

III - U.S. INDUSTRY OUTLOOK

The assessment of the outlook for the U.S. fish and fish products industry requires the coincidental assessment of the prospects for agriculture and the food products and service industries, as well as an investigation of trends in fish and seafood consumption levels in specific regional markets in the United States.

U.S. demand for fish and fish products has maintained steady growth as a direct result of increased health consciousness and the changing nature of demand for food products. These factors have led to increasing levels of consumption for fish and fish products and a situation in which per capita consumption has reached 15 lb. per annum in 1986.

The outlook for the seafood industry involves a scenario of maintenance and/or modest growth of shipments in a highly competitive U.S. market for food and food products. According to the U.S. Department of Commerce, the value of seafood industry shipments is expected to increase 3% annually for the period 1988 through 1990.

U.S. IMPORTS OF FISH AND FISH PRODUCTS

U.S. imports of fish and fish products from selected countries are summarized in Appendix 2. As the appendix demonstrates, the largest suppliers to the U.S. market include Japan, Iceland, Denmark and Norway, which together accounted for approximately 16% of total U.S. imports in 1986. Canada remains the single largest supplier of fish and fish products to the U.S. market, with total U.S. imports of Canadian products valued at \$1.62 billion in 1987. Canada's imports from the U.S. for the same period totalled \$365 million, with a resulting trade surplus of \$1.26 billion in Canada's favour.

Appendix 3 provides a comparison of the relative position of Canada, Japan, European and other competing countries in accessing the U.S. distribution system through the major entry points. Canadian fish and fish products enter the U.S. primarily through Boston and New York. At the present time, comparatively few Canadian products gain access to the system through Atlanta, Chicago or Los Angeles.