

## FISH AND SEAFOOD PRODUCTS

Japan is the world's largest import market for agricultural, fishery and food products. In order to supplement domestic food supply, the country imported US\$51.5 billion in food products in 1995, with seafood the most significant food import, at US\$17.5 billion. As the world's largest consumer market for fish products — importing more than one third of the world's exports — the Japanese consume an average of more than 72 kilograms per capita annually (more than five times the world average).

Imports of fish and fisheries products into Japan in the first half of 1996 amounted to 1.689 million tonnes, valued at 881 billion yen (US\$8.3 billion or C\$11.9 billion), down from US\$8.6 billion in the same period in 1995. The volume decreased by 2.2 per cent from 1.727 million tonnes for the same period in 1995, but the value in yen terms increased by 7.8 per cent from 816 billion yen.

Japan is Canada's second most important market overall and, in some cases, the only market for many of Canada's seafood exports. Imports from Canada in the period of January-June 1996 decreased by 13 per cent in volume, from 21.7 tonnes in the same period in 1995 to 18.9 tonnes in 1996, and by 7.4 per cent in yen value, from 22 million yen in 1995 to 20.4 million yen in 1996. However, in Canadian dollars, this decrease was 26.7 per cent (from \$350.3 million in 1995 to \$259 million in 1996), reflecting this year's strengthened Canadian dollar against the yen.

This decline in volume and value was caused mainly by the drop in imports of salmon (both frozen and fresh salmon) and the delay in the import of snow crab, compared with last year. The resumption of the capelin

fishery in Newfoundland is expected to add more than 12 000 tonnes of capelin to the total import volume of fish in the latter half of this year. Moreover, the B.C. salmon catch (which was better than was expected before the season opened) is expected to contribute to increasing both volume and value of imports from Canada for the rest of 1996.

### *Market Opportunities*

While there is only one area in which Canada is the only exporter supplying a product (surfclams), there are many areas in which Canada is considered the top exporter — because of quality, consistency of supply, value, taste, or marketing efforts. Salted and frozen herring roe, snow crab, and live and frozen lobster (identified as "homard lobster" in Japan) are good examples of this, and Canada is the number two supplier of northern shrimp. In addition, there is the realization in Japan that Canada is a country that has high production standards, an attribute taken seriously by the Japanese since it matches their vision of their own country. Canada is also associated with images of beauty, nature, good health, abundance, and a pristine marine environment. Canada has managed to maintain this positive image despite the vigorous efforts of other countries to promote their own products on these same strengths.

Japan continues to be a dynamic market, with radical changes in the way seafood is distributed offering significant opportunities for buyers and sellers to come closer together. At the same time, the "price destruction" revolution instigated by consumers is increasing pressure, particularly on retailers, to lower prices. Since most of