

of the herring fishery diverted attention to mackerel, which is now being overexploited.

Community fishermen also lost fishing opportunities in third country waters, including Canada. Losses in third country waters were felt most by British, French and German companies which had invested in distant water vessels. Some access was regained by excluding eastern European countries from Community waters.

Catches by individual EEC member states are presented in table 1.2 Denmark records the highest catch but 80% of this consists of industrial species such as sandeel, sprat and Norway pout. The country of most interest to Newfoundland producers is the United Kingdom, and its catch by major species is given in table 1.3 For the important groundfish species, the U.K. has benefited favourably from the CFP, which is to say that its import requirements could be reduced.

The tonnage of the Community's fishing fleet is the third highest in the world after that of the Soviet and Japanese fleets. Spain alone possesses a fleet whose tonnage is equivalent to almost three quarters of the fleet of the Community of Ten.

Investment is now concentrated in vessels under 500 GRT adapted to inshore fisheries. There is recent evidence of some recovery of the fleets of the United Kingdom and other member states in this category. This reflects a retreat into the Community's own zone as distant water fishing opportunities have been lost and foreign vessels have been phased out of the Community zone. The Community, through its structural policy, absorbs part of the cost of the fishing fleet's adaptation to changed circumstances.

IV. TRADE

The introduction of 200 mile fishery zones in 1977 greatly stimulated trade in fish products between the Community and third countries. As catches by Community vessels of cod and other prime species dwindled, it became increasingly necessary to rely on imports to satisfy demand. The Community imports annually around one million tonnes of fish from third countries. This amounts to a quarter of