

SECTOR:

FISHERIES PRODUCTS

1. Market Opportunity Overviews

Canada's fisheries products exports will remain highly dependent on three main markets - US, EC and Japan. In response to the strong US dollar and weaker EC currencies, Canadian exporters have attempted to increase their sales, particularly of groundfish, to the former. They are also trying to preserve markets in the latter in anticipation of a return of strengthened economies and improved sales of groundfish and shellfish. In spite of a recent decline in sales volumes, Japan becomes increasingly more important as an outlet for such products as herring, herring roe, crab, redfish, capelin and squid.

Brazil's recently more relaxed import regulations present opportunities particularly for saltfish. Africa cannot afford to purchase most Canadian species, and in many cases is not equipped to handle frozen fish, therefore sales possibilities are limited. However, an opportunity to increase sales may lie in expanded use of food aid expenditures to supply dried and canned fish to some African countries.

If Eastern Europe, and in particular the USSR and Poland, accept to meet their purchase commitments and the GDR continues to buy, these sales will be of value particularly in removing excess supplies that can push prices down.

More emphasis on underutilized species to traditional and non-traditional markets should increase sales of these products.

2. Current Access Constraints

In Canada's two most important markets, the US and the EC, access concerns exist. In the case of the US, possible countervail and anti-dumping findings as well as US reaction to the Gulf of Maine settlement could result in market disruptions. Stricter application of labelling regulations could reduce sales of freshwater fish from Canada. Spanish and Portuguese accession to the EC may result in terms that are less favourable to Canadian exports to an expanded EC. Until currency values in the EC rise, Canadian exports will continue at lower levels.

3. Canadian Export Capabilities

A number of positive resource developments augur well for increased export sales. These include the forecast of a substantial increase in groundfish landings, an improved management of species in the Gulf of Maine, and better control of the west coast salmon and the enhancement program as a result of the Cda/US Pacific treaty.