

Introduction — The Freshwater Fish Industry

1.1 Comparing the Fisheries of the Western and Ontario Regions

An understanding of the differences between the ways in which the two regions organize the marketing of freshwater fish is important to the analysis which follows. The Ontario fishery is a mosaic of private sector operations — a fragmented industry — while the Western Region's fishery processing and marketing are controlled by a Crown corporation.

The private sector or free-enterprise concept of marketing which prevails in the Ontario Region is very similar to that of most industries producing and selling commodities. In this model, a wide range of integrated fishing operations catch, process and market the available fish for the highest possible return. These companies compete with each other to sell similar and often identical products to the domestic as well as the export markets. But, since the products they market are often in direct competition with equivalent or substitutable products from other sources, the Ontario fish suppliers can hardly influence price levels. The essence of the competition for the local producers boils down to pricing which in this situation is the principal factor that influences buyers' decisions. Once the price challenge is met, other factors such as quality of product, reliability of supply and efficiency of service come into play to enhance competitiveness.

When a product is highly processed for further value addition, its marketability increases and pricing can be administered more flexibly. New product forms can be developed and new markets opened up, invariably rewarding the innovator with better returns and a competitive edge.

Under the single-desk selling system, on the other hand, one organization is the only buyer and seller of a commodity produced in a specific geographic area. Single-desk selling operations occur in a wide variety of industries but provide their greatest overall benefit when they are created to consolidate the efforts of disparate and dispersed production. They can also be useful in industries where production varies widely according to the season. Streamlining of the marketing process can be achieved with single-desk selling which should impact positively on the returns to the fishermen as well as the processors. Greater control can be exercised over factors such as quality