

GHQ/SCAP Records(RG 331)
Description of contents

- (1) Box no. 2206
- (2) Folder title/number: (14)
Transportation Ministry Bills - 8th Diet

(3) Date: July 1950

(4) Subject:

Classification	Type of record
632	c, m

(5) Item description and comment:

(6) Reproduction: Yes No

(7) Film no.

Sheet no.

1. The Government Purchase of Low-
Efficiency Vessels Bill

CTS (Osmond) No Obj
ESS (Mossler) No Obj

Bill

to be submitted for GS approval
Legislative Affairs Section, FOM
(TEL: 57-6010)

July 22, 1950

1. FOM Number: 18
2. Name of Bill: The Government Purchase of
Low-Efficiency Vessels Bill.

3. Competent Ministry: Ministry of Transportation

4. Date of Cabinet Approval: July 22, 1950

5. SCAP Section concerned: Mr. H. R. Osmond,
Consultant Group, Transportation Regulations,
CTS.

6. Remarks: (reference:)

See attached paper.
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7. G.S. Reviewers:

*Cleared 7/25 after
revisions made on pages*

4, 5, 6 + 8.

*CTS (Osmond)
ESS (Mossler).*

Received by

Date

7/22/50

Col Miller 26-6305

Proposed Ship Scrapping Law

CTS

GS

11 JUL 1950

1

1. During the past several weeks, representatives of the Ministry of Transportation have been trying to secure favorable reaction by CTS to a ship scrapping proposal. When a draft was finally presented a few days ago, they were told that CTS must strongly recommend against it since its enactment would be extremely embarrassing to SCAP.

2. In addition to several other grave faults, it contains a crudely concealed but readily computable ship construction subsidy. This is thoroughly opposed by American and European ship operators and the representatives of some governments have already repeatedly discussed the matter with CTS. The mere presentation of this legislation to the Diet may be expected to cause strong representations through commercial and diplomatic channels - all of them highly critical.

3. Since there is every indication that the Japanese Government hopes to obtain SCAP clearance by rushing this through at the last minute, this C/N is hand delivered to advise Government Section that the proposal is thoroughly objectionable because it contravenes and will embarrass SCAP policy. CTS is prepared to give further comment on any revised draft which may be submitted.

----- H. T. M. -----

Recd 6 S.
7/11/50.

(2)

HOUSE OF COUNCILLORS

Thur., July 27, 1950

Title

Partial Amendment to the Govern-
ment Purchase of Law Efficiency
Vessels Bill

I hereby certify that the above-mentioned amendment does not violate any directive issued by the Supreme Commander for the Allied Powers, the Constitution and any laws of Japan.

H. Okuno

Director, Legislative Bureau,
House of Councillors

The Government Purchase of Low-Efficiency Vessels
Bill

LS/L&J

GS

4 August 1950

A.J. McCormick-2635-269

1. The draft of the bill, presented by the Ministry of Transportation and amended by the House of Councillors at the closing session of the Diet, while enacted into law, presents no legal or constitutional question.

1 Incl. w/d

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

27/7/50

Captain Guida

This amendment is just the same in its contents with that proposed by the Transportation Committee of H.R. For time reason, the Committee of H.R. without waiting for a reply from G.H.Q. on the amendment, passed the original Bill, which was also passed by its Plenary Session this 27th. Being quite of the same opinion with H.R., the Transportation Committee of H.C. desires that an approval ^{be} ~~for~~ given to the amendment; and it would be highly appreciated if an appointment be made for Mr. SASAKI (Lib.) Chairman of the Committee and Mr. YAMAGATA (Lib.) to see the officials concerned on the matter in the morning of Fri., 28th.

K. Iwasaki

HOUSE OF COUNCILLORS

Thu., July 27, 1950.

Partial Amendment to the Government
Purchase of Low Efficiency Vessels
Bill.

Proposed by YAMAGATA Katsumi (L)

The Government Purchase of Low Efficiency Vessels Bill shall be partially amended as follows.

In Article 10, "a bank" shall read "a bank or banks".

Article 11 shall be amended as follows:--

Article 11. In the contract for purchase it shall be stipulated that the seller of the vessel to the Government shall not make a request for repayment of the money paid into the special deposit account according to the provisions of the preceding Article in any case other than the case where the debts mentioned in the following items is to be paid, the case where such debts have been completely payed or the case where there is no such debts.

- (1) The retirement allowances to be paid due to the labor agreement which may be concluded between the seller of the vessel and labor unions organized by his employees in connection with the sale of vessel under this Law;
- (2) The debts which the seller of the vessel owes concerning the vessel concerned at the time of promulgation of this Law.
- (3) The debts which the person who has sold the vessel concerned to the Government comes to owe due

Rec'd 65 7/28/50

Cleared orally:

ESS (Mossler)

OTS (Osmond)

Cleared 7/18/50

House of Representatives

July 26th, 1950.

Proposed Amendment to the Government

Purchase of Low-Efficiency Vessels Bill

(Presented by TSUBOUCHI, Hachiro, and
other 1) (2)

The Government Purchase of Low-Efficiency Vessels Bill shall be partially amended as follows:

In Article 11, "he repays the debts mentioned in the following each item" shall be added next to "except where" and in item (2) of the same Article, "in connection with the said vessel" shall be added next to "Debts" and the following one item shall be added to the same Article as item (3):

(3) Debts which have come under the possession of the person who sold the said vessel to the Government owing to the purchase of the Sempaku Kodan's share mentioned in Article 8 item (1) or to the lapse of the priority right or mortgage mentioned in (2) of the same Article.

In paragraph 1 of the Supplementary Provision, "September 1" shall be amended as "October 1".

In paragraphs 3 and 4 of the Supplementary Provisions, "August 31" shall be amended as "September 30" respectively.

Read GS 7/27/50

ESS (-mosses) objection.

CTS (Command) no objection.

*Not done in sufficient time for action
by H.C. Trans. Comm. Amended to be introduced by
H.C. Trans. Comm.*