It is difficult to predict the volume of wild salmon that will be harvested in any given year. This can impact on the ability to guarantee supply availability and conversely causes serious price instabilities in the marketplace, particularly if catches are larger than anticipated.

Canadian suppliers of fish and seafood products including salmon are sometimes slow to follow-up on trade leads and inquiries and do not always put sufficient effort into servicing their accounts.

5. SECTORAL MARKET PROBLEMS

A. TRADE BARRIERS

Tariffs and NTBs (phytosanitary, packaging and labelling requirements, inspections) are not a major factor particularly where there is no indiginous production of salmon. Tariff differentiation between wild and farmed salmon does not exist in the H.S. tariff structure. Some degree of tariff protection, however, exists vis à vis competing products such as canned tuna. Given the importance of Canadian exports of salmon and salmon products, access impediments in particular jurisdictions of interest have been identified and are being pursued as a priority in the MTN.

1. TARIFFS

To the extent tariffs are reduced or eliminated, prices for salmon will be somewhat lower in markets of interest making it more competitive relative to other protein products. So too, the reduction of margins of preference (e.g. Norway - EFTA/EC preferences, Chile - GSP/GPT in many markets) would confer advantages to Canadian exporters. Implementation of the NAFTA will provide improved access to the Mexican market, although key competitors such as the USA (Alaska) and Chile will also enjoy preferred tariff access to that market.

EC Reference Prices are not really a factor for Canadian exports to the EC as Canadian salmon is generally priced at or above the reference levels. There are virtually no Canadian exports of fresh or frozen Atlantic salmon - shipments being limited to Pacific species used primarily for further processing such as smoking.

2. NON-TARIFF BARRIERS

Phytosanitary regulations are perhaps the most difficult constraint facing Canadian exporters in many markets. In the US, listeria is an ongoing issue especially for smoked products together with delays in inspection. In the EC, problems have been encountered in France and Italy regarding drained weight requirements for canned salmon and rethawing requirements for frozen salmon destined for