

acts go into effect in 1985.

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## **2. Law of Property and Obligations**

### **1. Act Partially Amending the Food Control Act.**

(Promulgated on June 11, 1981. Ch. 81. Put into force on Jan. 15, 1982, by Government Ordinance No. 343 of 1981)

#### ***[Issues]***

The Food Control Act (Ch. 40 of 1932) was enacted in 1932 to strengthen state control of staple foods during the wartime. After the war, the act underwent the following amendments to cope with the changing economic conditions and the food supply-and-demand situation:

- 1) Establishment of the Food Distribution Corporation and expansion of the scope of staple foods subject to control (1947),
- 2) Strengthening of the distribution system through legislating the ration coupon system etc. (1949),
- 3) Abolition of the Food Distribution Corporation and transfer of the rationing mechanism to the private sector (1950) and,
- 4) Placing wheat under indirect control (1952).

The current legal amendment was the first of its kind since 1952.

The legalized system of food control had functioned very effectively until the period 1945 through 1950 when supplies were extremely scarce. Subsequent changes in economic conditions and food supply-and-demand situation, however, brought about the following changes in the system after 1965 against a background of greater relaxation in the supply-and-demand situation and an increased selective trend among consumers toward better

quality rice: (These changes were all brought about by government ordinances or circulations.)

- 1) Inauguration of a semi-rationed rice system (1969),
- 2) Inauguration of an advance subscription limit system aimed at limiting the amount of government purchases by subscription from producers within the bounds of volume needed for the nation (1971),
- 3) Abolition of an application of the Price Control Ordinance (1972), and
- 4) Improvement of the sales system such as the relaxation of restrictions on new retail dealers (1972).

Even those steps, aimed at improving the system, failed to free themselves from the ideas of the old legal system enacted during the wartime economy when food was scarce, especially the concept of fair distribution by the rationing system, thus leaving intact a structural mechanism incompatible with actual practices. Hence, many problems arose.

(1) Because the concept or method of controlling foods in compliance with the fluctuations in supply and demand was not legally clear and because the system was adopted in anticipation of a scarcity of food despite the legal purpose of “adjustment of supply and demand,” the system tended to place emphasis on securing ample amounts of food. As a result, for instance, the nation has experienced an overproduction of rice twice during the past 10 years.

(2) In spite of the fact that the necessity for a system with emphasis placed on the distribution of goods, that is, systems for rationing and distribution, has decreased, the system for such purposes remain a legal reality. As a result, the improvement of government policies on rice and on the practice of rice sales agents was restrained, and the system failed to fully meet the diversified needs of consumers calling for quality improvement.

(3) Because of the background mentioned above in (2), demand for better quality rice that could not be satisfied fully by regular distribution channels gave rise to the emergence of blackmarket rice by irregular distribution channels.

(4) There still existed virtually skeletonized regulations such as the obligation to sell and buy rice using ration coupons and the prohibition of transferring rice among private citizens, even for nonprofit purposes such as using rice as a gift.

For all these problems, the food control system has been playing a role of stabilizing the nation's dietary life and national economy by ensuring a stabilized supply of rice for the nation. In short, it has played an important role in stabilizing rice crops, the main pillar of Japanese agriculture. At the same time, it must be noted that the future food situation does not warrant optimism, domestically or internationally.

The current revision of the act shall not abolish the food control system but reorganize it in order to resolve the problems mentioned above and maintain stability of rice crops and a stabilized supply of rice for the nation in compliance with the diversified demand of consumers and changes in supply-and-demand situation.

### *[Contents of the Amendment]*

#### a. Abolition of the Rationing System in Normal Times.

The distribution system in the strict sense of the term, including the allotment of rations, type of rationing, coupons, etc., under the present normal supply-and-demand situation has become skeletonized and very difficult for the general public to observe. In this regard, the rationing system shall be abolished.

On the other hand, should the supply and demand of rice become tight and interfere with the maintenance of a sufficient supply of food for the nation and stability of the national economy, it will be necessary to enforce distribution by the issuance of coupons, rationing of rice, etc. to ensure fair distribution.

To cope with such extraordinary circumstances, a provision was inserted in the amendment act to carry out promptly and smoothly the steps concerning such distribution by government ordinance.

#### b. Mapping Out Basic Policy Including Rationing.

The Minister of Agriculture, Forestry and Fisheries is to work

out a Basic Plan each year concerning the maintenance of rice supplies and work out a basic policy on production, distribution and consumption of rice. These plans are projected for the government to realize a stabilized supply of rice for the nation, even if the strict control of distribution is abolished, while paying due consideration to such factors as quality, and other important matters between producers and consumers. The government is also to clarify its position on food control to cope with occasional fluctuations in supply and demand.

To ensure an adequate and smooth supply of rice to consumers in accordance with its Basic Plan, the Minister of Agriculture, Forestry and Fisheries will work out an enforcement plan (Supply Plan) each year with regard to the supply of rice.

c. Clarification of the Positions of Collecting Agents and Wholesalers as well as Retailers.

In order to promote a steady supply of rice for the nation by maintaining necessary stockpiles, quality control, stabilizing prices and ensuring smooth distribution, the position and responsibility of wholesale and retail dealers as well as collecting agencies are made clear. As a result, it has become necessary for collectors to be designated by the Minister of Agriculture, Forestry and Fisheries and dealers are required to obtain a license from the prefectural governor concerned.

d. Relaxation of the Prohibition on Transferring Rice.

Prohibiting the non-profitable act of transferring rice between individuals has now been eased.

## 2. Amendment Act to the Auto Accident Center Act.

(Promulgated on June 18, 1981. Ch. 88.)

### *[Issues]*

The number of traffic accidents in this country reached a peak in 1969 and then began decreasing. However, from about 1978 there appeared signs of an increase. Now, about 600,000 persons are either killed or injured in traffic accidents every year.

Auto accident compensation is available for victims, but in

December, 1973 an Auto Accident Center was established through the Auto Accident Center Act (promulgated in 1973, Ch. 65) for the purpose of preventing auto accidents and protecting victims.

Since its inauguration the Center has been conducting guidance and training courses for men in charge of auto operations and attitude tests for drivers for the prevention of accidents. At the same time, the center has been engaged in the business of extending loans for living expenses (traffic accident surviving child loan, payment in part of the insurance for injuries, and loans because of court nonfeasance), and the payment of expenses for those suffering from severe injuries (¥3,000 per day),

### *[Contents of the Amendment]*

As a result of the current amendment, the center, in addition to its existing line of business, will take charge of establishing and managing the facilities for treating and nursing those suffering from injuries. Necessary budgetary measures have been worked out.

The facilities will accommodate those requiring treatment and constant nursing for their injuries. With 50 beds, the Center is to start business in fiscal 1983. The background which promoted the establishment of these facilities is that among those injured include some in vegetative state who require long term attention, and the families of such victims have suffered a great deal while taking care of them. The current act calling for the establishment of the facility was promulgated in response to their calls such as "We would like to put the patient in a facility capable of providing sufficient nursing and medical care," "We want him to receive the best possible medical treatment," and "We need attendants who can take care of the patient in place of family members."

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