



CANADA'S FISH AND SEAFOOD TRADE WITH JAPAN, 2018



**ECONOMIC POLICY AND RESEARCH
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CANADA'S FISH AND SEAFOOD TRADE WITH JAPAN, 2018

Highlights

- Canada's fish and seafood exports to Japan were valued at **\$287M¹**, accounting for 4 per cent of total Canadian fish and seafood exports by value. Japan is Canada's fourth largest export destination by value after the US, China and the EU.
- Canadian fish and seafood export value to Japan decreased 18 per cent (-\$62M) between 2017 and 2018.
- Quantity of exports was 28 thousand tonnes with a 17 per cent decrease from the previous year, while fish and seafood export prices decreased 1 per cent during the same period.

CANADA'S TOP 3 FISH AND SEAFOOD EXPORTS TO JAPAN, 2018

SPECIES	VALUE of Exports (\$M)	CHANGE ² of Values (%)	CHANGE of Volumes (%)	CHANGE of Prices (%)	SHARE of Exports (%)	CAGR ³ of Value (%)
Crab	61	-45.7	-47.0	2.5	4.7	3.1
Salmon	58	60.9	40.4	14.7	4.9	12.1
Lobster	47	-21.1	-31.4	15.1	2.1	0.2
Other	121	-13.8	-16.6	3.4	5.5	-1.8
Total	287	-17.6	-16.8	-1.0	4.2	1.8

- Top species exported were **crab⁴** (\$61M of which 99 per cent was snow crab), **salmon** (\$58M) and **lobster⁵** (\$47M), accounting for 58 per cent of total Canadian fish and seafood export value to Japan.
- Main other species exported to Japan were herring (\$34M), shrimp/prawn (\$18M), and sea urchin (\$11M).
- Top exporting provinces were **British Columbia** (\$122M), **Nova Scotia** (\$68M) and **New Brunswick** (\$48M).
- Canada's fish and seafood imports from Japan were valued at \$42M, representing 1 per cent of total Canadian fish and seafood imports by value. The top imported species by value were scallop (\$7M), salmon (\$5M) and octopus (\$2M).

¹ Trade statistics are sourced from Statistics Canada, and were accessed through: Fisheries and Oceans Canada (2019), EXIM [database], Ottawa. Accessed: March 07, 2019.

² The term "change" indicates yearly change from the previous year, unless otherwise specified.

³ Compound annual growth rate from 2014 to 2018.

⁴ Canadian exports of crab refer to snow crab, Dungeness crab and unspecified crab species. Based on exporting provinces and Canadian crab species landings data, Canadian exports of crab consist principally of snow crab.

⁵ Lobster refers to the *Homarus* species.

ACRONYMS AND NOTES

CAGR	Compound annual growth rate
CPTPP	Comprehensive and Progressive Agreement for Trans-Pacific Partnership
DFO	Department of Fisheries and Oceans Canada
EU	European Union
US	United States of America

- 1) Unless otherwise indicated, trade statistics are sourced from Statistics Canada, and were accessed through: Fisheries and Oceans Canada (2019), EXIM [database], Ottawa. Accessed: March 07, 2019.
- 2) When sources other than Statistics Canada are indicated, note that export statistics reported by one territory are often not the same as the import statistics reported by its trade partner. Import statistics often include additional shipping costs, and territories may apply different rules in the accounting of international trade.
- 3) Values are nominal not accounting for inflation.
- 4) Throughout this report's tables, the term "change" indicates yearly change from the previous year, unless otherwise specified.
- 5) Compound annual growth rate (CAGR) is used to take into account variances in growth during interim years.
- 6) Unless otherwise specified, lobster refers to the *Homarus* species.
- 7) Canadian exports of crab refer to snow crab, Dungeness crab and unspecified crab species, unless otherwise specified. Based on exporting provinces and Canadian crab species landings data, total Canadian exports of crab consist principally of snow crab.

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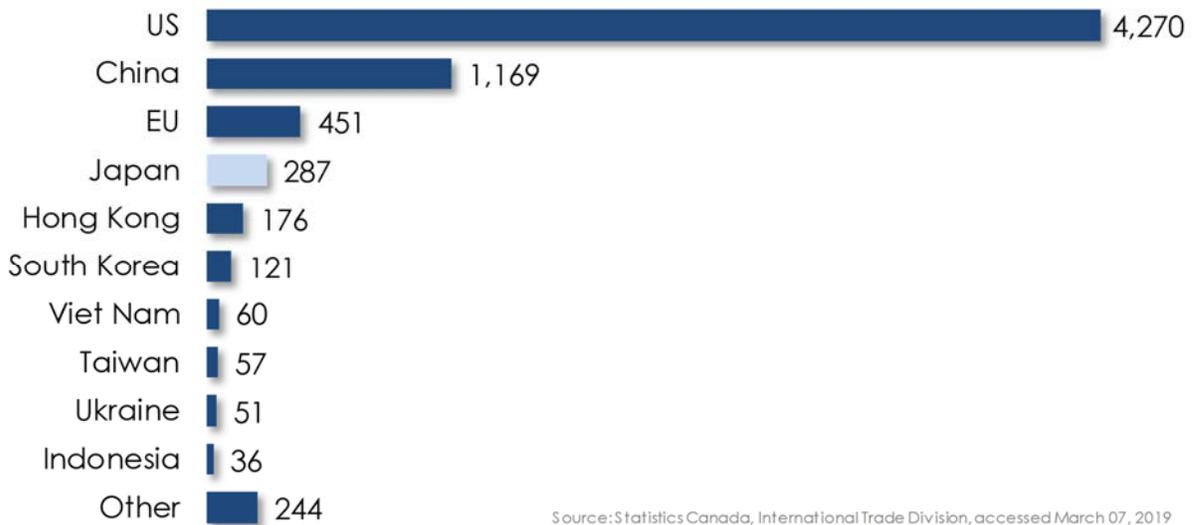
CANADA'S FISH AND SEAFOOD EXPORTS

In 2018, Canada's total fish and seafood exports were valued at \$6.92B with a 1 per cent increase from the previous year. The top five destinations for Canadian fish and seafood exports in rank order of value were:

United States (US)	\$4.27B
China	\$1.17B
European Union (EU)	\$0.45B
Japan	\$0.29B
Hong Kong	\$0.18B

Together, these destinations accounted for 92 per cent of Canada's fish and seafood total export value in 2018.

FIGURE 1 CANADA'S FISH AND SEAFOOD EXPORTS BY DESTINATION, 2018 (\$M)



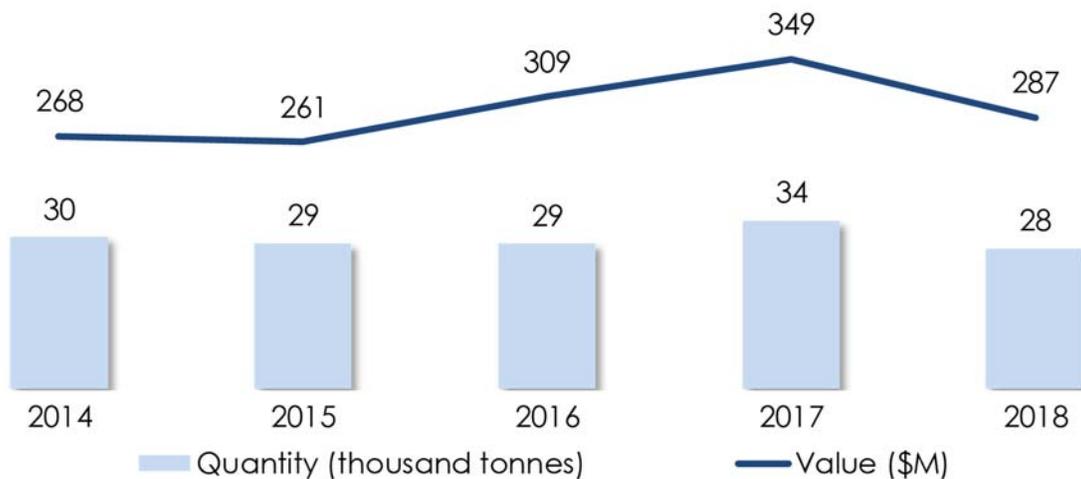
Source: Statistics Canada, International Trade Division, accessed March 07, 2019

CANADA'S FISH AND SEAFOOD EXPORTS TO JAPAN

In 2018, Canada's fish and seafood exports to Japan were valued at \$287M, representing 4 per cent of total Canadian fish and seafood exports by value.

Canadian fish and seafood export value to Japan decreased 18 per cent (-\$62M) between 2017 and 2018. In 2018, the quantity of fish and seafood exports to Japan was 28 thousand tonnes with a 17 per cent decrease since 2017, while fish and seafood export prices to Japan decreased 1 per cent during the same period.

FIGURE 2 CANADA'S FISH AND SEAFOOD EXPORTS TO JAPAN, 2014-2018



Source: Statistics Canada, International Trade Division, accessed March 07, 2019

Since 2014, Canada's exports of fish and seafood to Japan grew 2 per cent annually in value driven by an increase in prices as fish and seafood export prices to Japan grew 4 per cent annually between 2014 and 2018 and quantity exported declined 2 per cent.

TABLE 1 CANADA'S FISH AND SEAFOOD EXPORTS TO JAPAN, 2014-2018

YEAR	VALUE of Exports (\$M)	CHANGE of Values (%)	CHANGE of Volumes (%)	CHANGE of Prices (%)	SHARE of Exports (%)
2014	268	13.2	6.5	6.3	5.5
2015	261	-2.5	-4.0	1.6	4.4
2016	309	18.4	-0.3	18.7	4.7
2017	349	12.8	16.3	-3.0	5.1
2018	287	-17.6	-16.8	-1.0	4.2
Average	295	CAGR 1.8	CAGR -1.9	CAGR 3.7	4.8

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Traditionally a society with a strong fish and seafood diet, Japan continued to be in 2018 the world's 3rd largest fish and seafood importer by value (\$20.4B) after the EU (\$40.6B) and the US (\$30.1B).⁶ In 2018, the top five fish and seafood suppliers by value to Japan were China (18 per cent import market share by value), the US (9 per cent), Chile (9 per cent), Russia (8 per cent) and Viet Nam (7 per cent). Canada was the 12th largest supplier by value of fish and seafood to Japan and held 3 per cent of the import market share in 2018.⁷

In January of 2018, Canada reached a deal in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), a plurilateral free trade agreement among eleven Pacific nations. The agreement was originally signed in early 2016, but was renegotiated as the US decided to withdraw. Upon entry into force, the agreement will eliminate most tariffs on fish and seafood imports from Canada, with the remaining tariffs being phased out over a period of up to 15 years.⁸ Preferential access to the Japanese market is expected to put Canada on a more level playing field with Japan's other major trading partners while better positioning Canada within the Asia-Pacific seafood markets.

⁶ Retrieved March 31, 2019 via the Global Trade Atlas

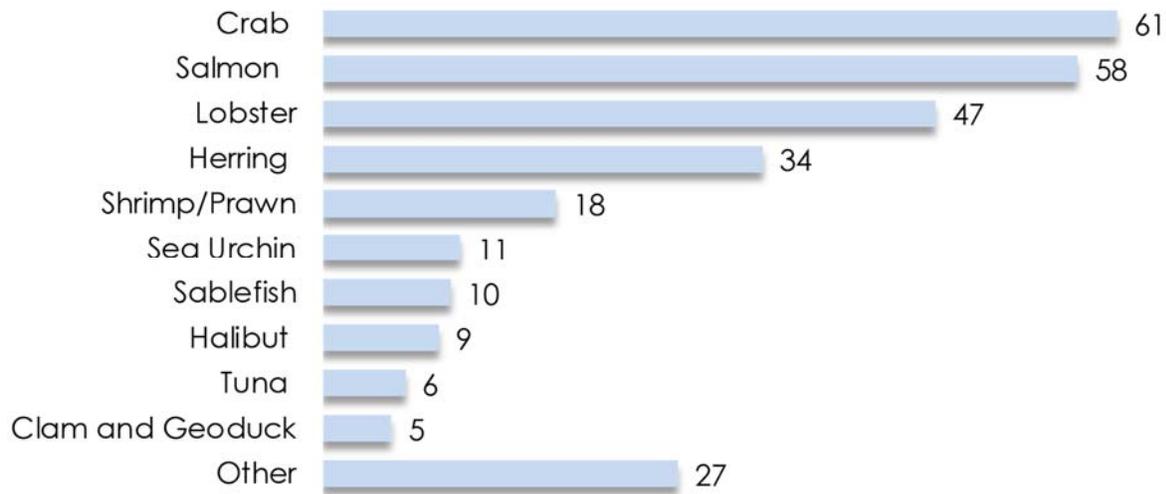
⁷ Japan's reported import statistics collected by the Japan Ministry of Finance, retrieved March 31, 2019 via the Global Trade Atlas.

⁸ Global Affairs Canada, "What does the CPTPP mean for the fish and seafood sector?" Last modified on February 14, 2018, <http://international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/cptpp-ptpgp/sectors-secteurs/fish-poisson.aspx?lang=eng>.

CANADA'S FISH AND SEAFOOD EXPORTS TO JAPAN BY SPECIES

In 2018, Canada's top fish and seafood exports by value to Japan were crab (\$61M of which 99 per cent was snow crab), salmon (\$58M) and lobster (\$47M). Together, these three species accounted for 58 per cent of total Canadian fish and seafood exports by value to Japan.

FIGURE 3 CANADA'S TOP 10 FISH AND SEAFOOD EXPORTS TO JAPAN, 2018 (\$M)

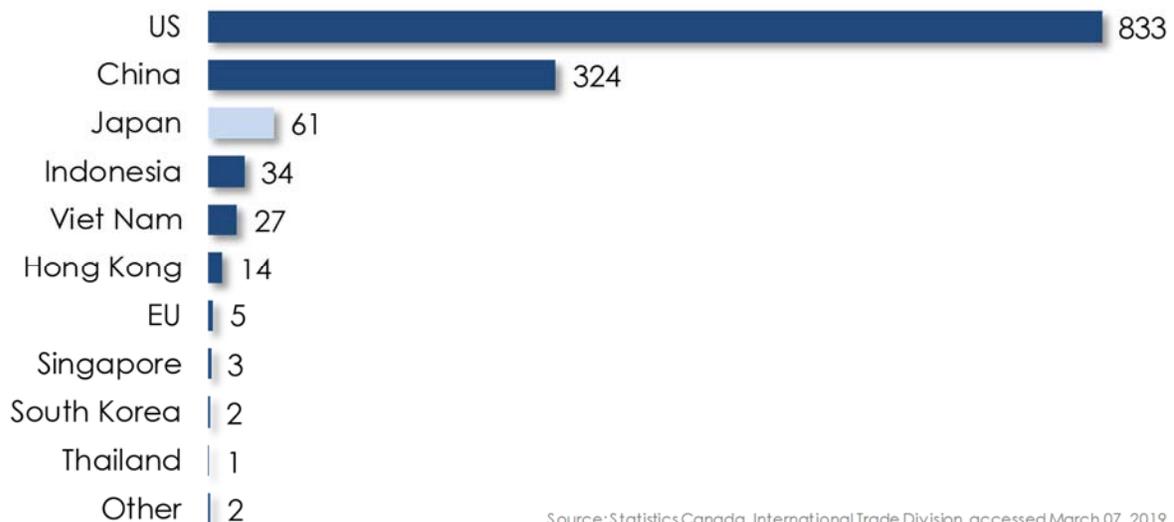


Source: Statistics Canada, International Trade Division, accessed March 07, 2019

Crab (largest export)

In 2018, Canadian crab exports to Japan were valued at \$61M, accounting for 5 per cent of Canada's total crab export value. Japan ranked 3rd, behind the US (\$833M) and China (\$324M) in Canada's reported export value of crab.

FIGURE 4 CANADA'S CRAB EXPORTS BY DESTINATION, 2018 (\$M)



Source: Statistics Canada, International Trade Division, accessed March 07, 2019

In 2018, New Brunswick (\$22M) and Nova Scotia (\$21M) were the main provinces exporting crab to Japan, representing 36 and 35 per cent of Canada's total crab export value to Japan respectively. Quebec (\$15M) and Newfoundland and Labrador (\$3M) followed, sharing respectively 24 and 5 per cent of total crab export value to Japan. In 2018, essentially all of Canadian crab exports to Japan were frozen snow crab⁹.

According to Japan's reported import values, Canada was the second top supplier of frozen crab to Japan in 2018 (21 per cent import market share by value). The top supplier of frozen crab to Japan in 2018 was Russia, with a market share of 61 per cent by value.¹⁰

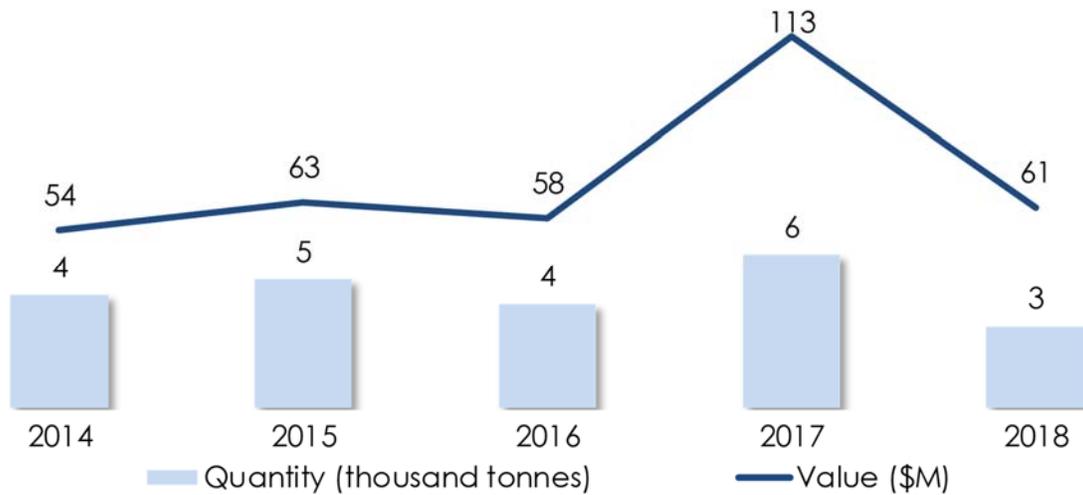
Both the value and quantity of Canada's crab exports to Japan remained relatively stable between 2014 and 2016. In 2017, as strong Japanese buying drove prices to historic highs, export value of crab to Japan grew substantially, with a 95 per cent increase over 2016. Subsequently, crab exports to Japan have almost halved (a 46 per cent decline in value) from the previous year, dropping from a peak value of \$113M in 2017 to \$61M in 2018, a value closer to the average over the last number of years. Export quantity of crab to Japan decreased 47 per cent between 2017 and 2018, while export prices increased 2 per cent during the same period.

Despite the 2018 decrease, Canada's crab exports to Japan have grown at an annual rate of 3 per cent by value since 2014. Crab export prices to Japan have increased 12 per cent annually, while quantity exported experienced an annual decline of 8 per cent during the same period.

⁹ In 2018, 71 per cent (\$44M) of Canada's crab exports to Japan was labelled as frozen snow crab and another 27 per cent (\$16M) was labelled as unspecified frozen crab, which, based on exporting provinces and Canadian crab species landings data, would mostly be snow crab.

¹⁰ Japan's reported import statistics collected by Japan Ministry of Finance, retrieved March 19, 2019 via the Global Trade Atlas.

FIGURE 5 CANADA'S CRAB EXPORTS TO JAPAN, 2014-2018



Source: Statistics Canada, International Trade Division, accessed March 07, 2019

Salmon (2nd largest export)

In 2018, Canada's salmon exports to Japan were valued at \$58M, accounting for 5 per cent of Canada's total salmon export value. Japan ranked 3rd, behind the US (\$1.01B) and China (\$60M), in Canada's reported export value of salmon.

FIGURE 6 CANADA'S SALMON EXPORTS BY DESTINATION, 2018 (\$M)



Source: Statistics Canada, International Trade Division, accessed March 07, 2019

British Columbia was essentially the sole province exporting salmon products to Japan, with 99 per cent of the value of Canada's total salmon exports to Japan. In 2018, 45 per cent of the value of Canada's salmon exported to Japan was identified as Atlantic salmon, 32 per cent as Sockeye salmon and 13 per cent as Chinook salmon.

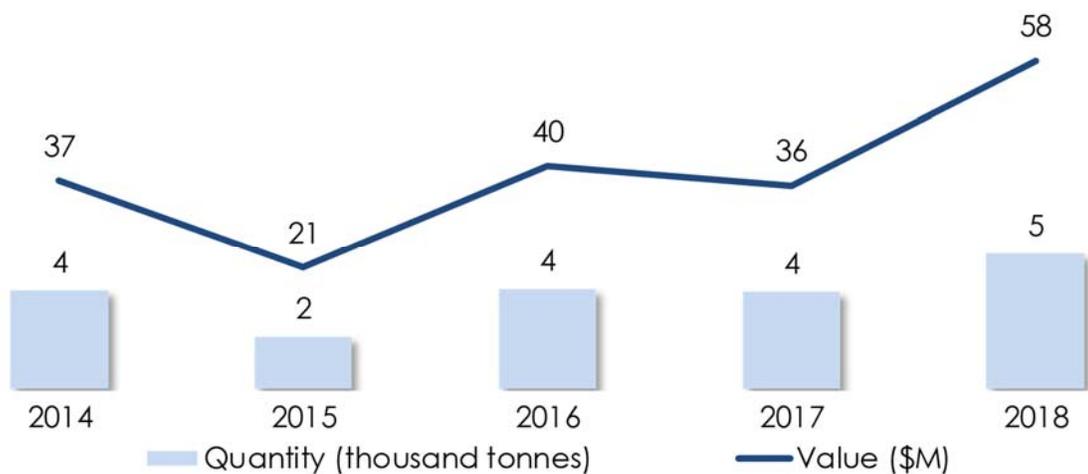
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The value of Canadian salmon exports to Japan experienced a significant growth of 61 per cent (+\$22M) between 2017 and 2018. In 2018, the quantity of salmon exported to Japan was 5 thousand tonnes with a 40 per cent increase since 2017, while salmon export prices to Japan increased 15 per cent during the same period.

From 2014 to 2018, Canada's salmon exports to Japan have grown at an annual rate of 12 per cent by value. Salmon export quantities to Japan have increased 8 per cent annually, while export prices experienced an annual growth of 3 per cent during the same period.

FIGURE 7 CANADA'S SALMON EXPORTS TO JAPAN, 2014-2018

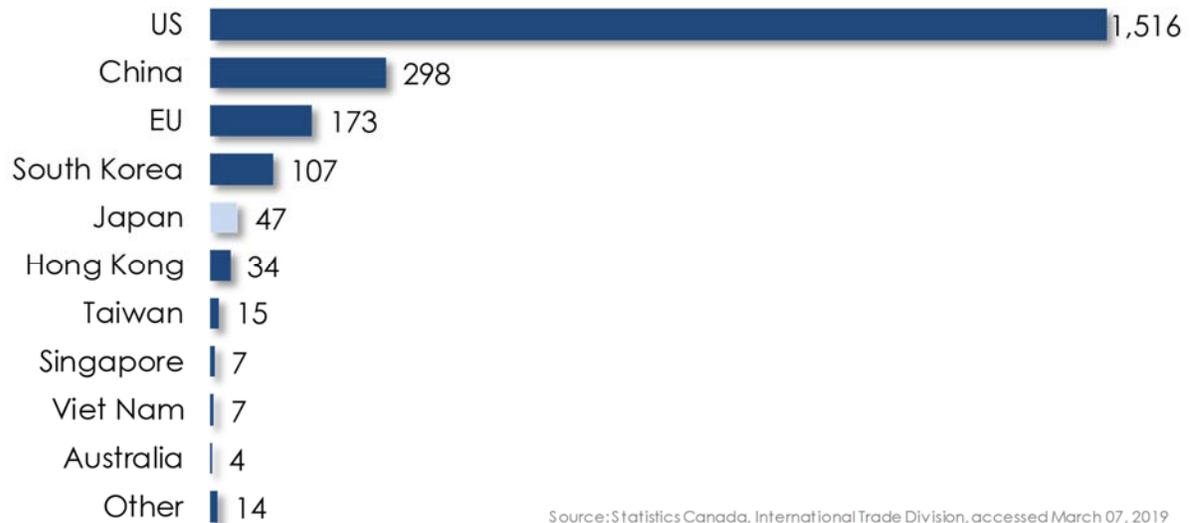


Source: Statistics Canada, International Trade Division, accessed March 07, 2019

Lobster (3rd largest export)

In 2018, Canada's lobster exports to Japan were valued at \$47M, representing 2 per cent of Canada's total lobster export value. Japan ranked 5th, behind the US (\$1.52B), China (\$298M), the EU (\$173M) and South Korea (\$107M), in Canada's reported export value of lobster.

FIGURE 8 CANADA'S LOBSTER EXPORTS BY DESTINATION, 2018 (\$M)



Source: Statistics Canada, International Trade Division, accessed March 07, 2019

Nova Scotia (\$25M) followed by New Brunswick (\$18M) were the main provinces exporting lobster products to Japan, accounting respectively for 54 and 38 per cent of Canada's lobster export value to Japan in 2018. The majority of Canadian lobster products exported to Japan were frozen (60 per cent by value in 2018) or live (39 per cent).

According to Japan's customs authority, Canada dominated the Japanese lobster¹¹ market in 2018 (51 per cent import market share of all lobster species by value), compared to the other top suppliers: the EU (10 per cent), the US (7 per cent), Cuba (5 per cent) and South Africa (4 per cent).¹²

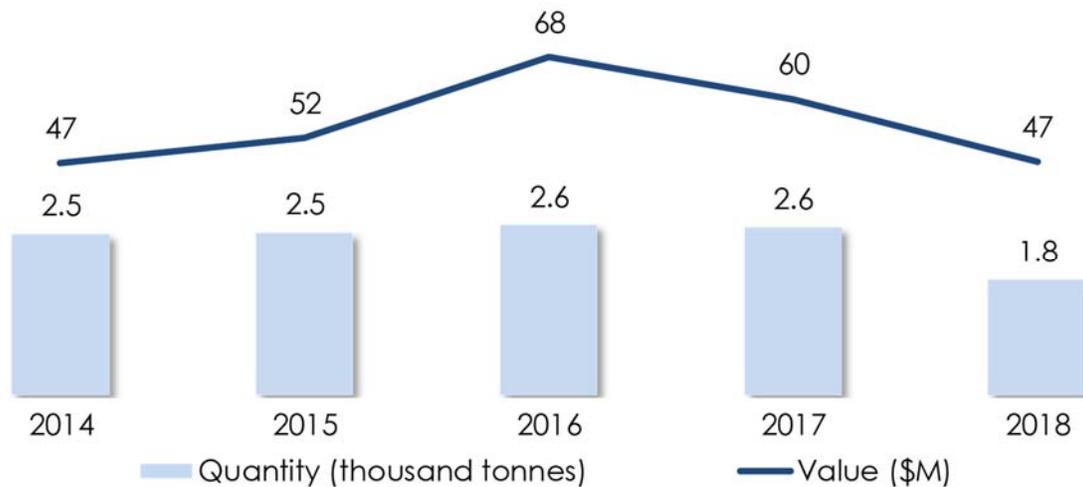
The value of Canada's lobster (*Homarus*) exports to Japan grew progressively between 2014 and 2016, but experienced declines of 12 per cent (-\$8M) in 2017 and of 21 per cent (-\$13M) in 2018 – note that the value of lobster (all species) imports to Japan from other suppliers than Canada also declined in 2017 (-7 per cent) and in 2018 (-10 per cent).

In terms of quantity, Canadian exports of lobster (*Homarus*) to Japan remained relatively stable from 2014 to 2017, to then drop 31 per cent in 2018 (from 3 thousand tonnes in 2017 to 2 thousand tonnes in 2018). Canada's export prices of lobster products to Japan however increased 15 per cent between 2017 and 2018.

¹¹ Including *Homarus* lobster species, Norway lobster, rock lobster and other sea crawfish.

¹² Japan's reported import statistics collected by Japan Ministry of Finance, retrieved July 3, 2019 via the Global Trade Tracker.

FIGURE 9 CANADA'S LOBSTER EXPORTS TO JAPAN, 2014-2018



Source: Statistics Canada, International Trade Division, accessed March 07, 2019

Other Species

In 2018, Canadian exports of species other than crab, salmon and lobster to Japan were valued at \$121M, representing 42 per cent of Canada's total fish and seafood export value to Japan. The main other species exported to Japan in 2018 were herring (\$34M), shrimp/prawn (\$18M), sea urchin (\$11M) and sablefish (\$10M).

In 2018, Canada's herring exports to Japan represented 22 per cent of Canada's total herring export value. Japan ranked 2nd, behind the US (\$60M), in Canada's reported export value of herring. After increasing from \$32M in 2015 to \$50M in 2017, the value of exports of Canadian herring to Japan experienced a 32 per cent decline in 2018. Export quantity of herring to Japan decreased 25 per cent between 2017 and 2018, while export prices declined 10 per cent during the same period. The majority of Canadian herring exports to Japan were herring roe and milt (84 per cent by value in 2018). Japan is particularly fond of this dish, also known as "kazunoko" which represents a key market for Canada's herring products. In 2018, 74 per cent of Canadian herring roe and milt exports were destined for Japan.

Also in 2018, Canada exported \$18M of shrimp/prawn to Japan, representing 4 per cent of all Canadian exports of shrimp/prawn by value. Japan ranked 5th, behind China (\$205M), the EU (\$123M), Iceland (\$33M) and the US (\$32M), in Canada's reported export value of shrimp/prawn. The majority of Canadian shrimp/prawn exported to Japan were cold-water shrimps and prawns (84 per cent by value in 2018).

By value, 41 per cent of Canada's (mostly British Columbia) exports of sea urchin were destined for Japan in 2018, with exports valued at \$11M. Japan was Canada's top destination for sea urchin, followed by the US (\$6M) and Hong Kong (\$4M). In 2018,

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Canadian sea urchin exports to Japan were mostly fresh or chilled (95 per cent by value in 2018).

In 2018, via British Columbia exclusively, Canada exported \$10M of sablefish to Japan, representing 44 per cent of the value of Canada's total exports of sablefish. Japan was Canada's top destination for sablefish, followed by the EU (\$6M) and the US (\$3M). All sablefish products exported from Canada to Japan in 2018 were frozen.

TABLE 2 CANADA'S TOP 10 FISH AND SEAFOOD EXPORTS TO JAPAN, 2018

SPECIES	VALUE of Exports (\$M)	CHANGE of Values (%)	CHANGE of Volumes (%)	CHANGE of Prices (%)	SHARE of Exports (%)
Crab	61	-45.7	-47.0	2.5	4.7
Salmon	58	60.9	40.4	14.7	4.9
Lobster	47	-21.1	-31.4	15.1	2.1
Herring	34	-32.5	-25.4	-9.5	22.1
Shrimp/Prawn	18	-10.4	-25.6	20.4	3.8
Sea Urchin	11	10.9	31.7	-15.8	41.2
Sablefish	10	1.2	6.7	-5.2	44.3
Halibut	9	44.4	37.3	5.1	5.0
Tuna	6	3.2	-11.2	16.3	18.7
Clam and Geoduck	5	-32.6	-44.9	22.2	3.0
Other	27	-8.1	-8.1	0.0	2.4
Total	287	-17.6	-16.8	-1.0	4.2

CANADA'S FISH AND SEAFOOD EXPORTS TO JAPAN BY PROVINCE AND TERRITORY

In 2018, British Columbia remained the top exporting province of fish and seafood to Japan. The province exported \$122M worth of fish and seafood products to Japan, with salmon (\$58M), herring (\$23M) and shrimp/prawn (\$12M) as the main species exported by value. The other top exporting provinces in 2018 were Nova Scotia (\$68M) and New Brunswick (\$48M). A significant portion of Nova Scotia's fish and seafood exports to Japan in 2018 were lobster (\$25M) and crab (\$21M). Within the same year, the majority of New Brunswick's fish and seafood exports to Japan were crab (\$22M) and lobster (\$18M). Note that essentially all of Canadian crab exports to Japan was frozen snow crab.

TABLE 3 CANADA'S FISH AND SEAFOOD EXPORTS TO JAPAN BY PROVINCE AND TERRITORY, 2018

PROVINCE	VALUE (\$M)	QUANTITY (thousand tonnes)	MAIN SPECIES Share* %
British Columbia	122	14	Salmon 47.5
			Herring 18.8
			Shrimp/Prawn 9.7
Nova Scotia	68	4	Lobster 37.3
			Crab 31.5
			Clam 7.8
New Brunswick	48	3	Crab 46.0
			Lobster 38.0
			Herring 14.2
Newfoundland and Labrador	24	4	Halibut 26.0
			Shrimp/Prawn 16.4
			Greenland turbot 14.6
Quebec	18	1	Crab 81.9
			Snails 5.4
			Lobster 3.9
Prince Edward Island	5	0	Lobster 47.1
			Tuna 19.6
			Mussel 18.5
Other	2	0	Freshwater smelt 88.7
			-
			-

* of province's fish and seafood exports to Japan

CANADA'S FISH AND SEAFOOD IMPORTS FROM JAPAN

In 2018, Canada imported \$42M of fish and seafood products from Japan, accounting for 1 per cent of Canada's total fish and seafood import value. Japan was the 13th largest supplier of fish and seafood to Canada in 2018, by value.

In 2018, Canadian fish and seafood import value from Japan decreased 1 per cent (-\$0.5M) relative to 2017. Quantity of imports was 7 thousand tonnes with a 2 per cent decline since 2017, while fish and seafood import prices from Japan increased 1 per cent during the same period.

TABLE 4 CANADA'S FISH AND SEAFOOD IMPORTS FROM JAPAN, 2014-2018

YEAR	VALUE of Imports (\$M)	CHANGE of Values (%)	CHANGE of Volumes (%)	CHANGE of Prices (%)
2014	36	20.0	8.4	10.8
2015	40	13.6	6.3	6.9
2016	38	-5.4	20.1	-21.3
2017	43	12.5	10.1	2.2
2018	42	-1.2	-1.9	0.7
Average	40	CAGR 4.5	CAGR 8.3	CAGR -3.5

In 2018, Canada's top fish and seafood imports from Japan by value were scallop (\$7M), salmon (\$5M) and octopus (\$2M).

TABLE 5 CANADA'S TOP 10 FISH AND SEAFOOD IMPORTS FROM JAPAN, 2018

SPECIES	VALUE of Imports (\$M)	CHANGE of Values (%)	CHANGE of Volumes (%)	CHANGE of Prices (%)	SHARE of Imports (%)
Scallop	7	-27.6	-44.0	29.3	7.7
Salmon	5	42.3	0.6	41.4	0.7
Octopus	2	-14.2	-36.2	34.4	7.1
Tuna	2	-60.0	-51.3	-17.9	0.6
Squid	1	-1.1	-3.2	2.1	1.3
Mackerel	1	-22.2	-44.1	39.0	6.2
Sea Cucumber	1	144.7	52.6	60.3	5.6
Flatfish	1	-43.6	85.5	-69.6	5.1
Abalone	1	13.2	-4.6	18.7	6.3
Oyster	1	12.5	10.6	1.7	2.3
Other	22	20.7	6.2	13.7	0.8
Total	42	-1.2	-1.9	0.7	1.1

Note: In preparing this document, the authors have taken care to provide information that is timely and accurate at the time of publication. Since exports market conditions are dynamic, some information presented here may have changed since this document was published. Information contained in this document does not necessarily reflect official policies of Fisheries and Oceans Canada.

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