

flavouring and further processing in Japan. Imports grew dramatically to reach 10,000 tonnes in 1988, and Canada was the major supplier with some 83% of the market with an export value of \$80 million. Other important suppliers are Ireland, the Netherlands and the UK. In 1989 the market slowed sharply and there was a high inventory carry over. As a result Canadian exports were reduced by less than half to only 4300 tonnes. Prices to exporters also declined.

1990 shows signs of becoming a normal year. Inventories in Japan have been reduced and prices have risen steadily since Christmas. It is expected that Atlantic Canada will produce around 9,000 tonnes in 1990 and prices are expected to be more stable.

Herring roe has been the major factor in the revival of the Atlantic herring fishery. However, the rapid growth of the industry has not been without problems particularly those relating to quality standards. More can be done to upgrade the quality of Canadian roe. EAITC is concerned that Canada maintain its share of the lucrative Japanese market. In 1988, as part of a strategy for Atlantic herring roe the department has supported publication of a study on technical standards for Atlantic roe. This was followed by a processors mission, including a representative from PEI to Japan which had the opportunity to view at first hand the reprocessing of roe and to compare quality standards of Canadian roe with those from other countries. The results of this mission were disseminated at seminars in Moncton and Yarmouth early last year. As the next step, we are now awaiting the results of a study of attributes of Atlantic roe consumers initiated by CAFE under the Program for Export Market Development. This will provide guidance on the direction of promotional activities to ensure longer term market growth for Canadian roe.

Conclusion

In concluding I would like to thank the organizers of the conference for the opportunity to talk about EAITC's activities in promoting Canadian seafood and to review market prospects for a number of species of interest to PEI.

The demand for seafood is growing worldwide, and Canada has strong supply capability for many species. We also have a well deserved reputation for quality standards and benefit from a clean natural environment. The international seafood market has changed dramatically in the past few years with increasing emphasis on product quality and concerns over health.

The trading environment has also become more competitive with the growth of aquaculture and the development of low cost underutilized species. The formation of closer trading relations with the United States through the FTA and the integration of the European Community in 1992 also poses challenges and opportunities for Canada. I am sure that you will agree that the 1990's will be an interesting period for Canadian seafood exports. Thank you.