

INTERNATIONAL COMPETITIVENESS PROFILES

The Fisheries Sector

Section I - Scope of Sector and its Place in the Economy

- Production in the fisheries sector accounts for 0.3 per cent of national GDP and 1 per cent of national employment. On a regional basis, its importance is more pronounced with GDP shares ranging from 2-6 per cent and an employment share of 5 percent in Nova Scotia, Newfoundland and P.E.I.
- Real fishery GDP increased by 55 per cent from 1974 to 1982 due to increased resource access (particularly since the declaration of the 200-mile limit in 1977) and the development of new markets.
- X - Canada ^{exports} is the world's largest exporter of fish products. Total in 1984 amounted to \$1.6 billion while imports were \$500 million.
- The fisheries sector is heavily export-oriented and committed to substantial liberalization of trade barriers. In 1984, 80 per cent of fisheries production was exported and the main markets were the United States (61 per cent), Japan (15 per cent), and the EEC (13 per cent).
- In 1984, imports made up 63 per cent of the \$719 million apparent Canadian market and 56 per cent of this amount originated in the United States. The remaining 44 per cent of imports originated from a broad range of different countries.
- Tables I-III provide statistical details.

Section II - Structural Characteristics

The fisheries sector plays a relatively minor role in the national economy but, at the regional level, accounts for an important share of activity in several provincial economies and in hundreds of rural or remote communities where alternative employment opportunities are limited. The sector also suffers from low labour productivity: 20 per cent of Newfoundland's ~~employed~~ ^{is presently} engaged in this industry but accounts for only 6 per cent of its GDP. Table IV indicates that the industry's activity is concentrated in Nova Scotia (28 per cent of total value added), British Columbia (26 per cent) and Newfoundland (22 per cent). The industry also plays an important role in New Brunswick, P.E.I. and Quebec at the sub-regional level.

As is the case for many manufacturing sectors, a small number of fish processing establishments (i.e. plants not firms) is responsible for a large proportion of total production and employment: in Table V nine per cent of establishments is shown to be responsible for about one-half of total output and employment.

Table VI shows that the six largest firms accounted for 57 per cent of the industry's estimated gross sales in 1984. The little foreign ownership that does exist is mainly of U.S. or Japanese origin.

The industry is relatively unconstrained in making decisions on where to obtain raw material inputs. Unprocessed fish is the most important input which is mainly obtained from Canadian fishermen.