

Investigation Committee of the Privy Council on the Treaty between Japan and France for residence and navigation relating to French Indo-China and on the Treaty between Japan and France concerning the tariff system and trade and method of its settlement between Japan and Indo-China, presented for ratification.

Held on June 16 (Monday) 1941 at the office of the Privy Council.

Attended by: President: HARA  
 Committee Chairman  
 and Councillor: ISHIZUKA  
 Committeemen and  
 Councillors: SHIMIZU, ~~Matsui~~ MATSUI  
 SUGAWARA, ~~Fukai~~ FUKAI  
 TAKEGOSHI, ~~Mitsuhi~~ MITSUCHI

State Ministers:  
 Foreign Minister MATSUOKA  
 Finance " KAWADA  
 Commerce & Industry Minister TOYOTA  
 Agriculture & Forestry " INO

Explainers:  
 Director of Bureau of Legislation MURASE  
 Councillor of the Bureau of " MORIYAMA  
 Councillor of the Bureau of " MIYAUCHI  
 Director of the Planning Bureau TAKEUCHI  
 Director of the Treaty Bureau,  
 Foreign Office MATSUMOTO  
 " " " Trade Bureau " " MIZUNO  
 Foreign Office Secretary NISHIMURA  
 " " " Administrative official HAGA  
 " " " " " NAGAI  
 " " " " " MITSUTO  
 Director of Taxation Bureau,  
 Finance Ministry MATSUKUMA  
 " " Exchange Bureau " " HARAGUCHI  
 Engineer of the Finance Department ITO  
 Agriculture & Forestry Vice-Minister MIURA  
 Secretary of the Foodstuff Control  
 Bureau of the Agriculture & Forestry  
 Department ISHIKAWA  
 Director of the Trade Bureau ISHIGURO  
 Commodities Adjustment Official of the  
 Commerce and Industry Department UEMATSU  
 Director of the Southern Area Coloni-  
 zation Bureau of the Colonial Dept. KAWAMURA  
 Secretary of the Colonial Department KAWAMOTO  
 Chief Secretary HORIE  
 Secretary MOROHASHI  
 Secretary TAKATSUJI

The meeting sat at 10:05 AM. The Chairman announced the opening of the session. Foreign Minister MATSUOKA explained about the circumstances which have led the various engagements in question to the conclusion.

Committeeman SHIMIZU inquired of the following points: First, whether shrines can be established in French Indo-China; second, whether there are any rights and interests granted to foreigners living in French Indo-China.

About the first question Foreign Minister MATSUOKA replied, "It will be practically decided with the change of circumstances". About the second question, Director of the Foreign Office Trade Bureau MIZUNO replied, "No rights and interests are permitted generally to foreigners; the only interest so far granted is the one for collecting rubber to an American; consequently there is only a limited room in which the most favored nation clause can be applied but as the conditions for establishing a company with Franco-Japanese joint investment has been used it would be possible to operate special enterprises thereby".

Committeeman MATSUI expressed his hope to the effect that Japan might take a lenient attitude toward French Indo-China and contribute to a rapprochement between the two countries in putting into effect the engagements in view.

Committeeman SUGAWARA inquired of whether there is any necessity of exerting Japanese political power, especially over the south of French Indo-China, in executing the arrangements covered by the Treaty in question and Foreign Minister MATSUOKA replied, "I have been considering it carefully".

Committeeman FUKAI inquired of whether the shrine Shintoism/Jinja comes under the category of what is termed religion in this Treaty, and on this question Foreign Minister MATSUOKA replied, "On the part of Japan we believe we can take the position to regard the shrine as sort of religion no matter what its nature is and, I advocate, its believing in is quite free to any one but I hope this problem should be solved without making recourse to such allegation".

Committeemen TAKEGOSHI and MITSUCHI inquired of whether there is any anxiety in performing her duty which French Indo-China owes to Japan concerning the supply of rice and rubber, etc. to Japan, and on this question Foreign Minister MATSUOKA replied, "She will perform her duty as arranged, without fail, unless some unexpected situation happens".

Committeeman MITSUCHI also inquired of the influence which will be brought about upon French Indo-China and Thailand by the interruption of Japanese-Netherlands negotiations regarding Dutch East Indies, and on this question Foreign

Minister MATSUOKA replied, "There will be no special influence but we will pay full attention to it".

Recess from 0.05 to 1.40 p.m.

Committeemen SHIMIZU and MATSUI inquired of the future prospect about the development of Japanese trade with French Indo-China, and on this question Director of the Foreign Office Trade Bureau, MIZUNO, replied, "French Indo-China is being affected by the European War and her materials which had been imported from her homeland and other countries have considerably decreased; therefore by the arrangement of this Treaty the supply of commodities from Japan such as cotton yarn and cloth, as well as dry goods, etc. will be remarkably increased so as to reach a total of 70,000,000 or 80,000,000 yen". MIZUNO also replied, "Because the products excepting rubber which grow in French Indo-China cannot be exported generally to third countries their export to Japan will be carried out smoothly and among these exports rice will amount to 80,000,000 yen and the others to 80,000,000 yen".

Committeeman SUGAWARA inquired of the rice circumstances in Japan in connection with its import from French Indo-China, and on this question Agriculture and Forestry Minister INO explained, "The shortage in the supply of rice for the current fiscal period on rice was at the outset estimated to be 12,000,000 koku. In view hereof, we have made a plan to cover this shortage of these with 9,000,000 koku to be imported from French Indo-China, Thailand and Burma, the rest by making a cut of the consumption or by decreasing the quantity of rice to be carried over to the next year; and this plan is proceeding nearly as arranged, so we feel no more worry about the rice circumstances of this year".

Committeeman FUKAI inquired of the meaning of the word "perfect", as is employed in Article 1, paragraph 9 of this Treaty, and on this question Director of the Foreign Office Trade Bureau MIZUNO replied "The word 'perfect' was only used following the traditional usage and it meant, as indicated in the text of this Treaty, that we should adhere to the law of the respective countries concerned".

Committeeman MITSUCHI inquired of the future outlook about the rice problem, and on this question the Agriculture and Forestry Minister INO explained, "The rice consumption in Japan being increased, it became impossible to meet the demand for two or three years hereafter with the rice produced in Japan, so Japan must take steps on the one hand to ensure the import of foreign rice, and on the other hand by establishing a ten year's program, with the object of increasing rice and wheat production, and, through the application of arable land development law, etc.

Japan will be able to make the demand and its supply properly balanced approximately four years later.

President HARA inquired of the marine transport program and Commerce and Industry Minister TOYOTA replied, "The marine transportation is in a critical state owing to the marked decrease of charter ships (chartered shipping facilities amounted to a total tonnage of 9,000,000 tons annually up to last year but will not exceed 100,000 tons this year) increase in the number of ships commandeered for military purposes and decrease in newly built ships; and we are now exerting all our efforts in transporting chiefly rice, coal and iron".

Chairman ISHIZUKA inquired of the relationship between the reason why this protocol should not be officially announced and the actual effect, and on this question Director of the Foreign Office Trade Bureau MIZUNO replied, "We intend to gradually enforce the purports of this protocol and to extend Japanese influence by degrees and it will be inevitable that this protocol will eventually come to the knowledge of third powers".

At this stage the Chairman, considering the interpellations as having come to an end, requested the Ministers and Explainers to withdraw. The State Ministers and Explainers retired. And then after consultation among the Committeemen it was decided to give a unanimous approval to this proposition as it is in anticipation that the Government should exert sufficient efforts in obtaining the desired results.

It was decided to entrust the Chairman with the drawing up of a report on this investigation.

Chairman ISHIZUKA thereupon declared the meeting as having come to an end. (The meeting closed at 3:25 PM).