfactory when they visited this town last week. The team made an inspection of Zama police area, and directed the chief of police to carry out an immediate raid on illegal cake-shops. The police arrested 13 cake-shop owners, and impounded 6.4 kgs of cakes and cookies. The team conferred with the chief economic inspector of the Tsurumi police station, who reported that 618 licenses were given against 652 applications in connection with the temporary readjustment law for food dispensing business. The blackmarket control team visited Isezaki, Kagacho and Isogo police areas, and arrested 4 Chinese blackmarket restaurant operators, while the Japanese police attached to the team netted 1 Japanese blackmarket restaurant owner, who violated the food control law and the price control law. The police took statements from 3 Japanese customers of the restaurants. Confiscations were 10 kgs of staple foods and 4 kgs of cakes and cookies.

b. The blackmarket control team checked in Isezaki, Tsurumi and Kanagawa police areas, and netted 5 Chinese blackmarket restaurant operators, who violated the food control law and the price control law, while the Japanese police attached to the team arrested 2 Japanese employees of these restaurant, the Japanese police also took statements from 10 Japanese customers of the restaurants. Confiscations were 16 kgs of staple food and 16 kgs of cakes and cookies.

c. The special enforcement team visited the Misaki police station in connection with five bales (290.4 kgs) of rice, which were checked by a traffic policeman of the above police station when a Japanese driver was carrying these bales to a mill to polish. An investigation revealed that these bales belong to a Chinese restaurant operator of Misaki, and were transported without any transportation certificate. The Chinese said that he bought these from carriers. The team instructed the police to divert this rice to the official channel for distribution to consumers except any quantity rationed. The team conferred with the chief of police of the Ofuna police station regarding licenses in connection with the temporary readjustment law for food dispensing business. He reported that there were 48 applications and all of these were given licenses.

C.

INDUSTRY:

1. Stimulation of Industry: The lifting of restrictions on Japan's Pacific Coast petroleum refineries will affect four concerns in this prefecture: Nippon Oil Co., Mitsubishi Oil Co., Koa Petroleum Co., and Showa Oil Co. These companies will be contacted to learn their plans for repairs and rehabilitation so that we can assist them to start operations.

2. Col. Hunt, 5th Engr Construction Group was reached by phone (Hutchinson 0900, 28 July) regarding equipment loans to Yokohama and KPG Road Section for building and repairing roads and streets deemed important to the Occupation. Col. Hunt said the equipment would be made available for such projects. Efforts are now being made to obtain from these road section a list of the equipment they need and the dates they will need them. The problem of obtaining funds and materials still remain.

3. Electric Power: Weekly conference was held with representatives from Kanto Haiden, Kanagawa Branch, and Tokyo Bureau of International Trade and Industry Ministry, Nihon Hassoden, and Finance Ministry, regarding power distribution problems in Kanagawa-ken. (a) Investigation will be made, by Kanto Haiden, of the Fuji Film Co. Ltd., Odawara Plant, and efforts will be made to raise their peak load from 190 KW to 230 KW without raising their total monthly power allocation. It is believed that this will be possible, thus enabling this company to add eye-glasses to their items of production. (b) In respect to the electric-line poles in Asahiga, Kanto Haiden said that they were waiting for an order from the City Planning Section. If they move them without the order they will have to pay the total bill (about ¥7,000 per pole) but if the city orders the work done, they only pay half the cost. (c) ITI stated that Mr. Naito has not yet submitted the cabaret's application for the use of sterilizers. Lt. Kerper was contacted about this matter and promised to take the necessary action. If the request is not submitted promptly, ITI will use more drastic means. (d) The Yokosuka Water Works have refused to pay their bill for power consumed during May, June and July. They argue that they supply water to Yokosuka Naval Base and Camp McGill and since they derive no income from this, they should not have to pay. Previous to May they had always paid their bill in full. Kanto Haiden will inform this section of all the details so that this situation can be remedied. (e) At the present time a distribution in the Ofuna Fuel Depot supplies power to 7 factories in that area. Kanto Haiden wishes to cease operation of that distributor, enlarge another one nearby and lay a new line to supply these factories. This would entail an expense of about ¥3,000,000 to the seven factories which they can ill affort to pay. This section expressed the opinion that the present method should be continued. The Finance Ministry concurs with this. The Japanese Government agencies concerned will discuss the matter and notify us of the decision reached.

D.

REPARATIONS:

1. Inspection was conducted at the 2nd Naval Explosive Arsenal (19-29), Hiratsuka, regarding conditions of conversition plants operating within the installation. The overall activities of these plants were satisfactory, and it was evident that this city is materializing into a notable industrial area. Moreover, the Hiratsuka City officials are pushing plans for the development of this area as a future industrial center. A conference is underway for this purpose, under the leadership of the mayor, ably assisted and coordinated by city and various company officials. The present status of the conversion plants follows: (a) Pilot Fountain Pen Co.: This company is the most active among the conversion plants utilizing the above area. 160 employees are now engaged in the production of fountain pen (30,000 pcs per month), 80% of which are exported; various kinds of inks (100,000 oz. per month), Ever-sharp pencils plus gold locquered articles for export. The buildings released by Japanese Government are being utilized to the maximum, and numerous facilities are being erected for the welfare of their employees. The company is planning on further extension of their productive systems and an application for permission to use adjacent land (7,500 tsubo) is being deliberated. An application for permission to use 17 machine tools on temporary basis (i.e. shapers, lathes, etc.) are also being considered to up production to 150%.
(b) Kyodo Chemical Industrial Co.: Beginning with 20 employees in the middle of May, the company is now producing 300 kgs of benzol hexa chloride (material) at Bldg #209 which is then sent to the Tokyo Works where it is blended into 10 tons of completed product (B.H.C.) for domestic consumption. Market value is considered A-1. The company is also planning to produce seed sterilizer made from mercury and copper in the near future.
(c) The Experimental Nursery of Agri. and Forestry Ministry (Engei Shikenjo): 100 men and women including technician and 50 student apprentices are engaged in the cultivation of various kinds of vegetables and fruits, and also testing the performance of fertilizers and sterilizers. Future plans call for the cultivation of assorted flowers for export. The operation of the nursery is maintained in cooperation with the branch field at Oiso, and under the custody of the Ministry of Agricultural Reform Bureau.
(d) Futaara Boseki KK: Having initiated operation on the 10th of June, the above company is producing spinning machines and its accessories plus wool yarns. 45 workers are employed. Although no product has been marketed, company official believes maximum production will be reached by September, this year. Meantime, additional machines for large scale production are being transferred into the company area.
(e) Yonezawa Chemical Ind. Co.: Having suffered temporary relapse due to the shortage of funds, the company have taken definite form financially, with the expected production of non-inflammable plastic covered wires for vessels. A guard house is being erected and necessary machinery is to be transferred into the company grounds in early August.
(f) Sagami Hiryo KK: Four workers are at present, engaged in the production of fertilizers from fish, which is distributed to nearby Agricultural Associations. However, lack of fund is preventing the company from attaining maximum production.

2. Shipbuilding: The long awaited contract of a 6,300 gross ton cargo ship was concluded on 23 July between the French Marine Mission and the Uraga Dock Co. The keel was laid on 25 July in presence of a huge throng. According to the contract, it was concurred that the ship upon completion will be delivered to France at the end of November 1950. The dockyard is preparing a detailed plan and accumulating necessary materials for it's construction. The company also recently received approval to construct a 620 ton patrol boat for the Maritime Safety Board by SCAPIN 6726-A dated on 19 July. The construction is tentatively scheduled to begin in the early part of August and will require nine months for completion. Favorable progress is being made in the outfitting of two whale catcher boats at the No. 1 dry dock authorized by SCAPIN 6352-A and completion is expected in latter October.

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HEADQUARTERS
KANAGAWA CIVIL AFFAIRS TEAM
APO 503

Activities for 25 July 1949

Economics Section, KCAT, Daily Activities Report

NO.....141

Commerce & Trade.....A
Comm Control & Natural Resources....B
Industry.....C
Reparations.....D

A.

COMMERCE AND TRADE:

Import-Export: (a) Total sales for the first three operating weeks at the Yokohama Export Bazaar amounted to $93,419.60. The bazaar is presently undergoing slight alterations that will provide additional floor space for more showcases. It is hoped that several new items (leather goods, sewing machines, etc.) can be introduced to the occupation public within the next two weeks. (b) A representative of this section (Sprow) made a field trip to Tsurumi on 25 July to investigate an area owned by the Naigai Yuso KK and presently on procurement demand to the 598th Engineer Base Depot. A petition for the release of this property was submitted several months ago but was disapproved on the grounds that the property was still in use by the 598th Engineers. This area had been carefully investigated by this section prior to indorsing the petition and it was determined that the area was completely vacated by the Engineers at that time. The present investigation reveals that the property is still not being utilized. All buildings such as: guard house, office, warehouse and workers sheds are and have been vacant since prior to submission of the first application for release. The area had been in use by the Kyotuto Equipment Company (on P.D. to 598th Engineer) who were repairing cranes for the Engineers. A petition for release will be resubmitted at this time.

B.

COMMODITY CONTROL AND NATURAL RESOURCES:

1. Food Distribution:

a. Fish report was submitted by the Food Section, KPG, for the first 10 days of July. 416,118 kan (145% of the quota) of fish were received during the period showing a slight increase since the beginning of June. Bonito from deep sea and mackerel from coastal waters provided the major part of total receipts. 36% of total receipts (86% of the quota) was locally produced, while the remainder (235% of the quota) was imported from other prefectures. 7 prefectures shipped 801,590 kan of fish even though no quotas were assigned, while Ibaragi and Fukushima shipped nothing of their period allocation (5,333 kan). Distribution was as follows:

	Official target	1 - 10
Designated areas	15 momme	14.3 momme
Non-designated areas	10 "	8.4 "
Average		12.3 "

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b. Result of vegetable shipment in Kanagawa during June were 1,000,532 kan (60% of the quota), 28% drop from the previous month, as follows: Yokohama - 574,894 kan (58% of the quota), Kawasaki - 257,525 kan (77% of the quota), Yokosuka - 168,113 kan (48% of the quota). The decreased receipts was rather temporal due mainly to the facts that farmers sold large quantity of early vegetables in anticipation of more profit during the previous month. Della typhoon which occurred during the third decate of June, was another reason of this decreased receipts. Despite this decrease, however, price average did not move during the month. Onion and cabbage constituted the major type of total receipts. Distribution method of incentive goods for planned vegetable shipment in Kanagawa after decontrol has been decided, to distribute tracing back to April actual vegetable shipments.

c. Class A port (Misaki) fish shipments during the first 10 days of July were reported by the Materials Adjustment Office, Kanagawa Prefecture. 195,879 kan (85% of the quota) of fish were shipped during the period, showing the lowest figures since the last 10 days period of May. This was due mainly to decreased catch of mackerel. Bonito constituted the major type of the total receipts. 30,243 kan (48% of the quota) were rationed to the Yokohama area, while 12,232 kan (111% of the quota) were received by nine small markets in Kanagawa. 81,358 kan (128% of the quota) of fish were shipped to Tokyo, while 64,224 kan (176% of the quota) were received by other seven prefectures. Industrial consumers received 7,823 kan (25% of the quota) during the month.

2. Incentive Goods: All goods for the fall crop incentive goods program have been received within the prefecture with the exception of 2,000 woolen shirts, 6,279 cotton shirts and 1,000 jackets, indicating that the previous stalemate that prevented flow of goods has been broken. Upon receipt within the prefecture, the goods moved immediately into district levels, but actual sales to farmers has been somewhat slow. Slow sales can be attributed to the fact that most of the goods available at village levels were received in this 10-day period, and farmers in outlying districts have not had the opportunity to make purchases. Also, in some areas, farmers' low finances prohibits purchase. At long last, incentive goods for the 1949 summer-crop program has been received. Sizeable quantities of cotton fabrics, towels, jikatabi (total allocation), mosquito nets and sake (total allocation) have been received within the prefecture, but only jikatabi and sake have been received for distribution at the village level. Total point value of goods amounted to 1,724,200 points. 1,325,240 points have been distributed to farmers in the form of coupons, and farmers have expended 918,145 points. The new coupon system seems to be working very smoothly, and there seems to be no evidence of bottlenecks.

3. Crop Collection: Report of crop collections for the period 11-20 July was reported to Eighth Army CA Section by phone (Tanigawa to Umizawa, 0855 hours, 25 July). 2,386,545 kan of sweet potatoes and 24,395 koku of cereals were collected during the period. Cumulative totals are 6,536,248 kan of sweet potatoes (95.3% of the quota) and 60,074 koku (49.4% of the quota) of cereals. The revised allocation of both cereals and white potatoes have been distributed to the village level as of 20 July. Prefectural officials feel that distribution of quota allocations to farmers will be completed in most parts of the prefecture by 30 July deadling with the exception of a few isolated areas.

4. Land Reform: Members of this section inspected the Minamishitaura and the Misaki local Agricultural Land Commissions. Usual complaint concerning the delay in the release of ex-military land was voiced. Land commissions in general appear to have lost interest in anything other than "marking time" until after the elections slated for the 18th of next month.

5. Fisheries: Mr. Neville of the Fisheries Division, SCAP, Mr. Heineman, 8th CA, and representatives of both the Kanagawa Prefectural Government and the Tokyo Metropolitan Government held a conference with this section on petroleum allocations (link system) for the fishing industry. Mr. Neville pointed out the inadequacies of the present system, and stated that monthly estimates for all major ports should include a breakdown of fishing boats into four categories. In the case of Misaki, estimates will include the following categories: (a) Boats that sail directly to Misaki, (b) Boats that unload catches at Tokyo and Yokohama and receive fuel oil at those ports, (c) Boats that unload catches at Tokyo and Yokohama but do not receive oil at those ports, (d) Other Misaki-based boats. Estimates will be submitted three months before the month covered, in order to allow for administrative procedure. This section inquired as to what will be done about "advance allocations" distributed at the Misaki port, and how fishing materials, which are "frozen" as critical items due to illegal possession, will be released and redistributed to fishermen in accordance with OD #32, dated 20 June 1949 (par. 4-e-14). Japanese officials stated that the deficit created by advance allocations will be stabilized by including them in future allocations. This does not seem feasible since such an estimate would not be a true requirement for any given month. As to the release of critical items, neither Mr. Neville nor Japanese Government officials had any knowledge of release procedures.

6. Blackmarket Control: The special enforcement team made an inspection of Matsuda town, and directed the chief economic inspector of the Matsuda police station to carry out a surprise raid on blackmarket cake-shops. The police arrested four persons, who violated the food control law and the price control law. Confiscations were 3 kgs of cakes and cookies and 1 kg of beans. The chief economic inspector reported that 34 persons in the police area made applications for licenses in connection with the temporary readjustment law for food dispensing business. The team met the chief economic inspector of the Oiso police station, who reported that 62 persons made applications for licenses regarding the temporary readjustment law for food dispensing business, and so far 60 persons received licenses. The blackmarket control team raided in Kagacho and Isezaki police areas, and netted 2 Chinese blackmarketeers, who violated the food control law and the price control law, while the Japanese police attached to the team arrested 4 Japanese blackmarket restaurant operators and 1 Japanese employee. The police also took statements from 7 Japanese customers of the restaurants as witness. Confiscations were 11 kgs of rice, 31 kgs of other staple foods, 1,337 kgs (2,948 lbs) of cakes and cookies, 600 kgs of charcoal (these two items were impounded from a Chinese cooky factory) and 2 kgs of fish and fish products.

C.

INDUSTRY:

1. Messrs Matsumoto (Chief Budget Control Section), Kurata (Correction and Rehabilitation Bureau), Governor of Kurihama prison, and others called to request additional allocation of property at Kurihama for the prison, to give needed access to the prison from the water.
They were informed that if a formal request through YLCO were submitted approved by Governor Uchiyama (on whom we placed the responsibility for getting Kurihama going) and other responsible government officials..... this headquarters would approve. Governor of the prison stated that he hoped to move about 600 additional prisoners in...in about 30 days (160 on location at present). Assurances were given that this will be a large model government prison doing work for government agencies by the prisoners.

2. Stimulation of Industry: Kanagawa Branch of Tokyo Bureau of International Trade and Industry notified this section that they had decided to revise the limit of possession, and to release from custody certain surplus materials inventoried as belonging to the Kawasaki, and the Yokohama Plants of Showa Denko KK. Released to Yokohama Plant: grease 2,600 kg, machine oil 3,630 ltrs, nails 2,406 kg, wire 574 kg, steel wire 2,066 kg, pig iron 22,100 kg, cast iron pipe 19,936 kg, ordinary steel 220,000 kg, lead 52,619 kg, used lead 24,276 kg, electric wire 1,490 kg. Released to Kawasaki Plant: asphalt 1,953 kg, heavy oil 9,500 ltrs, machine oil 42,458 ltrs, nails 10,915 kg, nickel 7,000 kg, asbestos 9,717 kg, pig iron 59,780 kg, tin 4,000 kg, soda 4,641 kg, carbide 23,759 kg, steel wire 1,018 kg, ordinary steel 287,135 kg, cup grease 2,370.6 kg, anti-corrosive grease 405 kg, gear grease 984.4 kg.

3. Reallocation of Critical Materials: Materials formerly located at Meiji Confectionery Co, Ltd, and 3 other companies have been transferred to the Sangyo Fuldko Kodan by the Kanagawa Branch, Tokyo Bureau of ITI. Materials and quantities involved were: grease 500 kg, gas pipe 2,980 kg, steel rod 1,500 kg, flat bar 225 kg, copper 1,042 kg, tin 912 kg, caustic soda 200 kg, nail 120 kg, aluminum 210 kg, and ordinary steel 80,958 kg.

4. Public Works:

a. Members of this section made a field inspection of the new bridge "Ashigara" which is under construction at Matsuda on the Sakawa River. This bridge is to replace the old one which was completely destroyed by the Ione typhoon. Construction was first started on this project in November 1948 with a budget of 14,890,000 yen and to this date is 30% completed. Estimated completion date is December 1949, providing the materials are not exhausted. At the present time 50 tons of cement are urgently needed to continue work on this project. This section contacted KPG and brought this problem to their attention. They stated that Matsuda Civil Engineering Section will receive this supply of cement within the next two weeks. A future investigation will be made to see that this promise has been carried out.

b. Yokohama City and Kanagawa Prefecture Road Sections were contacted to learn what problems they were encountering in repairing certain roads and streets which the 5th Engineering Construction Group had requested

improved. It was found that some of the projects had been completed, others were proceeding satisfactorily while others had not been started due to lack of funds and equipment. Kanagawa Prefectural Government stated that hard-surfacing Route 4 had not been included in the 1949 fiscal budget because the Tokyo Construction Ministry considered repair of streets and roads more vital and had disapproved their plan and asked for a letter from KCAT requesting construction of this road. They were told to submit the letter from the Engineers to the Tokyo Ministry instead and to submit to us a request for the use of equipment they will need. Further developments will be reported in future DARs.

5. Critical Materials: Inspection was made at Keihin Warehousing Company, #2036, Shinmeimae, Namamugi, Tsurumi and Oppama Warehousing Co., Uraga, Yokosuka, who are Sangyo Fukko Kodan Warehousing agents. These inspections are being conducted to familiarize this section with the types of critical materials and amounts available through the Fukko Kodan so that we can expedite the flow of such materials to needy industries in Kanagawa Prefecture. About 70% of the excess materials have been picked up by the Kodan. There are an estimated 2,000 tons of steel products, 100 tons of non-ferrous materials, and small amounts of felt, soda ash, textiles, paper, tar and other materials on hand at present under the custody of the Kanagawa Office of the Kodan. These excess materials are constantly being picked up by Kanagawa industries through allocation coupons.
The Oppama Warehousing Company is also storing 655 tons of tin and 7.5 tons of antimony for the Mineral and Industrial Products Foreign Trade Kodan. Tin and antimony were formerly classified as looted property under CPC custody but has been resold to the Trade Kodan by the British, Netherlands and Chinese Missions as imported materials.

D.

REPARATIONS:

1. Members of this section accompanied Mr. Tsukahara from SCAP, Reparations Section, and delegates from China, Philippines and UK to 19-20 on an inspection of the boiler rooms, gas producing equipments, open hearth, furnaces, and an electric melting furnace which have been allocated to them and subject to packaging soon. All delegates agreed with our suggestion to cut the suspending pipes on each end when packaging the boilers, rather than crate the whole thing in one package. The Chinese delegates have notified the Finance Bureau to prepare complete marking for the open hearth furnaces and gas producing equipment allocated to them, and not to begin dismantling until a resident engineer goes over them.

2. A verbal permission was given Tokyu to use 1 sand blast equipment, 2 sand mills, 1 coal stoker, and 4 ladles on temporary basis in place of those previously in use but which is scheduled for removal in the recent allocation notices.

3. The UK ship SS Sangora arrived at Taura port at 1300, 24 July. Loading began at 1430, same date. Total packages to be loaded will be 559 cases, weighing 900.160 tons and 2,088.6 m^3, all packages destined for Rangoon and Hongkong. This will clear from Taura all remaining

packages earmarked for UK. With two full nights work approved by SCAP, loading should be completed by 1600, 26 July immediately followed by the signing ceremony. Should there be some delay, signing will be postponed until Wednesday morning.

4. New arrivals were recorded on A.N. 1-56 and 4-47 from Haranomachi and Shichigahama arsenals. In all 32 packages, weighing 28.813 tons and 81.2 m^3 were warehoused. Further delays on the arrival of the Philippine LST 842 is expected. Last we heard, it's either the 26th or the 27th of this month ... maybe.

P. S. KEMSKE
Chief, Economics Section

HEADQUARTERS
KANAGAWA CIVIL AFFAIRS TEAM
APO 503

Activities for 22 & 23 July 1949

Economics Section, KCAT, Daily Activities Report

NO.....140

Commerce & Trade.....A
Comm Control & Natural Resources...B
Industry.....C
Reparations.....D

A.

COMMERCE AND TRADE:

1. Import-Export: (a) Colonel Crockett, Chief, Kobe Civil Affairs Team, called on this section (1500, 22 July) to discuss the proposed trade fair to be held in Kobe next year. Colonel Crockett was very interested in how to indorse the petition be received from the prefectural and municipal authorities. All available information was furnished Colonel Crockett and several suggestions were given (by Lt. Col. Blanchard and Mr. Sprow) to assist in avoiding any improper planning of fair grounds that might prevent prompt utilization of the property after the fair has closed. (b) Owners of dead barges did not meet the demands of barge laborers on the 2359 hours deadline on 23 July and the strike recontinued on a 8 hour workday basis. Only one shift will be worked (0800 to 1600). This strike will not affect the port operations to any extent as ample power barges are available to handle all cargo -- as very few ships are now import. Dangerous cargo requiring dead barges can be handled by power barges with dead engines hauled by tug tow. Lt. Clark, Barge Pool Officer, 2nd T. Medium Port called (to Sprow, 1100 hours 23 July) and requested this headquarters to notify all Japanese receiving agencies that all power barges must be given first priority in unloading during the strike in order that the barges be returned to service as quickly as possible. These instructions were transmitted to the Yokohama Office, Ministry of International Trade and Industry at 1130 hours, 23 July. (c) Phone call from Lt. Parker, Cargo Disposition, 2nd T. Medium Port (to Sprow, 1030, 23 July) requesting disposition of 1307 drums, contaminated aviation oil that arrived 23 July on LST 2071 from Okinawa. Shipment arrived without paperwork or manifest and ship's master informed port officials that oil was a gift to the Japanese Government. Phone call was made to C & T, 8th Army Civil Affairs (Sprow to Miss Dance, 1045, 23 July) who returned call and said SCAP had arranged deal but LST had to leave Okinawa before manifests were prepared in order to escape typhoon. Oil is to go to QM oil pool and release will be made when manifests arrive. Lt. Parker so informed. (d) A representative of this section (Sprow) visited the Bureau of Fisheries Experimental Laboratory at Misaki on 24 July and observed the research work underway in establishing pearl oyster beds in the Misaki area, the Japanese Central Government is attempting to find new suitable areas

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for this important export product and believes the local waters will produce equally well as those near Nagoya. This work is very interesting and any KCAT personnel who would like to visit the laboratory can make arrangements through this section.

B.

COMMODITY CONTROL AND NATURAL RESOURCES:

1. Marine Products Control: Mr. Rhodes, ESS/SCAP visited this section regarding "Outline of the Improvement of Marine Product Control" ESB Fisheries Agency, Price Board, dated May 1949. This was received in this section Tuesday 12th inst and Major King, 8th Army CA requested a study and any comments, with a view to possibly trying it out in the prefecture. After a study of this new proposal for controls of marine products comments will be attached and the "outline" returned to Major King. This section has recommended the complete decontrol of marine products, with the only control a price ceiling. The "Outline" does not go thus far but if it is not workable as outlined, complete control is the next step. This section is willing to cooperate and take decontrol by steps, however, at this time where there are actually no controls of marine products an attemp to set up other controls does not seem to be a solution nor even workable. This plan "Outline, etc" can not be implemented in one prefecture as the controls set up and the system of distribution must be national in scope to accomplish the desired results - Mr. Rhodes feels that complete decontrol at this time would tempt fishermen to breach the "MacArthur Line" in order to increase their catches.

2. Food Distribution:

a. Members of this section inspected staple food ration points in the Hodogaya area, Yokohama. An average of six days of white potato rations were distributed for July, together with thirteen days of rice, and the balance consisted of wheat flour, milo, and other miscellaneous items. Most of the ration points had distributed about three days' supply of advance rations as of this date.

b. Fish ration points inspected in Miyamoto-cho, Yokohama, again revealed that rationing has completely disappeared. The woman proprietor claimed that all fish received were tabbed as free sales items, and no rationed fish were distributed during the month. Since this situation typifies general conditions in Kanagawa, no action was taken. Controls enforcement should be maintained, but changes in the regulations should be made before any action, which would not break the whole rationing system, can be taken. In the fact of inadequate control measures, controls enforcement authorities have taken a passive attitude.

3. Crop Collection: Phone message received from Eighth Army CA Section (Latham to Tanigawa, 1350 hours, 22 July), revealed that the revised price for purchase of the 1948 rice crop provides for an additional payment of 51 yen per koku for each koku of normally delivered rice, and 153 yen per koku for each koku of over-quota deliveries. Interim price for normal deliveries was 3,595 yen, while the final price is 3,645.14 yen. This back-payment will be effective 20 July.

3. Fertilizer: Follow-through of the blackmarket case of fertilizer, imported from Hokkaido (ref. DAR #102, dtd 26 May) as reported by the Chief of the Ashigara Shimo-chiku Police Chief, revealed that officials of the "Kanagawa-ken Konai Nogyo Kumiai Rengo Kai" (Federation of Purchasing and Agricultural Cooperatives of Kanagawa Prefecture) were arrested on 21 May for blackmarket buying of 111,663 kan (1 kan equals 8.267 lbs) of fish meal at 32,251,834 yen, 14,435,468 yen in excess of the official price, and, selling of 105,089 kan at 35,716,006 yen, 18,430,969 yen in excess of the official price, enjoying a net profit of 2,400,000 yen. 4,506 kan of fish meal were confiscated. The case has been turned over to the Odawara Branch, Yokohama Procurator's Office for action. Origin of the goods, reportedly from Hokkaido, Miyagi and Nagasaki prefectures, is now being investigated through liaison with the respective prefectures.

4. Transportation: In compliance with the request of this section, the Chief of the Freight Division of the Tokyo Railway Administration Bureau submitted information of actual freight movements of commodities in the Kanagawa Prefecture for three months (April-June). Information showed total transportation capacity of cars available, and actual results of forwarding and arriving of cargoes at Shin-Tsurumi freight station which is the focal point for all movements in the prefecture. These will be consolidated by this section and further investigated upon submission of future reports.

5. Veneer and Plywood: Monthly report of veneer and plywood for June 1949, was submitted by the Forestry Section, KPG. Only 40% of veneer allocation for the 4th quarter 1948, 80% of log and 30% of glue allocation for the 1st quarter 1949, were delivered during the month. Actual supply figures of these materials were also far below the monthly average of this year. Production of plywood was consequently inactive, though it has showed a sign of recovery during these last two months (Apr - 309,136 ss, May - 348,917 ss, June 369,600 ss). Distribution, on the contrary, has decreased every month (Apr. 355,562 ss, May 336,011 ss, June 260,768 ss) reflecting the decrease demand in general. Remainder of plywood increased accordingly. Monetary stringency of Yokohama plywood industries seems to have reached the peak. One marginal plant (Yokohama Plywood Co.) out of five plants being on the verge of bankrupty at the end of the month.

6. This section was visited by Mr. Liang Chin Fu, re blackmarket activities mentioned in DAR #138, dated 20 July. This gentleman requested that a part (50%) of his goods be returned to him so he can continue his shady business. He even requested that a gentle hint be dropped by this headquarters to the procurator so that he can be "lenient" in prosecution. This section politely showed him the door!

7. Blackmarket Control:

a. Blackmarket control team raided in Kagacho, Isezaki and Yamate police areas, and netted three Chinese blackmarket restaurant operators, while the Japanese police attached to the team arrested one Japanese black-market restaurant-operator, who violated the food control law and the price control law. The Japanese police also arrested three Japanese employees of

the above restaurants and took statements from 14 Japanese customers as witnesses. Confiscations were 16 kgs of rice, 4 kgs of other staple foods and 10 kgs of fish and fish products. The special enforcement team visited the Headquarters of Kawasaki police and conferred with the chief economic inspector, who reported that so far 441 applications regarding licenses in connection with the temporary readjustment law for food dispensing business were made, against which 400 licenses were given.

b. The special enforcement team visited the Hatano and Chusei-Chiku police stations, and conferred with the chief of each station, who reported that in the former police area there were 39 applications made by operators regarding the temporary readjustment law for food dispensing business. Licenses were given to all of these applicants. In the latter police area, there were only two applications, against which so far one license was given. Hatano town is a small town and the team found that condition of this town was satisfactory as far as economic control is concerned.

C.

INDUSTRY:

1. Redistribution of Critical Materials: The Nippon Electric Co, Ltd, requested authority to move 14 m/t of ordinary steel from their Kawasaki laboratory to their Tamagawa Plant for custody. The Kawasaki laboratory has been closed due to financial difficulties and is only lightly guarded. Request was returned to the Kanagawa Branch, Tokyo Bureau I.T.I. for their action.

2. Electric Power: Weekly conference was held with representatives from Kanto Haiden, Kanagawa Branch, and Tokyo Bureau of International Trade and Industry Ministry, and Nihon Hassoden regarding power distribution problems in Kanagawa-ken. (a) Power generation by Nippon Hassoden for Kanto and Kansai districts has decreased from 3,088,590 KW on 2 July to 2,547,900 on 22 July. The largest drop was in the Kansai district which has had to use steam generation and also receive an allocation from the Kanto district. On 21 July power generation in the Kanto district dropped to the DE stage but thus far generation has been sufficient to meet allocations. However, generation for this summer has been just opposite that of last years and if the trend continues the situation may be expected to get worse until the first week of September. (b) The Ikegai Automobile Mfg Co Ltd. application for a supplementary allocation (DAR #126, 1 & 2 Jul) was investigated by ITI who allocated to them about one half of the 85,000 KWH they requested. This brings the total allocation for this company to 100,000 KWH per month. ITI discovered that this company was exceeding their allocated peak-load by as much as 300%. They were told that if they would utilize the power allocated to them at a more even rate throughout the day, they would be granted another increase in their allocation. (c) Electric power and telephone poles in Tan-machi, Kanagawa-ku are located on the road thus making passage of vehicles very hazardous, especially during the rainy season. It was pointed out to Kanto Haiden that this roads, which were only foot-paths when the poles were erected, are to be expanded in the future and thus making removal of these poles necessary. Kanto Haiden representative will investigate and let us know when poles can be moved. (This also applies to streets in Kamakura, streets widened but poles never moved back).

3. Coal: Telephone call from 8th Army CA, Utilities and Natural Resources Division (Freeman to Hutchinson 0930, 22 July) gave advance information SCAP Informal Memo #963.5, which requires periodic inspections of large coal users to insure that not more than 40% of the total used is imported coking coal. Nippon Steel Tube Co. Ltd. will be checked at least once a month to insure compliance.

D.

REPARATIONS:

1. The investigation on the "reparation boiler case," is temporarily completed. Ikeda, a member of a transportation concern was the person who received ¥80,000.- from Nagashima for the initial payment for the boilers and other items so requested. All information collected to date, will be forwarded to the local Procurator's office for further disposition. Meantime, the Arms Disposal Committee, who was in part responsible for allowing the illegal removal of the reparations boilers, have been given until the 15th of August to return a replace boilers of similar specification to the Ogino Branch Arsenal. Mr. Suzuki, Finance Bureau custodian of the 2nd Naval Explosive Arsenal (19-29) will inspect the boilers prior to their arrival at the Ogino Branch arsenal, with recommendation as to whether the replacements are satisfactory.

2. Packaging activities at 19-20 were still in its infamy with no large scale operation begun by any contractors. Responsible government officials and contractors as well have been reminded of the packaging deadline 15 Oct. 1949 established by SCAP.

3. The Chief of the KPG Reparations Section was reminded for the third time to remove all old reparations sign. Any further reports of non-compliance will result in severe corrective action. He was reminded that the policy of no maintenance applied only to machines in "dead storage". All machines in operation must be properly maintained at all times. There seems to be an increasing laxdiy in the care of machines in "authorized use". Unless improvements are made authorization for continued use of reparations equipment by negligent plant will be cancelled.

P. S. KEMSKE
Chief, Economics Section

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HEADQUARTERS
KANAGAWA [redacted] TEAM
CIVIL AFFAIRS
APO 503

Activities for 18 July 1949

Economics Section, KCAT, Daily Activities Report

NO.....136

Commerce & Trade.....A
Comm Control & Natural Resources.....B
Industry.....C
Reparations.....D

A.

COMMERCE AND TRADE:

1. Imports: (a) Two ships working this date. (b) Releases were made to the Japanese Government for raw cotton, hide fleshings, coking coal, foodstuffs and automobiles.

2. Warehousing: The damaged ECA cargo of rice stored in the Tokyo-Wan Warehouse, Taura, has been surveyed and sorted according to extent of damage. Copies of the marine survey report will be forwarded to ECA, 2nd T. Medium Port and this headquarters for records.

B.

COMMODITY CONTROL AND NATURAL RESOURCES:

1. Ghost Population: The Prefectural Government is putting on a campaign to eliminate the shadowy members of the ghost population and by varying means are eliminating the excessive rations issued. The campaign is to be a continuing one and it is hoped that a large number will be eliminated by summers' end.

2. Reforestation: A five-year reforestation program for Tsukui-gun has been scheduled by the Tsukui District Greening Information Committee. Payment is slated on the basis of 40% by the Ministry of A/F, 10% by KPG, and the remaining 50% by the owner. Plan covers the planting of 2,830,000 trees (pine, cedar, cypress) on 946 chobu of land. Additional planting of 316,000 trees (chestnut, walnut, lacquer, paulownia) on 90 chobu is also contemplated. Other features of the plan are: (a) Establishment of school forests (50 chobu), (b) Establishment of nurseries: (1) Minimum of 2 tan per each Forest Association, (2) Minimum of 1 tsubo per each private owner. (c) Educational program aimed at the prevention of forest fires. (d) Issuance of instructions concerning the proper methods of procurement of seeds.

3. Cooperatives: Members of this section inspected the Fukuzawa and the Ofuna Agricultural Cooperative Associations. Approximately one-third of the directors are newly elected. Usual resistance to membership by any other than heads of families was encountered. Primary interest in extension service was for farm surveys to aid the farmer in planting the correct crop to insure maximum return from his acreage. Neither cooperative has held a general meeting since its organization, nor have farmer-members

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at any time been presented with any opportunity to express their opinions or discuss mutual problems.

4. Crop Collection: Phone message received from Eighth Army revealed that over-quota purchase prices for fall crop deliveries include the following: Cereals 300%; White potatoes 225%; Sweet potatoes (dried and sliced and dried, first class), 225%; second and third class 150%; Boiled, sliced and dried, 250%; Raw sweet potatoes, 225%. Cereals include all grains. Percentages are based in comparison with prices for normal deliveries.

5. Incentive Goods: The Agricultural Department, KPG, reported that the Commerce and Industry Ministry letter, #9707, dated 10 December 1948, subject: "Handling of Incentive Goods," instructed KPG that all sales of rubber goods should be made in exchange for old ones. In the case of incentive goods, farmers must return old goods three months after purchase has been made. However, the Materials Section, KPG (busshi-ka), instructed the Agricultural Section that old incentive goods must be returned immediately upon purchase of new ones. Since such a policy would seriously delay rapid distribution, Eighth Army CA Section was contacted (Tanigawa to Latham, 1400 hours, 11 July). Eighth Army stated that no such action will be taken to hamper the rapid distribution of incentive goods. The Agricultural Section, KPG, was so informed.

6. Petroleum Distribution: Received weekly report of petroleum distribution for all units of the Occupation Forces from the Kanagawa Road Transportation Office for the period 9-15 July 1949.

Central quota	Allocation & Distribution	Cumulative	Balance on Hand
110,526 gals	30,260 gals	30,559 gals	79,967 gals

During this period, 14 applications were received and screened by this section, 7 applications were honored and memoranda issued together with periodical partial allocations, while 7 applications were sent to Kanagawa Road Transportation Office for allocation from special quota. Allocations, as of this day, totalled 38,024 gallons by 78 memorada.

7. Blackmarket Control: The blackmarket control team raided in Isezaki Police area, and one Chinese blackmarket restaurant operator who violated the food control law and the price control law, while the Japanese police attached to the team arrested two Japanese employees of this restaurant. The Japanese police also took three Japanese customers as witnesses to the Isezaki police station. 2.5 kgs of Japanese noodle and 19 kgs of flour were confiscated, which were immediately turned over to official channels.

C.

INDUSTRY:

1. From the Japanese Press we learned that the officials of Kurihama Prison were expanding their activities outside their boundaries as set in a conference last spring. Today the Governor of Kurihama Prison was in and stated that they were using three buildings which didn't belong to them (assigned for building up Kurihama Fishing Village) since they were empty and that Mr. White, SCAP G-2(Prisons Sec) had stated it was OK.... they were told that Mr. White didn't make allocations of former Japanese Army-Navy property and to stay within their own boundaries....which haven't as yet been really begun to be set in order for use as a prison.

2. Critical Materials: Members of this section while conducting an industrial survey of bus, truck and automobile body manufacturers in Kanagawa Prefecture discovered that Teikoku Automobile Co., Tsurumi, had illegally purchased some 30 tons of thin steel sheet at approximately ¥600,000.- from Tachikawa Shoten (scrap dealer). A follow up investigation of the blackmarket operation has been accomplished and results obtained are as follows: (a) Actual sale of the material was made by Yamazaki Sangyo KK, Tsurumi, to Teikoku Automobile Co. with Tachikawa Shoten acting as a broker. After full examination of Yamazaki Sangyo's material records and finance register, it was revealed that 26,189 kg of thin steel sheet had been sold from June 1948 to February 1949 at ¥879,962.00, exceeding the government control price by approximately 30 percent. Also Yamazaki Sangyo has violated the 31 March 1948 Critical Materials Inventory Program by misreporting 42 tons of ordinary steel. The remainder of these misreported stocks, 16,200 kg of thin steel sheet has been frozen by this section for reallocation. (b) The case against Teikoku Jidosha KK, Tachikawa Shoten, and Yamazaki Sangyo has been referred to the Yokohama District Procurator's Office for disposition. (c) Another Kanagawa concern, Murano Tekkojo KK, which sold 3 tons of thin steel sheet to Teikoku Jidosha KK, has been reprimanded by this section and further action is not deemed necessary as the amount of material involved was relatively small and was sold in only one transaction. (d) Information extracted from the finance register at Teikoku Jidosha KK, seriously implicates six Tokyo concerns and this material will be forwarded to Tokyo Civil Affairs Team for disposition.

3. Stimulation of Industry:

a. Fuji Denki Seizo KK, Kawasaki Plant, requested the release of 42 m/t of electric wire and 63 m/t of ordinary steel. This material is to be used for the manufacture of electric switchboards and motors for export, and mining machinery. Application was indorsed by Chief of Machinery Bureau, Ministry of Internation Trade and Industry, and the Chief of Administration Section, Tokyo Bureau of International Trade and Industry Ministry.

b. Toto Seiko KK, Chigasaki Plant, requested the release of 471 kg of aluminum and 420 kg of aluminum alloy scrap. Material is to be used in a chemical reducing process.

c. Both requests seemed in order, our records were corrected, and the matter was referred to local Internaitonal Trade and Industry Branch for completion.

4. Public Works:

a. An investigation was made in regards to projects under construction at Hiratsuka and Misaki ports. Construction of a boat dispatching-post at Hiratsuka Port was first projected in 1946, but only preliminary planning was carried out until the beginning of 1949 when actual construction was undertaken. Before this dispatching-pool can be constructed it will be necessary to dredge 110,000 cubic-meters of sand from the harbor of which 20,000 cubic-meters have been completed as of 15 July 1949. The project covers an area 155 meters long and 80 meters wide at the mouth of Banyu River and present plans call for completion in March 1950, at a total cost of ¥35,000,000.

b. The second project located at Misaki Port is the reinforcement of piers and also some necessary dredging. Total length of piers to be reinforced is 306 meters, of which 150 meters were completed as of 15 July 1949. Dredging work of 94,438 cubic-meters is to be started before the end of July this year.

5. Release of Installations:

a. Three requests for the release of former Japanese Naval property have been received through YIO. They are as follows: (1) 14 one-story wooden buildings at the former Fujisawa Office of the Yokosuka Naval Construction Department. Of these buildings 8 are being used by a woodworking shop; carbon paper manufacturer and auto repair shop. The other six buildings, which are in very poor condition, are being used as dormitories. (2) 4 one-story and 3 two-story wooden buildings at the former Isogo Workers' dormitory of the Second Naval Aerial Arsenal. The 4 one-story buildings, which are in good condition, are occupied by a furniture and farm-tool manufacturer who is operating under Army PD, as well as other contracts. The other buildings, presently used as dormitories, are in poor condition. (3) 3 one-story wooden buildings and 3 adjoining sheds, former official residences at the First Naval Technical Arsenal. These buildings, which are in excellent condition, are being used as homes for seven Japanese families.

b. Investigation by this section revealed no irregularities in the applications, and authority to complete formal release has been requested from Eighth Army.

HEADQUARTERS
KANAGAWA [redacted] TEAM
CIVIL AFFAIRS
APO 503

D.

REPARATIONS:

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1. The UK ship SS Surat buoyed at Taura port, 1230, 18 July but actual loading of reparations packages did not commence until 1500, same date due to disputable cargo loading procedures. 3 barges were prepared in advance totalling 41 cases, weighing 278.900 ton and 389.5 m^3. All in all, 87 cases, weighing 514.195 T and 725.0 m^3 will be loaded aboard the Surat, packages destined for Penang and Kuala Lumpur. The tentative schedule for the signing ceremony has been set by Wednesday noon, 20 July. Mr. Laffin, SCAP, will be in this morning to ascertain whether all night work is feasible.

2. Anticipating the arrival of the Philippine ship LST 842, 1 barge has already been readied in advance, although definite arrival date of the LST is not known as yet.

3. Mr. Laffin, SCAP and members of this section were present in the initial packaging operation for the new Allocation Notice 1-58, 2-49, 3-40, and 4-52 at the 1st Naval Tech. Arsenal (19-20). According to SCAP directive for packaging have been set 15 October, this year, which also include A.N. 1-72. Suggestions as to the chances of increasing the present number of contractors (5 at present), rearrangement of packaging site, the length of cuts to be made on boiler pipes, and other dubious questions were brought to the attention of responsible officials. All unanswered questions from the contractors will be prepared by Mr. Laffin on his next visit here. Correction sheets of the above Allocation Notice prepared on 27 June, were also submitted to Mr. Laffin for study and recommendation.

4. A compressor was found in a cave in the west end of 19-20, during the recent debris clearing by a charity organization. Although badly rusted, the compressor can be put into serviceable condition after minor repairs. However, it is not worthy as reparation equipment, therefore release to the Japanese Government is recommended. Meantime, Chihobu will be notified to transfer the compressor if practicable, otherwise find a suitable outlet for it's proper disposition.

Special Addition:

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Received letter from office of Commanding General, 8th Army, file AGGO 400.2, subject: "ECA Rice and Cotton Stored at Yokosuka", addressed to Chief, KCAT which directs us to ... render receipts to the 2nd Trans. Medium Port for the ECA cargoes and be prepared, upon advice from Hq 8th Army, to release cargoes to Japanese or commercial shipping agents. Since the DX wire of 23 May only charges us with surveillance after storage (it has been and 8th Army-US Navy deal) this new order is quite confusing.

HEADQUARTERS

KANAGAWA [redacted]T TEAM

CIVIL AFFAIRS

APO 503

It orders us to give receipts for something (Army goods...not Japanese TCG cargoes) which we haven't been told to accept or aren't responsible for until it is warehouse...and then only responsibility is to make surveillance checks to see it isn't misused or spoils. Lt. Col. Papen advised on this (bypass of 8th Army Civil Affairs Section, perhaps)... Lt. Col. Papen will advise. If we carry out these new instructions it will, must mean, increase in personnel...we don't want to sign receipts, be responsible for, cargoes, unless we check them in!

Mayn Method - 1630 - hmm - Were at!
More work!

P. S. [redacted]SKE
Chief, Economics Section

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DAILY ACTIVITIES REPORT

ECONOMICS SECTION, TCAT

DAR #138

21 July 1949

1. NATURAL RESOURCES.

a. Agriculture.

(1) Mr. Kato, Chief of the Agricultural Affairs Section, Tokyo-to, reported that the election of local land commissioners for 101 commissions will take place 18 August 1949. Voters have made applications to vote by 30 June. After checking eligibility of voters, the qualified voterslist will be posted publicly during the period 1 - 5 August. 90 commissions will have 10 members. Adachi, Katsushika and Edogawa will have 20, and Nishitama, Kasumi, Hachioji, Tsurukawa, Tadao, Kodaira, and Honson (Oshima Island) 5 members. One commission in Koriyama village, Nishitama-gun, has no tenants. 8 members will all be land owners. The election of the Prefectural Land Commission will be held 20 September. 10 persons will be elected. Members will not be confined to those serving in local commissions.

(2) Extensive preparations for the election of commissioners have been made.8 meeting were held during July to acquaint all concerned with proper voting procedures. Leaflets entitled "General Election of Agricultural Land Committees" were distributed to farmers. Election posters have been prepared for distribution to villages. Small bills will be distributed to farmers to prevent default of voters. Newspapers, Radio, and the Tokyo-to official bulletin will be utilized to publicize the election.

(3) It was reported by the Agricultural Land Section that the 1.4 cho of land located in the former Air Force Arsenal at Showa-machi, Kitatama-gun will be converted into a village recreational area. This was decided upon by Tokyo-to and the Tokyo Finance Bureau, after all attempts to settle the problem with 14 part-time farmers, illegally occupying the area had failed.

b. Forestry. - Tokyo-to is planning to cut down the size of the Forestry Section at the next session of the Tokyo assembly. According to officials, such a cut will seriously hamper the forestry program if not knock the pins out from under it completely. This section will make further inquiries.

c. Fisheries.

(1) Consulted with Tokyo-to officials in regards to fisheries rights. Present laws forbid transfer of fishing rights maintaining a status quo, but legislation is now pending which calls for acquisition and redistribution by prefectural authorities in 1951. No action is contemplated prior to that date by Tokyo officials in regard to seaweed farms (demarcated fishing rights) owned by one association and

rented to another, which practice is prevalent in the Tokyo area. This section requested, however, to check into the fishing rights rented by the Kasai-ura Fisheries Cooperative Association in Edogawa-ku through the medium of brokers and see of the situation couldn't be ameliorated during the coming year.

(2) Visited the Tokyo Edible Frog Breeding Association in Edogawa-ku for information on progress of the fisheries program. The objective in cooperative formation is to obtain licenses for its members to catch bull-frogs in the Tokyo area. There are an estimated 70 persons engaged in the collection business who deliver to fish shops in the area who in turn sell to a canning company for export. The preliminary meeting for cooperative formation was held on 4 June, but since the central figure in the movement, Mr. Kihara, was taken ill and compelled to withdraw from the activities, things are at a standstill. The proposed association will be the Tokyo Edible Frog Collection Fisheries Cooperative Association. The season runs from April through June and at best can be classified as an avocation.

d. Construction. - Attended a meeting of the Tokyo-to Assembly Building Committee. The proposed housing site at the former Army College grounds in Aoyama-cho was on the agenda. The chairman asked Mr. Ishii, Chief of the Building Bureau, how the project was progressing. Mr. Ishii replied that as the constructing of over 200 units at one location must be approved by the Assembly, plans are being made to submit the details of the project at the next Assembly.

e. Fuel Oil Distribution. - The Tokyo Materials Adjustment Office reported that 1,055.9 Kiloliters of fuel oil were distributed as link to fishermen during the period 11 - 20 July 1949. No shortages were reported.

2. COMMERCE AND TRADE.

a. Food Distribution.

(1) Staple food, miso and shoyu ration points in Shibuya and Shinjuku Wards were inspected. Staple food ration points in the areas inspected were distributing from 3 to 8 days ration of rice. An average of 3 days advance in ration distribution was revealed. Shoyu rations were picked up by all the customers but as usual from 10 - 20% of the people in these wards refused to purchase their miso rations due to the hot season. Ration points were generally found in satisfactory condition.

(2) Marine products retail shops in Koganei and Kokubunji were inspected. No violations were revealed.

(3) Visits were made to 4 food warehouses in Tokyo and approximately 74,842 kgs of spoiling imported fruit juice cordials and evaporated peaches were inspected. These were found in conditions unsuitable for direct

use and due to the hot weather was deemed unsuitable for further storage. The Tokyo Food Office's plan indicates that the cordials and peaches will be used together with indigenous apples to process apple jam for distribution as incentives to laborers in key Japanese industries. The Food Office was given approval for the release and production of apple jam.

b. Enforcement.

(1) Conferred with Mr. Sanpei Takizawa, Economic Section, Chuo Ward Office. This ward had three police station: (Tsukiji. Kyobashi, Tsukishima). The following licences have been issued from the Ward Office:

Light Restaurant	568
Tea Room	16
Hotel	3
Meal Ticket Restaurant	10
Total	597

The following number of application have been received by this ward. office. The number of licences issued above ~~one~~ not included:

Meal Coupon Restaurant	22
Light Restaurant	800
Tea Room	89
Hotel	28
Total	939

There have been no applications disapproved by the Ward Office. No signs have been issued in English.

(2) 16 Light restaurants were inspected in the Ginza Area. Of these, 8 had licences, the others had made application for licences. No signs were seen posted.

3. LABOR.

a. Employment Security Law.

(1) Inspection of the Mitaka Area reveals that the League of Unemployed has not been active there as yet. However, some of the daily laborers have been active in making demands of the PESO and distributing handbills. Mr. Miyano, a member of the assembly, on one occasion, in the company of some of the laborers, called on the PESO Chief and made the same sort of demands which were made by the organized groups at other PESO's.

(2) The Industrial Daily Laborers' Union of Mitaka and the Tachikawa Labor Administration Office sponsored a labor education rally in Mitaka yesterday. Mr. Hayashi and Mr. Onda of the Labor Bureau both made speeches to the group. The theme was "The Current Labor Situation and the Daily Laborer".

(3) The chief of the Suidobashi PESO is convinced that the Toppan Printing Co. Union is responsible for the printing of the handbills which have been distributed at the PESO's. He also says that the Bunkyo Ward Communist Party has openly stated that it is sponsoring the League of Unemployed and the other organizations which have been agitating at the PESO's. An investigation is being made to see if perhaps there is a possible misuse of paper allocated to unions for office use. Apparently much of this paper is going into handbills and posters.

(4) The Tokyo Inlet Casino, which caters to the Occupation Forces was found to have none of the records required by the various labor laws. They were told to go to the PESO and the Labor Standards Bureaus a recheck will be made of this place to insure compliance with the laws. [redacted].

b. Labor Standards Law. - A case concerning violation of the law in working women and minors overtime and at night was referred to the Hachioji Procurator last Dec. The Procurators Office states that it will probably be unable to do anything on this case until the end of the year. In the meantime, the bakery in which these violations were found continues to operate and continues to violate the law. An attempt will be made to get a restraining order from the court, but with the attitude of the procurator's it might be difficult unless we make specific recommendations.

4. MANUFACTURING & INDUSTRY.

a. Instructions. - Maj. R. I. Johnston, GA, G-4, Misc. Section, advised Mr. Stradley that three delegations of present contractors for removal of garbage and waste in the Tokyo area from Occupation Force Units, had called on him protesting to the letting of contracts on the competitive bid basis. He sent them back to see TCAT, since this is a matter under the control of the local team. He advised them that the decision by the local team would be considered final. He cautioned that we should screen the applications to see that there is no possibility that successful bidder is unable to remove the waste in fulfillment of contract. Mr. Allen, P H Section, was so advised.

b. E.I.B.

(1) Restaurants: As of 20 July 1949, a total of 7,932 licenses have been issued to Tokyo-to restaurants, tearooms and hotels and 300 applications rejected for sanitation reasons.(1,494 light restaurants, 5,928 tearooms and 510 hotels) Applications for licensed meal coupon restaurants all have been examined and this type of restaurant is scheduled to be licensed by 31 July. About 300 Third Nationals have received restaurant licenses and more than 1,000 licenses are expected to be issued to this category by 31 July. No stall eating places have received licenses.

(2) EIB Special Meeting: The Local EIB will hold meetings at 1000 on July

26 and 27 to discuss the Restaurant Control Law. On 26 July, three representatives will attend the meeting from the Tokyo Japanese Restaurant Union, Kabayaki Union, Tokyo Chinese Restaurant Union, Tokyo Foreign Style Food Restaurant Union, Tokyo Meal Restaurant, Tokyo Restaurant Union, Tokyo Noodle restaurant Union, Tokyo Restaurant Association and the Tokyo Public Bar Union. On 27 July, three representatives will attend the meeting from the Tokyo Sushi Union, Tokyo Cafe Union, Tokyo Soft Drink Union, Tokyo Light Restaurant Union, Tokyo Hotel Union and the Tokyo Factory Association.

c. Stimulating Critical Industry. - Inspections were made of Ishikawajima Heavy Industry K.K., Tone Boring Ltd, & Honda Denki K.K. in order to expedite the production of coal mining machinery & equipment.

(1) The Coal Mining Industry at this particular period is financially unable to meet ablegations for purchased mining equipment. Various plans, had been attempted by the Gov't in order to solve this situation with very little improvement to the existing financial conditions.

(2) Since Honda Denki K.K. had devoted their entire production to the Coal Industry, it has been placed in the most difficult position of all the designated plants in Tokyo.

(3) Ishikawajima Heavy Industry reported normal production of Coal mining machinery with orders gradually decreasing.

(4) Tone Boring Co. is receiving orders for horizontal boring machines to be used in the testing of new Coal fields of Hokkaido Tanko Kisen K.K. Plans are underway to expand facilities to meet the new demands.

(5) No labor disturbances are contemplated in the 3 plants inspected.

5. REPARATIONS.

a. This headquarters contacted Capt. Hamill, 43rd Weather Wing, who has been designated as supervisor of Central Meteorological Observatory (39-64) as regards the experiments, publications and the future disposition of the CMO. An inspection of the premises with Capt. Hamill will be made 26 July.

b. Extracted from the Mainichi Shinbun, 20 July 1949, "1,800 Reparation Officials to be Discharged".

"As a result of the reduction of reparation facilities management expenses, the Cabinet at its meeting on 19th decided to revise a part of the Gov't Ordinance No.146 limiting personnel of administrative organs to be defrayed by the Occupation expenses. The revised ordinance to be promulgated shortly requires reduction of personnel from 5.135 to 3.247, discharging as many as 1,888 surplus officials."

c. Riken Kinzoku (39-40). Thru misunderstanding, a lathe (39-40-19-U) was deleted from authorized use and transferred from building 4 to 15 without prior conformation of this headquarters. Restoration to its original status was ordered.

d. Surveillance of Chuo Kogyo, Omori (39-91), disclosed the plant to be in a very serious financial condition due to the lack of markets for their products and inefficient managerial practice. The employees have not been paid since 28 April. The company instead of paying the employees, gave 47-1HP single phase electric motors, 105-1HP 3 phase motors, 3-2HP motors to the labor union who in turn tried to sell them on the open market. (This will be refered to the Industry & Manufacturing Section of TCAT for further investigations.) The maintenance of "J" machinery is unsatisfactory. The majority of machinery need lubrication and many machines surfaces are becoming rusty. A follow up inspection will be made in 10 days to check this situation.

6. RELEASES.

a. Trips were made to the following installations to check applications for releases of former Military Property:

(1) 439 stop-valves and accessories, and 2,634 kgs of steel pipe, located at Hazu Kikai Kogyo, 1088, Shimura, Maeno-machi, Itabashi-ku, Tokyo-to. The check indicated that they can be utilized and may be released as supplies.

(2) 3,737 electric signal lamps and accessories, located at Anzen Denki Kogyo K.K., 1240, 6-chome, Kami-meguro, Meguro-ku, Tokyo-to. The check indicated that they are damaged and cannot be utilized. Therefore they may be released as scrap supplies.

(3) 2,403 cutters and bits, located at Yamamoto Kogyo K.K., Koganei Seimitsu Kogu Seizojo, 380, Koganei-Nitta, Koganei-machi, Kitatama-gun, Tokyo-to. The check indicated that they are damaged and cannot be utilized. They may be released as scrap supplies.

(4) 7,251 couplings and shafts, located at Miyagi Seisakujo K.K., 370, 2-chome, Nakameguro, Meguro-ku, Tokyo-to. The check indicated that they are corroded and cannot be utilized. Therefore they may be released as scrap supplies.

DAILY ACTIVITIES REPORT

ECONOMICS SECTION, TCAT

DAR #139

22-23 July 1949

1. NATURAL RESOURCES.

a. Agriculture.

(1) Observed agricultural conditions at Ome-machi in Nishitama-gun. Of the 60.9 cho of farmland, 38% had been tenant-operated prior to the land reform program. The local commission designated 13.7 cho of land for transfer and purchased 10.5 cho. The balance of 3.2 cho was excluded as residential area. Sale of 4.72 cho has been completed. The commission has designated 5.3 cho for town-planning and will be reserved for 5 years. 0.5 cho is being cultivated by non-eligible tenants. The purchase and sale of land is thus complete. Tenants now cultivate 28% of the farmland. Barley, wheat and white potatoes were damaged by disease to the extent of 14.3%, 8.5% and 25.6%, respectively. Barley and wheat suffered from "tachigare bzo" and white potato from blight.

(2) Inspected the Ome-machi Farmer Cooperative Association. Capitalization is ¥507,464. Assets valued at ¥528,359 were transferred from the Nogyo-kai. Functions are credit, marketing, purchasing and rural industry. 11 persons are employed. As members continue to utilize private banking interests, the cooperative encounters some difficulty in securing funds. Members utilize the cooperative mainly to receive fertilizer and link goods. Administrative matters are executed democratically. No complaints were heard by members.

(3) Ome farmers have exceeded their 1948-1949 rice and sweet potato allocation. Of 19 incentives allocated, the following remain to be received: jacket 1, coat 2, wool trouser 1, and wool shirts 1. Progress in deliveries of the 1949 summer crop is 29.6% for barley and 92.2% for white potato.

(4) The Tokyo Food Office reported that 8,121.05 koku of wheat, barley, etc. and 125,436 kan of white potatoes were delivered during the period 11-20 July 1949. The cumulative totals are: cereals 10,302.6 koku or 23.5% and white potatoes 1,024,898 kan or 19.5% of quotas. Deliveries are lagging as compared to a similar period last year. Deliveries by 20 July were 41.1% and 27.4% of cereal and white potato quotas, respectively.

b. Forestry. - Officials of the Forestry Affairs Section, Tokyo-to, informed this section that Governor Yasui had ordered the abolishing of the Forestry Affairs Section. The officials state that the easing of firewood and charcoal controls was taken into prime consideration by top officials. The fact that the Tokyo Charcoal Office is to be abolished 1 August 1949 was not considered. All functions will be transferred to Tokyo-to. The Forestry Affairs Section is primarily concerned with such matters as

reforestation, erosion control, forest roads, etc. and not charcoal and firewood controls. It was suggested that the matter be taken up with the Economics Bureau chief for reconsideration by the governor.

2. COMMERCE & TRADE.

a. Food Distribution.

(1) Marine products retail shops in Chofu-machi were inspected. No violations were found.

(2) Staple food, miso and shoyu ration points in Chuo, Chiyoda, Shinagawa and Minato Wards were inspected. Distributions of rice and white potatoes were in progress. An average of 1½ days advance in ration distributions existed in the districts observed. Miso ration points showed the usual 10-20% of the people's refusal to purchase their rations. Shoyu rations were picked up 100%. The ration points inspected were in fairly satisfactory condition, however, advice was given for improvement in the appearance of the premises.

(3) The inspection of bakeries and bread ration points were continued. Two bakeries inspected in Ome-machi, Nishitamagan were found baking bread insufficiently. The proprietors of these bakeries were given stern warnings to improve their bread in the future or their operations will be prohibited. These bakeries were referred to Tokyo-to for future observations and corrections in cases of non-compliance with given instructions..

(4) The NRP reported that 49 violators of staple foods control regulations were discovered during the period 1-15 July 1949 by their special enforcement teams. All have been referred for prosecution. 963 kgs of foodstuff was confiscated.

(5) Officials from the Tokyo Central Market reported that a lag in vegetable supply is expected as the harvesting of cucumbers, tomatoes, eggplants, etc., is completed and harvesting of fall cabbage and greens from Iwate, Nagano and Gumma prefectures begins. An average of 100 carloads daily will arrive at Akihabara and Shinbashi stations. Negotiations are now underway with railway authorities to permit backlogs of cars at the two stations by shunting cars evenly to other stations, such as, Shinjuku, Tabata, Omori, etc.

(6) Market officials report that the ministerial vegetable shipment quota for Tokyo-to is 13,439,000 kan for July (4,068,000 kan Tokyo). Only 10,000,000 kan is expected. The receipt of 2,755,497 kan during the period 1-10 July 1949 reveals a decrease of 926,813 kan as compared to a similar period last year.

3. LABOR.

a. Labor Relations. - Mr. Matsushita, a lawyer representing the Furakawa Electric Co., was in to explain the situation concerning discharges in the company. This company has a headquarters in Tokyo and 9 plants throughout the country employing 8,200

people. They plan to discharge 1,500 employees (20%). The union is objecting vigorously and refuses to negotiate on any contract which does not contain a clause guaranteeing full employment. The old contract expired on 27 June 1949. The union wants the old contract extended until 30 September, but the company has stated they will not extend the contract and that they are going ahead with the discharge plan. We recommended that if they were going to discharge these employees they should be firm in their stand and go ahead with the plan. We said that if they negotiate and haggle over the fact that they are going to discharge some employees they will continue to have the problem and still won't have any answer to it.

b. Employment Security Law.

(1) The printing place which has been located in the basement of the Kandabashi PESO building has finally moved out. The additional space will help relieve the crowded condition of the PESO. This PESO has referred a case, concerning a labor boss, to theprocurator for action. This labor boss, Higushi Gumi Company, has been very elusive and it was with the help of one of our inspectors, Mr. Kawashima, that enough evidence was finally gathered to refer the case.

(2) A group of agitators from various unions and communist dominated groups held the chief of the Iidabashi PESO in his office Friday night until 0500 Saturday morning. The demands were the same as they always make, i.e., give us jobs, down with Yoshida, etc.

(3) A society was found in the area under jurisdiction of Shibazonabashi PESO which has been acting as an illegal intermediate labor supplier. This society has been supplying cooks and waitresses to Japanese establishments and to the French and Dutch Embassies. This organization is going to be investigated and if enough evidence can be obtained they will be prosecuted. The various embassies, particularly these two, have been constantly disregarding labor regulations and laws. While we cannot go after them directly, perhaps we can cut off their supplies and thus force them to obtain their help through the right channels.

c. Labor Standards Law. - A group of 20 people from the Labor Standards Bureau and from private industry went on the scheduled tour of the BIG 5 plant. The people on the tour seemed to be quite impressed with the orderly layout of the plant and the fact that it was not over-run with people the way some of the Japanese factories are.

4. MANUFACTURING & INDUSTRY.

a. Stockpiled Materials. - Eight inventories (T-4421, T-5450, T-7811, T-7812, T-7813, T-7814, T-7815 and T-7816) were inspected and the following materials found to be excess:

CODE	ITEM	EXCESS	FOR CONFISCATION
20	Paper	514,378 lbs	498,478 lbs (T-7814)
			15,900 lbs (T-7816)
25	Ordinary Steel	13,500 kgs	13,500 kgs (T-4421)
30	Copper	338.5 kgs	338.5 kgs (T-7813)
31	Lead	11,238 kgs	3,822 kgs (T-7811)

CODE	ITEM	EXCESS	FOR CONFISCATION
34	Antimony	4,758 kgs	490 kgs (T-7811)
			4,268 kgs (T-7813)
	Babbit Metal		8,505 kgs (T-7813)
	Zinc		360 kgs (T-7811)
71	Clothing	716 pcs	716 pcs (T-5450)

b. Control Associations. - Miyata Works, Ltd, was visited in company with Mr. Moss, ESS/AntiTrust & Cartel. It was revealed that this bicycle company belongs to fourteen associations each of which collect membership and percentage of production fees. To the All-Japan Bicycle Association, the company pays over 700,000 yen and receives practically no benefits. The association accumulates requests for allocations of raw materials and presents these requests to Tsusansho as its primary function. Mr. Moss pointed out to the Managing Director, E. Miyata, (who is also an advisor to the association) that the Japanese Government has been instructed by SCAP to pay no attention to association requests for increased allocations. He suggested to Mr. Miyata that a good function for the industry would be to establish a standards research institute to classify the bicycles by grade so that a differential in pricing may be established to the benefit of quality manufacturers. The company complained that domestic bicycles brought 6,300 yen while export prices only allowed 5,700 yen and that this company could not manufacture this item at 5,700 yen.

c. EIB.

(1) Shozo Takahashi Case: Tokyo Regional EIB investigated case regarding 18-60 HP diesel engines, said to belong to one Shozo Takahashi. Of the 18 engines, seven were received through regular channels, but the remaining 11 engines under question were former Japanese Army property and technically under custody of the Allied Forces. Regional EIB uncovered the fact that a former officer of Akatsuki Butai (Akatsuki Corp.) approached Nihon Zosen Kabushiki Kaisha and gave them 11 engines, which were stored in a warehouse at Yaguchi-no-Watashi, Otaku, Tokyo. The status of these engines comes under the classification of hidden and hoarded goods, the Regional EIB had the engines confiscated. However, the Regional EIB informed Nihon Zosen that Takahashi should be recompensed for his loss.

(2) On 21 July, a man claiming to be a minor official of the Tokyo Office of Tsusansho called on Regional EIB and stated that he was a friend of Takahashi and also had close connections with a member of this section. It was suggested that Regional EIB bring Takahashi and Nihon Zosen K.K. together for a satisfactory conclusion. EIB replied that the question of compensating Takahashi was a civil matter and out of the jurisdiction of EIB functions. The case of Takahashi has been referred by EIB to the procurator on charges of illegally possessing former military property.

d. Precious Metals. - The Osmium Refining Co., Itabashi-ku, was inspected. This company receives Iridosmin ore from a mine on the Uriugawa near Fukagawa and Asahigawa, northeast of Sapporo, Hokkaido. This ore belongs to the paladium family and consists of Iridium (40%), Osmium (30%), Rutenium (7-10%), Paladium, Platinum and Rhodium. The Finance Ministry purchases the ore from the mine and allocates it to this company for refining. The company will furnish this headquarters with production data for the past 12 months in a ew days.

e. Stimulating Critical Industry.

(1) Inspection was made of Nippon Seiko K.K., Tamagawa Works in order to expedite the production of ball bearings. Officials reported that the production of ball bearings for July was expected to surpass the June figure with increase in orders from the export market and decrease in the coal industry. Due to the "tight money situation", the company was finding it difficult to operate. No materials shortages were disclosed. The labor relation appeared to be excellent.

(2) Tokyo Tokushu Kogyo K.K., Itabashi Plant, was inspected to expedite the production of valves for compressors for mining equipment. The orders for this type of equipment are decreasing. The company is producing some textile spinning attachments to keep the employees working. Valve production is up to schedule. No labor trouble was anticipated.

f. Explosives. - A Japanese police report was referred to this section from Legal concerning the matter of disposing of one unexploded incendiary bomb. The subject bomb was found in Osaki area, Shinagawa Ward, and subsequently taken into protective custody by the Osaki Police Station awaiting disposition by Allied Forces, Headquarters Eighth Army, Ordnance Section, Logistical & Bomb Disposal Branch was notified via telephone of the above matter.

5. REPARATIONS.

a. A survey of the evaluation report of the Former Laboratory of Military Medical Schools (39-61) now released, disclosed the following data:

Total number of items inventoried under OD 5/4	45
Total number of items transferred:	
(39-74,76) for centralization (9 Oct 47)	34
Authorized use (31 Mar 47)	3
Released items (17 Dec 47 - SCAP)	4
Authorized removal (27 Aug 47)	4
TOTAL	45

b. Mitaka Bussan (39-23) reported their suspension of operations due to financial difficulties and the lack of market for their products. This plant has 30 items in authorized use and 2 items in temporary operation. All items will be serviced in accordance with paragraph 1e, SCAP Memorandum, subject: "New Maintenance Standards", 22 June 1949. The official report of suspension will be submitted through channels.

c. Surveillance inspections were conducted of the following installations:

(1) Nihon Kentetsu, Tokyo Plant (39-38). Revised security regulations, maintenance and operations of equipment is considdred adequate.

(2) Kawakami Sangyo (39-130). New entrance procedure is adequate. Unsatisfactory distribution of fire extinguishers was noted. Production of this plant is very low. But the maintenance of equipment is satisfactory.

(3) Fuji Sangyo, Musashi (39-30). Previous discrepancies were corrected as

instructed. The stock or maintenance materials was verified. Two additional items are being added to the evaluation report. Items in dead storage are satisfactory.

6. RELEASES. The following releases have been made during the week ending 23 July 1949:

a. 55 one-story wooden buildings, 1 two-story wooden buildings and 6,000 tsubo of land of the former Ogu Dormitory, 1st Tokyo Military Arsenal, located at Ogu-machi, Arakawa-ku, Tokyo-to. The estimated value of the buildings is 336,837 yen and the land is 190,795 yen.

b. Two one-story wooden buildings, 1 one-story concrete building and 447 tsubo of land of the former Official Residence of the Aide de Camp to the Emperor, located at No. 5, 4-chome, Kojimachi, Chiyoda-ku, Tokyo-to. The estimated value of the buildings is 21,098 yen and the land is 174,826 yen.

c. Four one-story wooden buildings, 1 two-story concrete building and 780 tsubo of land of the former Official Residence of the Chief of General Staff, located at No. 12, 1-chome, Kojimachi, Chiyoda-ku, Tokyo-to. The estimated value of the buildings is 53,700 yen and the land is 285,285 yen.

d. 246 tsubo of land of the former Official Residence of the 1st Secretary of the War Minister, located at No. 9, 2-chome, Hirakawa-cho, Chiyoda-ku, Tokyo-to. The estimated value of the land is 70,683 yen.

e. One one-story wooden building and 65 tsubo of land of Dai Nippon Koku, Tokyo Branch, located at No. 1-1287 Dennen-Chofu, Ota-ku, Tokyo-to.

f. 50 pcs of glass, 6 gravel crusher parts, and 109 automatic buffing machine parts, located at Construction Reference locations: R-285, 295 and 307.

g. 400 stoppers, 60,000 steel screws and 1 thermostat w/accessories, located at Construction Ministry locations: R-275, R-281 and R-294.

h. 839 automatic oil parts, 3,882 meters stainless steel pipe, 51 valve joints, 2,800 kgs of stainless steel bars, 314 gyro-compass parts, 15,947 binocular parts, 9 electric heaters, 5 gear hobbing machines, 20 gas cylinders, 201 kgs of brass ingots, 2,000 kgs of steel bars, 2,000 kgs of powdered carbon and 217 miscellaneous parts, located at Construction Ministry locations: R-127, 180, 101, 36, 68, 50, 131, 240, 214, 107, 145, 119, 254, 235, 239.

i. 3 surface plates, 3 hydraulic presses and 162 screw propellers, located at Construction Ministry locations: R-300, 310, 319.

j. 90 oil barrels, 21 microscope parts, 26 cam shafts, 7,254 kgs of structural steel, 8 fuel tanks, 3 hardness testers and 2,182 air pressure gauges, located at Construction Ministry locations: R-182, 224, 118, 200, 196, 110, 256.

k. 556 pcs of furniture, 4 food processing equipment and one blueprint machine, located at the former Shibaura Construction and Maintenance Supply Bureau, Shiba, Kaigandori, Minato-ku, Tokyo-to.

l. 5 pcs of medical equipment and 5 pcs of furniture, located at the former Naval Kyosai Hospital, Shinagawa Branch, 1-chome, Minami-Shinagawa, Shinagawa-ku, Tokyo-to.

m. One hot water boiler, located at the former Official Residence of the Chief of General Staff, No. 12, 1-chome, Kojimachi, Chiyoda-ku, Tokyo-to.

n. 59 pcs of medical equipment and 19 pcs of food processing equipment and 19 pcs of food processing equipment, located at the Shonan Seisakujo, Tamagawa, No. 605, Komae-mura, Iwato, Kitatama-gun, Tokyo-to.

o. 41 pcs of food processing equipment, located at the former Itabashi Dormitory, 2nd Tokyo Military Arsenal, 6-chome, Itabashi-cho, Itabashi-ku, Tokyo-to.

p. 9,486 kgs of metal materials, 5,478 miscellaneous metal items, 2,517 plumbing parts, 3,627 electrical parts, 6,660 kgs of chemicals, 39,207 pcs of glass apparatus, 3,658 acid proof cast iron items, 936 liters of oil, located at the former 2nd Tokyo Military Arsenal, Oji Plant, No. 581, Toshima-cho, Kita-ku, Tokyo-to.

q. 33,748 kgs of scrap cast iron, 51,481 kgs of scrap iron, 749 kgs of scrap brass, 24,065 kgs of scrap steel, 5,489 of scrap cast steel, 64 kgs of scrap bronze and 2,570 kgs of scrap aluminum, located in 33 private installations in Tokyo-to.

r. 499,524 kgs of scrap steel, 19,929 kgs of scrap copper, 200 kgs of scrap tin, 240 kgs of scrap aluminum, 4554 kgs of scrap lumber, 144 kgs of scrap non-metal materials and 5,765 kgs of useless chemicals, located at the former 1st Tokyo Military Arsenal, Takinogawa Factory.

l. 5 pcs of medical equipment and 5 pcs of furniture, located at the former Naval Kyosai Hospital, Shinagawa Branch, 1-chome, Minami-Shinagawa, Shinagawa-ku, Tokyo-to.

m. One hot water boiler, located at the former Official Residence of the Chief of General Staff, No. 12, 1-chome, Kojimachi, Chiyoda-ku, Tokyo-to.

n. 59 pcs of medical equipment and 19 pcs of food processing equipment and 19 pcs of food processing equipment, located at the Shonan Seisakujo, Tamagawa, No. 605, Komae-mura, Iwato, Kitatama-gun, Tokyo-to.

o. 41 pcs of food processing equipment, located at the former Itabashi Dormitory, 2nd Tokyo Military Arsenal, 6-chome, Itabashi-cho, Itabashi-ku, Tokyo-to.

p. 9,486 kgs of metal materials, 5,478 miscellaneous metal items, 2,517 plumbing parts, 3,627 electrical parts, 6,660 kgs of chemicals, 39,207 pcs of glass apparatus, 3,658 acid proof cast iron items, 936 liters of oil, located at the former 2nd Tokyo Military Arsenal, Oji Plant, No. 581, Toshima-cho, Kita-ku, Tokyo-to.

q. 33,748 kgs of scrap cast iron, 51,481 kgs of scrap iron, 749 kgs of scrap brass, 24,065 kgs of scrap steel, 5,489 of scrap cast steel, 64 kgs of scrap bronze and 2,570 kgs of scrap aluminum, located in 33 private installations in Tokyo-to.

r. 489,524 kgs of scrap steel, 19,929 kgs of scrap copper, 200 kgs of scrap tin, 240 kgs of scrap aluminum, 4554 kgs of scrap lumber, 144 kgs of scrap non-metal materials and 5,765 kgs of useless chemicals, located at the former 1st Tokyo Military Arsenal, Takinogawa Factory.

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CORRECTED COPY

R-E-S-T-R-I-C-T-E-D

HEADQUARTERS
KANAGAWA CIVIL AFFAIRS TEAM
APO 503

AG 319.1

14 July 1949

SUBJECT: Monthly Military Government Activities Report for the Period 1 June to 30 June 1949. (Reports Control Symbol MG-04)

TO: Commanding General
Eighth Army
APO 343
(Attn: Civil Affairs Section

1. In compliance with Operational Directive Number 53, your headquarters, 1948, the Military Government Activities Report for the month of June is inclosed.

2. Occupation matters that are considered of special importance are as follows:

a. It is to be noted that as of 30 June 1949, a total of 127,680 self-assessed tax returns had been filed; this represents 86% of the taxpayers in this Prefecture. The total of ¥ 12,712,413,000.00 declared as income on these provisional returns bears a ratio of 110% with the total of the final returns of 1948-49. The individual income reported for 1949-50 bears a ratio of 115% with the individual incomes of 1948-49, showing an average increase of ¥ 13,000.00. The total declared income tax of the above returns for 1949-50 equals the total of 1948-49, showing a total of ¥2,187,769,000.00 as against ¥ 2,188,823,000.00 for 1948-49.

b. It is felt by this headquarters that marine products should be decontrolled and a competitive market established. Similar action should be taken as was taken with regard to vegetables and individual enterprise permitted with fluctuations in prices allowed up to a fixed ceiling. It is believed such action would cause the supplies of fish now blackmarketed and on "free sale" to flow through legitimate channels.

c. Well organized and left wing elements continue to make political issues out of personnel cuts and readjustments. Additional labor unrest and strikes may result from projected dismissals. Labor, however, has shown signs of facing the dismissal issue more realistically and several labor-management groups have reached agreement on dismissal problems.

R-E-S-T-R-I-C-T-E-D

CORRECTED COPY

7/5 54 DET

R-E-S-T-R-I-C-T-E-D

The Labor Standards Bureau's construction program, in progress the past several months, was virtually completed in June. Three local inspection offices and the main prefectural Labor Standards building were completed and occupied during the month.

d. Although the stabilization and reorganization of private industry and public services constitute a desired economic end, the program resulted in political and social turmoil in this prefecture during the month of June. Reference is made to both this and special report requesting vehicles for the Yokohama and Kawasaki police departments. Police mobility is essential. Refusal by the Governor and the mayor of Yokohama to sponsor a public safety regulation plus the efforts made by the socialist mayor and the democratic leader of the City Assembly to obtain staple rations on credit seem to have alleviated to some degree the political and social effects of the economic policy pursued by the incumbent party. In the opinion of this headquarters repressive measures designed to abolish civil liberties would be a great mistake.

Edwin E. Keatley

EDWIN E. KEATLEY
Colonel, Infantry
Chief

9 Incls:
- A- Political and Government
- B-1 Public Health
- B-2 Public and Private Welfare
- C- Labor
- D- Economics
- E-1 Civil Education Activities
- E-2 Civil Information Activities
- F- Surveillance of Japanese Tax Administration
- F-1 Finance and Civil Property

RECEIVED
JUL 16 1949
OSAKA MILGOVT
TEAM

R-E-S-T-R-I-C-T-E-D

BASIC: Ltr, Hyogo Military Government Team, dtd 14 June 1949, subj: "Impounded Property"

091.31 4th Ind HCK/dy

Headquarters Osaka Civil Affairs Team, APO 25, 8 Jul 49

TO: Commanding Officer, Hyogo Civil Affairs Team, APO 317

Forwarded as a matter pertaining to your command.

FOR THE COMMANDING OFFICER:

12 Incls:
n/c

FRED N. ALEXANDER
WOJG USA
Asst Adjutant

OSAKA M.G
RES-COM-IND
FILE A-5512

BASIC: Ltr Hq Yamaguchi MG Team, YMGT 500, dtd 23 Jun 49, subj: "Rail Transportation"

500 1st Ind HCK/hdb/kk

HEADQUARTERS, Osaka Civil Affairs Team, APO 25, 1 July 1949

TO: Commanding Officer, Yamaguchi Civil Affairs Team, APO 248

1. Conference with Mr. Ito, Chief of Business Section, Kurimoto Iron Works, disclosed the following:

a. 35.2 tons of Cast Iron Water Pipes have been contracted with Hanki Shoko Co., Osaka, to be shipped to Yamaguchi Prefecture by end of August, 1949.

b. On 10 May 1949, approximately 10 tons of pipe were shipped to Yamaguchi Prefecture via Japanese Government Rail. No difficulty has been encountered in obtaining freight space, and none is anticipated.

c. This headquarters suggested Kurimoto Iron Works expedite remaining water pipes for reasons cited in paragraph 3 of basic letter. Mr. Ito stated this would be difficult, as the company is engaged in fulfilling P.D. orders, but will take necessary steps to assure shipment as rapidly as possible.

FOR THE COMMANDING OFFICER:

1 Incl:
n/c

THEODORE J. COCK
Major, Infantry
Adjutant

C File

OSAKA M.G
RES-COM-IND
FILE 0-5499

KANTO MILITARY GOVERNMENT REGION
Civil Education Section
APO 201

27 June 1949

TO: CE Officer
Osaka MG Team
APO 25

We are exceedingly interested in school discipline and would appreciate having a copy in Japanese and/or English the guide that your school board issued to all principals on this matter.

Thank you kindly.

C FILE

R.C. Fox
R. C. Fox
Regional Education Officer

Received 2 July 49

Kna

WAR DEPARTMENT

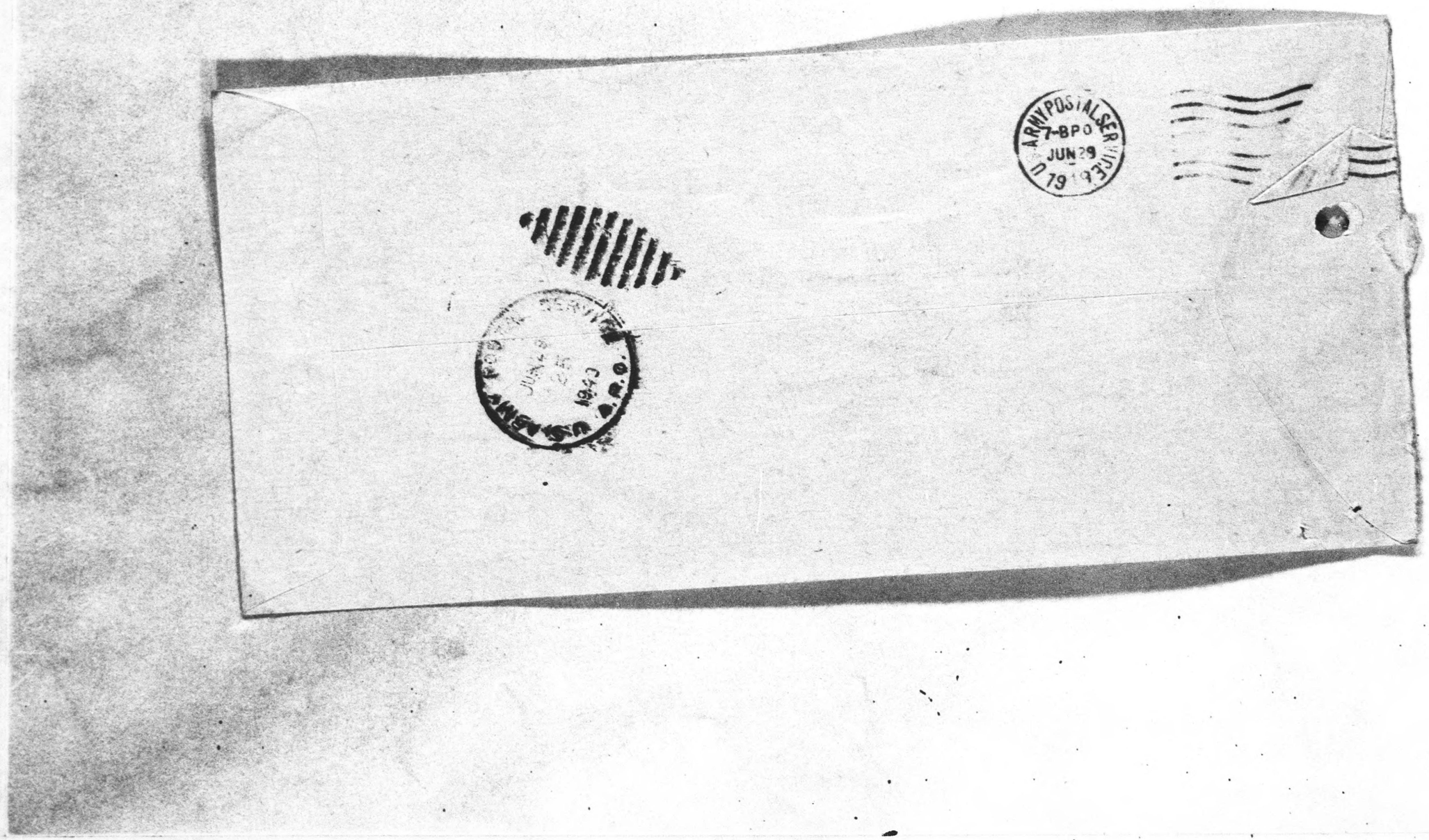
Kanto Mil Govt Region
Civil Education Section
APO 201

OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, $300

U.S. ARMY
JUN 28
1949
201
POSTAL SERVICE

Civil Education Officer
Osaka Mil Govt Team
APO 25



U.S. ARMY POSTAL SERVICE
7-BPO
JUN 29
1919

U.S. ARMY POSTAL SERVICE
A.P.O.
JUN 29
1940

BASIC: Ltr, Hq Wakayama Mil Govt Team, APO 25, dtd 11 March 1949, 091.4
subj: "Inspection of Child Welfare Institution" (Hatsushima Gakuen)

091.4 3rd Ind

Hq Osaka Military Govt Team, APO 25, 28 June 1949 LLC/mm LLC

C-file

TO: Commanding Officer, Kinki Military Govt Region, APO 25

1. For your information this follow-up report is submitted regarding Hatsushima Gakuen institution.

a. After long consideration it has been decided by Prefectural Welfare Officials and the Prefectural Assembly to continue this institution as a placement for boys who are habitual run-aways and have exhibited repeated tendencies toward delinquency. Their length of stay is not to exceed six months prior to placement or replacement in other Child Welfare institutions. The maximum capacity is reduced from 100 to fifty to provide better accommodations and provisions for health, education, recreation and individual guidance.

b. The following funds have been approved by the Prefectural Assembly and Central Government each paying 50 percent of the cost of necessary improvements.

¥ 2,305,000 for installation of electricity and telephone

¥ 880,000 for additions, alteration and repair of buildings, purchase of new furniture and bedding etc.

Because of misunderstandings and difficulties in collection of funds from the Central Government in the past, the Prefecture has decided not to begin construction until the Central Government funds are officially in hand. This is expected before the end of July.

c. Recommendations forthe new manager and accountant have been made by the Welfare Department Chief and are waiting approval by the Prefectural Personnel Department and the Governor.

d. The management advisory committee will be established as soon as the new manager is installed.

(Full details of the Prefectural plan and budget are stated in their statement which is attached).

BASIC: Ltr, Hq Wakayama Mil Govt Team, APO 25, dtd 11 March 1949, 091.4
subj: "Institution of Child Welfare Institution" (Hatsushima Gakuen)

2. The trial of Masao Oasa, former chief of the institution, Shunzo Yoshimori, former accountant, and Shigeo Hashimoto, restaurant operator who bought the relief supplies, were sentenced 25 June 1949. Mr. Oasa was given eighteen month's at hard labor, Yoshimori received ten month's imprisonment but was placed on three year's probation and Hashimoto was sentenced to one year's imprisonment but was placed on three year's probation.

FOR THE COMMANDING OFFICER:

Jack Ellingson
JACK ELLINGSON
Captain, Infantry
Asst. Adjutant

1 Incl.
Prefecture Plan and Budget
for Hatsushima Gakuen

COPY

Translation of Future Plan and Budget
of the Natsushima Gakuen, Osaka Prefectural
Juvenile Welfare Institution.

1. As this institution was established in haste right after the war by the emergent counter measure for delinquent children, the facilities and equipments are not complete.

2. There are difficulties such as the inconvenience of the transportation, but making good use of the nice circumstance of the sea and hill, it is desirable to make this institution a special child welfare institution of the short period accomdation for children of worse habitual vagrancy and delinquency in order to make them restore the pureness and naivety.

3. The present situation of this institution does not meet the requirements of the minimum standard for the child welfare institution under the Juvenile Welfare Law. Therefore, in order to elevate the situation, the demand was presented to the Prefecture Assembly to get the budget of ¥ 2,305,000 for the installation of electricity and a telephone and ¥ 80,000 for repair of building for the rain leaking. The demand has been approved by the Prefecture Assembly to be realised in the fiscal year of 1949.

4. In addition to the budget mentioned in ¥ 800,000 was approved in the additional budget in May for the extention of the institution and the improvement of the cultural equipments and facilities of this institution. By this additional budget, 2 kitchens and 2 wash stands are to be newly established, the recreation room, library room and the staff's room to be remodeled, mattresses and furnitures are to be mended and newly purchased and beddings, tables, chairs, and radio are to be purchased for the purpose of making this institution on the island a better place for children to stay for their rehabilitation.

5. There are 5 cottages and the capacity is 100 children at present, and it is impossible to build more buildings for the cultural equipments because of the narrow vacant space. It is planned to accomodate only 50 children in 3 cottages and remodel other 2 cottages for the equipments of culture and recreation intending the complete protection giving the sufficient care with through case work.

6. The consideration has been given to strengthen the staff. The manager, Mr. Oasa, of this institution was accused and has been away from the position, and the deputy manager has been appointed provisionally for the operation. A new manager is to be inaugurated as soon as the manager Mr. Oasa, is officially sentenced. The qualified person to be the new manager has been already unofficially decided. This institution needs a competent official for the account and finance business, and this matter is now under consideration.

7. According to the remote location and the inconvenience of communication and transportation, it has been decided that the official of this institution is to come to the Prefecture office once for every two weeks without fail for liaison and coordination. Inspection visits by Prefectural Officials to the institution is to be as often as possible.

Submitted by:
PREFECTURAL Child Welfare Section
17 June 1949

Explanation of Budget of the Hatsushima Gakuen for fiscal year 1949.

	In Detail		Remarks
Expense of Hatsushima Gakuen ¥ 5,605,3000			
Administrative expense ¥ 1,228,000			
	Salary of officials ¥ 160,700	2 - (3 grade) administrative officials	
	Salary of officials ¥ 550,100	2 persons on the non-official staff. 4 assistant officials 2 workers	
	Travelling expense ¥ 72,000	Ordinary travelling expense	
	Allowance of staff ¥ 392,200	Allowance of area, dependents and over work	
	Expense of articles of consumption ¥ 9,600	Stationaries and others	
	Printing and books ¥ 9,600	-	
	Light and heat, water ¥ 9,600	-	
	Communication and Transportation ¥ 9,600	Post and telegraph charges	
	Reserve articles ¥ 9,600	-	
Operative expense for children ¥ 4,377,300	Travelling expense ¥ 18,000	Children's referral expense	
	Misc. allowance ¥ 12,000	Allowance for person on the non-official staff (doctor)	
	Articles of consumption ¥ 301,500	Stationaries, clothing consumptive materials for children.	