

As a result of the declining domestic supply and steady domestic demand, Japanese imports of fisheries products are expected to at least remain constant. In the short term, most growth is expected to be in low and medium priced products, as Japanese consumers reduce their consumption of expensive fish products. This change is a result of the economic slowdown, which has reduced both consumers' disposable income and corporate entertainment expense accounts, which had been used to purchase expensive meals, including a large number of fish products. However, sales of more expensive Canadian products such as lobster still have growth opportunities as market penetration is still fairly limited. Other Canadian fisheries products such as surf clams, sea urchin roe, crab, halibut and shrimp, to name only a few, offer good prospects for increased exports, as well.

Consumer tastes are changing with wider exposure to Western-style foods, more working women, and rising incomes. However, the fish products sector is changing more slowly than other parts of the food market, largely as a result of the traditional nature of seafood in the Japanese diet. In Japanese consumers' eyes, the most highly valued seafood is live (largely consumed as sashimi), followed by chilled, then frozen, and finally processed foods. Seafood comprises less than 10% of the rapidly growing market for frozen foods, despite its importance in total food consumption. Consumers are becoming more health conscious, and this has affected sales of some products. For example, more lightly salted salmon is growing in popularity. As well, consumers are looking for convenience. For instance, Pacific herring roe requires soaking for up to 48 hours before consumption, whereas Atlantic herring roe can be consumed at once. As a result, sales of Pacific roe have declined, except for the high end gift market, while demand for Atlantic roe has grown.

Tastes vary in Japan with regard to fisheries products. Certain regions have historical preferences for certain products. Exporters interested in the various regions of Japan should plan on visiting these areas to learn more about regional preferences.

The proportion of male marine fishery workers 40 years of age and over has risen from 74% in 1987 to 79% in 1991 (figures are not available for female workers). This is having an effect both on the volume of fish products caught, and on the cost of labour in fish processing firms, and this has led to greater Japanese investment in overseas processing facilities. While most of the money has gone to countries such as China, Vietnam, and Thailand, where labour costs are low and distances from Japan small, there has also been some investment in Canada. As well, Canadian exporters with experience in the Japanese market are finding that their regular importers are inquiring about products processed to a further degree,