

- Canadian capelin will be in a more favorable position than Norwegian capelin due to its much larger sizes, assuming that the size of Norwegian capelin is the same as the size before the closure of the fishery. The preference for larger sizes is expected to continue in the Japanese industry as long as the labour shortage exists and consumers prefer larger sizes. Trade contacts forecast that the export market for smaller sizes will be severely reduced in 1991.

Category	1989	1990	1991
Greenland	100	100	100
Other	100	100	100
Total	200	200	200

* Based on 50 percent female

Prices (per kg)

Year	1989	1990	1991
Export to Japan	300-320	300-320	300-320
Export to other	250-300	250-300	250-300

Market Situation and Outlook

- Total Japanese imports of capelin in 1990 decreased by 10% from 1989.

- The market for this species is reported to have softened particularly as a result of the serious labour shortage in the Japanese fish processing industry, which has curtailed processors' willingness to process low value-added products.

- Norway has decided to reduce their capelin fishery in 1991 and has sent two missions to Japan since its announcement of the resumption. The 1991 Norwegian target quantity for the Japanese market is 2,000 metric tons of red capelin and 2,000-3,000 metric tons of capelin roes.

- The response by Japanese importers to Norwegian capelin has not yet become clear. However, due to the industry's strong demand for capelin roe at the moment, it is reported that some importers will have to buy the capelin as well.