

添付資料 No. 6

セミナー配付資料(A)

Background information paper on the agriculture
and agricultural coopeatives in Japan

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Major characteristics

1. Major characteristics of Japanese agriculture
2. Present position of agriculture and agricultural cooperatives
3. Agricultural cooperatives movement in Japan
4. Current problems and prospects in agriculture & agricultural cooperatives

1. Major characteristics of Japanese agriculture

1) Small scale of farmland

Average scale of farmland of Japanese farmer is only 1.2ha

2) Agriculture centering on rice production

Rice production is one of the main sources for both farmers and agricultural cooperatives since almost 90% of the farmers are engaged in its production.

3) Drastic changes concerning agriculture experienced after the world war II

i. Drastic agrarian reform

As a result of this reform, 100% of farmers became small owner farmers

ii. Change from subsistent farming to business oriented farming

iii. A sharp drop in the ratio of self-sufficiency of foods

iv. Exodus of rural people into urban area as worker in the factory

v. Highly mechanized farming

vi. Much use of agricultural inputs such as fertilizer and agricultural chemical

vii. Higher income and modernized living of farm households brought about by economic development of the country

4) Continuous decrease in the number of farmers, shortage of farm successors

5) Increased aged farmers and women as major farm labour

6) Trend of farmers' weakening unity due to diversified values and ways of thinking along with the economic development of the country

7) Liberalization of farm products and finance demanded from abroad

8) Changing rural community brought about by the increased

number of city dwellers in the farming community

- 9) Increased trend of transfer of farmland
- 10) Implementation of production control of some farm products such as rice, milk, orange and etc.
- 11) High dependence of stock farming on imported feed etc.
- 12) Increased trend of Japanese way of joint farming system caused by the increase of part-time farmers

2. Present position of agriculture and agricultural cooperatives

- 1) Agriculture's contribution to the economy is becoming less and less. Total agricultural output was 6.9 trillion yen in 1983 which accounted for only 2.3% of Japan's GNP, a tremendous decline from not less than 50% in the 1960's. Nevertheless, agriculture retains an important place in the economy, as 20.5 million farming population accounted for 17.5% of the population and 4.5 million persons engaged in agriculture which accounts for 7.8% of the nation's working population.
- 2) Steady growth in agriculture output of 3.4% since 1960 has been accompanied by adjustments in crop mix to correct imbalance resulting from surplus rice production, influx of cheap important agricultural products and the change in food consumption patterns. As it is now, Japan is the world largest net importer of agricultural products with self-sufficiency ratio of cereal and grains 34%.
- 3) Along with technological development, farming has been characterized by the more intensive and sophisticated use of chemical fertilizer, pesticides, green-house, farm machineries and irrigation within the framework of small-scale farming, thereby increasing productivity and requiring much less labour than previously.
- 4) Much progress has also been achieved along the lines of land improvement, land consolidation and introduction of farming complexes.
- 5) There has been a growing tendency that the part-time farming has been on the increase. As the proportion of these part-time farmer increases, the ratio is now 85.7% to the total farm households. Thus, farming income is expected to decline further.

At present, only 19.9% of farm household actually derived their income from farming.

6) The number of agricultural workers which had long remained at more or less than 14.5 million since the early Meiji Era began decreasing, around mid-1950's from 12 million in 1960 to 4.4 million in 1985. There has been a tendency that young people take up more lucrative off-farm job. Elderly workers aged 60 years old and above are growing in proportion and now account for 31% of regular farm work force.

7) Decreasing trend in the number of agricultural cooperatives through promotion of amalgamation.

(From 12,000 in 1960 to 4,242 in 1987)

3. Agricultural cooperative movement in Japan

1) Characteristics of agricultural cooperatives in Japan

Japan's agricultural cooperatives are organized into three tiered structure according to the governmental geographical divisions, namely primary society at the village, town or city level, prefectural unions & federations at the secondary prefectural level and central union & federations at the national level.

The membership of the agricultural cooperatives is divided into the regular members and associate members without voting rights. The former are farmers and the latter are non-farmer inhabitants living in the locality where the cooperative society in question is situated almost all farmers in Japan are members of primary agricultural cooperatives.

The primary agricultural cooperative societies can be classified into two categories; multi-purpose and single-purpose types. The former are engaged in the following business activities permitted by the agricultural cooperative society law; education, publicity, guidance on farm management & livelihood, agricultural production works, entrusted farming, farmland trust, marketing business, supply business, credit/banking business, insurance business, utilization business, processing, welfare service and housing site supply and

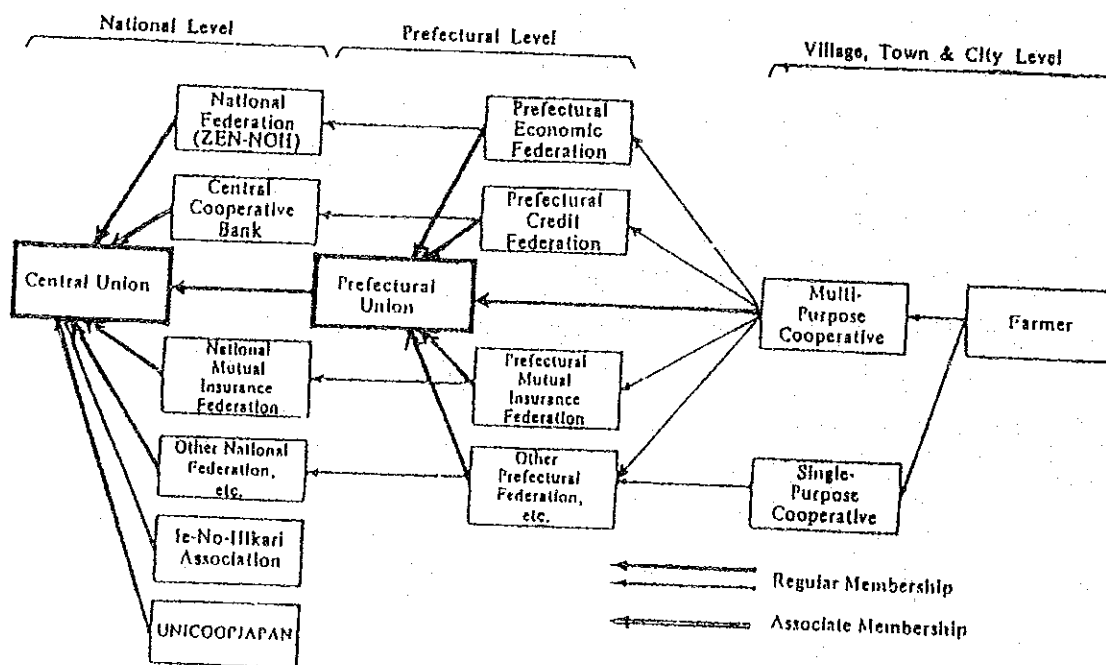
etc based on advisory service to members for their better farming and living comprehensively to meet all the necessities arising from their production and consumer lives.

Note: Transaction with non-members is limited to less than 1/5 of transaction with members.

Such multi-purpose cooperatives form the main current in the Japanese agricultural cooperative movement. Also, in certain specific sector, such as fruits and vegetable, sericulture and livestock raising, there are single-purpose agricultural cooperatives which are organized to concentrate on the marketing of products from these sectors.

Almost all of their members are concurrently members of multi-purpose agricultural cooperatives.

Organizational Chart of Agricultural Cooperatives



2) Organ of Multi-purpose Cooperative Societies

i. General meeting

General meeting is the supreme decision-making body for an agricultural cooperative society and held annually. In case of a large-scale agricultural

cooperative society with a considerable membership, a representatives' meeting is instituted with an authority for decision-making. In addition to the annual meeting, and extraordinary general (representatives') will be held when board of directors deems it necessary, more than one fifth of regular members request or auditors deem it necessary.

ii. Board of directors

Board of directors is composed of directors elected at the general meeting for the period of three years. At least three fourth of directors must be elected from among regular members. At least three fourth of directors must be elected from among regular members. The board of directors perform the services of the society along the policy lines adopted by the general meeting. A president and managing directors are elected by the board of directors from among its members for full-time service.

iii. Auditors

The general meeting elects more than 2 auditors for the term of three years. The auditors are to maintain a check on the status of services by the board of directors as well as on the assets of the society and to point out any defaults, and thereby ensure that the society is developing in the right direction.

iv. Employees

On the basis of the policy of the board of directors for the execution of operation, employees are to perform daily routine works. In 1984, the number of employees in the agricultural cooperative organization is 373,661 which can be broken down into 295,958 primary level, 71,089 prefectural level and 6,614 national level. However, of late, the number of employees has been restrained due to a trend of the aggravated business management.

v. Various members' organizations within multi-purpose

society

Each multi-purpose agricultural cooperative society has a local organization on the hamlet level, which provides a forum for the society and its members for maintaining communication and mutual understanding. More recently, the members have come to be organized for each sector of farming, so that, for example, a "rice producers" could be an arena for the society and its members to promote communication and to disseminate information relating to farming techniques and farm management.

Agricultural cooperatives in Japan help their members from production down to marketing in an integrated way. There are small group of members contributing to the management of agricultural cooperative. They are producers' groups (commodity-wise groups), function-wise groups, hamlet groups, women's and youth associations as detailed below. These groups are the vital key or basic structure of agricultural cooperatives.

a. Producers' groups

These producers' groups are doing their activities on a commodity-wise basis. 1. Rice 2. Onion 3. Citrus 4. Apple 5. Pig 6. Poultry 7. Dairy 8. Flowers etc

b. Hamlet group

This is hamlet members association which carries out improvement of farming, living and environment.

c. Women's and youth group

a) Womens association of agricultural cooperatives

Women who constitute family member of member farmers are at the same time the ones who are actively involved in farming. These women organize voluntarily themselves to form an association with a view to making improvement of life, health control as well as consumer activities. There are 3,627 groups with a membership of 2,543,719.

b) Youth organization of agricultural cooperatives

The activities of the organization is to promote improvement of farming. They are carrying out various activities such as study circle, agricultural policy representation activities, culture and sport etc. There are 1,985 groups doing its activities with membership of 162,734.

vi. Functional groups

a. Cooperative store management group

b. Insurance-policy holders group

3) Business and management of agricultural cooperatives

i. Organization and business activities

At the end of the fiscal 1985 agricultural cooperatives had 38,7 trillion yen in savings and deposits and 13 trillion in outstanding loans. In addition, in fiscal 1985 the supply turnover of agricultural cooperatives was about 5.1 trillion worth of production inputs and daily necessities and the marketing turnover was about 6,7 trillion. And the movement held, as of the end of fiscal 1985, 2312 trillion in a long term mutual insurance policies.

ii. Volume of business handled and business profits

Rates in the volume of business handled by the nation's agricultural cooperatives between fiscal 1985 and the first half of fiscal 1986 have continued to level off following each previous fiscal year. As a result, the rate of increase in total business profits has registered a downward trend since fiscal 1982 to fiscal 1985. However, because of the increase rate of business management expense was pegged down at low levels through increasing personnel curbs, the rate of increase in total business profits surpassed that of business management expenses in each fiscal year, though a gap between the increase rate of total profits from

business and that of business management expenses is gradually narrowing.

According to the results of survey conducted in fiscal 1985, reflecting the slackened growth of agricultural cooperative businesses as a whole, the rates of increases in all cooperative business but mutual-insurance, warehousing and others were below the preceding year's levels.

The contribution ratio of each business sector to the net profit and loss from agricultural cooperative business as a whole (loss and profit in each business sector divided by the net profit and loss from agricultural cooperative business as a whole) stood at 101.2 percent and 58.6 percent for the banking/credit sector and the mutual-insurance sector, respectively. This is sufficient to show that these two business sectors form the main pillars of agricultural cooperative management. By contrast, the contribution ratio of the marketing and supply business sectors combined registered minus 59.8 percent.

Given that marketing/supply business adds numerically unexplainable contributions to the banking/credit business and mutual-insurance business sector, it has become hopelessly difficult as things stand now, for agricultural cooperatives to continue their marketing and supply businesses unless the banking, credit and mutual-insurance sectors play a contributive role in income and expenditure aspects.

4. Current Problems and Prospects in Agriculture and Agricultural Cooperatives

- 1) Should the markets in finance as well as some principal farm products be fully and at once liberalized, agricultural cooperatives in Japan may not withstand competition.
- 2) Continuous urbanization and industrialization of agricultural areas have raised land prices to unprecedented levels, thus making full-time core farmers to expand their land more difficult.
- 3) Related to the item 2), there exist structural problems such as difficulty in expanding farm management, overinvestment in farm machineries and production imbalances particularly rice surplus.
- 4) Aging of member farmers is progressing fast, while the number of young newly graduates from schools willing to take up farming is on the decrease year by year.
- 5) In order to raise higher agricultural productivities, it has become imperative for agricultural cooperatives to draw up production plans in accordance with demand and work out new production plans for farm and dairy products under the Regional Agriculture Promotion Program. In other words, Japan's agricultural cooperative has to address itself to the tasks of drawing up production plans from a new point of view.
- 6) In order to cope with the problems plaguing the industry, agricultural cooperatives must continue strengthening their organization and rationalizing the operations primarily through amalgamation and integration of small scale societies to a larger scale of societies.

- 7) There is a perceived trend toward community cooperatives with the expanding number of associate members in agricultural cooperatives.
- 8) Due to the sluggish trend of management of agricultural cooperatives caused by such ill factors as the stagnation of agricultural production and changes in the organizational foundations in rural communities plus long-term changes in the national economy and finance, it needs to be renovated and consolidated and etc.

JAPANESE AGRICULTURE IN BRIEF

-its figures and tables-

International cooperation
Division, Economic Affairs
Bureau, M A F F

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Figure 1. Topographical Map of Japan

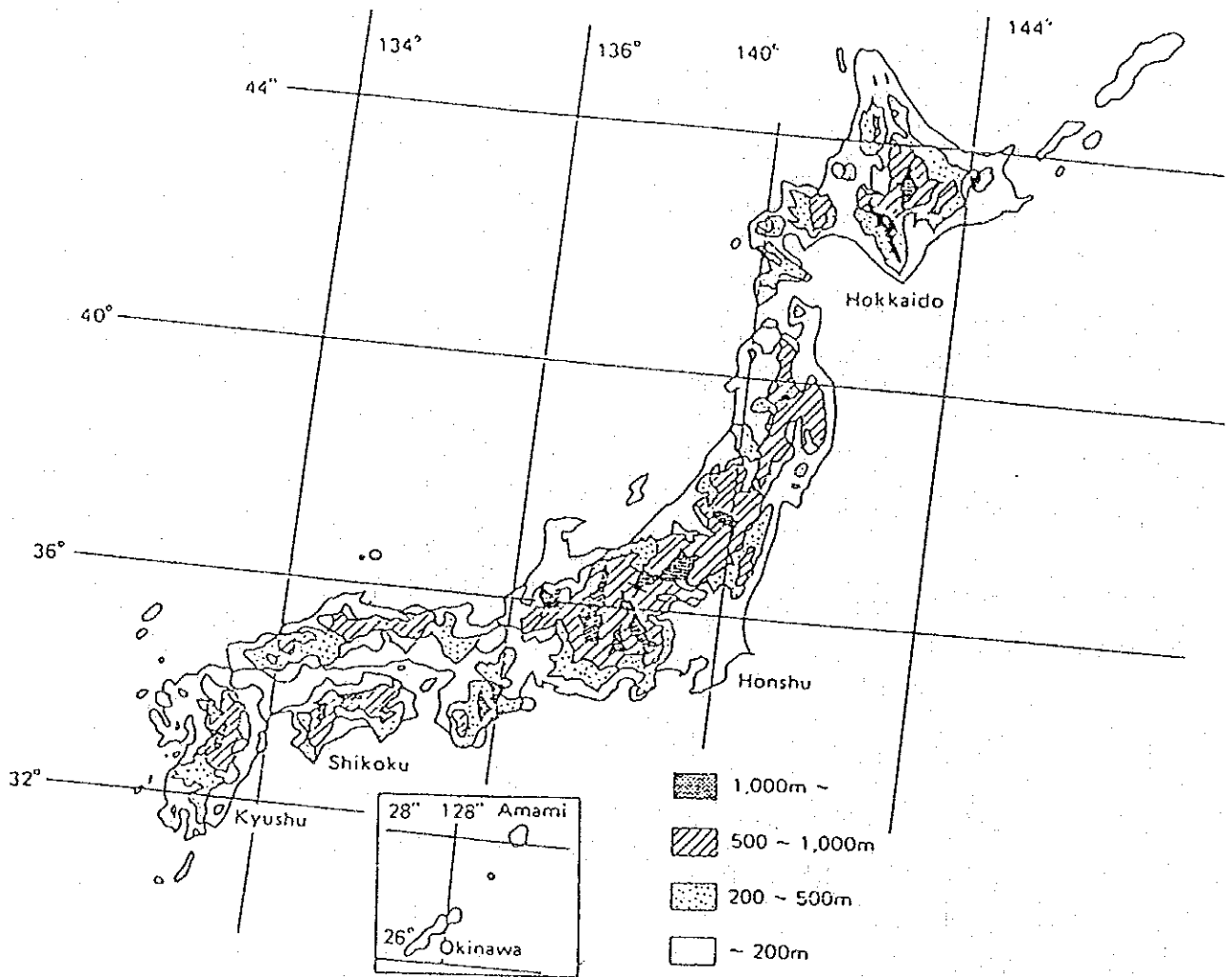
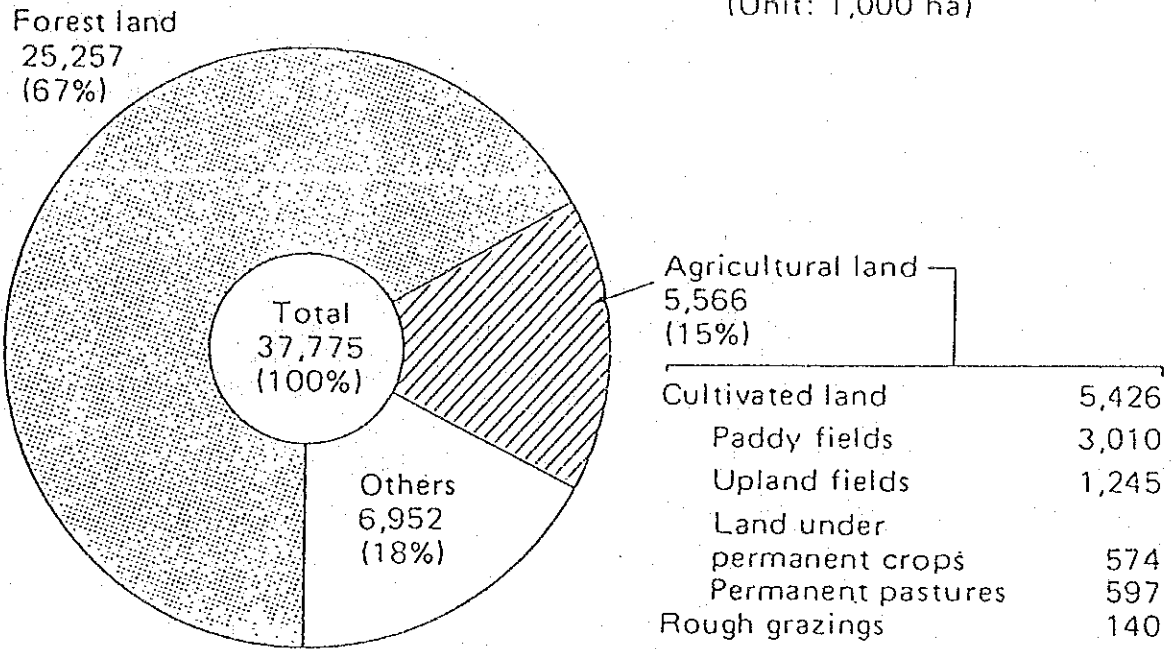


Figure 2. Use of Land in Japan, 1982

(Unit: 1,000 ha)



Source: National Land Agency and Ministry of Agriculture, Forestry and Fisheries (MAFF).

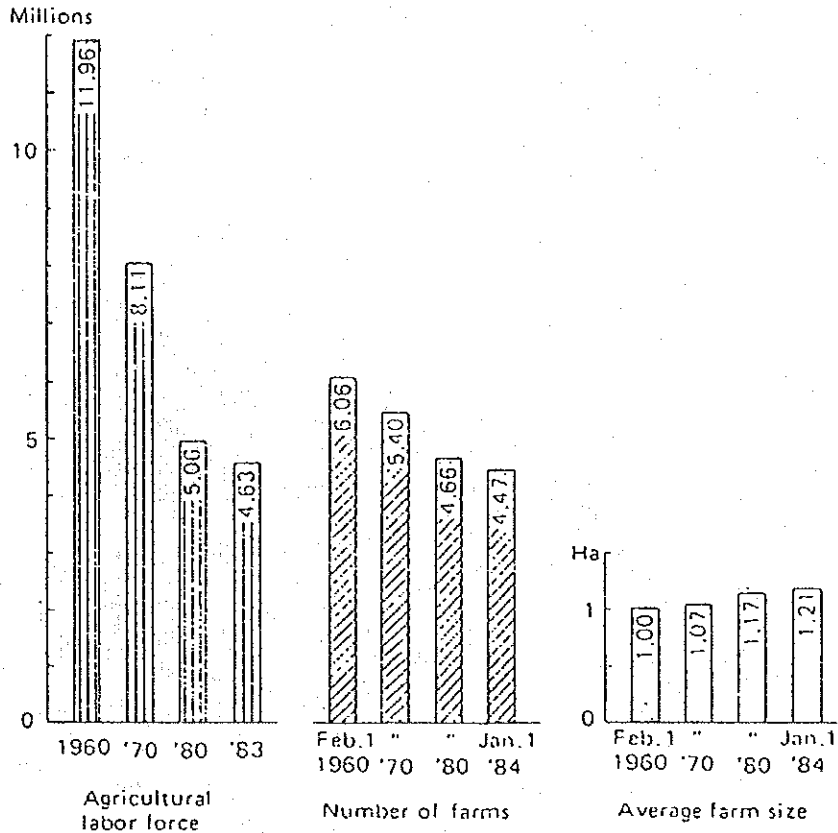
Table 1. Status of Agriculture in Japanese Economy, Selected Years 1960 to 1983

Item	1960	1970	1980	1983
Farm population as percent of total population	35.7	25.4	18.3	17.4
Agricultural labor force as percent of total civilian employment	26.8 (30.2)	15.9 (17.4)	9.1 (10.4)	8.1 (9.2)
Gross agricultural product as percent of gross domestic product	9.5* (14.6*)	4.3 (6.1)	2.5 (3.8)	2.3 (3.3)

Source: Statistics Bureau, Prime Minister's Office; Economic Planning Agency; and MAFF.

Note: Figures in parentheses refer to the primary industry including agriculture, forestry and fisheries.
As percent of net domestic product.

Figure 3. Trends in Agricultural Labor Force, Number of Farms and Farm Size, Selected Years 1960 to 1984



Source: MAFF

Figure 4. Percentage Distribution of Farms, by Size Groups in Hokkaido and the Rest of the Country, as of January 1, 1984

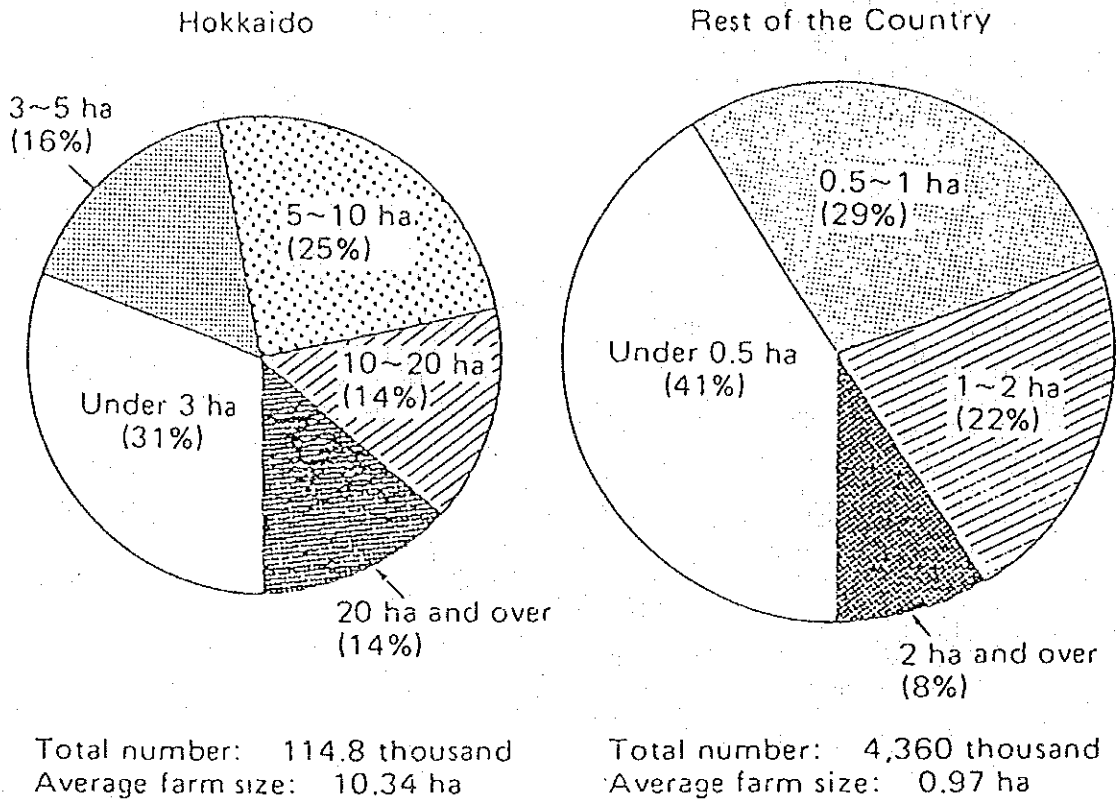
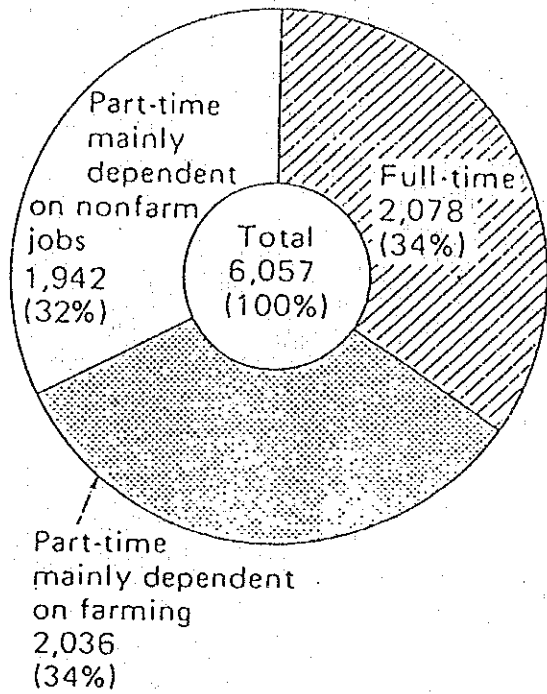
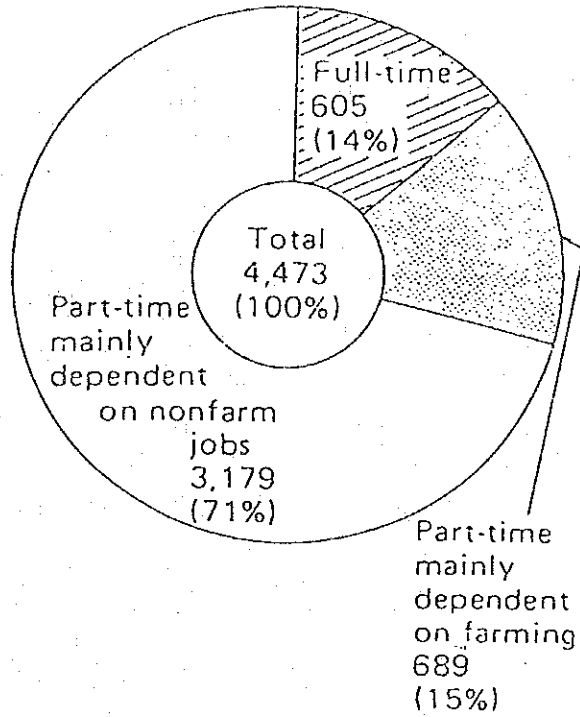


Figure 5. Distribution of Full-time and Part-time Farms, 1960 and 1984
 (Unit: 1,000)



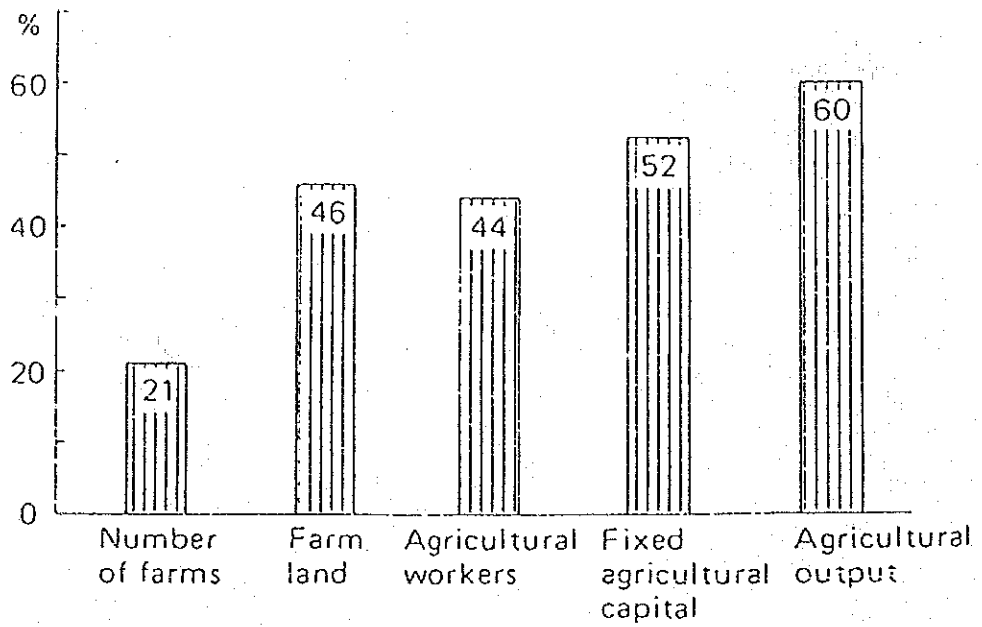
As of February 1, 1960



As of January 1, 1984

Source: MAFF.

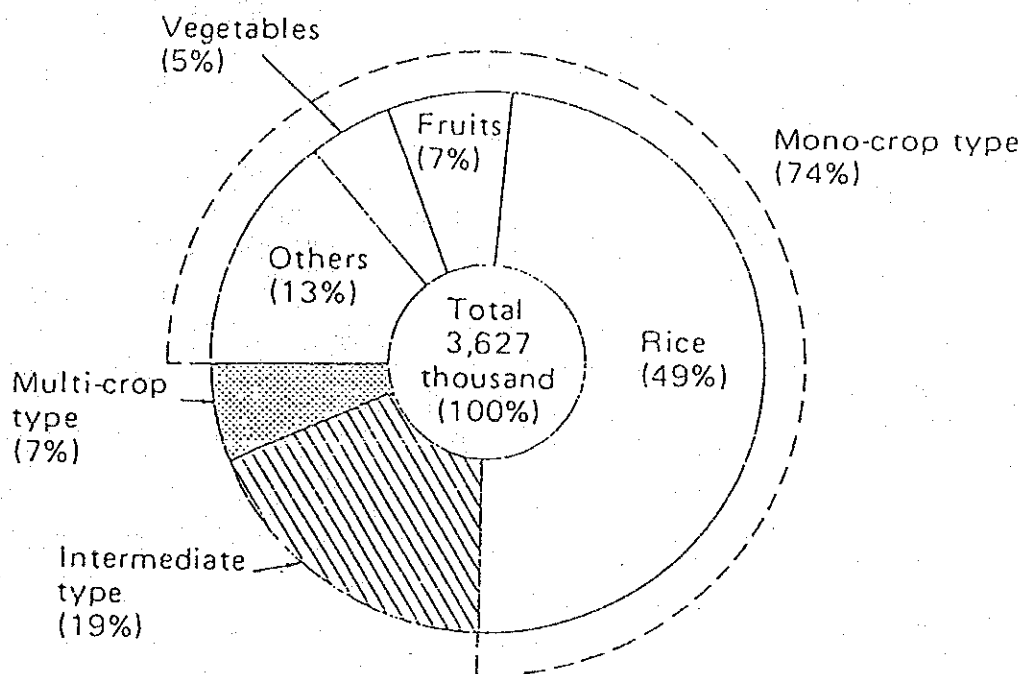
Figure 6. Relative Importance of Core Farms*, 1982



Source: MAFF.

Note: Farms having at least one male worker aged 16 to 60 years each who is engaged in farming on his own farm for 150 days or more per annum.

Figure 8. Percentage Distribution of Farms Reporting Sales of Agricultural Products, by Type of Farming, as of January 1, 1984



Source: MAFF.

Note: The mono-crop type is defined as farms 80 percent or more of whose agricultural sales comes from a single line of production. The multi-crop type denotes farms none of whose production lines equals or exceeds 60 percent of their agricultural sales. The intermediate type falls in between.

Figure 9. Number of Farm Machinery Units Owned by Farmers, 1960 to 1984
(Semilogarithmic scale)

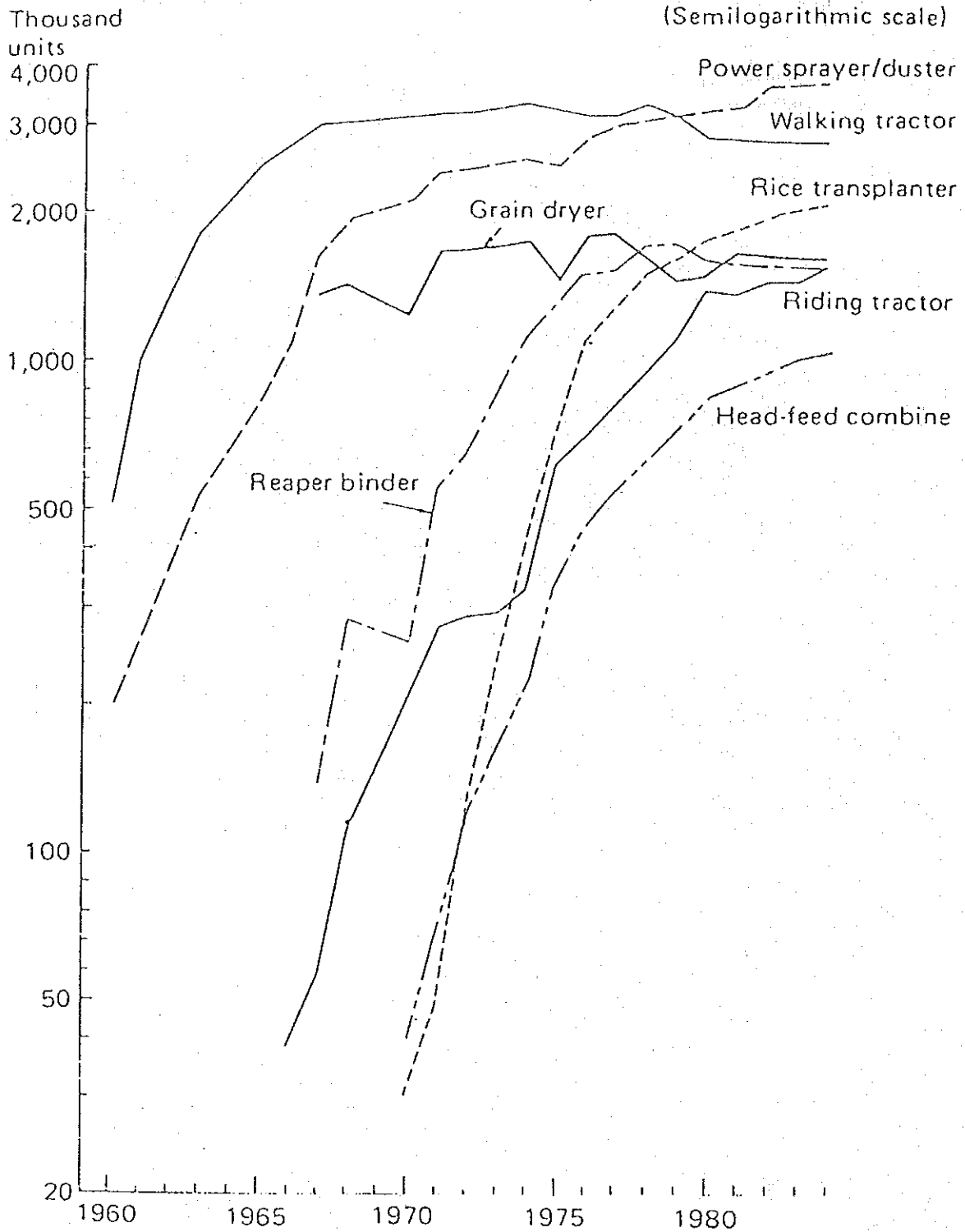
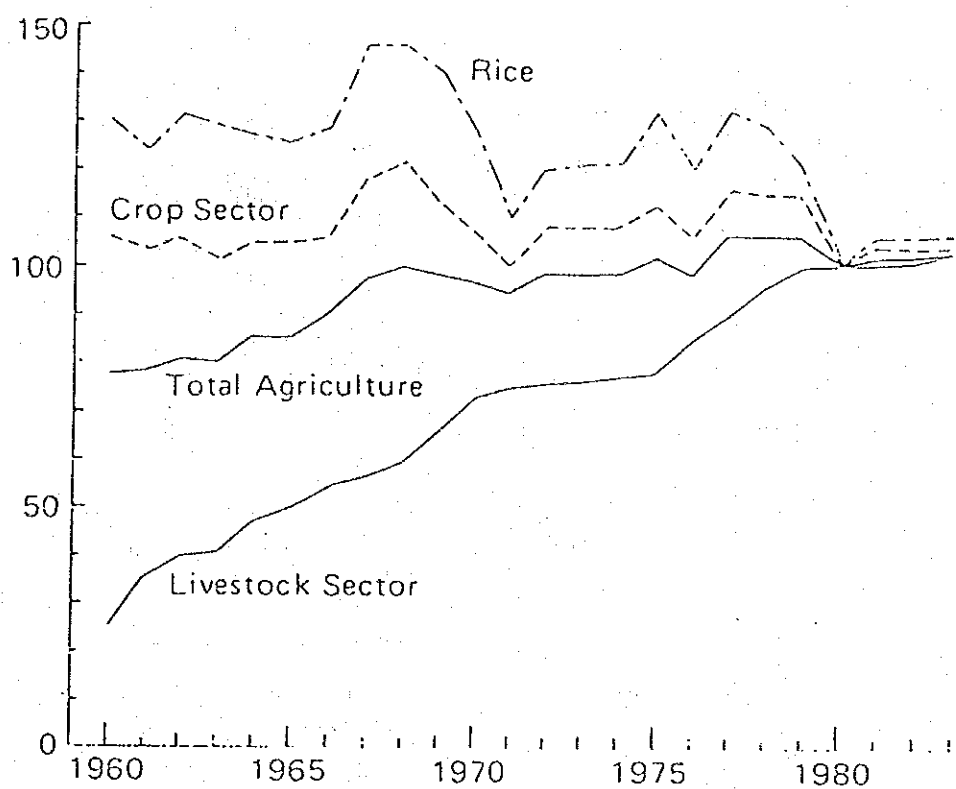
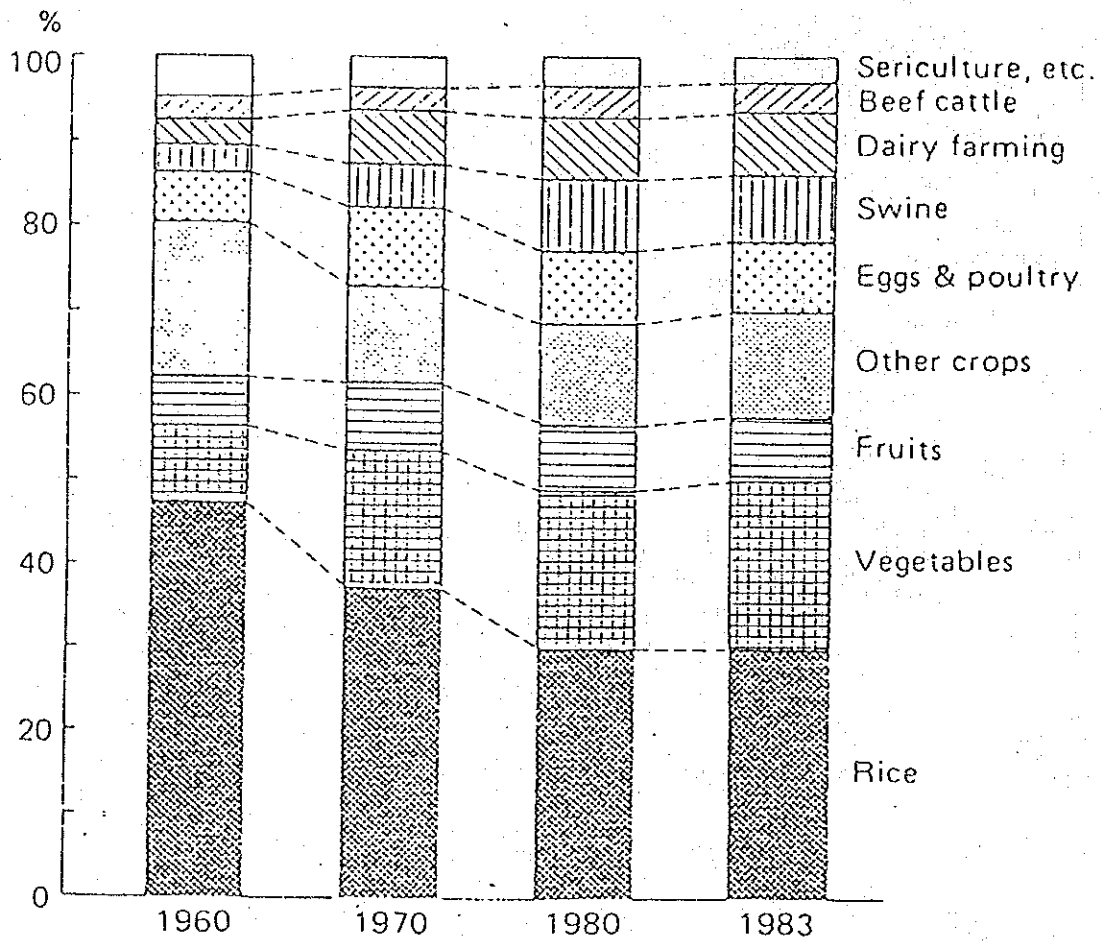


Figure 10. Index Numbers of Agricultural Production, 1960 to 1983
(Base Year 1980 = 100)



Source: MAFF.

Figure 11. Percentage Distribution of Value of Gross Agricultural Output, by Commodity, Selected Years 1960 to 1983



Source: MAFF.

Table 2. Area Planted to Various Crops, Selected Years 1960 to 1983

(Unit: 1,000 ha)

Item	1960 *	1970 *	1980	1983	Percentage Change 1983 over 1960
Rice	3,308	2,923	2,377	2,273	-31
Wheat and barleys	1,440	455	313	358	-75
Pulses	642	338	261	277	-57
Sweet potato	330	129	65	65	-80
White potato	197	151	118	122	-38
Fruits	254	416	408	396	+56
Vegetables	615	688	644	644	+5
Industrial crops	447	257	262	262	-41
Mulberry	166	163	121	109	-34
Grass and fodder	506	736	1,034	1,070	+111
Gross area planted	8,129	6,311	5,636	5,598	-31
Cultivated land	6,071	5,796	5,461	5,411	-11
Multiple cropping index** (%)	133.9	108.9	103.2	103.5	

Source: MAFF.

Note: * Figures for 1960 and 1970 exclude Okinawa.

** Gross area planted divided by cultivated land.

Table 3. Quantity of Crop Production, by Major Commodities,
Selected Years 1960 to 1983

(Unit: 1,000 tons)

Item	1960	1970	1980	1983	Percentage Change 1983 over 1960
Rice**	12,858 (16,072)	12,689 (15,861)	9,751 (12,189)	10,366 (12,957)	-19
Wheat	1,531	474	583	695	-55
Soybean	418	126	174	217	-48
Sweet potato	6,277	2,564	1,317	1,379	-78
White potato	3,594	3,611	3,421	3,566	-1
Mandarin orange	1,034	2,552	2,892	2,859	+176
Apple	907	1,021	960	1,048	+15
Sugarbeet	1,074	2,332	3,550	3,377	+214
Sugarcane*	373	681	2,095	2,526	...
Tea	77.6	92.9	102.3	102.7	+32
Leaf tobacco	120.7	150.4	141.4	136.7	+13
Cocoons	111.2	111.7	73.1	61.1	-45

Source: MAFF.

Note: * Figures for 1960 and 1970 exclude Okinawa.

** In terms of brown rice. Figures in the parentheses refer to paddy equivalent.

Table 4. Number of Dairy, Livestock and Poultry Farms and Animals/Birds Kept, 1960 and 1984

Item	Year	Number of Farms Engaged in: (1,000)	Total Number of Animals/Birds Kept (1,000)	Average Scale (No. of animals/birds per farm)
Dairy farming	1960	410	824	2.0
	1984	87	2,110	24.1
Beef cattle raising	1960	2,032	2,340	1.2
	1984	315	2,572	8.2
Swine raising	1960	799	1,918	2.4
	1984	92	10,423	113.9
Layer raising	1960	3,839	54,627	14
	1984	133	126,961	952
Broiler raising	1970	18	53,742	3,049
	1984	7	143,024	19,500

Source: MAFF.

Table 5. Quantity of Animal Production, by Major Commodities, Selected Years 1960 to 1983

Item	(Unit: 1,000 tons)				Percentage Change 1983 over 1960
	1960	1970	1980	1983	
Milk and milk products*	1,939	4,789	6,498	7,088	+266
Beef	141	282	431	505	+258
Pigmeat	149	779	1,430	1,433	+862
Chicken	103	496	1,120	1,257	+1120
Eggs	696	1,766	1,992	2,091	+200

Source: MAFF.

Note: * In milk equivalent.

Figure 13. Percentage Breakdowns of Current Operating Expenses and Gross Fixed Capital Formation in Agriculture, 1983

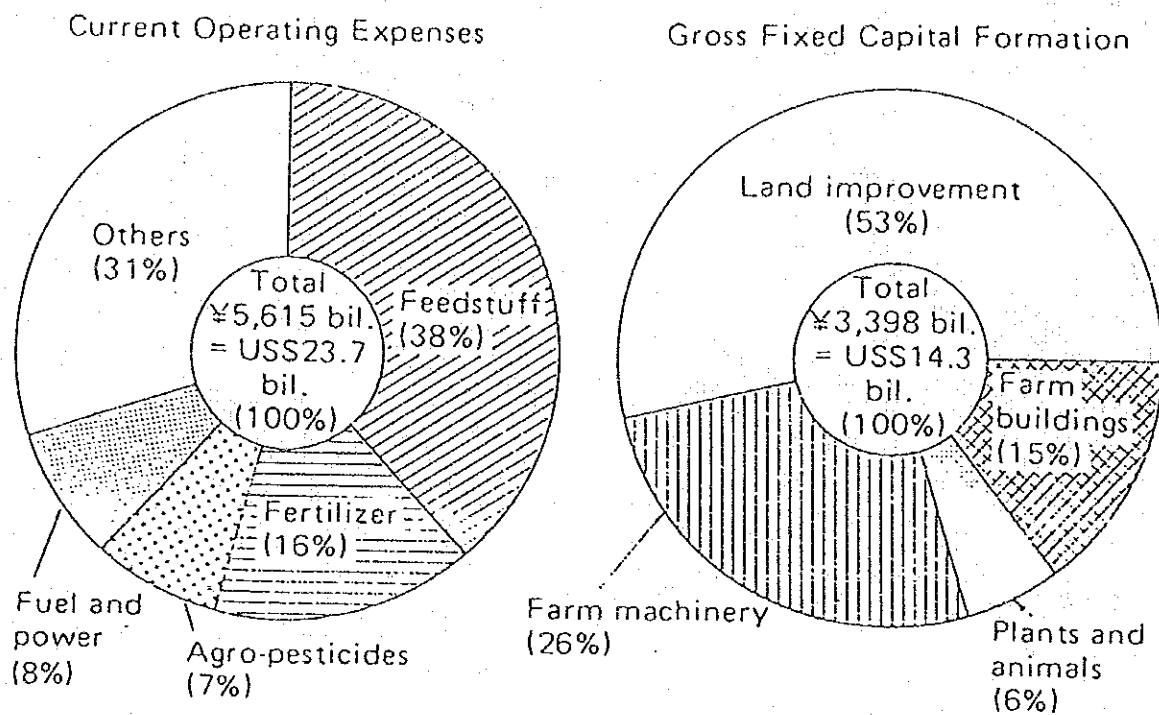
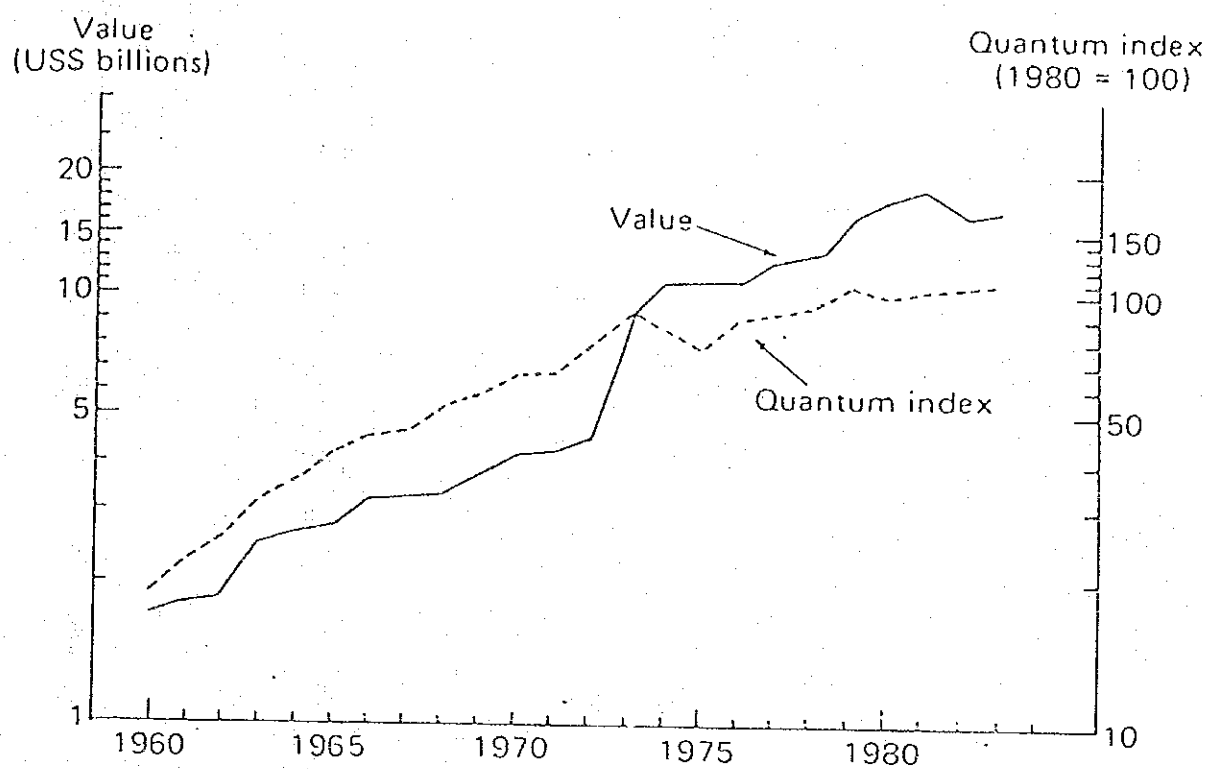


Figure 18. Value and Quantum Index* of Agricultural Imports, 1960 to 1983 (Semi-logarithmic scale)



Source: Ministry of Finance and MAFF.

Note: * In the case of quantum index, agricultural imports exclude cotton, wool and natural rubber.

Table 6. Annual per Capita Net Food Supply and National Food Self-Sufficiency Rates, 1960, 1970 and 1983

Item	Annual per Capita Net Food Supply Destined for Domestic Consumption (kg)				Self-Sufficiency Rates (Percent)	
	1960	1970	1983	Percentage change, 1983 over 1960	1960	1983
Cereals	149.6	128.5	110.2	-26	82	32
Of which: Rice	114.9	95.1	75.7	-34	102	100
Wheat	25.8	30.8	31.8	+23	39	11
Potatoes and starch	37.0	24.2	31.6	-15
Pulses	10.2	10.2	9.0	-12	44	7
Vegetables	99.7	114.2	107.6	+8	100	96
Fruits	22.3	37.9	39.2	+76	100	81
Meat	5.0	13.4	23.8	+376	91	80
Hen eggs	6.3	14.5	14.6	+132	101	98
Milk and milk products*	22.3	50.1	67.1	+201	89	86
Fish	27.8	31.6	34.2	+23	105	93
Sugar	15.1	26.9	21.4	+42	18	30
Fats and oils	4.3	9.4	15.1	+251

Source: MAFF.

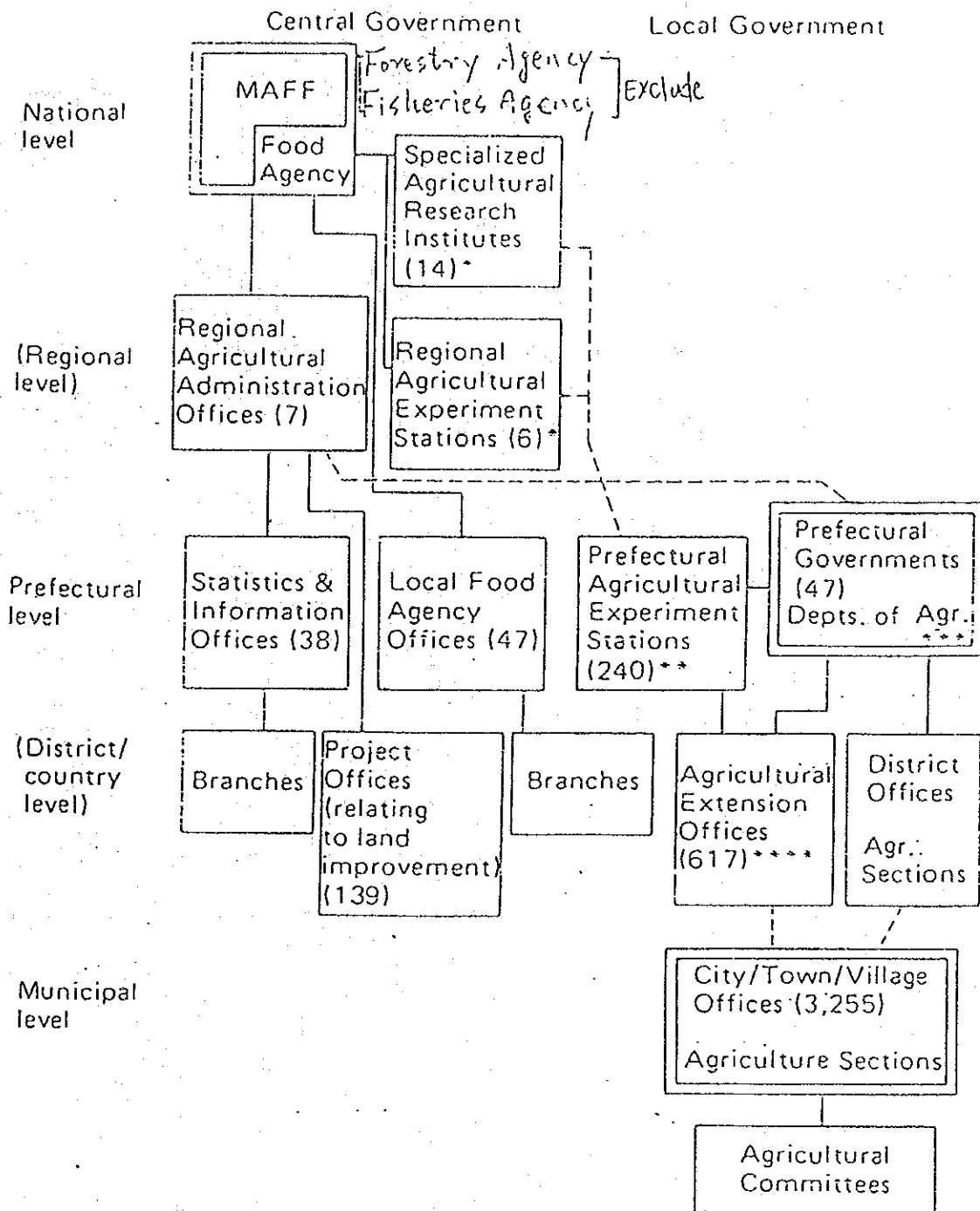
Note: * In milk equivalent.

Table 7. Annual Imports of Agricultural Products, Selected Years 1960 to 1983

	Unit	1960	1970	1980	1983
Value of agricultural imports	US\$ million	1,729	4,198	17,623	16,673
As percent of total imports	%	38	22	13	13
Quantity of imports:					
Wheat	1,000 tons	2,678	4,685	5,682	5,816
Corn and grain sorghum	Ditto	1,399	9,791	17,048	17,658
Soybean	Ditto	1,128	3,244	4,401	4,995
Rapeseed	Ditto	51	336	1,059	1,201
Raw sugar	Ditto	1,230	2,580	2,260	1,803
Meat	Ditto	30	204	443	546
Banana	Ditto	43	844	726	576
Coffee bean	Ditto	11	81	175	110

Source: Ministry of Finance and MAFF.

Figure 19. Organizational Setup of Public Administration Concerning Agriculture



- Note:
- * Specialized and regional research stations altogether had 2,511 agricultural researchers at the end of 1982.
 - ** These stations had a total of 5,415 agricultural researchers as of April 1, 1982.
 - *** The number of subject-matter specialists as of March 31, 1983 totaled 592 for farming and 155 for home life improvement.
 - **** The number of field extension workers as of March 31, 1983 totaled 9,381 for farming and 1,949 for home life improvement.

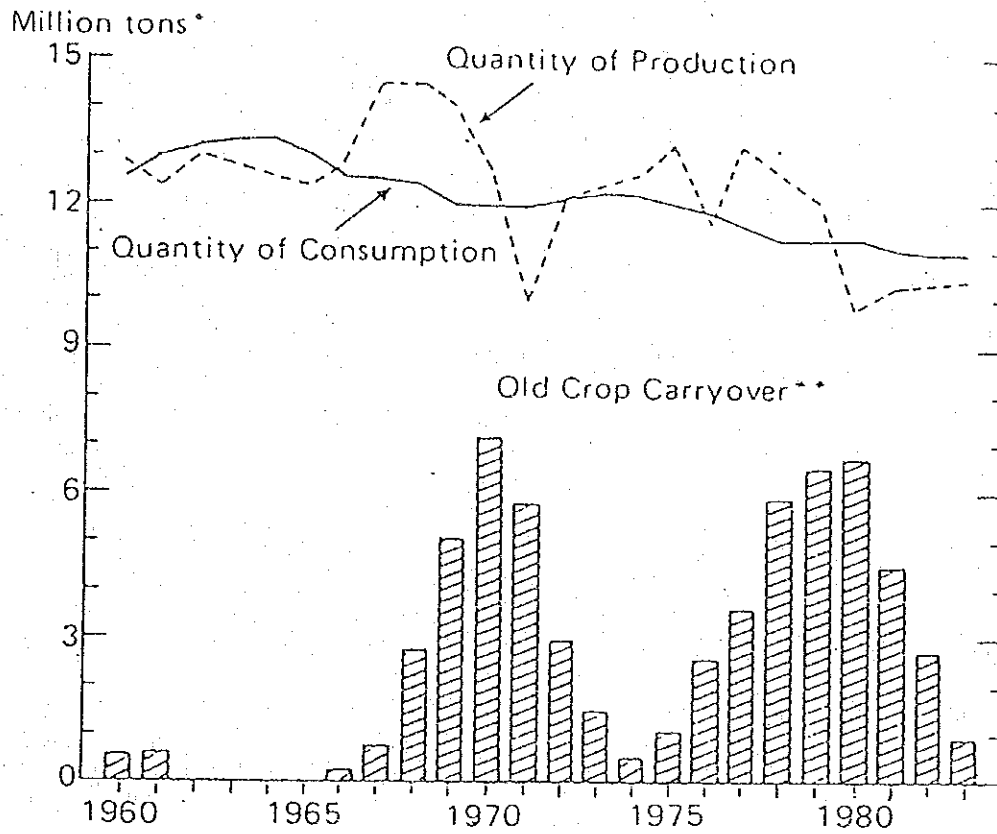
Table 8. Support Prices to Producers of Major Agricultural Products for 1983 Crop/Fiscal Year

Commodity	Types of Prices	Price Level	
		In Yen	US\$ Equivalent per 100 kg
Rice	Govt. purchase price	¥18,266/60 kg* of brown rice	\$105**
Wheat	Ditto	11,092/60 kg	80
Leaf tobacco	Purchase price by Tobacco & Salt Corporation	1,729/1 kg	745
Soybean	Standard price	17,210/60 kg	124
Rapeseed	Ditto	14,173/60 kg	102
Milk for manufacturing use	Guaranteed price	90.07/1 kg	39
Pork	Ceiling & standard prices	780 – 600/ 1 kg carcass	336 – 259
Beef	Ditto	1,820 – 1,400/ 1 kg carcass	784 – 603
Cocoon	Minimum price	1,933/1 kg	833

Source: MAFF.

Note: * Average of 1st and 2nd grades, including package.
** In terms of paddy.

Figure 21. Trends in Rice Production, Consumption and Old Crop Carryover, 1960 to 1983

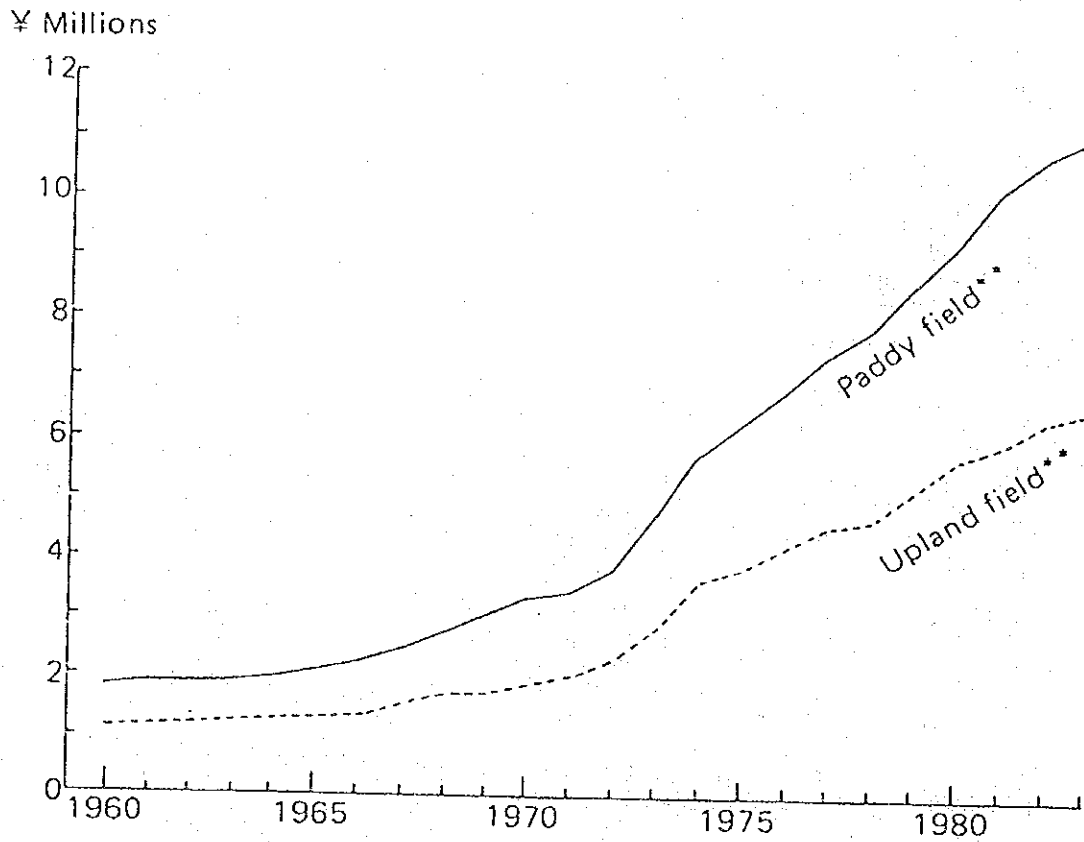


Source: MAFF.

Note: * Brown rice basis.

** Held by the government as of November 1.

Figure 22. Value of Farm Land per Ha* for Cultivation Purposes, 1960 to 1983



Source: Japan Real Estate Research Institute.

Note: * National average of prices of owner-operated land which have been realized in actual transactions for cultivation purposes.
** Of ordinary grade.

Conclusion

Japanese agriculture and rural community, as mentioned above, have various aspects and faces many problems. In the light of these problems, the following five objectives should be emphasized in the Japanese agricultural policy,

1. To improve agricultural structure and further increase agricultural productivity, with the focus upon strengthening land-extensive sectors.
2. To recognize agricultural production, to establish agricultural production structure which can cope with the changes in demand, and to maintain and enhance overall selfsufficiency of food.
3. To continue to stabilize food prices and to ensure healthy and affluent diet.
4. To preserve farmland and forests as "green resources" and to restructure agricultural communities to meet with the diversified conditions of each community.
5. To positively promote development and dissemination of advanced technology and utilization of high level information technology toward a new phase of agricultural development.

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