info 3 —

Presented at Jan. 26-28, 1977 meeting.

Re: Mr. Tetsuo YAMAGUCHI of Japan - Mayor of Kushiro

The following three aides are accompanying him to Alaska:

1) Mr. Shunichi KANAI - Vice Chairman, Kushiro Marine Fisheries Council
Vice President, Kushiro Chamber of Commerce and Industry

2) Mr. Hajime IWAI - Secretary-General, Secretariat, Kushiro Marine Fisheries Council
Chief, Fisheries Section, Kushiro Municipality

3) Mr. Ichiro JIMBO - Member, Kushiro Municipal Assembly
Chairman, Special Committee on Fisheries

Also, the Mayor has an escort-interpreter assigned by the U.S. Department of State - Mr. Paul TAMURA.

Albert Kawanabe interpreting.-
Kushiro based
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17 Hokutensen

blackcod 30%
snapper 30%
flounder 30%
herring 10%
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Kushiro City Hall
7-5,Kuroganecho,
Kushiro, Hokkaido,
Japan

March 15, 1977

The Honorable James Branson
Post Box 1668
Juneau Alaska 99802

Dear Mr.Branson,

We are very appreciative of your receiving us kindly upon visiting your city on January.
It was fortunate enough to have useful talks with you.
We would like to continue to make efforts to help cultivate mutual understanding between Japan and the United States through fishing industry.

We send our best wishes.

Sincerely Yours,

Tetsuo Yamaguchi
Mayor of Kushiro

Shunichi Kanai
Kushiro Chamer of
Commerce & Industry

Kushiro City Hall
7-5,Suwagasecho,
Kushiro, Hokkaido,
Japan

March 15, 1977

The Honorable James Brabson
Post Box 1663
Juneau Alaska 99802

Dear Mr.Brabson,

We are very appreciative of your receiving us kindly upon visiting your city on January.

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We would like to continue to make efforts to help cultivate mutual understanding between Japan and the United States through fishing industry.

We send our best wishes.

Sincerely Yours,

Tetsuo Yamaguchi
Mayor of Kushiro

Shunichi Kanai
Kushiro Chamber of
Commerce & Industry

神保一郎
Ichiro Jimbo
Member of Kushiro
Municipal Assembly

岩井　肇
Hajime Iwai
Director of Fisheries
Department

Ichiro Jimbo
Member of Kushiro
Municipal Assembly

Hajime Iwai
Director of Fisheries
Department

File

North Pacific Fishery Management Council

CHAIRMAN
Mr. Elmer Rasmuson
P.O. Box 600
Anchorage, Alaska 99501

INTERIM HEADQUARTERS
C/O Acting Executive Director
P.O. Box 1668
Juneau, Alaska 99802

January 3, 1977

Members of
North Pacific Fishery Management Council
and
Chairmen of Advisory Committees

Dear Sirs:

Enclosed are two articles reproduced from the Japan-California Association report of the Stanford Research Institute just received. I am sending it to you for your information for two reasons. The first is an outside observation by a very prestigious Research Institute. The second point is to call to your attention on page 46 in the article by Mr. Royce, the point of view that Japan's great dependence on the fisheries is due to a restriction on the development and importation of other protein foods. He makes two main points. The first is that "Japanese consumers should be permitted to eat more beef and other meats, and not restrained in order to protect the Japanese fishing industry." The second quotation is "unless the Japanese fisheries industry and its government supporters can demonstrate that they are making reasonable investments in the conservation and development (not harvesting) of new fisheries resources, they can hardly complain about measures other nations take to conserve and develop resources near their own shores."

Attached also is a copy of a wire from Mr. Yamaguchi and copy of my reply dated December 28 to him. I believe strongly that we must develop a consensus among the Council members as to the positive side of testimony that we invite and discourage the mere repetition on insulated and selfish view points whether they are international or domestic.

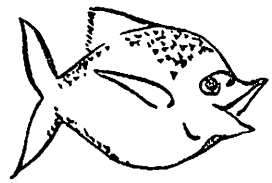
Sincerely yours,

Elmer Rasmuson

Elmer Rasmuson, Chairman

cc: D. L. Alverson
J. H. Branson
J. B. Cotant
Nick Szabo
Steve Pennoyer

Fishery Economic Zones and Their Effect



The traditional fishery system of the world is currently undergoing enormous changes generated by assertions on jurisdiction and the impact of new technology. Key to the fisheries issue between Japan and the United States is the U.S. Fishery Conservation and Management Act of 1976 which will take effect March 1, 1977.

The act's three official purposes are to conserve and manage:

- Fishery resources of U.S. coastal waters
- Fishery resources of anadromous species
- Continental shelf species.

Under the act's terms, no foreign vessel can fish within 200 miles for any species, or outside 200 miles for anadromous species or continental shelf species, unless that country has signed an international fishing agreement with the United States and existing agreements are renegotiated to comply with the act.

Eight regional councils, which report to the Secretary of Commerce, are established to prepare regional management plans, including optimum fish yield. These plans will contain conservation and management measures applicable to both foreign fishing and fishing by U.S. vessels. The plans may require a permit, designate zones, designate where and periods when fishing shall be limited or not permitted, establish specific limitations on catches of fish, and control the fishing gear to be used. The councils will also conduct public hearings on the plans formulated and possible problems created.

Foreign nations wishing to fish must execute international agreements with the U.S. Secretary of State and apply for permits to the Secretary of State on behalf of their boats. They have rights to fish on the optimum yields, that portion not taken or to be taken by U.S. fishermen.

The act generally controls and regulates the management of fisheries and the taking or capture of sea products. It does not, however, directly relate to or cover the processing or marketing of the products.

With exclusive management and control it is hoped that depleted species will again be restored, that a sustained yield approach can be implemented, and that more total product can be made available to world markets at a lower cost.

U.S. fishing, with the exception of tuna, is characterized by shore-based operations, while Japan – although having a large shore-based fleet – is well known for its efficient distant fleet operations. The 200-mile zone movement, along with negative economics (resulting from higher fuel prices) of distant fleet operations, will undoubtedly reduce the latter and enhance shore-based fleet development.

The act probably will make the capital-starved U.S. fisheries industry attractive for increased investment equity. In its new and stronger competitive position in the world export market, U.S. fishermen could very well harvest and offer species which do not have a U.S. market and which they have not in the past been concerned with catching, such as hake, pollack, herring and other species left to foreign fishermen.

Unlike the Canadian approach, processing is not controlled under the U.S. act. Canada requires that all fish caught by foreign vessels be brought into a domestic port for processing. With each foreign-vessel call in a Canadian port, there are added benefits generated by the purchase of bunkering oil, food and supplies, repairs and other such items. As far as the U.S. is concerned, the economics of fleet operations or perhaps policing requirements could cause utilization of U.S. processing facilities and ports, but they are not required.

As the act makes no distinction between wholly-owned U.S. companies and those companies that are partially or totally foreign owned, it has given additional impetus to foreign fisheries' investment in the U.S. Additional Japanese interests are seeking a position, and surprisingly there is evidence of Soviet investment activity.

The act's second purpose is "to conserve and manage fish resources of Anadromous Species". Salmon is an anadromous specie and is extremely important in both the Japanese and U.S. markets. It would seem the best and most logical way to conserve and manage salmon, once the fish is outside the 200-mile limit, is through negotiation. Continuation of the Salmon Abstention Act of 1965 is perhaps the best answer. It is an agreement restricting American salmon fishing to the east of the 175th longitude and the Japanese west of it.

The world is moving toward the "sea zone" concept. As of the end of 1975, fourteen nations had set up or

proclaimed 200-mile fishery zones. The U.S. action made the trend almost unstoppable. The USSR also backs zoning. The European Economic Community has reversed its previous position against zoning by agreeing to make its economic zones common fishing grounds for all Community nations.

About 40% of the total areas of the world's oceans will become economic zones of the coastal countries. Nearly 90% of the major fishing grounds will then be placed under their jurisdictional control. These grounds involve 70 to 80% of the total global fish catches.

Over half of Japan's annual 7.7 million-ton catch comes from within someone's 200-mile limit. Of that half, 30% is caught in U.S. waters. The possible decrease of 50% of the fish catch would require Japan to about double the number of hogs raised, to 7.7 million. A 10 million-ton increase in grain production or imports would be needed to feed those animals.

THE JAPANESE FIVE-YEAR ECONOMIC PLAN

In May of 1976 the Japanese government announced a new five-year economic plan covering the period from 1976 to 1980. This plan anticipates an average annual growth of about 6% in real terms, and indicates that our nation has become more conscious of the necessity to improve the quality of life. It emphasizes economic growth which responds to the national aspiration for stabilization of our livelihood and improvement of the quality of life, rather than responding to the "growth first" cry. It presupposes restructuring of Japanese industries due to growing difficulties in obtaining ample and inexpensive industrial raw materials, energy and food from abroad, and due to the domestic scarcity of such natural resources as factory sites and water. It is expected that during the coming five years many Japanese management practices, such as the life-long employment and seniority system, may undergo some change. At the same time, the government will play an increasingly important role in the nation's economy by reinforcing social security measures and improving social structures. This tendency has already become noticeable in some Western European countries. What then will be the impact of Japan's new five-year economic program on our private enterprise system and on the government-business relationship, as well as on the business relationship between our two countries? These are challenging questions.

Tadayoshi Yamada
Permanent Executive Counsel
Nippon Steel Corporation

Japan is becoming resigned to the eventual passage of the 200-mile economic zone by the United Nations' Law of the Sea Conference. Japanese fishing companies and related circles are in an extremely difficult position. They are faced with problems whose true natures have not yet been fully ascertained. In fact, the full impact cannot be ascertained until the law is passed. For this reason some Japanese are saying that "the sooner the law is formally adopted, the better". Once adopted, it becomes the basis for negotiations. Japan is insisting and will continue to insist on fishing concessions from coastal nations with respect to Japan's past fishing records. This position, however, is not recognized specifically in the U.S. or other zoning acts.

Taiyo Gyogyo, one of the largest Japanese fishing companies, has already announced that it is planning to greatly increase its joint ventures overseas, and the number of fishing boats in these joint ventures. Other companies are, however, taking a different and more passive approach.

In the short term (a period of from six to seven years), the total product available will be reduced and the cost of fish and sea products will rise. Reduction in the total North Pacific catch based on conservation and other possible requirements will have this effect. Although the U.S. act does not specify fees for fish taken within the zone, there is no prohibition and they will undoubtedly be levied on a per-ton basis for fish taken by foreign vessels. This has been the example of many countries with economic zones in effect, and there will be pressure in the United States to levy a charge to cover administration, policing, research, etc.

Again within the short term, foreign firms are positioning themselves within the economic zones. The U.S. open policy toward foreign investment makes this a logical and viable approach. Japanese fish and trading firms have been established in the U.S. for many years. There is evidence of Soviet investment interest, and no reason why the same cannot be expected from Koreans, Taiwanese and others. Foreign investment could very well go beyond the taking of fish to include processing and new technology.

Over the long term, depleted species should recover and a sustained yield be established. With increased stocks, improved management of fish resources and the benefit of research and technology, the Japanese could eventually have more product available at less cost.

Wright H. Arnold
Director, International Accounts
Economic Development Council
of Puget Sound

Japanese Interests and the U.S. 200-Mile Economic Zone

The U.S. act is not limited to fishing, but includes control over the management, conservation, and development of all economic activities in the area. While it presents a serious problem for Japanese fisheries, their most important problem relates to Japanese home waters – the over-fishing, pollution, encroachment by shore-based industries and urbanization, lack of research and development to modernize the domestic fishing resources – that make Japan overly and increasingly dependent on fishing from waters farther and farther from the homeland. If some 40% of the Japanese fish catch now comes from waters within 200 miles of other nations, then Japanese fisheries interests – operating under modern concepts of business responsibility, as exemplified in the recently-devised OECD guidelines – should be quite concerned about the interests and rights of the other countries involved.

There could indeed be some positive effects for Japan from the eventual measures taken by the U.S. regarding the zone.

No responsible American government agency has threatened to ban Japanese fishing from the zone, and any talk in Japan of a complete cutoff of fishing only creates a problem because of resentment in the U.S.

The act requires controls on exploitation of the zone, for purposes of conservation and development, which would presumably be equally binding on American and other fishing interests as on Japanese. Administration of the act may call for Japanese and other foreign fishing interests to contribute their fair share of the costs for needed research and development to conserve and improve the coastal fisheries that are now in grave danger of destruction.

While no decisions have yet been made, Japanese interests may anticipate reasonable treatment in seeking a fair share in distribution of the catch from U.S. offshore fisheries, provided they agree to accept the American jurisdiction and to abide by the contemplated regulations for conservation and development. Such fair treatment may be anticipated because of:

- Japan's historic interest in fishing in at least some of these areas, especially the Pacific
- The moral implications from past treaties
- The fact that many Japanese companies already have substantial investments in fishing and fish-processing companies in the U.S.

The last point is important. Many Japanese companies have long since positioned themselves behind the 200-mile barrier and may expect national treatment on the same basis as U.S.-owned companies. This national treatment is not always available to American companies doing business in Japan.

The Japanese have reasonably complained that decisions on extended economic zones should have been made by international agreement resulting from the conferences on Law of the Sea. However, these negotiations have been long drawn out, with little hope of reaching early conclusion. Meanwhile, several nations have dispatched increasingly large and efficient fleets to "vacuum the floor" of waters adjacent to the American and Canadian coasts – perhaps in efforts to get all they can before new restrictions are put into effect. American fisheries interests foresaw the same prospect of becoming "ghost towns" that have been forecast for the fishing towns of Hokkaido, only even sooner. They pressured the U.S. Congress to act before it would be too late to save the fisheries, especially in the Northwest Atlantic.

It should be stressed that this move was not directed solely against Japan. The worst offenders in the past few years have been from other countries, some very new to activities in these waters.

It is obviously important that fish products constitute about half of Japanese animal protein for human consumption. If American waters are to be continuously and increasingly the source of Japanese fish food, then the U.S. must require some Japanese investment toward the conservation and development of fisheries for ensuring future catches.

There are alternatives. Japan now restricts imports of beef and other animal protein sources. These land-grown animals are abundant in the U.S. and other countries precisely because of vast investments in research and development, to show farmers how to grow more grain feeds and better cattle. That is why beef and other land animals grow in supply, while fish become more scarce; there is not enough reinvestment in growing more and better fish. Japanese consumers should be permitted to eat more beef and other meats,

and not restrained in order to protect the Japanese fishing industry.

If Japan (and other countries) are to continue their heavy dependence on fisheries for food and other uses, then the question arises what portion of the fisheries revenues should be devoted to R&D, to promote the conservation and regeneration of the fisheries resources both in Japanese waters and for pelagic fisheries. In many industries, it is considered necessary to reinvest from 1% to 2% of gross sales in R&D. Unless the Japanese fisheries industry and its government supporters can demonstrate that they are making reasonable investments in the conservation and development (not harvesting) of new fisheries resources, they can hardly complain about measures other nations take to conserve and develop resources near their own shores.

Bases for negotiating new or extended agreements on Japanese fisheries in the American zone include:

- Recognition of the existence of the new zone, for both the United States and other countries, as inevitable
- Presentation of the factual case for continued Japanese operations within the American zone
- Acceptance of the principle of reciprocal or national treatment on fisheries, just as foreign firms ask for such treatment for their ventures in Japan.

While fisheries are not as important to Americans as many other economic interests, in certain regions fishing was the first and is still the most traditional economic activity. It has a high position – in investment, in employment, and in the livelihood of communities – in New England, the Caribbean, Pacific Northwest, and Alaska. Fish constitute an important and growing share of the American diet.

There is strong and growing concern among Americans for the conservation and protection of the environment, offshore as well as on land. Environmental protection groups wield significant political and social pressure. Americans no longer recognize the right of one generation to destroy a resource that will be needed by succeeding generations. They feel a strong need to control the exploitation of both on-shore and off-shore resources, and have imposed increasingly strict controls on what American firms or individuals may do that may harm the environment and its resources. They believe it is essential to require similar measures of foreigners who operate within such zones, and that it is unfair and unrealistic to control American firms while non-Americans are free to violate the same restrictions.

William S. Royce
Director, SRI-East Asia (1971-76)
Stanford Research Institute

Outlook for the

The world economic outlook is gradually getting brighter as the economies of the advanced countries move toward recovery. At the Rambouillet talks in 1975 their leaders agreed to cooperate for this purpose, and in June, 1976, having fully recovered their confidence, they again agreed at the San Juan conference to cooperate for the purpose of maintaining growth without inflation.

There are many problems besides the possible rekindling of inflation against which we must be on guard, including resource and energy limitations – which affect the very foundations of the world economy – and such perennial problems as the North-South conflict and the world food supply.

With increases this year in exports, personal consumption and private housing investment, the Japanese economy is well on the road to recovery despite the unstable political situation.

Japan's GNP for fiscal 1975 (through March 1976) showed an increase of 3.1% over the previous year, versus the government's forecast of 2.6%, as growth accelerated early in 1976. Real growth in GNP in fiscal 1976 should exceed the 5.6% original forecast of the government.

The Japanese economy is still confronted with a number of problems, however:

- The wide gap between supply and demand. Public investment will play an important role in reducing this gap, but it will be necessary to guard against excessive expansion.
- Private business is doing poorly, with the exception of automobiles, home electrical appliances, and a few other industries. The chief reason is failure to increase prices in line with the rise in material costs because of the government's administrative guidance.
- The rise in prices. Although continuing price revisions make some rises in wholesale prices inevitable, the rise in consumer prices – caused by increased public utilities and other charges set by the government – is the greater threat.
- Unemployment. Although employment opportunities are improving, most companies are burdened with a surplus of employees. The lifetime employment system makes it difficult to reduce employee strength during recessions, so that the rate of unemployment is

NAME OF AGENCY

North Pacific Fishery Mgmt.Council
P.O.Box 1668,Juneau,AK 99802

ACCOUNTING CLASSIFICATION

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OFFICIAL BUSINESS
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MESSAGE TO BE TRANSMITTED (Use double spacing and all capital letters)

THIS COL. FOR AGENCY USE

START MESSAGE ADDRESS HERE

To: Mr. Tetsuo Yamaguchi, Mayor
Kushiro, Hokkaido, Japan

Chairman Rasmuson of North Pacific Council has answered your request to speak at January 26-28 meeting by airmail. You are welcome to testify before Council, room 808/809 Hill Building, 6 & G Streets, Anchorage, Alaska at 1:30pm, Jan. 27, 1977.

Length of testimony is usually confined by Council to 15 minutes.

DO NOT TYPE MESSAGE BEYOND THIS LINE

Readover telephone to RCA telegram office 586-6440

$13.97

Mr. Yamaguchi should receive this 16 hours from 2:30 pm PST.

PAGE NO.	NO. OF PAGES
1	1

NAME AND TITLE OF ORIGINATOR (Type)

Jim H. Branson
Acting Executive Director

ORIGINATOR'S TEL. NO.

586-7225

DATE AND TIME PREPARED

12/29/76 2:00pm

I certify that this message is official business, is not personal, and is in the interest of the Government.

(Signature)

SECURITY CLASSIFICATION

UNCLASSIFIED

U.S. GOVERNMENT PRINTING OFFICE: 1959 OF—513800

To: Mr. Ietsuo Yamamoto, Mayor
Nashino, Hokkaido, Japan

Chairman Ramason of North Pacific Council has answered your request to speak at January 25-28 meeting by airmail. You are welcome to testify before Council, room 808/809 NMFS Building, 6 & 8 Streets, Anchorage, Alaska at 1:30pm, Jan. 27, 1977.

Length of testimony is usually confined by Council to 15 minutes.

XXXXXXX

TELEGRAM

RCA ALASKA COMMUNICATIONS, INC.
PHONE: 586-6440
JUNEAU, ALASKA 99801

1976 DEC 27 AM 12 05

RECEIVED
NATIONAL MARINE FISHERIES SERVICE
Administrator - Juneau Alaska
DEC 28 1976
AM PM
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MR JAMES BRANSON POST BOX 1668

0847

JUNEAUALASKA

TETSUO YAMAGUCHI MAYOR OF KUSHIRO REPRESENTING 210 THOUSAND PEOPLE ANNUALLY HANDLING JAPANS LARGEST FISH LANDINGS OF 810 THOUSAND TONS WORTH 54 BILLION YEN SOLICITS YOUR KINDEST CONSIDERATION FOR ALLOWING HIM TO SPEAK ONE HOUR AT ANY OF FISHERIES COUNCIL MEETING FROM JANUARY TWENTYSIX

COL 1668 210 810 54

LCT062 MR JAMES BRANSON ETC PAGE 2/57

TO TWENTYNINE IN ANCHORAGE TO EXPRESS HIS CONCERN ABOUT IMPACT OF EXTENSION OF JURISDICTION ON FISH-CONSUMING JAPANESE PEOPLE AND FUTURE OF JAPANESE FISHERIES IN ADDITION TO PROMOTING HIS UNDERSTANDING OF YOUR PROBLEM PROFESSIONAL ENTERPRETER AND FOUR LOCAL FISHERIES LEADERS ACCOMPANYING TO OBSERVE LOOKING FORWARD TO HEARING FROM YOU SOONEST REGARDS

TETSUO YAMAGUCHI MAYOR OF KUSHIRO HOKKAIDO JAPAN

NNN

0225 EST

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MR RASMUSON POST BOX600
ANCHORAGEALASKA99501
APPRECIATED YOUR LETTER DEPARTING JAPAN JANUARY TWENTYFOURTH
PREPARING PRESENTATION ON TWENTYSEVENTH APPOINTMENT BEING
MADE TO CALL ON GOVERNOR HOMMOND TWENTYEIGHTH MANY THANKS
REGARDS
YAMAGUCHI MAYOR KUSHIRO
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REFILE MGM AHG

Tetsuo Yamaguchi
Mayor of Kushiro City
Kushiro Municipal Government
Kuroganecho, Kushiro
Hokkaido, Japan 085

December 27, 1976

The Honorable Elmer Rasmuson
Post Box 600
Anchorage
Alaska 99501
U.S.A.

Dear Sir:

I have the honor to write to you. Allow me to trespass on your valuable time especially in this holiday season. In addition to the cable I sent on December 21st, I would like to explain the reasons for my request a little more in detail.

It will be privilege and a pleasure if an opportunity be given to me to speak for about 15 minutes (doubled by interpretation) and answer your questions for about 15 minutes (doubled by interpretation) at any of the meetings of your Northern Pacific Fisheries Council to be held from January 26th to January 29th. If it is too late to fit this into the schedule, I could reduce the time. Three other people are accompanying me to this meeting. They will sit quietly and observe the proceedings. They are:

Mr. Shun'ichi Kanai
President, The Kushiro Fisheries Council
Vice President, The Kushiro Chamber of Commerce
President, Kanai Fisheries Company

Mr. Ichiro Shimbo
Chairman, The Fisheries Committee,
Kushiro Municipal Assembly
Director, Kushiro Fisheries Cooperative Association

Mr. Hajime Iwai
Chief, Fisheries Department, Kushiro Municipal Government

In addition to me and the foregoing three persons, one professional interpreter will be with us.

The reason that I am so interested in attending one of your council meetings is the predicament we are faced with as the result of the critical situation in the waters under your jurisdiction. We hope for wisdom and goodwill on the part of your council members in making the impact of the new law take effect slowly so that we can have time to accommodate ourselves to the new situation and to cooperate in your policy to the greatest extent. With a view toward strengthening the friendship between our two nations I am counting on the generosity of your council members. I would like to avail myself of this opportunity to present our case about the difficulties not only of the people of Kushiro but also of the entire Japanese people.

The City of Kushiro has a population of 200,000. Its mainstay is fisheries with the annual total landings of about 800,000 to 900,000 tons, the largest in this country. Large investments have been made to improve harbor facilities and fish processing plants from both public and private resources. Not only many numbers of distant-sea trawlers and long-liners but also fish packers, their employees, employers and employees of related industries will be seriously effected, if the landings are reduced drastically. Eventually, Japanese people who depend on fish proteins as the major source of nutrition will be hit hard.

I will be most obliged to you if you could look into the case and give our situation your consideration. Although I am not certain at this stage whether it is possible or not, I hope to have an appointment with the Mayor of Anchorage and the Governor of Alaska so that we can have reciprocal exchange of information, by which I will be able to increase my understanding of the problems of Anchorage and State of Alaska. After that, I plan to fly to Washington, D.C., to pursue my observation of matters which I, as a mayor, can learn from American cities, in addition to visiting ports, fishing businesses, etc.

I am looking forward to hearing from you as soon as possible.

With greetings for the New Year,

Sincerely yours,

Tetsuo Yamaguchi
Mayor of Kushiro

Tetsuo Yamaguchi

cc: The Honorable James Branson
Post Box 1668
Juneau
Alaska 99802

December 28, 1976

Mayor Tetsuo Yamaguchi
Kushiro, Hokkaido
Japan

Dear Mayor Yamaguchi:

This is in reply to your telegram requesting time to appear before the North Pacific Fisheries Management Council at its next meeting in Anchorage. First, let me point out that the meeting is called for three days from January 26 through the 28th.

Anyone is welcome to appear before our Council and also to be present at the Council meetings. However, we cannot set aside an hour for any single person or group to speak before the Council. We do not have that amount of time for any speaker and such a lengthy presentation usually becomes repetitive. You can file any brief that you wish prior to the meeting or in concurrence with our deliberations. We have received many lengthy presentations from foreign nationals emphasizing the plight of their fishing industry without at any time seeming to consider the impact on the U. S. fishermen and producers. These presentations usually emphasize the hardships to the foreign country's nationals as a result of reduced allocation of fishery quotas. They rarely address themselves to the problem of the reduced stocks caused by overfishing frequently of the same country's nationals and the United States must reluctantly reduce quotas in order to restore the stocks.

What is most helpful in the Council's deliberations is factual information. Examples are in the field of scientific research or market analyses which support the conclusion that foreign fishing is beneficial to the fishing industry of the United States.

Please be reassured that foreign visitors are always most welcome in our Council meetings and if you choose to send representatives at our next meeting, they will be most cordially received.

Sincerely yours,

Elmer Rasmuson
Chairman

February 2, 1977

Mr. James H. Johnson
Regional Fisheries Attache
American Embassy Tokyo
APO San Francisco, California 96503

Dear Mr. Johnson:

At the request of the Director, Alaska Region, NMFS, we are sending you a copy of the minutes of the Council's December 1976 meeting and the distributed copy of Mayor Yamaguchi's speech presented to the Council on January 27, 1977.

Sincerely,

Jim H. Branson
Executive Director

Enclosures

cc: E.Rasmuson

February 2, 1977

Mr. James H. Johnson
Regional Fisheries Attache
American Embassy Tokyo
APO San Francisco, California 96503

Dear Mr. Johnson:

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Sincerely,

Jim H. Branson
Executive Director

Enclosures

cc: E.Rasmuson

file

CONSULATE OF JAPAN
909 WEST 9TH AVENUE, SUITE 301
ANCHORAGE, ALASKA 99501

January 21, 1977

Ref: JC77-016

Mr. Jim H. Branson
Acting Executive Director
North Pacific Fishery Management Council
Suite 32, Post Office Mall Building
333 West 4th Avenue
Anchorage, Alaska 99501

Dear Mr. Branson,

This is to inform you that Mr. Satoshi Moriya, who is a member of the International Affairs Division, Marine Fisheries Department, Fisheries Agency of Japan, is planning to attend the Third Plenary Session of the North Pacific Fishery Management Council in Anchorage next week as an observer.

Mr. Moriya is traveling to Anchorage from Japan, and is due to arrive in Anchorage on Monday evening.

Sincerely,

S. Saito
Consul of Japan

CONSULATE OF JAPAN
800 West 3rd Avenue, Suite 201
ANCHORAGE, ALASKA 99501

January 21, 1977

Ref.: 1077-016

Mr. Jim R. Brandon
Acting Executive Director
North Pacific Fishery Management Council
Suite 32, Post Office Mall Building
333 West 4th Avenue
Anchorage, Alaska 99501

Dear Mr. Brandon,

This is to inform you that Mr. Satoshi Moriya, who is a member of the International Affairs Division, Marine Fisheries Department, Fisheries Agency of Japan, is planning to attend the Joint Plenary Session of the North Pacific Fishery Management Council in Anchorage next week as an observer.

Mr. Moriya is traveling to Anchorage from Japan, and is due to arrive in Anchorage on Monday evening.

Sincerely,

C. Saito
Consul of Japan

Attachment 15

Hypothetical Impact on Economy of Kushiro, Japan in 1975

Due to Extension of Jurisdiction of 200 Miles

By

Input-Output Analysis

Kushiro Municipal Government, Kushiro, Japan

CHAPTER 1. PURPOSE AND METHOD OF ANALYSIS

1. Purpose of Analysis

The extension of jurisdiction of economic waters to 200 miles off the coastline has become a general trend among many countries. It tends to shake up fisheries and related industries of Kushiro, Japan, which represent one of the three pillars supporting the base of development of the city, the other two being coal and paper industries. Its impact is considered far-reaching in the overall economic well-being in this municipality. Hence, in an effort to help formulate a countermeasure to accomodate the economy of Kushiro to such a predicament, multifaceted studies have been conducted by input-output analysis as to the negative impact induced hypothetically as construed in response to the extension of jurisdiction, should it become a reality.

2. Method of Analysis

Five major stages can be classified when one examines an effect of an industry on the local economy. They are: (1) its impact on production of each of industries; (2) its impact on income; (3) its impact on employment; (4) its impact on the size of population; (5) its impact on production corresponding to an increment in a change of consumption which has been brought about by the change of the size of population.

With the foregoing as the basic condition, input-output analysis has been conducted on the bases of the inter-industry relations table and the table attached thereto of Kushiro in 1970.

CHAPTER 2. IMPACT OF EXTENSION OF JURISDICTION ON PRODUCTION OF EACH INDUSTRY

Two approaches are necessary to estimate an impact on the economy of Kushiro by the extension of jurisdiction. First, a decrease in fisheries output grasped from incomes received by individuals has an effect on each industries, secondly, a decrease in raw material, that is, fishes, grasped from landings in Kushiro Port has an effect on the manufacturing industries based on the processing of such landings which comprise three sections in the inter-industry relations table, namely, marine food products, other food products and other chemicals, in terms of the reduction of production capacity and its effect on each of other industries.

With this thought as a basis, entries in each section of the inter-industry relations table were multiplied by the inverse matrix, which has resulted in Table 1.

According to it, should the extension of jurisdiction have become a reality in 1975, the negative output induced would have amounted to 126.7 billion yen in Kushiro, bringing the total hypothetical output to 438.6 billion yen by subtracting the negative output from the actual total output of 565.3 billion yen.

However large the negative output induced may be, if the size of an industry is large, this industry will not be affected so much; but as for a small-sized industry it will be vitally affected. The rate of impact, namely the percentage of an induced output against its original output, was introduced as a measure to estimate the degree of impact. It is 22.4% for the total industry; 61.5% for the primary industry; 30.3% for the secondary industry; 7.9% for the tertiary industry. The impact on the tertiary industry is most serious.

As to the rate of impact of each section of industries, the rates for those sections which are exposed directly to the new situation are: 81.7% for marine food products, 63.6% for fisheries products, 51.4% for other food products, and 44.1% for other chemicals. It is taken for granted that they show high rates. It should be noted, however, that evidence of a far-reaching impact is shown by the fact that the rate is 21.4% for water services in the tenth rank and 10.7% for trade in the twentieth rank. If the extension of jurisdiction becomes a reality, each management in these twenty sections will be confronted with a shocking situation.

CHAPTER 3. IMPACT ON JOBS AND POPULATION

An impact of the extension of jurisdiction on production will cause a decrease in jobs and then a decrease in population. The impact on jobs and population is tabulated in Table 3.

According to it, on the assumption that the extension of jurisdiction were a reality and enforced in 1975, the total number of jobs to be lost would be 13,636 or 14.9% of the total number of jobs in this city.

The impact on population is such that there would be a decrease of 36,979 persons or 17.9% of the total number of Kushiro's population.

The foregoing is the primary result of the extension of jurisdiction, which has been felt first as a decrease in output, then a decrease in jobs, and finally a decrease in population.

CHAPTER 4. SECONDARY IMPACT DUE TO A DECREASE IN POPULATION

A decrease of 36,979 in population as a result of the primary impact will cause private consumption in final demand to decrease in proportion to the population decrease. A decrease in final demand will bring about a corresponding decrease in production. This decrease will cause another decrease in jobs and population, which is the results of the second impact.

The decrease in population due to the second impact will cause a decrease in population, which will act as the third impact. In the same sequence the impact continues to take place up to the eighth impact where they converge.

The secondary impact sums up negative outputs in Table 4 and negative jobs and population, in Table 5, which are induced from the second to the eighth impact.

According to Table 4, the negative output induced by the secondary impact amounts to 28.3 billion yen, whereby the rate of impact is 5.0%.

In the decreasing order of the rate of impact by industry: 15.0% is for finance, insurance and real estate; 10.1% for trade; 7.5% for other services; 7.3% for public utilities; and 6.1% for transportation and communication. The impact is largest for the tertiary industry.

The secondary impact on jobs results in a decrease of 6,393 jobs or 7.0% of the total jobs. Broken down by industry, the rate of impact is 16.2% for finance, insurance and real estate; 12.0% for trade; 10.1% for public utilities; 8.0% for other services; 7.0% for transportation and communication. Hence, the tertiary industry sustains a largest impact.

Next as to the secondary impact on population, the result is a decrease of 13,988 persons, or 6.8% of the total population.

As to jobs by industry of workers in the householder and single status affected by the secondary impact, the tertiary industry represents the largest number, 11,980, followed by the secondary industry, 1,663, and the primary industry, 307. Population based on the tertiary industry sustains a very large impact.

Should the jurisdiction be extended to 200 miles off the coastline, the total of the primary and the secondary impact on the economy of Kushiro could be estimated in terms of output, jobs and population.

Their final entries are tabulated in Table 6.

According to it, the final impact is 155 billion yen in output, 20,029 in jobs and 50,967 in population, the rate of impact being 27.4%, 21.9% and 24.6%, respectively.

Broken down by industry, serious damage is inflicted not only on fisheries and those manufacturing industries dependent on landings of fishes at Kushiro Port for processing, but also a far reaching impact will be felt by all other industries of Kushiro including agriculture; trade; finance, insurance and real estate; transportation and communication; public utilities; and other services.

Table 1. Negative Output Induced (Primary)

in millions of yen; %

	1975		Percentage		Rate of impact (A)/(B)
	Negative output induced(A)	Output in city (B)	(A)	(B)	
Total	126,738	565,319	100.0	100.0	22.4
Primary Industry	11,791	19,162	9.3	3.4	61.5
Agriculture and forestry	358	1,172	0.3	0.2	30.6
Fisheries	11,433	17,990	9.0	3.2	63.6
Secondary Industry	92,460	305,290	73.0	54.0	30.3
Mining	1,086	18,163	0.9	3.2	6.0
Construction	314	66,219	0.2	11.7	0.5
Manufacturing	91,060	220,908	71.9	39.1	41.2
Tertiary Industry	18,066	229,782	14.3	40.6	7.9
Trade	6,695	62,852	5.3	11.1	10.7
Finance, insurance and real estate	2,400	38,103	1.9	6.7	6.3
Transportation & communication	5,329	50,036	4.2	8.9	10.7
Public utilities	1,453	12,717	1.2	2.2	11.4
Other services	2,189	51,616-	1.7	9.1	4.2
Government enterprises	—	14,458	—	2.6	—
Real estate rentals, office expendables, packaging	1,460	4,988	1.1	0.9	29.3
Statistical iscrepancy	2,961	6,097	2.3	1.1	48.6

Table 2. Twenty Sections of Industries Ranking First to Twentieth in Rate of Impact

Rank	Section	Rate of impact
1.	Marine food products	81.7
2.	Fisheries products	63.6
3.	Other food products	51.4
4.	Other chemicals	44.1
5.	Other mining	42.0
6.	Transportation machinery	34.1
7.	Agricultural products	30.6
8.	Primary ferrous products	26.4
9.	Nonferrous metal products	26.0
10.	Water services	21.4
11.	Communication	17.0
12.	General machinery	17.0
13.	Gas utilities	14.0
14.	Rice cleaning, flour milling	13.8
15.	Electric machinery	13.7
16.	Coal products	13.6
17.	Transportation	12.1
18.	Millwork, woodproducts	10.9
19.	Finance, insurance	10.8
20.	Trade	10.7

Table 3. Negative Jobs and Population Induced (Primary)

in number of persons; %

	Negative jobs induced	Negative population induced	1975		Rate of impact	
			Jobs	Population	Jobs	Population
Total	13,636	36,979	91,383	206,842	14.9	17.9
Primary Industry	2,304	7,861	3,647	—	63.2	—
Agriculture and forestry	193	622	635	—	30.4	—
Fisheries	2,111	7,239	3,012	—	70.1	—
Secondary Industry	5,928	15,583	26,754	—	22.2	—
Mining	176	726	3,615	—	4.9	—
Construction	55	168	11,155	—	0.5	—
Manufacturing	5,697	14,689	11,984	—	47.5	—
Tertiary Industry	5,367	13,475	60,910	—	8.8	—
Trade	2,373	4,923	21,200	—	11.2	—
Finance, insurance and real estate	355	806	3,745	—	9.5	—
Transportation & communication	1,443	4,906	10,765	—	13.4	—
Public utilities	121	388	746	—	16.2	—
Other services	1,075	2,452	21,093	—	5.1	—
Government enterprises	—	—	3,361	—	—	—
Real estate rentals, office expendables, packaging	37	60	72	—	51.4	—
Statistical discrepancy						

Table 4. Negative Output Induced (Secondary)

in millions of yen; %

	1975		Percentage		Rate of impact (A)/(B)
	Negative output induced(A)	Output in city (B)	(A)	(B)	
Total	28,266	565,319	100.0	100.0	5.0
Primary Industry	464	19,162	1.6	3.4	2.4
Agriculture and forestry	7	1,172	0.0	0.2	0.6
Fisheries	457	17,990	1.6	3.2	2.5
Secondary Industry	6,771	305,290	24.0	54.0	2.2
Mining	481	18,163	1.7	3.2	2.6
Construction	536	66,219	1.9	11.7	0.8
Manufacturing	5,754	220,908	20.4	39.1	2.6
Tertiary Industry	19,892	229,782	70.4	40.6	8.7
Trade	6,347	62,852	22.5	11.1	10.1
Finance, insurance and real estate	5,704	38,103	20.2	6.7	15.0
Transportation & communication	3,059	50,036	10.8	8.9	6.1
Public utilities	929	12,717	3.3	2.2	7.3
Other services	3,853	51,616	13,6	9.1	7.5
Government enterprises	—	14,458	—	2.6	—
Real estate rentals, office expendables, packaging	328	4,988	1.1	0.9	6.6
Statistical discrepancy	811	6,097	2.9	1.1	13.3

Table 5. Negative Jobs and Population Induced (Secondary)

in number of persons; %

	Negative jobs induced	Negative population induced	1975		Rate of impact	
			Jobs	Population	Jobs	Population
Total	6,393	13,988	91,383	206,842	7.0	6.8
Primary Industry	94	307	3,647	—	2.6	—
Agriculture and forestry	3	14	635	—	0.5	—
Fisheries	91	293	3,012	—	3.0	—
Secondary Industry	630	1,663	26,754	—	2.4	—
Mining	114	419	3,615	—	3.2	—
Construction	108	301	11,155	—	1.0	—
Manufacturing	408	943	11,984	—	3.4	—
Tertiary Industry	5,654	11,980	60,910	—	9.3	—
Trade	2,537	4,772	21,200	—	12.0	—
Finance, insurance, and real estate	607	1,251	3,745	—	16.2	—
Transportation and communication	756	2,310	10,765	—	7.0	—
Public utilities	75	216	746	—	10.1	—
Other services	1,679	3,431	21,093	—	8.0	—
Government enterprises	—	—	3,361	—	—	—
Real estate rentals, office expendables, packaging	15	38	72	—	20.8	—
Statistical iscrepancy						