



These items include a wide range of pre-cooked/prepared desserts, breakfasts, appetizers, complete dinners and entrées. The North American market continues to see new products being introduced in this category to enhance the traditional lines of frozen vegetables, seafoods and bakery goods. As a result, frozen food products lead growth in retail grocery sales throughout Canada and the United States.

Food service expenditures are accounting for a stable proportion - between 38 and 40 percent - of total North American consumer spending on food, growing in step with food sales for at-home consumption. Because of the rate of innovation in menus, the wide range of specialty ethnic restaurants, and the need for food service operations to provide consistent flavours, quality and serving portions, food service demand is creating added opportunities for processors to supply a widening range of ready-to-cook, portion-controlled foods.

STRONG GROWTH IN EXPORTS TO THE U.S.

Growth in exports of food and beverage products into the United States by all countries has been very strong, increasing by more than 5 percent, or a billion dollars annually, in recent years. As the largest trading partner of the United States, Canada has accounted for a strong share of this growth in U.S. imports. Among the fastest growing Canadian exports to the U.S. are fats and oilseed products, processed grain products, processed fruits and vegetables, sauces and condiments, snack foods and confectionery products, bakery products and alcoholic beverages. This has involved a wide range of products and presented numerous opportunities to Canadian-based processors.

ETHNIC FOODS

North American consumers are becoming increasingly accustomed to sampling imported specialty foods. Consumers are likewise more receptive to trying new domestic products modelled after imported foods and beverages. As evidence, one need only note that more than 12,000 new domestic and imported food products are introduced in North America every year.

North Americans want more flavour and more variety in what they consume. This has led to a dramatic growth in sales of specialty sauces, spreads and condiments. Between 1991 and 1994, Canadian sales of these types of products grew by more than 30 percent.