

the meat department. Fish displays feature special offers, free samples, recipes and pamphlets, as well as special sauces and equipment used in making appetizing fish meals.

The freshwater fish producers of Canada have their best opportunity for growth in this country. To date, producers have not taken the time to achieve full penetration of the Canadian retail market and have failed to demonstrate how profitable a fresh fish operation can be in a supermarket. In consultation with fish retail specialists from chains in the United States, who regard their fresh fish operations as a leading source of profit, Canadian management could test new marketing strategies in supermarkets.

With regard to the development of the domestic market for freshwater fish on a larger scale (including the Central Canada markets) the Committee recommends that:

(18a) The Department of Fisheries and Oceans extend its program of emphasizing quality in the freshwater fish marketing with the objective of enhancing the image, and thereby increasing the consumption, of freshwater fish.

(18b) The Ontario Council of Commercial Fisheries, in co-operation with other industry associations such as the Ontario Fish Producers Association, undertake to develop and promote the sale of freshwater fish in the major supermarket chains in Ontario.

(18c) The freshwater fishing industries of both the Western and Ontario Regions, with the help of the federal, provincial and territorial governments, form an association for the purpose of developing generic advertising campaigns aimed at domestic consumers.

In addition, participating companies should be encouraged to share their ideas for improvement. They have more to gain from an overall enhancement of the image of the industry than they would lose to competition through the sharing of ideas. For example, improving fish scaling operations, sizing, packaging, product development and promotion, would lead to a greater acceptance of the product both at home and abroad.

4.3.2 Product Substitution

As the demand for fish has grown, so have prices. In fact fish prices have risen faster than those of any other food sector in the last decade in Canada and the United States. Though this is not yet evident, experts believe that product substitution by consumers will begin at the upper and lower ends of the price scale. Premium products like Arctic char are beginning to run into some price resistance amongst middle income earners as people buy less expensive fish or choose meat instead. At the lower end of the scale, lower income consumers have begun to switch to poultry products which are cheaper because they are produced in the vicinity of most major cities. If fish prices continue to rise, consumers will be persuaded to switch to aquaculture products.

4.3.3 The Growth of Aquaculture

To date there has been no serious market research into the likely impact of aquaculture on the fishing industry, freshwater and saltwater alike. Nevertheless, it