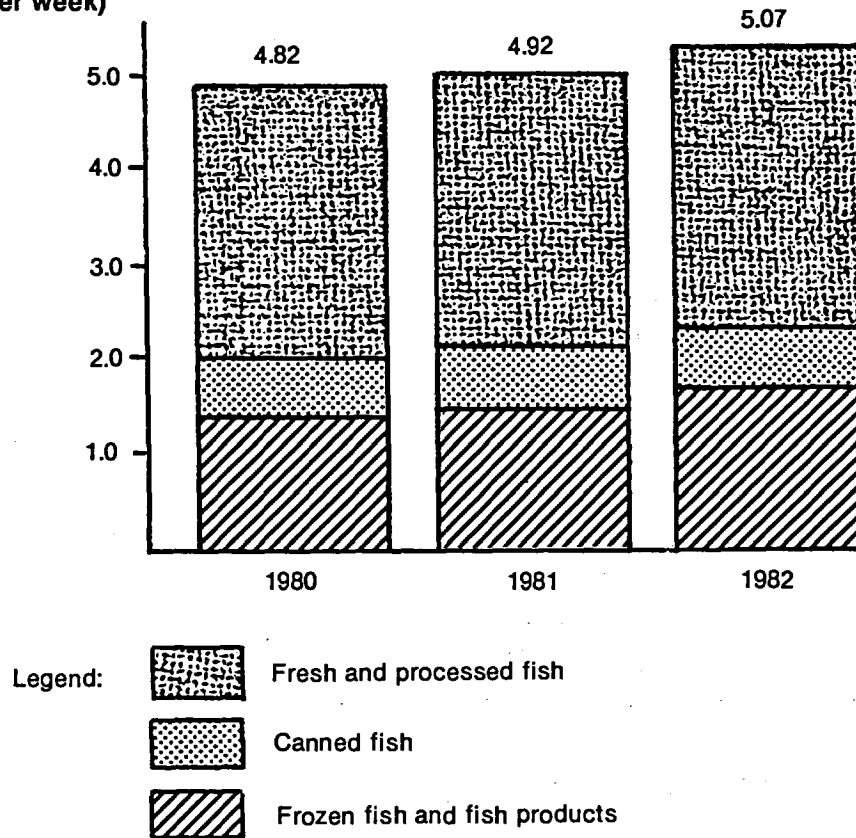


**Chart II**  
**Consumption**  
**(Ounces per capita per week)**

(Ounces per capita per week)



Source: U.K. Government estimates

There are major imports of frozen and canned *salmon*. *Redfish* and *halibut* imports have been very small.

*Shellfish* remains in good demand in the U.K. *Live lobsters* are normally in a competitive position outside the domestic season. *Crab* is in good demand but U.K. importers are turning to new sources of lower-priced canned crab. *Shrimp* (prawns) has been in short supply in Britain and demand is usually fulfilled with the warm-water species.

#### Market Potential for Canadian Exports to the U.K.

The immediate market in the U.K. is likely to continue to be for semi-processed products. To increase the Canadian market share, Canadian products must compete in price, continuity of supply, standards of packaging, and above all be of consistently high quality.

Market penetration by Canadian companies with value-added products has been limited, although the potential remains high in the long term. This segment of the British market demands a high-quality, attractively packaged product which can be sold in supermarkets. High tariffs, however, make market penetration difficult.

Demand for Canadian fish and fish products varies in relation to British domestic supply, other sources

(e.g., Norway, Iceland and some EEC countries) and the Canadian dollar/pound sterling exchange rate.

*Cod* remains the most popular species among British consumers. Provided that the Canadian price remains competitive, exports of Canadian cod are expected to increase.

There should be some small potential for *haddock* for Canadian exporters in frozen round, or frozen fillets, subject of course to the price, tariff and quality constraints which hold for cod.

Consumption of *herring* has been declining because of higher prices and lack of availability over recent years. High prices also turn consumers to other products from which they may not be won back. Requirements for Canadian herring will vary in relation to the quantity and quality of U.K. herring landings, demand for herring substitutes, and price.

Frozen and canned *salmon* are Canada's major fish exports to Britain. Frozen salmon enters under a duty of 2.8 per cent. Some inroads may be made with such specialty items as *smoked salmon* and *salmon roe*.

A major factor likely to mitigate against the continuing increase in Canadian frozen salmon exports will be the degree of U.K. consumer acceptance, and the production economics, of farmed salmon in the U.K. and Norway.