

The Canadian seafood industry is facing a number of challenges and its ability to deal with them will determine its future viability and prosperity. The marketplace will dictate behaviour based on price, quality and service with all three elements expected to intensify.

The basic key themes dominating the environment which the fishing industry is facing can be summarized as follows:

(1) Change is a fundamental reality affecting supply capabilities, environmental awareness, health considerations, improvements in processing technology and packaging, and efficiencies in transportation. The trade policy framework recognizes the need for significant structural adjustment which is occurring to some degree. The single largest challenge facing the fishing industry is one of attitude and the will to change. The challenge is to foster domestic policy initiatives that are complimentary to trade development objectives.

(2) Growing competition has resulted in many new suppliers and alternative species entering the global marketplace more aggressively and in some cases buyers may not remain loyal to the traditional species mix offered. Costs of marketing are increasing as are the number and range of products being offered. There is a need for more generic marketing approaches, at least for some species. New techniques need to be developed to support the funding of marketing efforts.

(3) Demand can only go up as markets expand and new opportunities emerge, especially in more affluent developed countries. An ability to create and successfully market value-added products will be essential to industry profitability. The worldwide demand for protein for human consumption will continue to increase with the growth in world population, particularly in developing nations.

(4) Growth in Aquaculture species can mitigate to some extent the seasonality constraints associated with traditional wild-capture fisheries and reduce the fluctuating swings in prices because of seasonal shortages. Both of these areas will require significant investments and risk to the investors.

(5) Education is required to enhance awareness of the health benefits of eating fish and the versatility in cuisine. There is a need for more marketing training by industry itself so that managers, brokers and distributors better service their customers. Myths concerning taste, availability, ease of preparation and safety have to be dispelled about non-traditional species, farmed fish and shellfish.

(6) Multiplicity of markets: the Trade Commissioner Service network has identified more than 42 posts that hold fish and seafood as a trade development priority. While the U.S., Japan and Western Europe continue to be the most important export markets, significant new niche opportunities are emerging in many other countries and regions.