

PROCESSED

The processing of fish products had increased steadily up until 1988. However, it started decreasing in 1989 and this decreasing trend has lasting until 1991. The 1991 production of 7,964.9 thousand MT was a decrease of 10.3% compared to the peak year of 1988 when the production was in 8,880.8 thousand MT. In Japan, the production of dried, salted and smoked fish used to be a sideline job for fishermen but the production of these products and other products such as fish paste products, canned products, etc. have become industrialized.

NON-EDIBLE PROCESSING

Non-edible processed products can be classified by their usage. This includes aquaculture, game fishing, agriculture, animal husbandry, and industrial uses. Aquaculture, agriculture, and animal husbandry have the highest demand for these products. Industrial uses have been on the decline due to the development of chemical and petro-chemical alternatives. Feedstuffs and fertilizer, which make use of whole fish scraps, processed waste scraps, and fish meal account for the largest percentage of non-edible production. Feedstuffs and fertilizer production amounts to over 1.3 MT a year.

Over the past decade, many advances have been made in Japan's domestic aquaculture industry, which has resulted in a corresponding increase in demand for feed. Sardines, mackerel and ammodytes have been used for this purpose.

THE FOOD PROCESSING SECTOR

Japan's imports of processed foods has risen rapidly over the last few years. The rapid increase in imports is the result of structural changes in the industry brought about by the shifting international economy and rising income. The economic boom and easy acquisition of investment money as well as the strengthened yen position have enabled the Japanese fish processors to invest in foreign countries, mainly in Southeast Asia.

The low labour cost abroad has been one of the main contributing factors to the shift of capacity overseas as the Japanese fish processing sector has been hurt by the shortage of labour and the rise of labour costs. The overseas relocation of Japanese production capacity has been well received by the recipient nations due mainly to the trade benefits the exporting country receives. The most serious economic slowdown Japan has ever seen after World War II has somewhat slowed down the investment by Japanese seafood processors offshore.

However, Japanese fish processors are still looking abroad -- especially to countries with low labour rates -- for their bases of production. Japanese workers, especially young workers, have an increasing unwillingness to work in the fish processing sector and the result has been that Japan is becoming more reliant on foreign sources for processed foods.