

1. INTRODUCTION AND EXECUTIVE SUMMARY

As expected, the commercial fish landings in the U.S.A. experienced a period of growth shortly after the declaration of the 200-mile limit in 1977. In New England, landings increased from 580 million pounds in 1977 to 828 million pounds in 1980. This was made possible by displacing foreign fishing in the 200-mile zone and by an expansion of the domestic fleet.

However, the growth in landings was short-lived as over-exploitation of the major fishery stocks quickly developed. By 1987, total landings had dropped to 545 million pounds, back to about the same level as in 1976, the year before the 200-mile zone was established. A continuing drop in landings is expected in the foreseeable future.

A disastrous economic impact of the declining landings has been avoided, at least up until recently, thanks to increasing prices in the marketplace and at the dock. However, overall demand for seafood has softened in recent months and prices to the fishermen have dropped significantly. As a result, the New England fishermen and primary processors (fresh seafood processors and distributors) are now faced with a future of declining income or with a decision to get out of the fish business altogether.

In 1986, the latest year for which detailed data are available, all seafood products landed, imported and processed in New England were valued at over \$ 6.8 billion at the consumer purchase level. It generated over \$ 3.8 billion of direct and indirect income for industry participants and resulted in about 350,000 person-years of employment.

About \$ 327 million of income was earned by the harvesting or fishing sector, \$ 1,056 million by the wholesaling and processing sector, and \$ 2,405 million by the retailing sector (in both the foodservice and the retail market segments).

In terms of employment generated, 17,000 person-years were in the harvesting/fishing sector, 55,000 in the wholesaling/processing sector, and 275,000 in the retailing sector.