

It is important to relate U.S. imports and exports of meat and meat products to U.S. domestic production and consumption trends. Appendix 12 gives the breakdown of selected U.S. federally inspected processed meat production for the years 1981 to 1987 in the product categories which should be of interest to Canadian exporters.

During the period under review, production of smoked, dried or cooked pork products has remained relatively static at close to 4 billion pounds, and that of sausage products at about 5 billion pounds. Canned ham and luncheon meat production has steadily declined. In general, production of the various miscellaneous canned meat/sausage items has also declined. The decrease in domestic production has been largely offset by increased imports of these products, chiefly from European sources, either the EEC or Communist block countries. Quality and price have played a large part in the shift from domestic to imported product.

During this same period, Canadian exports to the United States of products in these categories have also increased dramatically. Appendix 13 shows Canadian exports to the United States for the years 1984 to 1987, inclusive, for both fresh and fresh, frozen pork and processed meat products. Products listed in CITC codes 13-23, 13-24 and 13-29 include both cured and cured and smoked product. While the Canadian exports of processed product represent only a small fraction of the total imports, there are niches to be found in the market for specialized high quality products. With the growing trade conflict between the United States and the EEC, there is reason to believe that Canadian exporters can successfully increase their share of the U.S. market.

In the short term, the USDOC expects beef production and consumption to decline and that of pork and poultry to increase. While consumption in the beef industry is expected to continue its decline over the next five years, industry profits will increase through product innovation ("value-added" products) and the closing of inefficient plants. The USDOC forecasts an annual increase in the value of meat shipments of 1.4%-2.3% and a doubling of exports by 1992, as Pacific Rim markets become more accessible.

This chapter has provided a definition of the products included within the scope of this report, the criteria used for their selection and a summary of U.S. imports of those products for 1982-87. Where available, a short-term outlook for the corresponding U.S. industry has also been provided. As this report is intended only to provide a sectoral overview and an indication of the opportunities