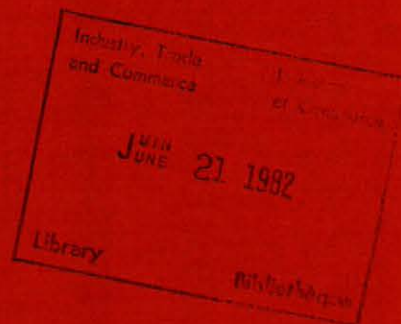


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# ANNEX TO THE WORLDWIDE FISHERIES MARKETING STUDY: PROSPECTS TO 1985

# NEW ZEALAND



Government  
of Canada

Gouvernement  
du Canada

Fisheries  
and Oceans

Pêches  
et Océans

(This report is one of a series of country and species annexes to the main study-entitled the Overview).

D R A F T

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Annex  
v.140

Annex to the  
Worldwide Fisheries Marketing Study:  
Prospects to 1985

NEW ZEALAND

STUDY TEAM:

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November, 1981

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Specifically, this Report would not have been possible without the cooperation and assistance of fishermen, processors, brokers, wholesalers, distributors, retailers, consumers and their organizations as well as government officials with whom we visited and interviewed. Though too numerous to mention separately, we would like to extend our sincere gratitude and appreciation.

The views expressed in this Study, however, are ours alone and reflect the Canadian perception of worldwide markets.

With regard to the overall Study, we would like to acknowledge:

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To all of the above, we extend our thanks.

E. Wong  
November 1981.

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## FOREWORD

As a consequence of global extension of fisheries jurisdictions, a radical shift has taken place in the pattern of worldwide fish supply and demand. This change is still going on and will continue for many years before a new dynamic equilibrium situation is reached. However, in the midst of this re-adjustment, a new trade pattern is emerging -- some net exporting countries are now importing and vice versa. In the longer term, some countries will experience shortages of supply and others will have a surplus. Fortunately, Canada is amongst the latter group.

The implications for the marketing of Canadian fisheries products arising from the worldwide introduction of the 200-mile limit are extensive. With our vastly improved supply position relative to world demand, government and industry are understandably concerned about ensuring that the bright promise of increased market opportunities are real and can be fulfilled. One of the steps in this process is the publication of the Worldwide Fisheries Marketing Study which assesses the global potential on a country and species basis.

Specifically, the purpose of the Study is to identify the longer term market opportunities for selected traditional and non-traditional species in existing and prospective markets and to identify factors which may hinder or help Canadian fisheries trade in world markets. To date, over 40 country markets and 8 species groups have been analyzed. It should be noted that while the information contained in the Reports was up-to-date when collected, some information may now be dated given the speed with which changes are occurring in the marketplace. In this same vein, the market projections should be viewed with caution given the present and still evolving re-alignment in the pattern of international fisheries trade, keeping in mind the variability of key factors such as foreign exchange rates, energy costs, bilateral fisheries arrangements and GATT agreements which have a direct effect on trade flows.

Notwithstanding, the findings contained in these Reports represent an important consolidation of knowledge regarding market potential and implications for improvements in our existing marketing and production practices. The results of the Study should, therefore, usefully serve as a basis for planning fisheries development and marketing activities by both government and industry in order to capitalize on the identified market opportunities.

This draft report is published for discussion purposes and as such we invite your critical comments.

Ed Wong

Marketing Services Branch.  
Marketing Directorate.  
Fisheries Economic Development and Marketing.  
Department of Fisheries and Oceans.  
October, 1981.  
Ottawa

WORLDWIDE FISHERIES MARKETING STUDY

NEW ZEALAND

Table of Contents

<u>Section</u>	<u>Page</u>
A. INTRODUCTION.....	1
B. SUPPLY.....	4
1. Landings from National and Other Waters.....	4
2. Foreign Catches in National Waters.....	9
3. Future Catch Trends.....	10
C. DEMAND.....	13
1. Present Consumption of Fish.....	13
2. Trends in Consumption of Fish Products to 1985.....	15
D. DEMAND-SUPPLY BALANCE.....	17
1. Exports.....	19
2. Imports.....	24
3. Trends in the Import-Export Balance to 1985.....	24
E. POTENTIAL TRADE.....	28
1. Marketing Potential for Canadian Exports.....	28
2. Market Entry Requirements and Barriers.....	30
F. MARKET IMPLICATIONS FOR CANADIAN TRADE OF NEW ZEALAND EXPORTS.....	35
1. Exports of Catches from New Zealand Waters.....	35
2. Trading Arrangements.....	36
3. Export Growth Impediments.....	37
G. CONCLUSIONS.....	40

Table of Contents. (Cont'd)

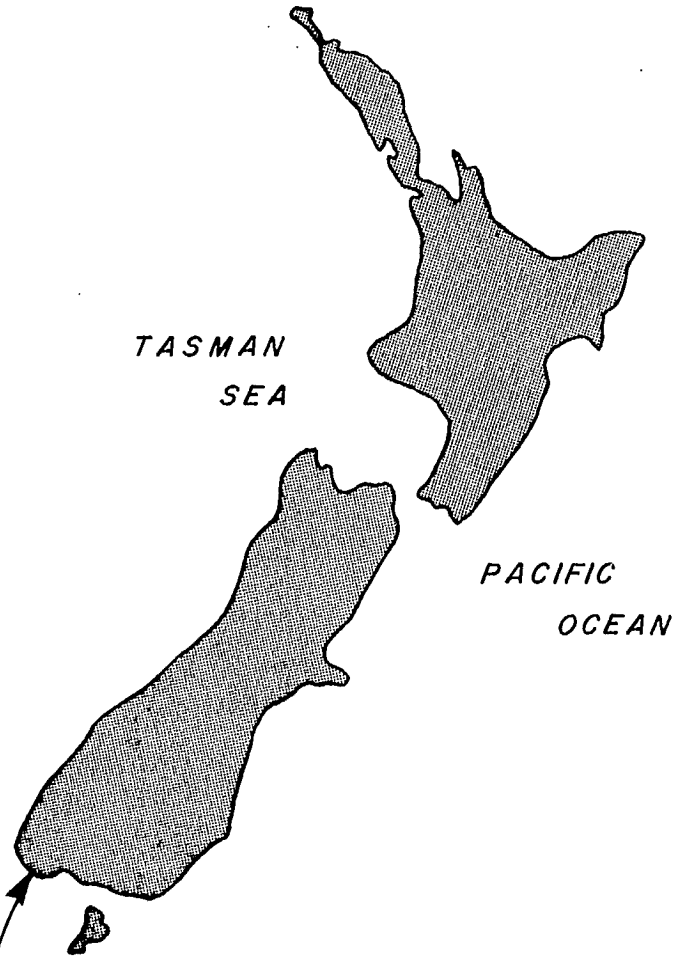
<u>Section</u>	<u>Page</u>
REFERENCES.....	42
APPENDICES.....	43
I Section A: New Zealand: Fisheries Policies.....	44
Section B: New Zealand: Profile of the Domestic Fishing Industry.....	46
Section C: New Zealand: Marine Resources and Controlled Fisheries.....	49
Section D: Proposals for Fishing Industry Co-operation between New Zealand and Overseas Interests.....	54
Section E: New Zealand: Foreign Fishing Activity.....	65
Section F: Co-operative Fishing Ventures Approved by the New Zealand Government as of March, 1980.....	67
II Section A: Names of New Zealand Fish and Marine Animals.....	69
Section B: New Zealand: Imports of Fisheries Products.....	75
III Section A: New Zealand: Mislabelling of Imports of canned sardines, herrings, pilchards, etc.....	81
Section B: New Zealand: Developing countries entitled to receive tariff preferences.....	82
IV Section A: New Zealand: Import Licensing Schedule Relating to Fisheries Products.....	83
Section B: Sections of New Zealand Customs Tariff Relating to Products of the Fisheries.....	84
Section C: Salient Sections of the Food and Drug Regulations 1973 and Amendments Applicable to Seafoods.....	87
Section D: Restrictions on Importation of Frozen Salmon.....	90
Section E: Invoice and Combined Certificate of Value and Origin, Form 59.....	92

LIST OF FIGURES

<u>Figure</u>		<u>Page</u>
1	New Zealand's 200 Mile Zone.....	3
2	Landings at Principal Ports in New Zealand.....	5
3	Resource Management Areas.....	49
4	Controlled Fisheries.....	52
5	Foreign Fishing Activity Around New Zealand, mid-July 1980.....	65
6 &		
7	Invoice and Combined Certificate of Value and Origin.....	92-93



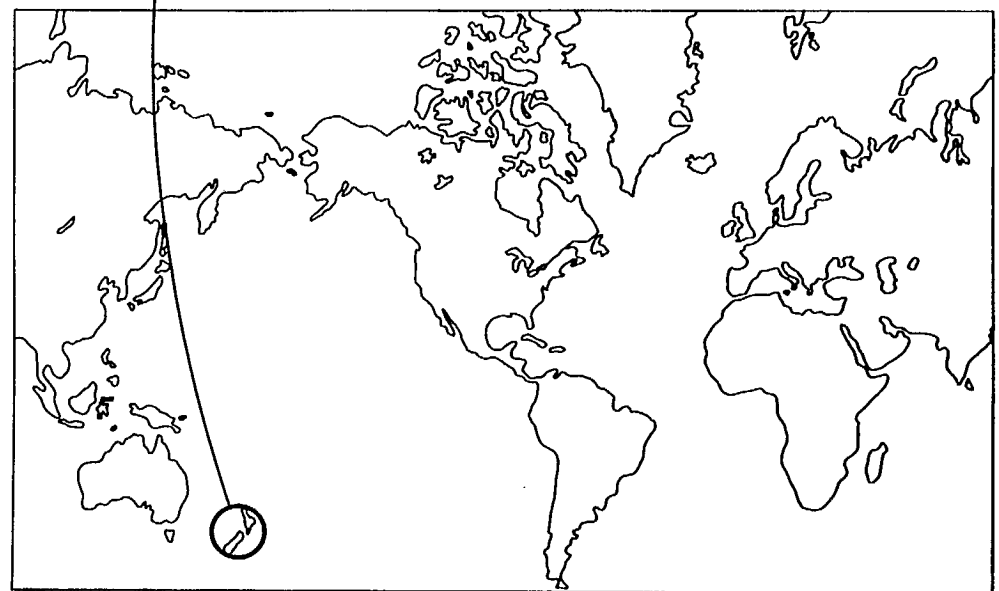
# NEW ZEALAND



TASMAN  
SEA

PACIFIC  
OCEAN

INDEX MAP



## A. INTRODUCTION

New Zealand, like Canada, has benefited greatly from the establishment of a 200 mile fishing zone. New Zealand's traditional emphasis, however, has been on the livestock industry and it is only now starting to realize the potential for its fishery.

New Zealand has a small population (3.1 million) who eat relatively little fish. This situation is unlikely to change in the near future. The population is growing very slowly and in fact there were marginal declines in total population in 1978. In the five-year period from 1975 to 1979, the average annual rate of population growth was only 0.47%. It is anticipated that this situation of essentially zero growth will continue through 1985.

The economic situation is not good. Since 1973, the gross domestic product (GDP) per capita has remained virtually static in real terms with a lack of growth in real disposable incomes and a substantial increase in unemployment.

Thus New Zealand's domestic consumption is unlikely to rise dramatically. The potential lies in the export market and the country's relative proximity to Asia is an advantage. Until recently, the domestic fishery has been relatively unimportant but this is changing.

The establishment of a 200 mile fishing zone has given New Zealand control over a huge part of the oceans. Over 3 650 000 square kilometres in area, the fishing zone is fifteen times larger than New Zealand and the seventh largest in the world. As shown in Figure 1, it includes not only the area within 200 miles of the mainland, but also the waters within 200 miles of Campbell Island, Kermadec Island and the Chatham Islands. There are two small enclaves, which remain classified as the high seas, and a minor overlapping of the New Zealand zone with waters within 200 miles of Australia.

New Zealand has enacted legislation providing for the future possibility that jurisdiction may be extended to include a 200 mile zone off the Ross Dependency in Antarctica.

New Zealand's continental shelf is very restricted particularly to the north-east and south-west of the main islands. Fish are concentrated in less than one-third of the fishing zone, the area with water under 1 000 metres in depth. The stocks of fish are substantial, although not particularly abundant by world standards. The major species include squid, which is widely distributed, and southern blue whiting<sup>1</sup>).

These species probably comprise the largest resources in the zone. The coastal and deep-water fishing grounds are shown in Figures 1 and 2, while some indication of the distribution of the marine resources of New Zealand is given in Appendix I, Section A.

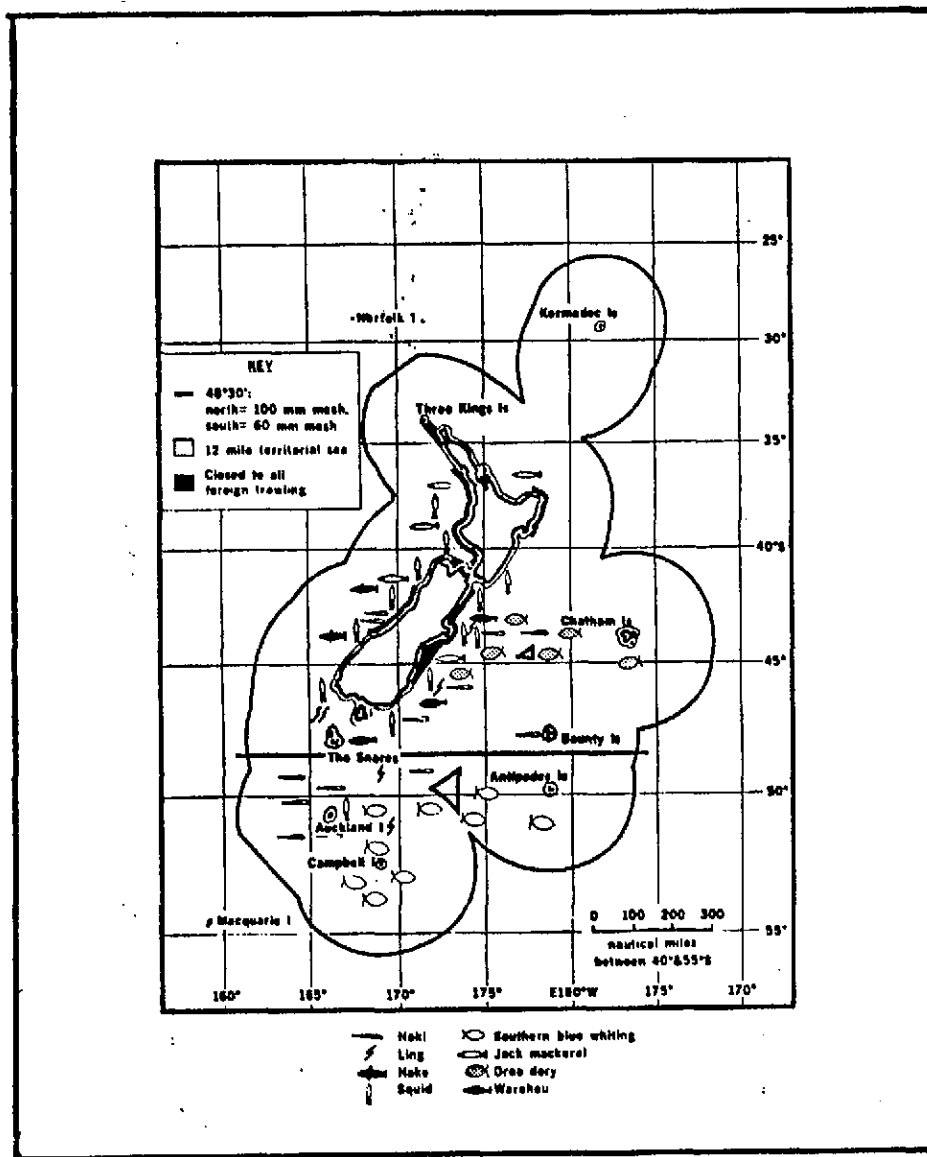
If New Zealand develops its fishing industry judiciously, it could become an important competitor with Canada on world markets.

---

<sup>1</sup>) Species of fish found in New Zealand waters, with both their common and Latin names, are listed in Appendix II, Section A.

Figure 1

NEW ZEALAND'S 200 MILE ZONE



Source: Ministry of Agriculture and Fisheries, Wellington.

## B. SUPPLY

### Current and Expected Supply Picture to 1985

In 1978, New Zealand's landings totalled 97 509 tonnes. The major species taken for domestic consumption or export are, apart from tuna and squid, still largely harvested from the continental shelf. At the same time there has been some expansion in the New Zealand catch of offshore species such as hoki. The distribution of the major species is shown in Table A-2 in Appendix I, Section C and in Figure 2.

The size of the 200 mile zone, together with such other factors as the lack of adequate historical data on distribution and abundance of the catch make it very difficult to determine the level of the stocks and the potential yields. A conservative estimate places the "potential sustainable yield" at 620 000 tonnes, of which 350 000 tonnes are groundfish, 150 000 tonnes pelagic species, 100 000 tonnes squid and 20 000 tonnes shellfish. Another, even more conservative estimate, places the present "safe biological harvest" at about 415 000 tonnes annually, made up as follows: finfish, 315 000 tonnes; squid, 80 000 tonnes; and shellfish, 20 000 tonnes<sup>1</sup>).

#### 1. Landings from national and other waters

At the beginning of 1979, the commercial fishing fleet in New Zealand consisted of 5 430<sup>2</sup>) vessels as against 5 178 a year earlier. Three-quarters of the vessels were under nine metres in length and less than 3% were larger than 18 metres. The small craft are used mainly in the scallop and rock lobster fisheries.

The finfish fleet at the beginning of 1979 comprised 3 895 vessels of which 595 were trawlers. Operators are acquiring larger boats, and it is estimated that

---

<sup>1</sup>) There are already signs that over-exploitation of the deepwater stocks is beginning to take place, as there was a dramatic decline in the catch of hake in 1978.

<sup>2</sup>) Includes chartered foreign vessels registered in New Zealand.



Figure 2 MAP SHOWING LANDINGS AT PRINCIPAL PORTS OF NEW ZEALAND

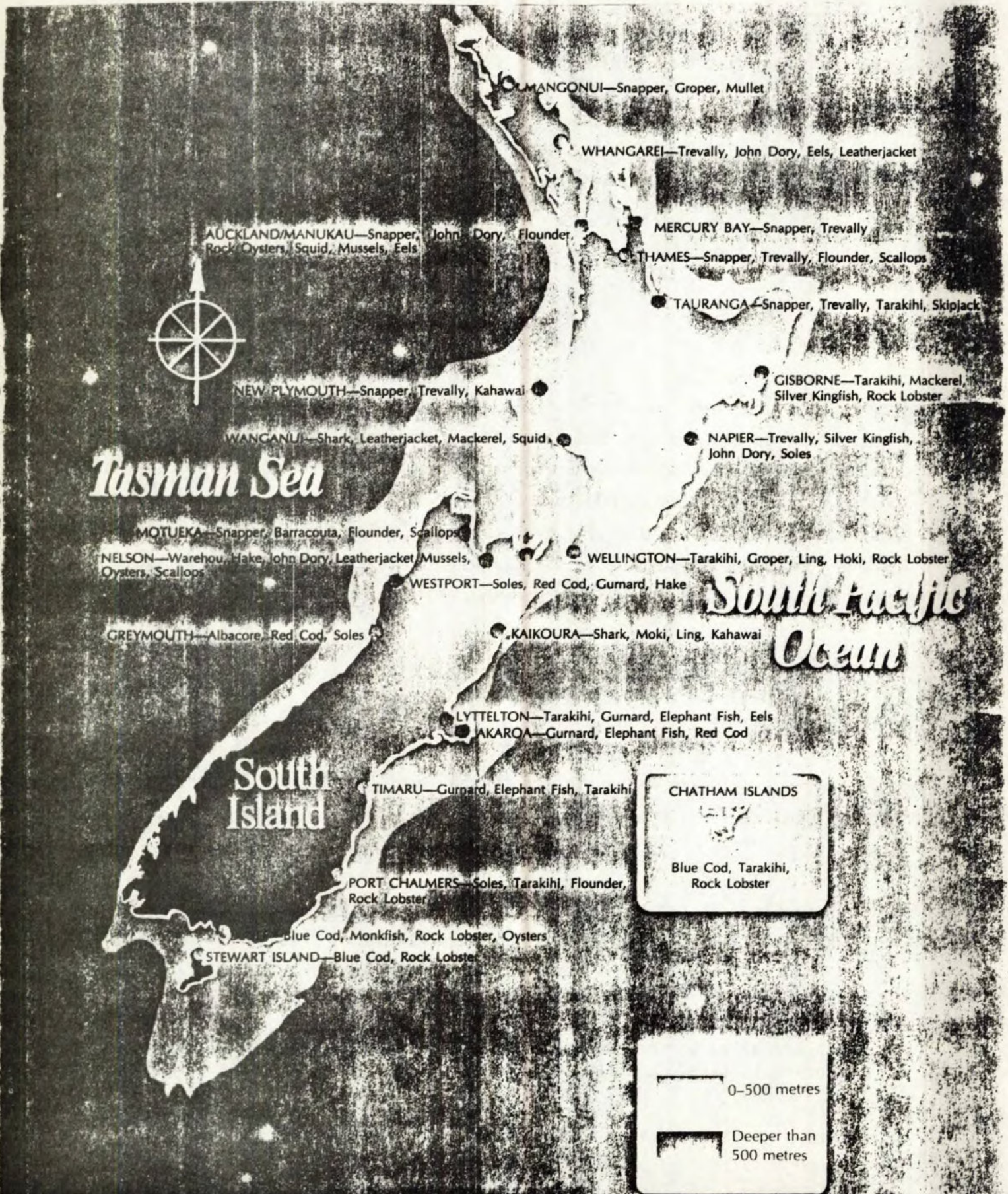




TABLE 1

Fish landings in New Zealand, 1976-78  
(Tonnes)

Item	1976		1977		1978	
	t	NZ\$000	t	NZ\$000	t	NZ\$000
Snapper	14 365	4 856	12 585	5 163	17 698	10 010
Skipjack tuna	4 527	1 078	5 402	1 459	8 535	2 560
Trevally	5 680	950	6 482	1 184	6 520	1 716
Barracouta	3 673	355	4 697	551	5 197	500
Tarakihi	3 509	1 112	4 185	1 513	4 188	1 930
Gurnard	2 879	542	3 332	717	3 807	953
Red Cod	944	132	2 312	267	3 744	551
Shark	3 555	674	4 521	1 180	3 478	1 237
Warehou	994	191	1 088	253	2 337	803
Sole	1 179	647	1 663	1 007	2 246	1 813
Kahawai	729	73	1 461	151	2 227	196
Mackerel	1 145	84	1 913	151	2 030	180
Flounder	1 212	996	1 395	1 240	1 626	1 583
Other tuna	9	3	939	323	1 618	856
Eels	1 503	672	918	528	1 598	332
Hapuku	1 066	491	1 025	548	1 344	998
Moki	589	104	685	149	853	249
Hake	142	10	217	22	678	85
Ling	447	94	549	165	656	341
Elephant fish	768	191	762	226	630	287
Mullet	432	108	574	158	617	124
John dory	551	258	531	273	529	324
Monkfish	540	82	438	73	426	151
Others	2 319	704	2 671	858	4 776	2 203
<b>Total Finfish</b>	<b>52 757</b>	<b>14 407</b>	<b>60 345</b>	<b>18 159</b>	<b>77 358<sup>2</sup></b>	<b>29 982</b>
Rock lobster	3 702	9 304	3 539	13 896	3 718	14 816
Oysters	10 007	3 801	10 765	4 040	9 838	3 799
Mussels	2 249	247	653	356	704	372
Paua	562	270	768	446	567	385
Scallops	6 131	2 114	1 293	524	3 166	1 250
Squid	94	34	556	169	1 784	498
Other	277	69	332	63	374	211
<b>Total all Species</b>	<b>75 779</b>	<b>30 246</b>	<b>78 251</b>	<b>37 653</b>	<b>97 509</b>	<b>51 313</b>

1 Conversion: 1 New Zealand dollar \$NZ = C\$1.14 for 1981  
1 New Zealand dollar \$NZ = C\$1.13 for 1980

2 Includes Skipjack landings at Pago Pago.

Source: Ministry of Agriculture and Fisheries, Wellington.

more than 30 vessels over 21 metres in length were added to the fleet between 1974 and 1979. With the trend toward larger vessels the fishing effort is increasing. In the case of the inshore species that are in demand on the domestic market, the catch rates per unit of effort have been declining. A further important characteristic of the New Zealand finfish sector is that it is a multi-species rather than a specific fishery: upwards of 40 species are landed, many in small quantities.

Total landings by the domestic fleet, including joint venture operations between 1976 and 1978, are tabulated in Table 1. While snapper has been the dominant species over the years, there have been increasing catches of a wide range of other species notably skipjack tuna, barracouta, red cod, kahawai, warehou, mackerel and squid. Apart from squid, landings of shellfish have tended to reflect the fluctuations of a fully exploited resource.

The landing statistics for 1979, which are not yet available in detail, are expected to reflect the progression into larger vessels, the expansion of purse seining, and the introduction of joint venture operations. Increased catches of historically under-fished species, such as squid, skipjack tuna and blue and jack mackerel are to be expected. In addition there should be an expansion in landings of such species as ling, hoki and warehou with the increased exploitation of the offshore fish resources.

The level of exploitation prior to the introduction of the 200-mile zone is indicated by the following:

TABLE 2  
New Zealand catch levels, 1977.

	<u>New Zealand companies</u>	<u>New Zealand joint ventures (tonnes)</u>	<u>Licensed foreign vessels</u>	<u>Total</u>
<u>Finfish -</u>				
Tuna	1 590	5 951	2 348	9 889
Other	54 943	--	327 237	382 180
<u>Squid</u>	556	380	69 204	70 140
<u>Other shellfish</u>	21 741	--	--	21 741

Source: Marketing Services Branch, DFO, Ottawa.



It will be noted that New Zealand caught only about 16% of the harvest in 1977. The catch of 493 950 tonnes that year was the largest so far taken from New Zealand waters.

In the case of groundfish the 200 mile zone is divided into eight management areas as shown in Figure A-1 in Appendix I C. Each has a separate total allowable catch (TAC). Limits are also established in some areas for certain species such as snapper and hoki. For each management area the expected total catch by domestic and joint-venture vessels is subtracted from the TAC and the balance is allocated to foreign fishing vessels. The total TAC established for groundfish for the year ended March 31, 1981 was 405 000 tonnes, unchanged from the previous year. The breakdown of the current year's allocation, which provided for an increase of some 52% in the expected catch of groundfish by New Zealand fishermen, is as follows:

TABLE 2A  
Expected catch by allocation, 1981

	<u>tonnes</u>
New Zealand Fishermen	102 000
Joint Ventures	135 000
Foreign Nations	<u>142 000</u>
Total	379 000

Source: Marketing Services Branch, DFO, Ottawa.

Catch restrictions have been imposed on groundfish, squid, tuna, scallops, oysters, eels and rock lobster. Details can be found in Appendix I, Section C.

With one exception, the New Zealand fleet does not operate outside the 200 mile zone. A recently launched purse seiner is fishing for tuna off the coast of Mexico on a seasonal basis.

Foreign vessels are not permitted to land their catches for sale in New Zealand, except at the discretion of the Minister of Fisheries in the event of a supply

shortage on the domestic market, and thus far this has not happened. On the other hand the joint venture catch must be landed in New Zealand. Most processing of the joint-venture catch is carried out at sea and processing in New Zealand is mainly confined to repacking, primarily for export. Squid, for instance, is typically landed in the frozen whole form, repacked, and then immediately shipped. Only a very small proportion of the squid is processed into tubes in New Zealand. Tuna may be processed in New Zealand or exported whole as in the case of southern bluefin tuna. Some groundfish landings by joint venture vessels are further processed in New Zealand into blocks for export and into sticks for the domestic market. New Zealand vessels generally only ice catches and there is very little gutting or other processing at sea.

On the assumption that direct sales to New Zealand consumers account for 5% of total landings, it is estimated, in the absence of statistics, that sales to New Zealand processors (including fishmongers) for domestic consumption, account for a further 15% of the catch. The balance is absorbed by export markets with no further processing, other than repacking, taking place in New Zealand.

## 2. Foreign catches in national waters

The fishing activities of all foreign-owned vessels are restricted to areas outside the 12-mile territorial limit<sup>1</sup>). In addition some other areas within the 200 mile zone being fully exploited by the New Zealand fishing industry are also closed to foreign vessels.

In the first year following the declaration of the 200 mile zone on April 1, 1978, New Zealand licensed vessels from the USSR, Japan and South Korea to fish the zone.

TABLE 3  
Catch Allocations for Finfish and Squid, New Zealand 1978-79

<u>Country</u>	<u>Finfish</u> (000 tonnes)	<u>Squid</u> (000 tonnes)
USSR	60	15
Japan	75	33
Korea	35	3
Total	<u>170</u>	<u>51</u>

Source: Marketing Services Branch, DFO, Ottawa.

<sup>1</sup> See Figure A-3 in Appendix I E.

The actual catch by foreign vessels exceeded the total allocation for finfish by 50 000 tonnes. In the case of squid the catch fell short of the aggregate allocation by 6 000 tonnes.

Although there was little change in the total finfish allocation<sup>1</sup> in the 1979-80 season the actual catches were substantially below the quota levels. The shortfall for Japan, South Korea and the USSR was of the order of 37%, 48% and 69% respectively. Quotas and catches by species and country are tabulated in Table A-4, Appendix IE.

The foreign squid allocation was set at about 55 000 tonnes in the 1979-80 season and landings reached some 36 300 tonnes.

### 3. Future catch trends

It is not anticipated that there will be a significant increase in the New Zealand catch outside national waters between now and 1985. The level of catch would be around 2 000 tonnes and consist solely of tuna.

As for New Zealand waters, it can be expected there will be a significant increase over the 1978 level of 225 000 tonnes, although accurate projections cannot be made at this point because there is an absence of information on the size of the stocks. Secondly, from the standpoint of the New Zealand fishing industry, the species upon which an expansion of the catch has to be based are, in large measure, not readily marketable at the present time. Thirdly, catching costs, particularly for fuel, are rising rapidly. Increases in costs directly affect the industry's profits from those non-traditional species that command a relatively low price in the market.

Since the 200 mile Exclusive Economic Zone came into being in April, 1978, the annual level of finfish catches by foreign fishing vessels has been around 100 000 tonnes. For reasons outlined above it is envisaged that the level of

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<sup>1</sup> Excludes tuna and small pelagic species.

the foreign catch will not decline by more than 20% by 1985<sup>1</sup>. In the case of squid the increase in catches that has been taking place is expected to be reversed in the coming years with the expansion in joint-venture operations. By 1985 the level of the catch of squid by foreign vessels could be near the 1978 level of 25 000 tonnes. Relative to 1978 it is expected that there will be little change in the catch of traditional species by the New Zealand industry by 1985. The stocks of these groundfish species, which include snapper, tarakihi, gurnard, flatfish, blue cod and groper are considered to be fully exploited stocks. It is estimated that the catch in 1985 of these species will be around 30 000 tonnes. On the other hand the probability is that there will be much larger catches by the New Zealand fishing fleet of under-exploited and often unfamiliar species such as bluefin<sup>2</sup>, hoki (whiting), barracouta, mackerel, red cod and albacore tuna. Skipjack tuna catches should also continue to expand. Landings of these species, including tuna, may increase from the 1978 level of about 47 000 tonnes to 220 000 tonnes, provided profitable markets are available. Tuna landings alone could expand to 20 000 tonnes from the 1978 level of just over 10 000 tonnes.

While unlikely during the next five years, in the longer term New Zealand vessels could exploit the southern blue whiting resource located in deep water southwest of New Zealand. This resource may be much larger than currently estimated. According to a Soviet fisheries official the resource is the most important in New Zealand waters and could support a catch of 1 000 000 tonnes annually. Actual catches, which to date have been made only by the USSR, range as high as 48 000 tonnes per annum. What makes the existence of this resource of particular significance to Canada is the fact that the fish yields fine quality large fillets completely free of the parasites which are a constant problem in both the Northern Hemisphere and the Argentinian blue whiting. The quality of the New Zealand blue whiting is considered to be on a par with North American cod.

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1 The level of the future foreign catch is affected not only by the abundance of the stocks being fished, but by the number of vessels that foreign nations are prepared to deploy in New Zealand waters.

2 This stock is currently heavily fished by foreign fishing vessels.

The shellfish stocks, other than squid, have been fully exploited by the New Zealand fishing industry, and are increasingly being placed under control. No long-term growth in landings of rock lobster, scallops, oysters and paua are forecast for 1985.

Stocks of such unexploited species as deep-water prawns, lantern-fish, spider and swimming crabs, spiny dogfish and grenadier are unlikely to be significantly exploited by 1985).

In broad terms the forecasted trend in landings in New Zealand waters is as follows:

TABLE 4  
Landings in New Zealand Waters to 1985

	<u>1978</u> (000 tonnes)	<u>1985</u> (000 tonnes)
Foreign countries:		
Finfish, mainly groundfish species	100	80
Squid	25	25
New Zealand:		
Traditional groundfish species	30	30
Under-exploited and unfamiliar species <sup>1</sup>	47	220
Shellfish:		
Squid	2	55
Other shellfish	<u>18</u>	<u>20</u>
	222	430

Source: Marketing Services Branch, DFO, Ottawa.

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<sup>1</sup> Includes tuna

## C. DEMAND

### 1. Present consumption of fish

Only very limited data are available on levels and trends in the consumption of fishery products in New Zealand,<sup>1</sup> which undoubtedly reflects the relative lack of importance of the fisheries sector to the country's industry generally.

The New Zealand market for fishery products is small: the annual per capita consumption is low at around 3.7 kilograms<sup>2</sup> (see Table 5) and the population is only slightly over 3 million. The New Zealand consumer has a traditional preference for fresh fish, primarily in the fillet form. White fish is preferred and includes such species as snapper, flounder, blue cod, gurnard and tarakihi. In this highly selective market, the primary demand is for a white fleshed, bland, non-oily and relatively bone-free product. The demand for pelagic species such as mackerel, and for deep water species such as hoki, southern blue whiting and hake is underdeveloped, although some growth in consumption has been taking place.

As in other countries there has been a trend toward the consumption of frozen processed fish products, but in New Zealand this has been confined largely to the food service sector and to a lesser extent to the supermarket sector of the retail trade. The retailers who prepare fresh fish to the consumer's requirements, and are the traditional suppliers for home consumption are understood to be reluctant to handle frozen fish. The retailers also process the fish, gutting, skinning, boning and filleting as well as processing or frying into such end products as fish and chips.

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<sup>1</sup> The New Zealand Fishing Industry Board was to commission a study of consumption patterns in New Zealand in 1980.

<sup>2</sup> This estimate is derived from data published by the Department of Statistics. However, according to the New Zealand Fishing Industry Board this data is "grossly under-estimated" in the case of finfish. The Board estimates that the New Zealand per capita consumption of finfish, whole weight equivalent was 12 kg in 1979.

TABLE 5

Estimated annual per capita consumption of fisheries products in New Zealand  
(kilograms per capita, edible weight)

<u>Year</u>	<u>Fish, fresh, smoked, frozen</u>	<u>Shellfish</u>	<u>Canned, prepared and preserved</u>
1938	5.0	0.5	1.4
1970	4.2	1.2	1.0
1971	4.1	2.3	0.9
1972	2.1	2.3	0.6
1973	2.4	0.9	1.2
1974	2.5	0.8	1.6
1975	2.0	1.1	0.5
1976	2.1	1.1	1.0
1977*	1.2	0.9	0.9
1980*	1.6	1.1	1.0
1985*	1.7	1.0	1.0

\* Projected

Source: Based on data prepared by the Department of Statistics, Wellington, on the quantities of fisheries products available for consumption in New Zealand. See footnote 2, page 13 for comment on validity of this data.

The consumption of shellfish and of canned fish is even smaller than that of finfish and reflects both relative preferences and higher prices. Price discourages the consumption of such luxury products as rock lobster. As in the case of shellfish the consumption of canned products, including salmon, does not appear to have increased significantly in recent years.

The foregoing illustrates the minor importance New Zealand consumers attach to seafoods. On the basis of this data it is estimated that little more than 50% of current consumption would consist of fresh, frozen and cured finfish, while the balance is made up in roughly similar proportions of shellfish and canned and other prepared and preserved foods. This data indicates that there has been a decline in per capita consumption of finfish over the past 40 years, from five

kilograms to about two kilograms<sup>1</sup>. In the case of shellfish, and canned and other prepared and preserved products, consumption has been static at around one kilogram per annum over the past 40 years.

Apart from the promotional activities of the New Zealand Fishing Industry Board there does not appear to be any positive long-term program to stimulate the demand for fish. New Zealanders much prefer meat products, and particularly beef, mutton and lamb. Accelerated demand for poultry since World War II has also inhibited long-term demand for fish. In 1977, the per capita consumption of poultry was five times that of 1938. This strong preference for meats is reinforced by a relatively low price.

TABLE 6

Average retail prices: January 1980  
meat and fish: New Zealand

<u>Product</u>	<u>Unit</u>	<u>\$NZ</u>
Porterhouse steak	kg	5.32
Prime rib, rolled	kg	3.43
Rump steak	kg	4.93
Minced beef	kg	2.86
Lamb, leg, whole	kg	2.98
Pork, loin chops	kg	4.52
Sausages, beef	kg	1.79
Sole/flounder, whole	kg	2.72
Fish, fresh, filleted	kg	4.41
Salmon, canned	kg	5.56

Source: New Zealand Retail Prices, January 1980, Department of Statistics, Wellington.

As the above data indicate, seafood prices are on a par with those of meat products.

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<sup>1</sup> The New Zealand Fishing Industry Board contends that the per capita consumption of finfish increased by over 2 kg between 1970 and 1979. On the other hand, a recent survey carried out by the University of Otago stated in summary, that "New Zealanders are eating less fish because it is too expensive, that freshness is often in doubt, and that frozen fish is regarded unfavourably by most households."



## 2. Trends in consumption of fish products to 1985

Given the efficiency of New Zealand in producing meat and other protein foodstuffs, it cannot be expected that the price differential will change sufficiently to generate a significant long-term increase in demand for seafoods. Indeed the reverse may well be the case, given the rapid increases in the cost of producing and marketing fish and the resulting escalation of consumer prices. A further factor exerting upward pressure on the prices of domestic fish products is the export of preferred species that are in inelastic supply. It is worth noting in this connection that government controls on wholesale and retail prices of domestic fish products were lifted in April 1979, and during the subsequent nine-month period the price of flounder, for example, rose by 13% while that of fresh groundfish fillets rose by 26%. In the absence of offsetting increases in the prices of competing meats, this sort of development can only work against the prospects of future growth in consumption.

To conclude, it is doubtful that the New Zealand market for fish products will expand by more than 5% in volume terms between 1980 and 1985. So far as canned products are concerned, there is some evidence to suggest that increasing quantities of canned tuna may be consumed in the next five years, together with other more expensive canned products, such as crab and shrimp.

It is estimated the New Zealand's total consumption of fresh, frozen and smoked fish will rise from 5 000<sup>1</sup> to 5 500 tonnes (edible weight) during the period 1980-1985. Consumption of shellfish will drop slightly from 3 300 to 3 200 tonnes and that of canned, prepared and preserved fisheries products will increase slightly from 3 000 to 3 200 tonnes.

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<sup>1</sup> Based on data published by the Department of Statistics.

D. DEMAND-SUPPLY BALANCE

Fish landings in New Zealand greatly exceed domestic consumption. Landings in 1978 totalled more than 97 000 tonnes while estimated consumption, including that of imported fisheries products, was only some 12 000 tonnes<sup>1</sup>, in edible weight terms. If an average recovery rate of 50% is assumed, domestic consumption in 1978 in round weight terms, would be around 25 000 tonnes, or 26% of the volume of landings.

The imbalance between landings and domestic consumption is expected to increase greatly by 1985. Landings will increase to possibly 325 000 tonnes, and New Zealand will grow in importance as a net exporter of fisheries products. The trend in the import-export balance in fishery products between 1970 and 1978 is set out below:

	<u>Import Export Balance</u>				
	<u>1970</u>	<u>1975</u>	<u>1976</u> (tonnes)	<u>1977</u>	<u>1978</u>
Exports	10 600	14 494	20 552	26 051	34 257
Imports	<u>2 900</u>	<u>2 871</u>	<u>4 116</u>	<u>3 404</u>	<u>3 651</u>
Net exports	<u>7 700</u>	<u>11 623</u>	<u>16 436</u>	<u>22 647</u>	<u>30 606</u>

Source: Table 7

It will be noted that already there has been a progressive and rapid strengthening of New Zealand's position as a net exporter of fisheries products. In 1970 exports accounted for 79% of total New Zealand trade in fisheries products: by 1978 this figure had risen to 90%, and indications are that by 1985 it will have risen to 98%.

As shown in Table 7, which separates imports and exports into seven major categories, New Zealand's position as a net exporter of fisheries products stems almost entirely from trade in one commodity category, fresh, chilled or frozen

<sup>1</sup> Based on data published by the Department of Statistics.

TABLE 7

New Zealand Exports and Imports of Fisheries  
Products by Major Product Categories

(tonnes)

	Fish, fresh, chilled or frozen	Fish, dried, salted or smoked	Crustaceans and molluscs fresh, frozen, dried, salted, etc.	Fish products and prepara- tions <sup>2</sup>	Crustaceans and mollusc products <sup>2</sup>
<u>1970</u>					
Exports	7 300	200	2 800	100	200
Imports	--	--	--	2 600	300
Export balance	7 300	200	2 800	(2 500)	(100)
<u>1975</u>					
Exports	10 408	70	2 821	419	776
Imports	29	193	107	2 026	516
Export balance	10 379	(123)	2 714	(1 607)	260
<u>1976</u>					
Exports	17 075	75	2 624	107	671
Imports	12	207 <sup>1</sup>	122	2 953	822
Export balance	17 063	(132)	2 502	(2 846)	(151)
<u>1977</u>					
Exports	22 245	122	2 885	93	580
Imports	19	192 <sup>1</sup>	128	2 430	631
Export balance	22 226	(70)	2 757	(2 337)	(51)
<u>1978</u>					
Exports	29 220	3471	3 947	132	611
Imports	49	217	137	2 587	650
Export balance	29 171	130	3 810	(2 455)	(39)

1 Includes pastes and other preparations.

2 Whether or not in airtight containers.

Source: FAO, Yearbook of Fishery Statistics, 1978, Vol. 47., Rome, Italy.

fish. Net exports of fish falling within this product class increased from 7 300 tonnes in 1970, to 29 171 tonnes in 1978, for an increase of 300%.

The only other group of products to show significant growth in net exports was crustaceans and molluscs, fresh, frozen or cured. Net exports of products in this category expanded by 36% to 3 810 tonnes between 1970 and 1978, due largely to development of the squid fishery. Exports of squid increased from 30 tonnes in 1976 to 1 030 tonnes in 1978.

In the case of the three other commodity classes which are of some significance, New Zealand has generally tended to be a net importer in some years and a net exporter in others, the exception being fish products and preparations. Net imports of this latter class, which includes canned fish, totalled 2 455 tonnes in 1978, little changed from net imports of 2 500 tonnes in 1970.

#### 1. Exports

Certain species of fish have been particularly important in New Zealand's expanding export market (see Table 8). These include species for which there are established world markets. Between 1977 and 1979, exports of mackerel increased 300% from 886 to 2 780 tonnes. Exports of squid increased 3 000% from 280 tonnes in 1977 to 9 190 tonnes in 1979. In addition, sales of tuna and hake grew steadily. Other less familiar species are also expanding in supply. These include barracouta, whose exports more than doubled between 1977 and 1979, from 1 500 to over 3 000 tonnes. Exports of red cod increased ten times, from 100 tonnes in 1977 to over 1 000 tonnes in 1979. Sales of hoki, kahawai and trevally also grew. The proportion of processed products in the export mix is also expected to increase substantially. While exports of finfish in 1979 accounted for 80% of total exports, the proportion that consisted of either fillets or preserved and prepared products was only 14% and 3% respectively.

In 1980, New Zealand marketed fishery products in some 69 countries. The biggest market for New Zealand fish was Japan which absorbed 38% of total exports in that year. The US and Australia accounted for 15% and 18% respectively (see Table 9). Other countries importing substantial quantities of New Zealand fish include American Samoa, Singapore, West Germany, Taiwan and Hong Kong.

TABLE 8

New Zealand Exports of Fisheries Products  
by Species and Product Grouping, 1977-1979  
(tonnes)

<u>FINFISH</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>
<u>Fresh, frozen or chilled fillets</u>			
Barracouta	771.2	1 090.8	1 585.4
Blue cod	24.4	17.4	25.1
Eels	65.3	16.7	19.6
Elephant fish	220.5	328.0	--
Flounder	56.3	109.5	7.0
Groper	60.0	111.1	251.2
Gurnard	296.1	451.0	426.2
Hoki	--	16.1	303.5
John Dory	51.0	36.7	36.9
Kahawai	59.7	48.7	55.8
Kingfish	5.5	--	--
Ling	--	81.9	329.5
Mackerel	150.2	35.7	41.8
Moki	1.6	14.5	0.3
Monkfish	93.1	110.7	84.3
Red cod	109.4	460.7	1 167.0
Snapper	569.3	686.0	813.9
Sole, brill	353.6	178.0	98.5
Tarakiki	202.4	382.6	615.4
Trevally	145.0	106.9	89.9
Warehou	29.4	29.6	63.0
White fillets	75.2	45.8	516.9
Other	103.3	96.5	674.9
Total	<u>3 442.5</u>	<u>4 454.9</u>	<u>7 206.1</u>
<u>Other</u>			
Barracouta	718.5	489.0	1 774.0
Blue cod	27.3	24.9	34.2
Eels - live	582.3	490.2	1 021.8
- other	855.1	1 640.9	1 011.4
Flounder	184.6	911.5	730.9
Groper	36.3	35.6	126.3
Gurnard	88.0	73.1	29.8
John Dory	18.0	56.5	115.5
Hoki	--	--	3 101.6
Kahawai	778.5	1 352.4	2 155.8
Kingfish	22.4	68.2	132.7
Ling	--	2.6	975.6

TABLE 8 (Cont'd)

	<u>1977</u>	<u>1978</u>	<u>1979</u>
Mackerel	886.4	869.9	2 780.9
Moki	11.6	1.2	0.9
Monkfish	3.2	20.8	60.0
Red cod	33.6	77.4	900.5
Snapper	4 836.3	6 658.1	8 062.3
Sole, brill	826.1	517.7	1 543.1
Tarakiki	75.2	39.8	74.1
Trevally	2 280.8	2 478.5	2 289.5
Tuna - albacore	658.0	1 568.2	877.1
- skipjack	5 405.0	5 988.6	7 726.1
- other	--	41.9	404.3
Warehou	101.0	270.2	1 436.5
Fish bait	21.0	101.6	--
Fish blocks	--	1.9	69.4
Other	<u>374.2</u>	<u>984.3</u>	<u>6 172.3</u>
Total	<u>18 823.4</u>	<u>24 765.0</u>	<u>43 606.6</u>
<u>Total Fresh, Frozen or Chilled Fillets</u>	<u>22 265.9</u>	<u>29 219.9</u>	<u>50 812.7</u>
<u>Preserved or prepared fish</u>			
<u>(a) Smoked, dried or in brine</u>			
Blue cod	18.8	4.6	1.0
Eels	59.0	26.3	28.7
Red cod	13.1	215.6	209.8
Snapper	15.9	10.1	6.7
Other	<u>14.8</u>	<u>89.4</u>	<u>209.5</u>
Total	121.6	346.0	455.7
<u>(b) Canned or otherwise processed</u>			
Eels	5.1	3.0	0.2
Herring	--	--	--
Tuna, kahawai	12.6	34.2	233.9
Whitebait	0.2	0.5	0
Fish fingers	--	1.3	209.6
Fish preparations	64.2	53.4	28.6
Pastes and paté	--	0.7	2.2
Other	<u>10.5</u>	<u>39.6</u>	<u>410.0</u>
Total	92.6	132.7	884.5
<u>Total Preserved or Prepared Fish</u>	<u>214.2</u>	<u>478.7</u>	<u>1 340.2</u>
<u>Total All Finfish</u>	<u>22 480.1</u>	<u>29 698.6</u>	<u>52 152.9</u>

TABLE 8 (Cont'd)

<u>MOLLUSCS AND CRUSTACEANS</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>
<u>Fresh, frozen or chilled</u>			
Rock lobster - whole	441.1	742.5	750.7
- tails	1 365.8	1 404.9	1 371.3
- canned or otherwise processed	172.3	26.9	11.4
Oysters	439.8	552.7	577.4
Mussels	50.6	30.8	142.6
Scallops	295.5	101.5	27.1
Octopus	6.2	18.0	116.6
Paua	--	--	--
Squid	280.4	1 029.2	9 190.4
Other	4.1	68.4	233.0
Total	<u>3 055.8</u>	<u>3 975.0</u>	<u>12 420.5</u>
<u>Canned or otherwise processed</u>			
Scallops	--	1.9	1.6
Oysters	4.4	2.6	0
Mussels	6.4	1.8	2.4
Paua	371.4	534.4	362.3
Other	25.6	9.1	8.1
Fish, crustacean and mollusc soups	<u>106.8</u>	<u>33.4</u>	<u>76.3</u>
Total	<u>514.6</u>	<u>583.2</u>	<u>450.7</u>
Total All Molluscs and Crustaceans	<u>3 570.4</u>	<u>4 558.2</u>	<u>12 871.2</u>
<u>GRAND TOTAL</u>	<u>26 050.5</u>	<u>34 256.8</u>	<u>65 024.1</u>

Source: New Zealand Fishing Industry Board, Wellington, New Zealand.

TABLE 9  
New Zealand Exports of Fisheries Products by Value  
and Country of Destination for 1980

	Fish and Fish Preparations	Rock Lobster	Shellfish	Total	Percentage Increase/ Decrease in 1979	Per- centage of Total
	\$	\$	\$	\$	%	%
<b>Oceania:</b>						
American Samoa	8 194 348	12 266	14 143	8 220 757	+48.0	5.1
Australia	24 206 279	4 250 070	1 296 580	29 752 929	+80.8	18.3
Cook Islands	33 445	270	20 072	53 787	--	--
Fiji	530 412	20 327	25 777	576 516	+1.3	0.4
French Polynesia	23 201	117 183	225 554	365 938	+23.8	0.2
Kiribati (Gilbert Islands)	132	--	414	546	+70.1	--
Nauru	90	--	--	90	-80.7	--
New Caledonia	50 618	70 514	295 009	416 141	+61.0	0.3
New Hebrides	8 532	13 189	12 893	34 614	+50.0	--
Niue	6 715	--	1 593	8 308	--	--
Norfolk Island	7 766	5 565	18 460	31 791	+324.8	--
Papua New Guinea	1 136 334	5 375	39 145	1 180 854	+44.7	0.7
Pitcairn Island	--	--	--	--	-100.0	--
Solomon Islands	5 977	--	1 718	7 695	+186.4	--
Tonga	7 578	--	1 338	8 916	+4.7	--
Wallis and Futuna Islands	--	--	420	420	--	--
Western Samoa	134 015	2 168	9 145	145 328	-10.3	0.1
	<b>34 345 442</b>	<b>4 496 927</b>	<b>1 962 261</b>	<b>40 804 630</b>	<b>+68.8</b>	<b>25.1</b>
<b>South-east Asia and Far East:</b>						
Brunei	--	--	25 100	25 100	--	--
China (Mainland)	24 000	--	--	24 000	--	--
Guam	--	905	--	905	-96.1	--
Hong Kong	452 538	202 437	2 261 921	2 916 896	+37.3	1.8
India	12 559	--	12 559	12 559	--	--
Indonesia	90 308	--	13 587	103 895	-54.9	0.1
Japan	28 425 639	3 915 087	29 782 949	62 123 675	+125.1	38.3
Korea (Republic)	614 643	--	899 805	1 514 448	+10.0	0.9
Malaysia	323 343	38 125	130 616	492 084	+231.4	0.3
Singapore	2 515 512	338 904	3 728 193	6 582 609	+251.2	4.1
Sri Lanka	56	--	--	56	--	--
Taiwan	--	53 199	3 763 341	3 816 540	+62.9	2.3
Thailand	2 850	--	--	2 850	-80.1	--
Vietnam	182 357	--	--	182 357	--	0.1
	<b>32 643 805</b>	<b>4 548 657</b>	<b>40 605 512</b>	<b>77 797 974</b>	<b>+117.8</b>	<b>47.9</b>
<b>North and Central America:</b>						
Bermuda	51 100	--	--	51 100	--	--
Canada	251 803	16 728	22 835	291 366	-64.2	0.2
Peru	--	--	27	27	--	--
Puerto Rico	359 732	--	--	359 732	--	0.2
Trinidad and Tobago	5 928	--	--	5 928	-32.2	--
US	3 995 072	19 986 541	891 812	24 833 425	+3.6	15.3
Venezuela	--	--	31 020	31 020	--	--
	<b>4 623 635</b>	<b>20 003 269</b>	<b>945 694</b>	<b>25 572 598</b>	<b>+3.1</b>	<b>15.7</b>
<b>Europe:</b>						
Austria	4 398	--	--	4 398	--	--
Belgium	702 161	66 725	37 500	806 386	+62.6	0.5
Cyprus	130 146	562	35 990	166 698	+62.6	0.1
Denmark	23 324	--	8 275	31 599	+169.4	--
France	1 103 692	197 170	211 911	1 512 773	+41.8	0.9
Germany (West)	3 627 034	--	591	3 627 625	+126.5	2.2
Greece	283 018	--	29 736	312 754	-70.0	0.2
Ireland	24 340	--	--	24 340	--	--
Italy	637 218	4 739	54 783	696 740	+22.2	0.4
Malta	43 680	23 400	--	67 080	+207.0	0.1
Netherlands	1 534 215	--	201 043	1 735 258	-7.6	1.1
Norway	1 496	--	--	1 496	--	--
Portugal	14 624	--	--	14 624	--	--
Spain	223 815	--	195 776	419 591	-85.1	0.3
Sweden	21 600	--	--	21 600	-82.2	--
Switzerland	413	--	22 021	22 434	+52.6	--
United Kingdom	1 097 347	--	1 915 326	3 012 673	+126.5	1.9
	<b>9 472 521</b>	<b>292 596</b>	<b>2 712 952</b>	<b>12 478 069</b>	<b>+12.6</b>	<b>1.9</b>
<b>Middle East:</b>						
Bahrain	30 822	3 312	37	34 171	-7.3	--
Egypt	18 500	--	--	18 500	--	0.1
Israel	37 835	--	--	37 835	--	--
Kuwait	469 013	--	7 995	477 008	-0.1	0.3
Lebanon	7 288	--	--	7 288	--	--
Oman	25 792	--	--	25 792	+7485.9	--
Qatar	1 256	7 095	--	8 351	-47.4	--
Saudi Arabia	831 909	27 085	111 183	970 177	+87.7	0.6
United Arab Emirates	184 712	102 180	--	286 892	+93.5	0.2
	<b>1 607 127</b>	<b>139 672</b>	<b>119 215</b>	<b>1 866 014</b>	<b>+53.4</b>	<b>1.2</b>
<b>Africa:</b>						
Mauritius	9 377	--	38 709	48 086	+2905.4	--
Nigeria	747 792	--	--	747 792	+104.4	0.5
Reunion	9 268	--	--	9 268	--	--
South Africa	268 904	--	235 182	504 086	+131.8	0.3
	<b>1 035 341</b>	<b>--</b>	<b>273 891</b>	<b>1 309 232</b>	<b>+97.4</b>	<b>0.8</b>
<b>Other:</b>						
Destination unknown	--	--	33 726	33 726	--	--
USSR	2 144 801	--	437 157	2 581 958	--	1.6
	<b>2 144 801</b>	<b>--</b>	<b>470 883</b>	<b>2 615 684</b>	<b>--</b>	<b>1.6</b>
<b>Total</b>	<b>85 872 672</b>	<b>29 481 121</b>	<b>47 090 408</b>	<b>162 444 201</b>	<b>+66.4</b>	<b>100</b>

Source: New Zealand Fishing Industry Board.



## 2. Imports

New Zealand imports for the past three years are summarized in Table 10, which illustrates the lack of growth in the effective demand for foreign fisheries products. The volume of imports in 1978 was 3 651 tonnes (compared with 3 404 tonnes in 1977 and 4 116 tonnes in 1976<sup>1</sup>). An important point to note is the preponderance of canned fish products, including shellfish, which have been accounting for around 80% of imports.

Imports of frozen or chilled seafoods were of minor importance, and particularly so in the case of finfish, which accounted for between 0.3% and 1.3% of total fish imports between 1976 and 1978. In the case of shellfish the figure ranged between 0.4% and 0.6%.

In the light of the static demand for fisheries products generally, as well as the relative by high cost of imported seafoods<sup>2</sup>, it is unlikely that there will be any significant expansion in imports over the next five years. The three-year average for 1976-1978 was slightly over 3 700 tonnes. Any underlying long-term growth over the next five years would be marginal at best, probably of the order of 5% and confined to canned fish and shellfish.

## 3. Trends in the import-export balance to 1985

The import-export balance predicted for 1985 is set out in Table 11. It is expected that the trends that were evident by 1978 will generally continue and will be substantially accelerated in respect of net exports of two categories of seafoods, namely fresh, chilled or frozen fish and crustaceans and molluscs, fresh, frozen and cured. Expected new trends will be sharply expanding exports within the fish products and preparations category and the emergence of export trade in the meals, solubles, etc. product group.

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1 In the preceding three years the volume of imports ranged between 2 870 tonnes and 5 950 tonnes.

2 There is also the inhibitory effect of the import licensing system.

TABLE 10

New Zealand Imports of Fisheries Products

<u>Commodity group</u>	<u>1976</u>		<u>1977</u>		<u>1978</u>	
	<u>Tonnes</u>	<u>\$NZ, CIF</u>	<u>Tonnes</u>	<u>\$NZ, CIF</u>	<u>Tonnes</u>	<u>\$NZ, CIF</u>
<u>Fish -</u>						
Live	4.4	169 197	10.0	228 388	33.9	152 545
Frozen chilled -						
Retail packs	1.4	1 387	0.6	1 536	0.4	500
Other	6.6	7 467	8.1	8 609	14.8	46 041
Salted, smoked, dried preparations	7.6	25 157	4.7	17 713	2.3	17 153
Pastes	63.1	129 368	24.1	47 021	36.4	128 133
Other	135.9	297 086	163.7	438 906	178.7	491 707
Canned (includes airtight containers) -						
Herrings and pilchards	289.5	315 743	241.5	321 486	284.8	497 154
Salmon	1 402.6	4 338 441	895.6	3 378 951	1 162.1	3 561 223
Sardines, sild	857.1	1 478 383	837.8	1 627 378	758.5	1 529 014
Other	395.2	415 667	449.8	625 659	372.8	477 979
Otherwise packed	2.0	6 123	1.6	5 233	4.7	33 716
Caviar and substitutes	6.2	19 626	4.2	31 699	4.0	34 921
Crustaceans and molluscs -						
Live	...	1 390	...	...	...	...
Frozen chilled -						
Retail packs	4.1	11 805	2.3	20 100	2.2	25 664
Other	21.8	149 270	11.8	104 158	16.3	149 632
Smoked, salted, or boiled in water	25.0	129 662	8.0	42 453	14.0	88 847
Preparations						
Pastes	1.0	4 785	1.7	4 534	1.6	7 241
Other	70.3	227 675	102.7	435 324	103.4	511 269
Canned (includes airtight containers)	365.5	1 040 492	288.8	1 096 046	250.7	998 867
Otherwise packed	450.8	2 025 991	342.0	1 588 000	398.8	1 976 144
Soups and broths	6.0	10 666	4.8	12 619	10.4	14 096
Total:	<u>4 116.2</u>	<u>\$10 805 381</u>	<u>3 403.9</u>	<u>\$10 035 813</u>	<u>3 650.8</u>	<u>\$10 741 846</u>

Source: IBID.

Imports are expected to remain relatively stable in all product categories to 1985. New Zealand will be producing more items in the fish product and preparation category but these will be mostly non-traditional items such as fish sticks, canned tuna and mackerel, which will not replace traditional imports, such as canned salmon and herring.

The domestic market traditionally prefers whitefish and shellfish harvested from in-shore waters and these will be least abundant in 1985. Favoured species include snapper, tarakihi, gurnard, sole and flounder, and virtually all shellfish. The major exception in the shellfish category is squid, which should remain abundant.

The other species that should be relatively abundant in 1985, given the level of domestic demand and the size of the resource, are mainly deep-water species like red cod, hake, hoki, southern blue whiting and tuna. In addition eels, mackerel and pilchards should be readily available. The abundant species will be primarily harvested for export.

However, if domestic supply is related to total demand and not just to the requirements of the domestic market, it is possible that a much less abundant supply situation may develop for several of the deep-water species such as hake and hoki. In the context of the aggregate demand and supply situation for New Zealand fish, eels and bluefin tuna also would not be in abundant supply. If international market conditions are buoyant in 1985 squid could be in the same situation.

In 1985, the prices of the more expensive, least abundant species should be upwards of 70% above the general level of prices prevailing on the New Zealand market at the beginning of 1980. As for the more abundant species, which will be primarily exported, the general trend in prices in the domestic market may well be more moderate.

TABLE 11

New Zealand Import-Export Balance by Major Product Categories  
(tonnes)

	1978				1985			
	<u>Exports</u>	<u>Imports</u>	<u>Balance</u>		<u>Exports</u>	<u>Imports</u>	<u>Balance</u>	
			<u>Export</u>	<u>Import</u>			<u>Export</u>	<u>Import</u>
Fish, fresh chilled or frozen	29 220	49	29 171	--	115 000	30 114 970	--	
Fish, dried salted or smoked	347	217*	130	--	500	200*	300	--
Crustaceans and molluscs fresh, frozen, dried, salted, etc.	3 947	137	3 810	--	50 000	130 49 870	--	
Fish products and preparations**	132	2 587	--	2 455	1 500	2 600	--	1 100
Crustacean and mollusc products**	611	650	--	39	600	690	--	90
Oils and fats crude or refined	--	--	--	--	--	--	--	--
Meals, solubles, etc.	--	--	--	--	1 000	--	1 000	--

\* Includes paste and other preparations.

\*\* Whether or not in airtight containers.

Source: For 1978 figures see Table 7 - FAO  
1985 Projections - Marketing Services Branch, DFO, Ottawa.

## E. POTENTIAL TRADE

### 1. Market potential for Canadian exports

The export-imports analysis of the preceding section underscores the expansion of New Zealand export balances over a widening range of product categories. Conversely imports from all sources are projected to be only marginally higher in general in 1985 than in 1978. Table 12 shows the dependence of Canada's export trade with New Zealand on a narrow range of products, essentially canned fish and fish preparations, which parallels the pattern of imports from all sources.

There is no reason to believe that Canada's fish exports to New Zealand will become more diversified. On the contrary the rapid growth in domestic production, the consumer preference for fresh fish products, the restrictions imposed by the licensing system and the general lack of growth in the market all support the maintenance of the status quo.

On the other hand Canadian exporters should be able to increase their share of the import market for canned fish. Details can be seen in Table A-5 in Appendix II B. The Canadian share of canned fish imports rose from 27.5% in 1975-76 to 29.3% and 43.4% respectively in 1976-77 and 1977-78. In the case of Canadian canned salmon the rates were 29.2%, 46% and 73.4% respectively. As far as fish preparations were concerned the Canadian share of total imports rose from 3.6% in 1975-76 to 9.3% in 1976-77 and to 24.2% in 1977-78. Table A-6 in Appendix IIB, shows that total New Zealand imports of Canadian fish and fish preparations, including fish in airtight containers, increased from 770 tonnes in 1975-76 to 906 tonnes and 979 tonnes respectively in the next two years.

As for New Zealand imports of molluscs and crustaceans, such as canned shrimp and crab, which are expected to increase in the coming years, Canada's share over the period 1975-76 to 1977-78 has been negligible. The market is dominated by a number of developing countries, including Malaysia, Pakistan, Thailand and the Republic of Korea, as well as the US. Australia is also becoming an increasingly important supplier.<sup>1</sup> In the light of competition from lower-cost suppliers the market potential for Canadian shellfish is considered to be poor.

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<sup>1</sup> Table A-6 in Appendix II B provides further details on the range of foreign countries exporting to the New Zealand market.

TABLE 12

Canadian Exports of Fishery Products to New Zealand  
(tonnes)

	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>
Cod, Atlantic, frozen, whole, dressed	--	2	--	--	14
Salmon, chum, frozen, whole, dressed	--	--	--	--	3
Salmon, coho, frozen, whole, dressed	--	--	--	--	1
Salmon, spring, frozen, whole, dressed	--	2	--	--	2
Seafish, frozen, whole, dressed, nes	--	--	8	78	--
Cod fillets, Atlantic, frozen	--	--	14	--	14
Seafish fillets, frozen, nes	--	--	--	--	1
Cod blocks & slabs, frozen	--	7	--	--	--
Seafish blocks, etc., fresh, frozen, nes	--	--	40	--	--
Herring, kipper snacks, canned	2	--	--	14	16
Herring, canned nes	12	2	2	15	28
Salmon, chum, canned	24	35	50	32	25
Salmon, coho, canned	--	--	4	35	26
Salmon, pink, canned	143	283	343	516	584
Salmon, sockeye, canned	48	47	56	63	67
Salmon, canned, nes	44	34	41	29	90
Sardine, canned	179	329	258	292	364
Fish & fish products, canned, nes	10	--	4	2	--
Crabs, fresh or frozen	--	5	--	--	1
Shrimps & prawns, fresh or frozen	--	2	--	--	--
Lobster and products, canned	--	--	--	--	2
Pre-cooked frozen fish and shellfish	--	--	13	--	46
	<u>462</u>	<u>748</u>	<u>833</u>	<u>1 076</u>	<u>1 284</u>
	====	====	====	=====	=====

Source: Statistics Canada, Exports by Commodities, Ottawa.

While transportation costs can be expected to rise substantially, it is not anticipated that this will markedly undermine Canada's relative competitive position. The high value of the products Canada is likely to ship to New Zealand in the future is a positive aspect, as is the fact that these products generally do not require refrigeration during transportation. Transportation rates are shown in Table A-8 in Appendix II B.

## 2. Market entry requirements and barriers

### a) Tariffs

In July 1978 a fully revised customs tariff was introduced in New Zealand. Commonwealth preference rates were replaced by an extended generalized system of preferences favouring developing countries. The objectives of the tariff are:

- i) collection of revenue;
- ii) development of New Zealand industries;
- iii) maintenance and extension of markets for New Zealand exports;
- iv) implementation of New Zealand's tariff commitment in multilateral and bilateral trade agreements;
- v) harmonization with New Zealand's external political objectives including the provision of assistance to developing countries.

The sections of New Zealand's tariff pertaining to New Zealand fish products, namely Chapter III, and Chapters V and XVI in part, are set out in Appendix IV B. It will be noted that in addition to the normal tariff there is a preferential tariff which applies to developing countries, and to Australia and Canada also in respect of certain products. In the case of Australia and Canada these latter rates reflect bilateral trade agreements between these countries and New Zealand.<sup>1</sup>

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<sup>1</sup> Reciprocal trade agreements between Canada and New Zealand were negotiated in 1932. In July 1973 the governments of Canada and New Zealand agreed, subject to certain qualifications and consultative provisions, to not increase duties and to maintain margins of preference based on the situation at January 31, 1973.

Of the products which are free of duty from Canadian sources those of significance from the standpoint of volume of trade fall under the general heading of "Fish preserved: in airtight cans or jars, whether or not with added liquor, oil or sauce." Canned herrings, pilchard, sardines, sild, brisling, saury and salmon are not subject to duty.<sup>1</sup>

Canada is also accorded preferential rates of duty on fresh and frozen fillets, certain types of cured fish and a range of prepared or preserved fish and shellfish, but Australia invariably enjoys duty-free status. In many instances imports from developing countries also qualify for tariff rates that are either equal to or lower than those applicable to Canadian exporters.

In one instance worth noting Tariff Item 03.01.017, which includes fresh, chilled or frozen fillets packed for retail sale, provides for a normal tariff rate of 25% ad valorem. Australian imports are free, and those from developing countries are subject to a duty of 15%. Other categories of fresh, chilled or frozen fillets which fall under tariff item 03.01.029, are duty-free for Australia, but carry a duty of \$NZ6.00 per 100 kilogram for Canadian products. Noteworthy also is tariff item 16.04.011 which covers breaded fillets. This item provides for the free entry of Australian product as compared with a tariff of \$NZ21.50 per 100 kilograms for Canadian imports.

Obviously, New Zealand tariff structure is uneven in its impact, with imports from Canada generally facing a higher tariff barrier than those from Australia and the developing countries<sup>2</sup>. The only significant exceptions to this generalization are certain canned fish products, as noted previously.

Further information relevant to the customs tariff as well as operational entry conditions and procedures, are set out in Appendix IV<sup>3</sup>.

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<sup>1</sup> Species of canned fish which have been specifically identified by the New Zealand Customs Department as falling within the scope of the tariff items providing for free entry are set out in Appendix III A.

<sup>2</sup> The developing countries entitled to preferential tariff treatment under the generalized system of preferences are set out in Appendix III B.

<sup>3</sup> This section has been drawn from a booklet issued by the Department of Customs for the information of exporters (see References).



b) Import Licensing

Import licensing has been in force in New Zealand since 1938, the objectives being to ensure a stable market for the domestic industry, to utilize domestic resources to the fullest extent, to maintain full employment, and to encourage investment and productivity in New Zealand. Those sections of the 1980-81 Import Licensing Schedule<sup>1</sup>, which relate to fisheries products are set out in Appendix IV A. The classes of fisheries products which are exempt from import licensing are the "E" items set out below:

<u>Tariff Item</u>	<u>Classes of goods</u>
03.01.001 and 03.01.005	Live fish
03.03.001 to 03.03.049	Crustaceans and molluscs, whether in shell or not, fresh (live or dead), chilled, frozen, salted, in brine or dried; crustaceans, in shell, simply boiled in water
05.15.000	Animal products not elsewhere specified or included; dead animals of Chapter 1 or Chapter 3, unfit for human consumption
16.03.000.01L	Fish extracts
16.04.011	Fish preparations such as sausages, "prepared meals" and the like (other than pastes)  Preserved fish: In airtight cans or jars, whether or not with added liquor, oil, or sauce:
16.04.021.11J	Sardines, sild, brisling, saury
16.04.031	Salmon
16.04.051	Otherwise packed
16.04.059	Caviar and caviar substitutes
16.05.005	Crustaceans and molluscs (other than pastes)
16.05.009	Crustaceans and molluscs (other than pastes)
16.05.009	Crustaceans and molluscs (other kinds)

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<sup>1</sup> The licence year is from July 1 to June 30.

The foregoing list reveals that the range of products exempt from import licensing restrictions, when in the basic fresh, frozen, salted, dried or boiled forms, is limited to crustaceans and molluscs. As for further processed product forms these are confined essentially to:

- i) Fish preserved in airtight containers, i.e., salmon, sardines, sild, brisling and saury;
- ii) Fish preserved other than in airtight containers, i.e., crustaceans and molluscs (other than paste) and caviar and caviar substitutes;
- iii) Prepared fish products such as fish dinners.

The New Zealand import licensing system is a highly protective instrument with an impact that varies not only across the product spectrum, but also between supplying countries. It could be said that the level of imports is basically a reflection of the licensing system. Demand considerations apart, Customs Tariff and Import Licensing Schedule effectively limit the ability of Canadian exporters to either increase the volume of traditional exports<sup>1</sup> or to diversify into other fisheries products. It is necessary also to recognize that, as the capacity of the New Zealand industry to meet local demand is enhanced, there will be increased pressure upon the government to further restrict imports. Canada and New Zealand are negotiating a new bilateral trade treaty in 1981, which may improve Canadian fisheries products access. This situation could well arise with canned tuna, for instance, if it could be shown that competing imports posed a real threat to domestic production.

c) Packaging, Labelling and Phyto-Sanitary Regulations

Packaging, labelling and phyto-sanitary specifications, as well as permissible mercury levels in fish products imported into New Zealand, are covered in the Food and Drug Regulations 1973 and subsequent amendments. Further details are set out in Appendix IV, Section C. As for mercury levels these are established at 0.5 PPM by weight for fish and fish products.

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<sup>1</sup> Other than by obtaining an increased share of the total market.

Paragraph 13 of the Animals Act 1967 prohibits the importation of frozen salmon. The Port Agricultural Service Field Manual amplifies on this embargo and the relevant extract from this publication is set out in Appendix IV, Section D.

d) Credit Arrangements and Financial Practices

Credit arrangement vary depending on the particular agreement reached between exporter and importer. Usually the method of payment is sight draft against documents.

Importers normally prefer CIF quotations which are acceptable in either Canadian or New Zealand funds.

## F. MARKET IMPLICATIONS FOR CANADIAN TRADE OF NEW ZEALAND EXPORTS

### 1. Exports of catches from New Zealand waters

It is anticipated that New Zealand will become increasingly important as a supplier of fisheries products to the Japanese market, due partly to the existence of co-operative ventures with Japanese interests<sup>1</sup>. The important Australian market will no doubt continue to be intensively exploited and consequently there could be some effect on some of Canada's minor exports to that country. Canadian exports can expect increased competition from New Zealand in the Japanese market for squid and bluefin tuna. Increased competition from New Zealand squid is probable also in other markets such as Spain. Increased supplies of such whitefish species as hoki, red cod, hake and whiting could have an influence in certain market situations on prices in the United States and Australia as well as in some European markets.

It is expected that the catch by foreign licensed vessels<sup>2</sup> from New Zealand waters will decline, a trend which will be most pronounced in the case of the preferred species, with the possible exception of tuna. As far as can be judged this foreign fishing activity is not significantly affecting Canada's trade at the present time.<sup>3</sup> As catches by foreign licensed vessels in New Zealand waters are not expected to increase in the years ahead any change in the situation should be favourable to Canadian exporters.

The available evidence suggests that the Russian and Japanese markets absorb most of the catches of foreign licensed vessels in New Zealand waters. Canadian exports to the USSR in 1979 were confined to over-the-side sales of frozen mackerel. As for Japan, Canadian exports to that market consist, apart from squid, largely of species and products - such as salmon and roe - that are not caught commercially in New Zealand waters.

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- 1 As shown in Table 9. New Zealand marketed fisheries products in some 69 countries in 1980. Japan, Australia and the US were the dominant markets in that year.
  - 2 New Zealand has bilateral access fisheries agreements with the Republic of Korea, the USSR and Japan. While there is no agreement with the United States, vessels of that country also fish under license in the 200-mile zone.
  - 3 There is an important exception to this generalization. Foreign catches of squid would compete with the Canadian product on world markets and particularly in Japan. Catches of mackerel could also inhibit Canadian sales of mackerel to such countries as Nigeria.

## 2. Trading arrangements

### a) Commercial Agreements

As noted previously, preferential tariff treatment is accorded less developed countries as well as to Canada, Australia and Malaysia, with which New Zealand has bilateral trade agreements. The New Zealand-Australia Free Trade Agreement of January 1, 1966 provides for periodic reductions and the eventual elimination of duties on goods listed in Schedule A to the agreement<sup>1</sup>. In 1977 there was, subject to certain qualifications and consultative provisions, a general undertaking by the two countries to not increase rates of duty unless there were exceptional circumstances. Margins of preference were also to be maintained between Australia and New Zealand. Where there were changes in tariffs each country agreed to endeavour to maintain minimum margins of preference.

New Zealand is also a party to commercial treaties and trade arrangements with countries outside the Commonwealth<sup>2</sup>, and a contracting party to the General Agreement on Trade and Tariffs (GATT).

### b) Joint Ventures

Since the establishment of the 200 mile Exclusive Economic Zone, New Zealand has relied heavily on joint fishing ventures to encourage the involvement of the domestic industry in the offshore fishery. Joint ventures were seen as a necessary first step in overcoming obstacles such as the lack of investment capital, technological constraints and the shortage of experienced manpower. Establishing joint ventures can also work towards New Zealand ownership and operation while providing access to overseas markets at the same time.

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1 The categories of fisheries products included in Schedule A are: fish, fresh (live or dead), chilled or frozen; fish, salted in brine, dried or smoked; crustaceans and molluscs, whether in shell or not, fresh (live or dead), chilled, frozen, salted, in brine or dried; crustaceans in shell, simply boiled in water.

2 Switzerland, Liechtenstein, FRG, Japan, the USSR, Poland, the Republic of Korea, Bulgaria, Philippines, Romania, Hungary, Mainland China, Iran, Yugoslavia, Egypt, East Germany and Indonesia.

The basis on which joint venture proposals have been assessed is set out in Section D of Appendix I.

As of March 1980, the New Zealand government had approved 30 co-operative fishing ventures involving 167 vessels. Of these vessels 19 were to be engaged in tuna fishing, 40 in harvesting finfish and 108 in jigging for squid. The foreign partners were from Korea, Japan, FRG, the USSR, Singapore, Poland and Spain.<sup>1</sup>

### 3. Export growth impediments

In this transitional phase in the development of the New Zealand fisheries there are many factors impeding growth in exports, including catching and processing costs, the predominance of unfamiliar or less desirable species in the export mix, an unestablished position as a world trader in fisheries products, degree of compliance with market requirements and quality standards in particular, and the level of external freight rates.

These impediments together with other factors, notably declining prices in overseas markets, led to the government establishing a price supplementation scheme in April 1979, applied to exports of two less preferred species, namely mackerel and barracouta, during the year ended April 30, 1980. Minimum prices were also established for exports of mackerel and barracouta to Australia and Papua-New Guinea<sup>2</sup>.

Export expansion is dependent upon the processing of relatively lower-value species. However, catching and processing costs are the same and in some instances actually higher when these species are processed to the requirements of the export market. As is the case with the Canadian fisheries, the New Zealand industry in general has not yet fully achieved the standard of quality required by discerning overseas buyers. This is particularly evident in Japan,

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<sup>1</sup> Further details are set out in Appendix I F.

<sup>2</sup> Priority is also being given to the formulation of a price stabilization scheme for the long term.

where the New Zealand product has compared unfavourably with Japanese and Korean fish in terms of freshness and appearance. This situation points to problems in the methods of handling and preservation, and a need to comply more closely with size, grading and packaging requirements.

New Zealand has already taken positive steps to improve both quality<sup>1</sup> and the standard of hygiene with the Fish (Packing for Export) Regulations of January 1978. Among other things, the regulations provide for the licensing of all premises that are processing, packing, handling, holding or storing fish for export, and require that every packing house have a formal quality control program.

Since New Zealand exports a large and growing quantity of species that are not established on world markets, the industry is faced with a major task of market promotion. Unfamiliarity with world markets and lack of effective trade contacts are among impediments to market development. At this juncture New Zealand also depends to some degree on joint venture operations for access to such countries as Japan, the USSR and Korea. However, such arrangements place the New Zealand industry at a disadvantage in other markets to the extent that countries like the USSR market New Zealand products in third countries at reduced prices.

Product identification is an important element in successful marketing, and New Zealand exporters have encountered problems in the United States in particular, where the Food and Drug Administration has required the use of names with undesirable connotations from the marketing standpoint. Examples are black croaker for tarakihi and porgy for snapper. A partial interim solution is an amendment to the Fish (Packing for Export) Regulations which require only that the scientific names of species appear on export containers.

High freight costs are also undermining New Zealand's competitive position in world markets. A particular anomaly is the freight rate structure between

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<sup>1</sup> Quality is perceived as being much more than a high standard of hygiene. Quality relates to those attributes in a product which are sought by the buyer. Such visual characteristics include quality of presentation and packaging, grading, appearance, smell, taste and texture.

New Zealand and Australia, and it is due largely to the existence of a monopoly held by one company on the Trans-Tasman shipping service. Freight rates to Greece, Los Angeles and Japan are less than to Australia, even though the distance in some instances is eight times that of the Trans-Tasman crossing.

The New Zealand Fish Industry Board, which has leverage with the shipping lines because it can speak in terms of the total volume of fish for shipment, has successfully negotiated some reductions in freight rates<sup>1</sup>. Developmental freight rates that were established involved, in particular, a reduction of 37% for shipments to Japan on several species, and differential rate for squid.

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<sup>1</sup> The basic argument appears to have been two-pronged: first that it was not worth exporting lower-value species at existing freight rates; secondly that the size of the unutilized resources offer the potential for very substantial increase in traffic provided markets could be developed.



## G. CONCLUSIONS

1. With a population of little more than 3 million that has not acquired much of a taste for seafood, New Zealand represents a small market for fish products. Per capita consumption is relatively low and overall demand is expected to increase by only 5% by 1985. New Zealanders prefer meat and poultry, which they can buy at relatively low prices. When they do purchase fish, they are highly selective and tend to favour fresh fillets of white, non-oily species, free of bones.

2. Traditionally, the fisheries sector has not figured prominently in the country's industrial economy, but this has been changing since 1978 when New Zealand declared a 200 mile economic zone that is 15 times the area of the nation itself and seventh largest in the world. Since then, New Zealand has been emerging as a significant fishing nation and exporter, and one that could become a competitor of Canada in some markets. New Zealand's exports increased from 10 600 tonnes in 1970 to 34 257 tonnes in 1978. Landings in 1978 totalled more than 97 000 tonnes, and there is potential for more than doubling this volume by 1985, by intensified fishing effort, largely through joint venture operations, concentrating on under-exploited and unfamiliar species such as mackerel and southern blue whiting.

3. Joint ventures have been adopted by the New Zealand government as a transitional measure aimed at building up the country's fishing industry. It is expected the catch by foreign vessels from New Zealand waters will drop to about 80 000 tonnes by 1985 from current levels of around 100 000 tonnes.

4. New Zealand's position as a net exporter of fish has shown steady and rapid growth in spite of obstacles that include high costs of catching, processing and shipping products to overseas markets. Suppliers have also had problems meeting the quality demands of discerning foreign buyers, but steps are being taken to correct this.

5. As might be expected, New Zealand's imports of fish have shown relatively little growth, from 2 900 tonnes in 1970 to 3 651 tonnes in 1978. About 80% of these imports are canned fish and preparations, and it is in this market that Canadian exporters have had significant success.

6. For a variety of reasons, there appears to be little prospect of Canadian processors diversifying their trade with New Zealand, but there are possibilities that sales of canned fish and preparations could be increased. Canadian sales in this category have already been showing remarkable growth, from 27.5% of the market in 1975-76 to 43.4% in 1977-78. In the same period, Canada's share of the market for canned salmon rose from 29.2% to 73.4%, and the rate for fish preparations increased from 3.6% to 24.2%. In volume terms, New Zealand imports of Canadian fish and preparations increased from 770 tonnes in 1975-76 to 979 tonnes two years later.

7. Canadian canned fish can enter New Zealand duty-free. For other products, Canada is accorded preferential rates of duty, but developing countries qualify for tariff rates that are equal or lower, and Australian imports invariably enter the country duty-free. Demand considerations apart, New Zealand's combination of customs tariffs and import licensing limit the ability of Canadian exporters to increase traditional exports or diversify into other products.

8. It is anticipated that New Zealand will become increasingly important as a supplier to the Japanese market, where it may offer competition for Canadian squid and bluefin tuna. Spain is another market where New Zealand squid may compete, and continued intensive effort to sell in Australia could have an effect on Canada's minor exports to that country. If New Zealand's catch of various whitefish species meets expectations, it could influence prices in the United States, Australia and some European markets.

9. Any further review of the New Zealand market should be confined to routine monitoring of the data that is now being received by the Marketing Services Branch on a regular basis.

10. From the standpoint of Canadian exporters it is recommended that steps be taken to ensure that New Zealand buyers of fish in cans or other airtight containers are fully informed as to the range and specifications of the products available from this country.

REFERENCES

Customs Co-operation Council Nomenclature (Brussels). This nomenclature defines the various categories used to describe fisheries products. Of particular interest are the following publications:

EN/AS 16. Section IV 16. 01/02/03. June 1973. This defines various preparations of meat, of fish, of crustaceans and of molluscs.

EN/AS 20. Section IV Chapter 16. May 1975. This gives general information on preparations of fish, of crustaceans, of meat and of molluscs.

EN/AS 24. Section I 03.01/02/03. January 1977. This defines various categories of fish, crustaceans and molluscs.

EN/AS 31. Section I Chapter 3. January 1980. This gives general information on defining fish, crustaceans and molluscs.

M A F Media Services. Assistance and Incentives for Fishermen 1979-80. Box 2298, Wellington New Zealand: 1979. This publication gives information on loans for both new and existing ventures, income tax, duty and sales tax concessions, general financial assistance, and export and training incentives.

New Zealand. Customs Department. Information for Exporters to New Zealand. This booklet includes information on types of duty, preference duty rates, dumping, packaging restrictions, goods entering the commerce of another country and documentation. The Customs Department can also supply information on prohibited and restricted imports into New Zealand.

New Zealand. Fishing Industry Act 1963, Section 10 and Subsequent Amendments. This describes the functions of the Fishery Industry Board.

New Zealand. Ministry of Agriculture and Fisheries. "Draft Fisheries Policy" in Catch '80 July. This describes how the Fisheries Policy will be implemented.

APPENDICES

APPENDIX I

SECTION A

NEW ZEALAND: FISHERIES POLICIES

(a) Institutional and Other Influences on Policy Formulation

The Ministry of Agriculture and Fisheries is responsible for the optimum development of New Zealand's fisheries resources, while the promotion of industrial development within the fisheries sector is the responsibility of the New Zealand Fishing Industry Board, which endeavours to represent the industry as a whole<sup>1</sup>. The board is required to advise the Minister of Fisheries on all matters affecting the economic well-being of the industry. As a semi-autonomous body the board is also expected to carry out most of the lobbying with the government. Other lobbyists are the associations representing commercial fishermen, processors and exporters as well as the four major companies in the industry<sup>2</sup>.

(b) Fisheries Development Policy

Fisheries development policy is still in the planning phase and a formal policy statement has not been issued by the New Zealand government<sup>3</sup>, but a draft fisheries policy prepared by the Ministry of Agriculture and Fisheries has been made public<sup>4</sup>. The perceived thrust of government action since the inception of the Exclusive Economic Zone suggests that the formal policy that will be evolved will include the following in particular:

- (i) management of the fisheries with the objective of achieving economically sustainable returns by the matching of the catch effort to the capacity of each fishery;

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<sup>1</sup> See References.

<sup>2</sup> Sanford Limited, J. Wattie Canneries Limited, Jaybel Nichims Limited and Sealord Products Limited.

<sup>3</sup> The Fishing Industry Board is formulating the basis for a fishing industry development plan which will span the industry spectrum from the fishing grounds to the foreign markets for the catch.

<sup>4</sup> See References.

APPENDIX I  
SECTION A (CONT'D)

- (ii) development of the off-shore fisheries;
- (iii) phasing out of foreign licensed vessels and their replacement by domestic and joint-venture operations;
- (iv) phasing out of co-operative-venture operations over the long-term and the "New Zealandization" of the industry.

In view of the importance of joint ventures through the development of the New Zealand fishing industry the current government stance is worthy of note. In a statement in May 1980 the Minister of Fisheries, the Honourable Duncan MacIntyre, said that only after allowance had been made for domestic catching capacity was consideration being given to allocations to joint ventures. As all applicants could not be given an allocation, a controlled access fishery had in effect been introduced. The Minister stated: "So what - the joint-venture operations are facing is an intense competition to outperform rival companies in securing the best deal for New Zealand within two years, in order to have the chance of keeping access to a non-expanding quota. Increases in quota can only come at the expense of a non-surviving competitor".

Earlier in the year the Minister had stated that the policies of all co-operative ventures would be reviewed, and continued approval would be based on performance, adherence to fishing plans and the degree of local participation. Co-operative ventures would be required to submit "New Zealandization" programs involving such aspects as the adding of value from on-board or on-shore processing, the purchase of vessels and increased New Zealand equity<sup>1</sup>. As far as new joint ventures were concerned the Minister said that only those which offered concrete benefits to New Zealand would be considered.

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<sup>1</sup> It is believed that one of the important new conditions is the submission of detailed plans on how foreign partners intend to develop joint ventures into wholly New Zealand-based concerns.

APPENDIX I  
SECTION B

NEW ZEALAND: PROFILE OF THE DOMESTIC FISHING INDUSTRY

Apart from the primary sector very little data is available on other facets of the New Zealand fishing industry<sup>1</sup>.

Fleet characteristics have been touched upon in Section B.1. The domestic fleet still consists largely of coastal vessels restricted to fishing on the continental shelf. An analysis of the fleet by vessel and method of fishing is set out in Table A-1. It is worthy of note that of the 5 430 vessels comprising the New Zealand fleet in 1978 almost 4 000 had gross earnings of \$NZ4 000 or less per annum.

Although consolidation and rationalization is taking place, the processing industry, like the industry generally, is still fragmented and characterized by small plants and family ownership. Only a handful of companies are of substantial size and these are small by Canadian standards. Little emphasis has been placed on further processing beyond the filleting stage. Existing market demand appears to have inhibited increased processing.

The latest data available on production are for 1976-77, viz:

	<u>Tonnes<sup>2</sup></u>
Fish -	
Fresh, chilled or frozen	3 515
Fillet packs	4 339
Other kinds	-
Smoked fish and fish roe	-
Canned, all kinds	-
Fish preparations, all kinds	-
Molluscs -	
Oysters (dozens)	4 948 103
Other kinds (dozens)	-
Crustacea -	
Rock lobster	-

1 This is an area currently being investigated by the New Zealand Fishing Industry Board. Documentation of the existing industry profile is a prerequisite to the formulation of the industry development plan.

2 Excludes sales by small single establishments employing less than 10 persons. This data understates the current situation in terms of both the volume of production and the range of products processed.

Source: Department of Statistics, Wellington.

APPENDIX I  
SECTION B (CONT'D)

The foregoing output was processed by 57 land-based establishments employing, when ancillary operations are taken into account, slightly over 1 000 persons. Since 1976-77 the industry has expanded to an estimated 180 plants processing fish from New Zealand landings and providing employment to some 3 000 persons.

The distribution of fish in New Zealand is regionalized and there is not a national distribution network. Domestic distribution is from the fishermen through the wholesaler or processor to the retailer. In the case of imports the importing brokers sell to wholesalers who in turn service the retail market. Exports are channelled from fishermen through the processor who either sells direct to an exporter or through a broker<sup>1</sup>.

The fishing sector has achieved political recognition as a growth area within the primary sector. On the other hand its social and economic importance is small relative to other areas of the New Zealand economy.

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<sup>1</sup> Lobster fishermen retain title to their product until it is sold in the US.



## APPENDIX I

## TABLE A-1

## SECTION B (CONT'D)

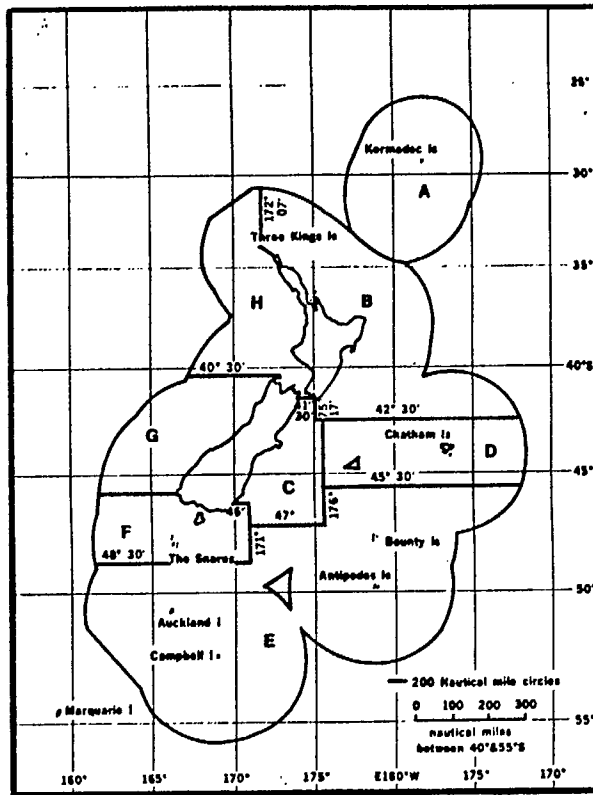
Analysis of New Zealand Fishing Fleet By Vessel Length and Fishing Method 1978  
Overall length (metres)

Method	6	6&<9	9&<12	12&<15	15&<18	18&<21	21&<24	24&<27	27&<30	30&<33	33+	Number of vessels
Bottom trawl (pair)	5	15	35	28	21	11	--	2	2	--	--	119
Mid-water trawl (pair)	-	--	--	--	--	--	--	--	2	--	--	2
Bottom trawl	110	152	158	88	47	17	1	4	4	1	2	584
Mid-water trawl	1	--	--	--	--	--	--	1	2	--	--	4
Danish seine	1	9	28	4	1	1	--	--	--	--	--	44
Beam trawl	1	1	--	1	1	--	--	--	2	--	--	6
Dredge	139	197	91	24	22	15	1	1	--	--	--	490
Pair Danish seine	--	1	1	--	--	1	--	--	--	--	--	3
Set nets	2 860	343	100	8	--	--	--	1	--	--	1	3 313
Drag nets	386	43	11	1	--	--	--	--	--	--	--	441
Beach seine	11	2	--	--	--	--	--	--	--	--	--	13
Purse seine	2	1	4	1	--	3	--	2	--	3	5	21
Lampara nets	--	1	1	--	--	--	--	--	--	--	--	2
Fyke nets	196	3	2	--	--	--	--	--	--	--	--	201
Trap nets	1	1	1	--	--	--	--	--	--	--	--	3
Gill nets	209	36	5	1	--	--	--	--	--	--	--	251
Drift nets	2	--	--	--	--	--	--	--	--	--	--	2
Handlines	1 373	309	144	18	4	5	--	4	--	--	11	1 868
Longlines	2 046	416	158	24	5	6	1	6	--	2	19	2 683
Trolls	89	54	67	22	5	5	--	1	--	--	--	243
Poling	25	15	13	5	--	1	--	--	--	--	--	59
Handgathering	641	72	32	2	1	--	--	--	--	--	1	749
Other lines	1	--	--	--	--	--	--	--	1	--	--	2
Rock lobster pots	1 212	323	232	55	16	10	1	1	--	--	1	1 851
Cod pots	139	65	58	9	2	1	--	--	--	--	--	274
Eel pots	33	--	--	--	--	--	--	--	--	--	--	33
Other pots	30	4	2	1	--	--	--	--	--	--	--	37
Total:	4 110	687	370	117	64	33	3	10	5	5	26	5 420

Source: Ministry of Agriculture and Fisheries, Wellington.

APPENDIX I  
SECTION C  
NEW ZEALAND: MARINE RESOURCES AND CONTROLLED FISHERIES  
RESOURCE MANAGEMENT AREAS

Figure A-1



Source: Ministry of Agriculture and Fisheries, Wellington.

APPENDIX I  
TABLE A-2  
SECTION C (CONT'D)

OUTLINE OF THE DISTRIBUTION OF THE MARINE RESOURCES OF NEW ZEALAND<sup>1</sup>

	<u>Coastal Shelf</u>	<u>Offshore</u>	<u>Offshore Deep Water</u>
<u>Groundfish</u>	Snapper, tarakihi, gurnard, flatfish, blue cod, groper, barracouta, jack mackerel	Hoki, hake, southern blue whiting, silver warehou, ling, sea perch <sup>2</sup> , grenadier <sup>3</sup> spiny dogfish <sup>4</sup>	Oreo dory
<u>Pelagic Finfish</u>	Trevally, kahawai, jack mackerel, blue mackerel pilchards, anchovy, sprats	Albacore, yellowfin, skipjack, southern bluefin tuna, saury, lanternfish, bream, shark, billfishes	
<u>Shellfish</u>	Rock and Pacific oysters, mussels, scallops, pawa, squid	Scampi, squid	
<u>Other</u>	Eels.		

1 This is a general overview and there are other species in addition to those listed.

2 Representative of by-catch species.

3 Representative of meal species.

4 Representative of "trash" fish species.

Source: Marketing Services Branch, DFO, Ottawa.

Catch Restrictions on Certain Species

In the case of skipjack tuna and South Island squid where there are marked fluctuations in abundance from year to year, control over the fishing effort is mainly through limitations on the number of vessels allowed in these fisheries. The method of arriving at the number of vessels for the 1979-80 squid season for the mainland (South Island) fishery is set out in Table A-3. The groundfish,

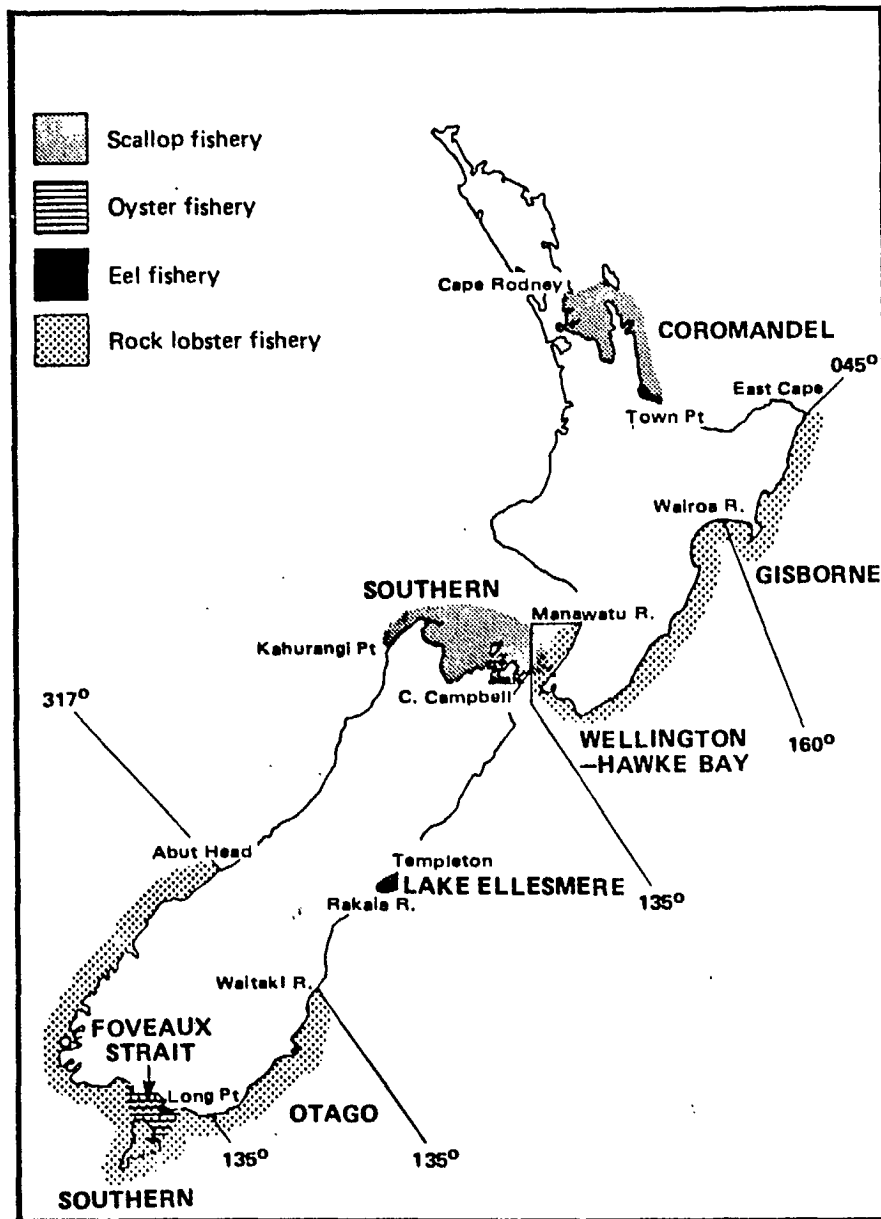
APPENDIX I  
SECTION C (CONT'D)

squid, tuna<sup>1</sup>, scallop, oyster, eel and rock lobster fisheries are the only one subject to catch restrictions<sup>2</sup>. The domestic fleet is not subject to restrictions on catch levels apart from the controlled inshore fisheries<sup>3</sup>. Joint ventures are in a similar situation from the standpoint of limitations on catch. However, the large joint-venture vessels are not allowed to fish within the 12-mile limit, and are excluded from catching certain species in some other areas for limited periods during the season.

- 
- 1 No TAC or allocation has been established for other pelagic species and there is free fishing.
  - 2 There is currently a moratorium on the issue of permits in the rock lobster fishery, that is, no new permits are being issued except at the discretion of the Minister of Fisheries. It is expected that the authorities will gradually declare all of New Zealand's 10 lobster fishing regions fully controlled, beginning with the Gisborne fishery in April 1980. The major Tasman Bay scallop fishery, the Coromandel fishery, and the Lake Ellesmere eel fishery were declared fully controlled in 1978. The remaining New Zealand scallop fisheries are currently subject to a moratorium on permits. In the case of the oyster fishery, the Foveaux Strait dredge oyster fishery became a controlled fishery in June 1980. Control is either on the number of vessels, or by quotas, including individual vessel quotas. There are also prohibitions on the harvesting of traditional Maori foods such as toheroas. (See also Figure A-2).
  - 3 This situation changed in 1980 when two species of wetfish (hake and silver warehou) taken by New Zealand fishermen were placed under quota.

APPENDIX I  
SECTION C (CONT'D)  
CONTROLLED FISHERIES

Figure A-2



Source: Ministry of Agriculture and Fisheries, Wellington.

APPENDIX I  
TABLE A-3  
SECTION C (CONT'D)

SQUID ALLOCATION 1979/80

MAINLAND (SOUTH ISLAND)

NEW ZEALAND

Standing stock estimate (SSE) 370 000 tonnes  
=====

1)	TAC (set at 15% of SSE)		56 000 tonnes <sup>1</sup>
2)	TAC split into:		
	Trawl by-catch	8 000 tonnes	
	Jigging	48 000 tonnes	
2 (a)	Trawl by-catch split into:		
	Local	2 000 tonnes	
	Joint ventures	3 300 tonnes	
	Foreign fleet	2 700 tonnes	
2 (b)	Jigging catch split into:		
	Local	2 000 tonnes	
	Joint ventures	23 500 tonnes)	
	Foreign fleet	22 500 tonnes)	46 000 tonnes
3)	Boat presence calculated on average catch of 220 tonnes per vessel i.e. $\frac{46\ 000}{220} = 210$ vessels		
4)	Vessel presence:		
	New Zealand	108	
	Japan	98	
	Korea	4	

---

<sup>1</sup> The Auckland Island squid fishery at Latitude 50° South has a TAC of 50 000 tonnes, which is 25% of the SSE of 200 000 tonnes. The allocation was joint ventures, 17 000 tonnes; USSR, 17 000 tonnes; and Japan, 16 000 tonnes.

Source: Ministry of Agriculture and Fisheries, Wellington.

APPENDIX I  
SECTION D  
PROPOSALS FOR FISHING INDUSTRY CO-OPERATION BETWEEN  
NEW ZEALAND AND OVERSEAS INTERESTS

General Information for Applicants

The Government has established an interdepartmental committee to examine proposals for foreign involvement in the domestic fishing industry, and to recommend to the Minister of Fisheries, those which promise the maximum benefit to New Zealand.

Accordingly, part 1 of the following enclosure contains a question sheet which sets out the type of information required by the committee in order to adequately assess proposals. It does not purport to be a questionnaire which must be answered fully before a proposal will be considered. It is realised that in some cases particular points will not be applicable, and for the smaller type of venture, it may not be necessary to go into such detail. Part 1 also contains a list of the major criteria by which submitted proposals will be ranked. Preference will be given to those projects which include as many as possible of those features which are relevant to the type of operation proposed.

Completed proposals should be submitted in the first instance to:

The Director-General  
Ministry of Agriculture and Fisheries  
P.O. Box 2298  
Wellington, New Zealand

It should be emphasized that this is the necessary first step in obtaining Government approval for such ventures, and the procedures have been designed to coordinate decisions of various departments and official bodies.

At an early date the applicant should also inform the Secretary, Overseas Investment Commission, c/ - Reserve Bank of New Zealand, P.O. Box 2498, Wellington, of proposals involving foreign investment.

APPENDIX I  
SECTION D (CONT'D)

Part 2 contains information on the requirements of these various departments and bodies and is appended only for the information of applicants. In addition to gaining the approval of the Minister of Fisheries, it is necessary for successful applicants to contact each of these relevant agencies and provide evidence of satisfying their particular requirements.

Type of Information Required by the Minister in Order to Adequately Assess Proposals

---

Proposed Operation

1. Geographical location of the fishery.
2. Species to be taken, quantities, (and greenfish price by species into a processing factory where a processing operation is proposed).
3. The location of the proposed fishing base and/or processing site.
4. Products to be produced.
5. Proposed timing of various phases of the venture.
6. Estimated annual volume and value of production by species and/or product in the first year and in the following two years. Production capacity of the new vessel and/or plant.
7. Plans for subsequent expansion of output.

Capital and Operating Budgets

8. A capital budget, showing each proposed item of capital expenditure such as land; buildings; imported vessels, plant and equipment; vessels, plant and equipment obtained in New Zealand; installation costs; other establishment costs; and working capital.



APPENDIX I  
SECTION D (CONT'D)

9. An operating budget indicating the composition of the ex-factory value of the new production, such as raw material cost, direct labour, indirect labour, general overhead (broken down into major items), packaging cost, selling and distribution expenses, and factory profit. If more than one type of product is involved, it would be helpful if separate cost statements for a representative selection of the proposed range of products could be shown in addition to an operating budget for the overall project.

Financial

10. The source of funds for the projects, showing the amount of finance to be obtained from each source, such as ordinary capital which would be New Zealand owned, ordinary capital to be contributed from overseas (details of shareholders should be shown in each case), reserves, debentures, mortgage loans (indicate whether New Zealand or overseas), bank overdraft, etc.
11. Complete list of estimated annual payments to the foreign interests involved: e.g. dividends, charter fees, loan repayments, technology-transfer fees, marketing fees, wages for seconded staff, etc.

Employment

12. The estimated number of persons to be employed in catching and/or processing of the new product(s).
13. The estimated numbers of foreign nationals and their positions in the operation.

Skills and Technology

14. The arrangement for the provision by the overseas partner of specialised technical knowledge and/or skills and details of any proposed royalty agreement(s) connected with the new operations.
15. Details of plans to train New Zealanders in the knowledge of these skills.

APPENDIX I  
SECTION D (CONT'D)

Marketing

16. The arrangements for marketing and distribution of the product(s).
17. Estimated selling prices of each main line of products and/or fish species at each major point of sale, e.g. ex-factory, FOB, wholesale, retail.
18. The prospects for establishing secure export markets for the product(s) and an indication of the possible value of export earnings.
19. Whether the venture has been discussed with any users who may process further the products of the operation.

Energy

20. An indication of the expected annual expenditure on fuel and power, whether for catching or processing or both, showing separate values and/or quantities if possible for natural gas, coal, electricity and oil. An indication should also be given concerning efforts to make maximum use of the indigenous fuels (in particular, natural gas and coal), where these are available.

Pollution

21. It is important that sponsors of new industrial projects should, at the earliest possible stage of investigations, consult the appropriate authorities if the disposal of manufacturing wastes is likely to cause water pollution problems or if the manufacturing processes are likely to result in air pollution or offensive odours.

APPENDIX I  
SECTION D (CONT'D)

The appropriate authorities to consult are:

Water Pollution:

The Secretary  
Water Resources Council  
C/ - Ministry of Works  
P.O. Box 12041  
Wellington

Air Pollution:

Chief Chemical Inspector  
C/ - Department of Health  
P.O. Box 5013  
Wellington

Major Criteria by which Submitted Proposals will be ranked

The venture as far as possible should:

- (a) utilise stocks not commonly being fished by existing New Zealand interests (or likely to be in the near future);
- (b) develop a fishery which is capable of significant expansion but requires resources or technology beyond the present capacity of New Zealand to provide; and/or
- (c) use methods, which New Zealand cannot develop alone or within a reasonable time span with provision for the training of New Zealand fishermen in these techniques;
- (d) incorporate a reasonable degree of New Zealand participation including equity management, labour, materials, and finance, and provide a fair and adequate rate of return to domestic interests;
- (e) be export oriented;
- (f) incorporate advanced processing techniques;
- (g) provide for the maximum economic degree of processing in New Zealand;
- (h) provide for the training of local personnel in these techniques;

APPENDIX I  
SECTION D (CONT'D)

- (i) provide assured export marketing arrangements and remunerative prices to New Zealand;
- (j) otherwise contribute significantly to the economic expansion and/or development of the New Zealand fishing industry;
- (k) be prepared to utilise or establish shore facilities in regional development priority areas in New Zealand;
- (l) fully comply with relevant New Zealand legal provisions including those relating to the management of the 200 mile EEZ.

N.B. Consents to the continued operation of co-operative ventures may be withdrawn if they do not operate in compliance within the terms of their approvals.

Overseas Investment Commission

1. Overseas interests requiring the Commission's consent to operate in New Zealand are as follows:
  - (i) Overseas incorporated companies wishing to commence business in New Zealand either through a branch or an incorporated company. In the latter case, providing the overseas participation does not exceed 24.9%, approval is given more or less automatically.
  - (ii) If overseas interests wish to buy existing shares in a local incorporated company, OIC approval is only required if the overseas purchaser or the purchaser's nominee acquires the right to control 25% or more of the voting power at any Annual General Meeting of the company. There is no control over the acquisition of less than 25% of such voting power.

APPENDIX I  
SECTION D (CONT'D)

- (iii) Where overseas interests wish to take up a share issue in a New Zealand company. This is usually given automatically where the overseas control is less than 25%.
2. The Overseas Investment Commission assesses each application on its merit and in relation to a published set of criteria. (Please see following section). Where approval is given, the company's activities in New Zealand are normally restricted to those current at the time of consent. A further application is necessary if the company wishes to extend its activities.
  3. Applications to the Overseas Investment Commission or inquiries should be addressed to the Secretary, OIC, C/ - P.O. Box 2498, Wellington.

Overseas Investment Commission: Criteria by which Applications are Assessed

1. The extent to which New Zealand resources of raw materials and human skills would be combined and developed to the most advanced stage which is economically feasible or desirable and having regard to the impact on employment opportunities.
2. The compatibility of the proposal with Government policies on the protection of the environment and regional development.
3. The degree to which the proposal would extend New Zealand's access to technological developments and scientific research conducted overseas and the extent to which research and development would be stimulated in New Zealand.
4. The extent to which the proposal would promote New Zealand's industrial growth and efficiency by increasing the degree of export orientation and helping to provide access to new or extended export markets.
5. The impact of the proposal on productivity, with particular reference to its effects on costs and prices in New Zealand.

APPENDIX I  
SECTION D (CONT'D)

6. The impact of the proposal on the structure and competitiveness of the industry or industries of which it would form part, and on linkages with other New Zealand industries.
7. The contribution to product innovation, marketing expertise and consumer choice in New Zealand.
8. Where the interests concerned with the proposal are operating on a multi-national basis, the role of the New Zealand proposal in their total operations, with particular regard to the firm's export and pricing policies, its other international strategies and New Zealand participation.
9. The taxation yield to New Zealand in relation to the benefits which the overseas company derives from its New Zealand activities, with particular reference to the taxation aspects of its pricing policies and the ratio of equity to loan capital.
10. The balance of payments implications of the proposal, including the cost of servicing the investment, the amount of capital inflow and the extent to which this supplements or adds to the overseas capital available through other channels, either to the Government or to the private sector in New Zealand.
11. The degree and significance of participation by New Zealand shareholders in relation to the nature of the individual overseas enterprise and the competing needs of New Zealand owned enterprises for local equity capital.
12. Overseas interests wishing to acquire control of an existing New Zealand firm will be required to demonstrate that their proposal will bring substantial new benefits to the New Zealand economy which would not be provided by continued local ownership. Due consideration will be given in individual cases to the relative opportunities for the disposal of the assets to other New Zealanders.

APPENDIX I  
SECTION D (CONT'D)

Procedure for Licensing a Fish Packing House

The Fish (Packing for Export) Regulations 1977 require all premises which process, package, handle, hold or store fish intended to be exported for human consumption to be licensed.

Fishing boats used for chilling, freezing, or holding of tuna, mackerel, or kahawai intended for export, do not have to be licensed. However, other processing on a vessel such as scaling, gutting, de-heading, tailing and filleting is prohibited unless the vessel is licensed as a fish packing house.

If Meat Export Stores have been approved by the Ministry of Agriculture and Fisheries they do not require to be licensed under these regulations.

Applicants for a Fish Packing House licence are required to submit to the Director-General, Ministry of Agriculture and Fisheries, P.O. Box 2298, Wellington, drawings and specifications in triplicate that describe the plant it is proposed to build, acquire or alter to meet the regulations. These should cover general site plans; lay-out plans, cross section drawings; elevation drawings; flow chart and written description of specifications. Copies of these documents should also be lodged with the local authority in the area where the premises are to be constructed and with the Fishing Industry Board.

Providing these meet with the requirements of the regulations, an undertaking to grant a licence will be issued to the applicant. This in effect gives approval in principle for construction/alteration to proceed and the work is to be completed within 12 months.

When the premises have been completed in accordance with the approved plans the applicant can then seek the issue of a Fish Packing House licence.

Further details of specific requirements and the implications of sections 7 and 8 of the regulations should be discussed with the Regional Meat Veterinarian nearest to the premises. Regional Meat Veterinarians are located at the

APPENDIX I  
SECTION D (CONT'D)

Ministry of Agriculture and Fisheries at Auckland, Palmerston North, Hastings, Christchurch and Dunedin.

General Information on Import Licences for Import of Vessel, Plant, Equipment, Materials, etc.

---

Import licences are required for most plant, equipment and materials and the major criteria used in the consideration of applications for import licences are as follows:

(i) Vessels:

In the last budget the Government announced the continuation of the scheme to permit the importation of selected fishing vessels until 31st March 1979. The major criteria to be satisfied being:

- (a) The vessel must not be less than 21 metres in length.
- (b) The vessel must be new or near new.
- (c) The applications should be from established fishing boat operators or established fishing companies.
- (d) The vessel must meet Ministry of Transport Marine Division survey requirements.

(ii) Other plant, equipment and materials:

Import licences are required for the majority of these goods and applications for import licences are considered using following criteria:

- (a) Non availability from normal and regular importers.
- (b) Established need.



APPENDIX I  
SECTION D (CONT'D)

- (c) Essential end use.
- (d) Non availability of suitable alternatives from domestic manufacture.
- (e) For second-hand plant and equipment an independent engineer's report is required in support of the application to show the age and condition of the machinery.

Note: All applications for import licence should be forwarded to the nearest Collector of Customs and in the case of vessels must be accompanied with as full a report as possible on the proposed operating and processing procedures together with details of any approaches made to New Zealand shipbuilders to build a similar vessel.

Other Departments, Ministries or Agencies which may be involved in Specific Cases

- Ministry of Transport
  - Survey requirements
  - National registry of vessels
  - Certification of skippers, engineers, deck-hands
  - Manning rates
- Customs Department
  - Remission of duty on imported vessels
  - Remission of duty on catches landed by vessels chartered from foreign interests
- Ministry of Agriculture and Fisheries
  - Registration of foreign owned vessels as New Zealand fishing vessels
- Rural Bank and Finance Corporation
  - Finance
- Development Finance Corporation
  - Finance

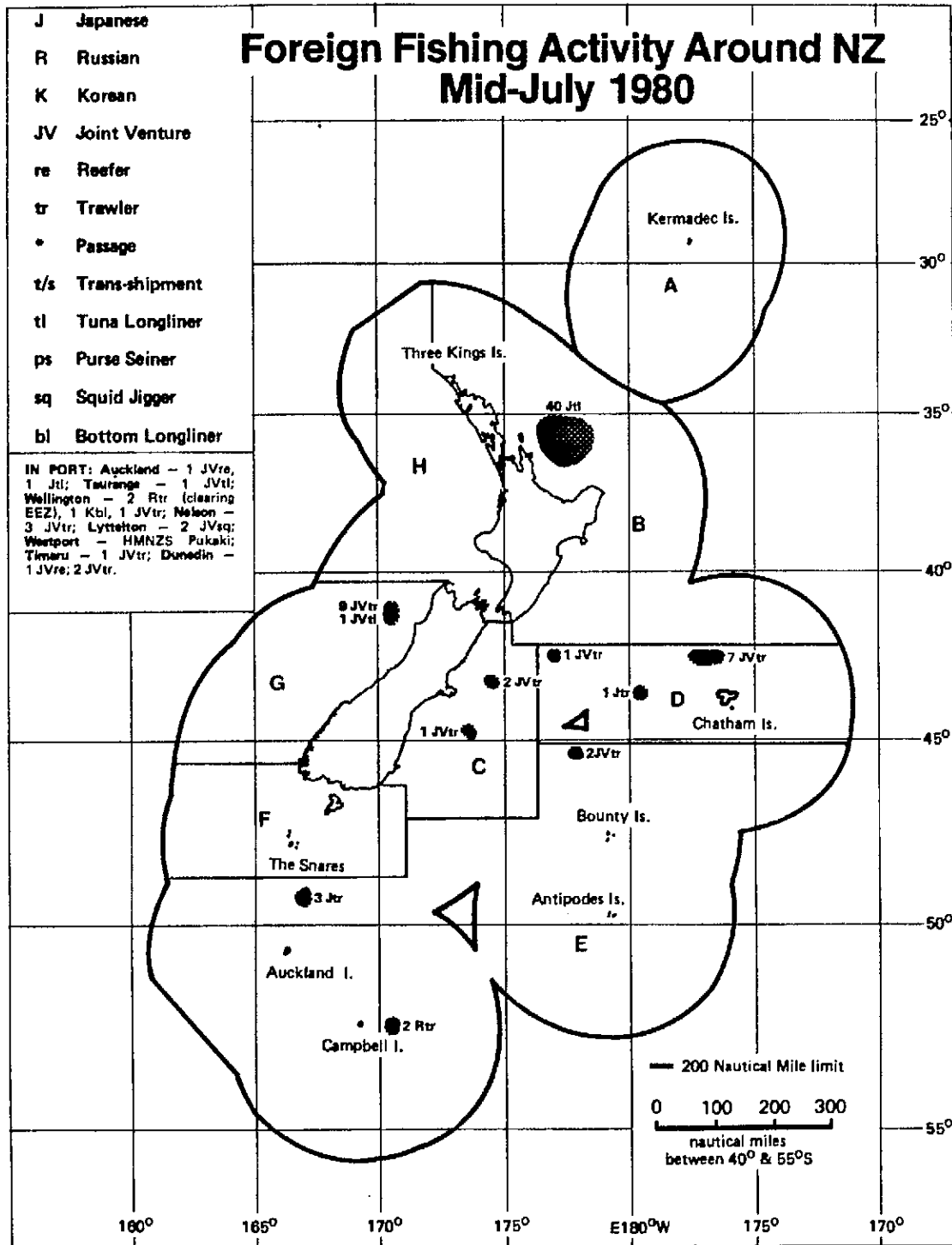
Source: Ministry of Agriculture and Fisheries, Wellington.

APPENDIX I

SECTION E

Figure A-3

NEW ZEALAND: FOREIGN FISHING ACTIVITY



Source: CATCH '80 Magazine

APPENDIX I  
TABLE A-4  
SECTION E (CONT'D)

FOREIGN FINFISH CATCH IN THE NEW ZEALAND ZONE FOR THE YEAR ENDED MARCH 31, 1980\*  
(tonnes)

Species	SOUTH KOREA			JAPAN			USSR		
	Quota	Catch	% of quota	Quota	Catch	% of quota	Quota	Catch	% of quota
Hoki	9 000	1 246	13.8	26 000	7 897	30.4	18 000	3 898	21.7
Snapper	50	20	40	150	49	32.7	-	-	-
Tarakihi	100	66	66	250	24	9.6	-	-	-
Common warehou	200	58	29	500	129	25.8	300	281	93.7
Silver warehou	2 000	192	9.6	4 000	1 800	45	2 500	175	7
Other finfish	<u>16 350</u>	<u>11 651</u>	<u>71.3</u>	<u>42 100</u>	<u>17 396</u>	<u>41.3</u>	<u>44 200</u>	<u>40 514</u>	<u>91.7</u>
Total Finfish	<u>27 700</u>	<u>13 233</u>	<u>47.8%</u>	<u>73 000</u>	<u>27 295</u>	<u>37.4%</u>	<u>65 000</u>	<u>44 868</u>	<u>68.7%</u>

\* Excludes tunas and other pelagic species.

Source: Catch '80, Magazine, May 1980, Wellington, New Zealand.

APPENDIX I  
SECTION F  
CO-OPERATIVE FISHING VENTURES APPROVED BY THE  
NEW ZEALAND GOVERNMENT AS AT MARCH 1980

	<u>Squid</u>	<u>Finfish</u>	<u>Tuna</u>
Allied Fisheries (NZ) Ltd.	J(9)	----	----
Amalsov Fish Limited	----	T(2)	----
Bing Harris Samhwa (NZ) Ltd.	J(2)	BLL(2) T(2)	LL(2)
Fletcher-Sovrybflot Fishing Ltd.	----	T(11)	----
Gamma Natural Products Ltd.	J(2)	----	----
Guthrey Kwang Fisheries Ltd.	J(2)	----	----
R&W Hellaby Ltd./Mauri Bros & Thomson (NZ) Ltd.	----	T(2)	----
High Seas Fisheries (NZ) Ltd.	----	T(1)	----
Jaybel Nichimo Ltd.	J(7)	T(1)	PS(5)
Korea-New Zealand Fishing Co. Ltd.	J(2)	----	----
Nelson Fisheries Ltd.	J(3)	----	----
Nichiro & Feron Fisheries (NZ) Ltd.	J(5)	T(2)	----
NZ Pelagic Fisheries Development Co. (1976) Ltd.	----	----	PS(4)
NZ Seafood Development Co. Ltd.	J(12)	----	----
NZ Squid Co. Ltd.	J(18)	----	----
Pacific Oyang Limited	J(2)	T(2)	----
PIR Fisheries Consortium	----	----	LL SBF(2)
Sanmar Fisheries Ltd.	----	T(5)	----
Sealord Products Ltd.	J(2)	T(5)	----
Sew Hoy & Sons Ltd.	J(3)	----	----
Skeggs Foods Limited	J(3)	----	----
Southern Cross-Kooil Fisheries Ltd.	J(2)	----	----
Takaroa Fishing Industries Ltd.	J(2)	----	----

APPENDIX I  
SECTION F (CONT'D)

	<u>Squid</u>	<u>Finfish</u>	<u>Tuna</u>
Takaroa Sea Products Ltd.	----	LL YT(1)	----
Talleys Fisheries Ltd.	----	----	LL SBF(1)
Tradespan (NZ) Limited	J(12)	----	----
NZ Economic Zone Exports Ltd.	----	T(2)	----
J. Wattie Canneries	----	----	PS(5)
Wrightson NMA Ltd/Marine Steel Ltd.	----	T(2)	----
Pacific Marine Products Ltd.	J(2)	----	----

Abbreviations:

J	Jigging
T	Trawling
LL	Longlining
BLL	Bottom longlining
SBF	Southern bluefin
YT	Yellow tail (Northern kingfish)
PS	Purse seining

Numbers in brackets denotes vessel numbers

Source: Ministry of Agriculture and Fisheries, Wellington.

APPENDIX II

SECTION A

NAMES OF NEW ZEALAND FISH AND MARINE ANIMALS

With emphasis on commercial species

Fin Fish

<u>Common name</u>	<u>Scientific name</u>	<u>Alternative common or trade names</u>
Alfonsino	<u>Beryx splendens</u>	
Anchovy	<u>Engraulis australis</u> (0.05)	
Barracouta	<u>Thyrsites atun</u> (0.16)	Couta, snoek, sea pike
Bluenose	<u>Hyperoglyphe antarctica</u> (0.69)	bonita, blue bream
Big eyed cardinal fish (black fish deepwater)	<u>Epigonus sp</u>	
Bream, Ray's	<u>Brama brama</u>	
Brill	<u>Colistium guntheri</u>	
Butterfish	<u>Odax pullus</u>	Greenbone
Carp, grass	<u>Ctenopharyngodon idella</u>	
Carp, silver	<u>Hypothalmichtys molotrix</u>	
Catfish	<u>Ictalurus nebulosus</u>	
Char, brook	<u>Salvelinus fontinalis</u>	
Cod, blue	<u>Parapercis colias</u> (0.07)	New Zealand cod, taapini fillets
Cod, deep-sea	<u>Mora pacifica</u> (0.48)	Ribaldo
Cod, red	<u>Physiculus bachus</u> (0.09)	
Cod, rock	<u>Lotella rhacinus</u>	Kelp cod
Dogfish, spiky	<u>Squalus acanthias</u> (0.39) <u>Squalus griffini</u> (0.39)	Spiny dogfish, spurdog and other similar names
Dory, John	<u>Zeus japonicus</u> (0.21)	
Dory, lookdown	<u>Cyttus traversi</u>	
Dory, mirror	<u>Zenopsis nebulosus</u>	
Dory, silver	<u>Cyttus novaezealandiae</u>	
Eel, conger	<u>Conger wilsoni</u> <u>Conger verreauxi</u>	
Eel, longfin	<u>Anguilla dieffenbachii</u> (0.21)	Yellow eel, Silver eel (migratory phase of both freshwater eels)

APPENDIX II  
SECTION A (CONT'D)

<u>Common name</u>	<u>Scientific name</u>	<u>Alternative common or trade names</u>
Eel, shortfin	<u>Anguilla australia</u> (0.21)	Yellow eel, silver eel (migratory phase of both freshwater eels)
Elephant fish	<u>Callorhichus milii</u> (0.13)	White fillets, silver trumpeter
Flounder, sand	<u>Rhombosolea plebeia</u> (0.03)	Dab
Flounder, yellowbelly	<u>Rhombosolea leporina</u> (0.03)	
Frostfish	<u>Lepidopus caudatus</u>	Cutlassfish, scabbard fish
Garfish	<u>Reporhamphus ihi</u>	Piper, halfbreak, needlefish
Goldfish	<u>Carassius auratus</u>	Carp
Grenadiers	(Family Macrouridae)	Rattails
Groper, bass	<u>Polyprion moeone</u> (0.43)	
Groper (hapuku)	<u>Polyprion oxygeneios</u> (0.28)	
Gurnard, red	<u>Chelidonichthys kumu</u> (0.18)	Latchett
Hake	<u>Merluccius australis</u> (0.28)	English hake, New Zealand hake
Herring	See mullet, pilchard, sprat	
Hoki	<u>Macruronus novaezelandiae</u> (0.15)	Whiptail, blue hake
Javelin fish	<u>Lepidorhynchus denticulatus</u>	
Kahawai	<u>Arripis trutta</u> (0.33)	Australian salmon, ocean trout
Kingfish, northern	See yellowtail	
Kingfish, silver	<u>Rexea solandri</u> (0.23)	Gemfish, southern kingfish
Koheru	<u>Decapterus koheru</u>	
Lamprey	<u>Geotria australis</u>	
Leather Jacket	<u>Novadon scaber</u> (0.06)	Creamfish
Ling	<u>Genypterus blacodes</u> (0.19) only fish procured from whole fish less than 120 cm can be certified	Kingklip
Mackerel, blue	<u>Scomber australasicus</u> (0.18)	English, common or Pacific mackerel

APPENDIX II  
SECTION A (CONT'D)

<u>Common name</u>	<u>Scientific name</u>	<u>Alternative common or trade names</u>
Mackerel, jack	<u>Trachurus declivis</u> <u>Trachurus novaezelandiae</u> (0.17)	Horse mackerel
Mackinaw	<u>Salvelinus namaycush</u>	
Maomao, blue	<u>Scorpius violaceus</u> (0.07)	Blue fish
Moki, blue	<u>Latridopsis ciliaris</u> (0.13)	
Moki, red	<u>Cheilodactylus spectabilis</u>	
Monkfish	<u>Kathetostoma giganteum</u> (0.17)	Bulldog, stargazer, giant stargazer
Mullet, grey	<u>Mugil cephalus</u> (0.02)	Striped mullet
Mullet, yelloweyed	<u>Aldrichetta forsteri</u>	
Oreo dory, black	<u>Allocyttus sp.</u>	
Oreo dory, smooth	<u>Pseudocyttus maculatus</u>	
Oreo dory, spiky	<u>Neocyttus rhomboidalis</u>	
Parore	<u>Girella tricuspidata</u>	Mangrove fish, black bream, Pacific bream
Perch, freshwater	<u>Perca fluviatilis</u>	
Perch, rock	<u>Scorpaena cardinalis</u>	
Perch, sea	<u>Helicolenus papillosus</u>	Ocean perch
Perch, splendid	<u>Callanthias allporti</u>	
Pilchard	<u>Sardinops neopilchardus</u>	Sardine, bloater
Pigfish, red	<u>Verreo oxycephalus</u>	
Porae	<u>Cheilodactylus douglasi</u>	Morwong
Ray, eagle	<u>Myliobatis tenuicaudatus</u>	
Red batfish	<u>Emmelichthys nitidus</u>	
Rig	<u>Mustelus antarcticus</u> (0.47)	Piole, smooth-hound, gummy shark, lemmonfish
Roughy, orange	<u>Hoplostethus atlanticus</u>	
Rub fish	<u>Plagiogenion rubiginosus</u>	
Rudd	<u>Scardinius erythrophthalmus</u>	
Rudder fish	<u>Centrolophus niger</u>	
Salmon, Atlantic	<u>Salmo salar</u>	
Salmon, quinnat	<u>Oncorhynchus tshawytscha</u>	Chinook, Pacific salmon



APPENDIX II  
SECTION A (CONT'D)

<u>Common name</u>	<u>Scientific name</u>	<u>Alternative common or trade names</u>
Salmon, sockeye	<u>Oncorhynchus nerka</u>	Pacific salmon
Saury	<u>Scomberesox saurus</u>	Needlefish, ocean piper
Shark, ghost	<u>Hydrolagus novaezelandiae</u> (0.12)	Pearl fillets
Shark, mako	<u>Isurus oxyrinchus</u>	Mackerel shark
Shark, school	<u>Galeorhinus australis</u>	Grey shark, greyboy, flake
Silverside	<u>Argentina elongata</u> (0.11)	Argentine
Skate	<u>Raja species</u>	
Smelt	<u>Retropinna retropinna</u>	
Snapper	<u>Chrysophrys auratus</u> (0.33)	
Snapper, red	<u>Trachichthodes affinis</u>	Nannygai, redfish
Sole, New Zealand	<u>Peltorhamphus novaezeelandiae</u> (0.06)	common sole, english sole, sole
Sole, lemon	<u>Pelotretis flavilatus</u> (0.01)	
Southern blue whiting	<u>Micromesistius australis</u> (0.14)	Southern poutassou
Sowfish	<u>Paristiopterus labiosus</u>	Giant boarfish
Squid	Refer to molluscs section	
Spotted gurnard	<u>Pterygotrigla picta</u>	
Sprat	<u>Sprattus antipodum</u> (0.03)	Sardine, herring
Stargazer, spotted	<u>Genyagnus monopterygius</u>	
Stingray, longtailed, black	<u>Dasyatis thetidis</u>	
Stingray, short-tailed black	<u>Dasyatis brevicaudatus</u>	
Tarakihi	<u>Cheilodactylus macropterus</u> (0.09)	Morwong, ocean bream
Tench	<u>Tinca tinca</u>	
Trevally	<u>Caranx georgianus</u> (0.18)	Jackfish
Trout, brown	<u>Salmo trutta</u>	
Trout, rainbow	<u>Salmo gairdnerii</u>	
Trumpeter	<u>Latris lineata</u>	
Tuna, albacore	<u>Thunnus alalunga</u> (0.11)	
Tuna, bigeye	<u>Thunnus obesus</u>	

APPENDIX II  
SECTION A (CONT'D)

<u>Common name</u>	<u>Scientific name</u>	<u>Alternative common or trade names</u>
Tuna, bluefin	<u>Thunnus thynnus</u>	
Tuna, skipjack	<u>Katsuwonus pelamis</u> (0.12)	Skipjack
Tuna, slender	<u>Allothunnus fallai</u>	
Tuna, southern bluefin	<u>Thunnus maccoyi</u> (0.32)	
Tuna, yellowfin	<u>Thunnus albacares</u> (0.30)	
Turbot	<u>Colistium nudipinnis</u>	
Warehou, common	<u>Seriolella brama</u> (0.09)	Blue warehou
Warehou, silver	<u>Seriolella punctata</u> (0.05)	Spotted warehou
Warehou, white	<u>Seriolella caerulea</u> (0.07)	
Whitebait	<u>Galaxias species</u> (0.02)	
Whitebait, second class	<u>Retropinna retropinna</u>	
Yellowtail	<u>Seriola grandis</u> (0.33)	Northern kingfish
<u>Molluscs</u>		
Cockle	<u>Chione stutchburyi</u>	Tuangi, clam
Mussel, blue	<u>Mytilus edulis aoteanus</u>	Rock mussel
Mussel, green	<u>Perna Canaliculus</u>	Green-lipped mussel, farmed or cultivated mussel (as appropriate)
Octopus	<u>Octopus maorum</u>	
Oyster, dredge	<u>Ostrea lutaria</u> (0.01)	Foveaux Strait oyster
Oyster, Pacific	<u>Crassostrea gigas</u>	
Oyster, rock	<u>Saccostrea glomerata</u> (0.05)	New Zealand rock oyster, Auckland rock oyster
Paua	<u>Haliotis iris</u> (0.01)	Abalone
Paua, yellow foot	<u>Haliotis australis</u>	Abalone
Pipi	<u>Pahies australe</u>	
Scallop	<u>Pecten novaezealandiae</u> (0.01)	
Squid, arrow	<u>Nototodarus sloanii</u> (0.02)	Short-finned squid
Squid, broad	<u>Sepioteuthis bilineata</u> (0.02)	Broad-finned squid, Broad mantle squid, Queen squid

APPENDIX II  
SECTION A (CONT'D)

<u>Common name</u>	<u>Scientific name</u>	<u>Alternative common or trade names</u>
Toheroa	<u>Pahpies (Mesodesma) ventricosa</u>	Clam
Tuatua	<u>Pahpies (Mesodesma) subtriangulatum</u>	
<u>Echinoderms</u>		
Sea cucumber	<u>Stichopus mollis</u>	
Sea egg	<u>Evechinus chloroticus</u>	Sea urchin, kina
<u>Crustaceans</u>		
Crab, cancer	<u>Cancer novaezelandiae</u>	
Crab, king	<u>Lithodes murrayi</u>	Southern stone crab
Crab, mud	<u>Scylla serrata</u>	
Crab, giant spider	<u>Jacquintonia edwardsii</u>	Southern spider crab, Auckland Islands crab
Crab, red rock	<u>Plagusia chabrus</u>	
Crab, red swimming	<u>Nectocarcinus antarcticus)</u> <u>Nectocarcinus bennetti)</u>	Paddle crab
Crab, common swimming	<u>Ovalipes catharus</u>	Paddle crab
Crayfish, freshwater	<u>Paranephrops species</u>	Koura, crawfish, yabbies
Prawn, golden	<u>Plesionika martia</u>	
Prawn, jackknife	<u>Hymenopenaeus sibogae</u>	
Prawn, royal red	<u>Aristaeomorpha foliacea</u>	
Prawn, sabre	<u>Campylonotus rathbunae</u>	
Rock lobster, spiny	<u>Jasus edwardsii (0.17)</u>	Red rock lobster, red crayfish
Rock lobster, packhorse	<u>Jasus verreauxi</u>	Green crayfish
Scampi	<u>Metanephrops challengeri</u>	

APPENDIX II

SECTION B

TABLE A-5

NEW ZEALAND IMPORTS OF FISHERIES PRODUCTS

	<u>1975/76**</u>		<u>1976/77**</u>		<u>1977/78**</u>	
	<u>Tonnes</u>	<u>% from Canada</u>	<u>Tonnes</u>	<u>% from Canada</u>	<u>Tonnes</u>	<u>% from Canada</u>
<u>Fish, fresh or simply preserved</u>						
Fish, fresh chilled or frozen:						
Live fish	5.3		6.3		10.1	
Other kinds:						
Packed for retail sale	1.4		--		0.6	
Otherwise packed	11.5		5.4		23.0	
Total	<u>18.2</u>		<u>11.7</u>		<u>33.7</u>	
=====						
Fish, salted, in brine, dried or smoked:						
Fish livers	0.5		--		0.3	
Other kinds	6.6		2.4		4.7	
Total	<u>7.1</u>		<u>2.4</u>		<u>5.0</u>	
=====						
<u>Crustaceans &amp; molluscs, fresh, chilled, frozen, salted or dried</u>						
Crustaceans & molluscs:						
Raw, fresh, chilled or frozen:						
Packed for retail sale	4.1		2.3		0.2	
Otherwise packed	8.1		19.2		16.0	
Salted, in brine or dried	2.3		1.9		2.1	
Crustaceans in shell boiled in water	24.5		13.6		9.7	
Total	<u>39.0</u>		<u>37.0</u>		<u>28.0</u>	
=====						
<u>Fish in airtight containers, nes, and fish preparations whether or not in airtight containers</u>						
Preserved & prep. fish						
Caviar & substitutes:						
Fish preps. pastes, sausages, etc.	--		--		1.2	
Extracts						
Pastes	66.2	6.9%	38.6	5.4%	22.6	9.8%
Other kinds	101.7	1.4%	253.8	9.9%	136.1	26.7%
Total	<u>167.9</u>	<u>3.6%</u>	<u>292.4</u>	<u>9.3%</u>	<u>159.9</u>	<u>24.2%</u>
=====						

APPENDIX II  
SECTION B (CONT'D)  
TABLE A-5 (CONT'D)

	1975/76**		1976/77**		1977/78**	
	Tonnes	% from Canada	Tonnes	% from Canada	Tonnes	% from Canada
Fish preserved:						
in airtight cans or jars						
herrings, pilchards	345.7	4.3%	307.2	0.3%	191.8	6.3%
salmon	1 207.6	29.2%	1 477.3	46.0%	852.2	73.4%
sardines, sild, briesling,						
saury	777.7	51.0%	804.9	24.6%	728.6	41.6%
other	449.1		406.9		392.1	
Otherwise packed	1.4	1.0%	1.7		1.0	
Total	<u>2 781.5</u>	<u>27.5%</u>	<u>2 998.0</u>	<u>29.3%</u>	<u>2 165.7</u>	<u>43.4%</u>
Caviar and substitues	4.3		3.9	0.2%	4.1	0.1%
Total	<u>4.3</u>		<u>3.9</u>	<u>0.2%</u>	<u>4.1</u>	<u>0.1%</u>
Crustaceans & molluscs <u>prep. or preserved:</u>						
Preps. pastes, etc.:						
Pastes	0.7		0.6		1.7	
Other kinds	78.4		62.3		127.3	0.4%
Total	<u>79.1</u>		<u>62.9</u>		<u>129.0</u>	<u>0.4%</u>
Preserved:						
in airtight cans or jars	295.6	0.7%	345.5		250.1	
otherwise packed	298.9	1.5%	481.3		296.7	0.3%
Total	<u>594.5</u>	<u>1.1%</u>	<u>826.8</u>		<u>546.8</u>	<u>0.1%</u>
GRAND TOTAL	<u>3 691.6</u>	<u>21.2%</u>	<u>4 235.1</u>	<u>21.4%</u>	<u>3 072.2</u>	<u>31.9%</u>

\*\* July to June

Source: Department of Statistics, Wellington

APPENDIX II

SECTION B (CONT'D)

TABLE A-6

INTERNATIONAL SUPPLIERS OF FISHERIES PRODUCTS TO THE NEW ZEALAND MARKET

	<u>1975/76*</u>	<u>1976/77*</u> (tonnes)	<u>1977/78*</u>
<u>Fish, fresh or simply preserved</u>			
<u>Fish, fresh, chilled or frozen, salted in brine, dried or smoked</u>			
Australia	---	0.2	1.0
China	1.6	1.0	0.9
Greece	1.1	---	2.4
Hong Kong	1.1	0.8	1.1
Japan	0	0	5.1
Netherlands	2.5	0.6	---
Singapore	4.6	5.8	9.2
South Africa	1.4	---	---
United Kingdom	1.5	0.2	0.5
Other	11.5	5.5	18.5
	<u>25.3</u>	<u>14.1</u>	<u>38.7</u>
<u>Crustaceans &amp; molluscs, fresh, chilled, frozen, salted or dried</u>			
Australia	30.2	26.7	21.0
China	1.8	0.9	0.9
Hong Kong	0.9	0.7	0.8
Malaysia	---	---	2.8
Thailand	2.7	2.3	---
Tonga	2.4	6.0	---
Other	1.0	0.4	2.5
	<u>39.0</u>	<u>37.0</u>	<u>28.0</u>
<u>Total fish, fresh or simply preserved</u>	<u>64.3</u>	<u>51.1</u>	<u>66.7</u>

APPENDIX II  
SECTION B (CONT'D)  
TABLE A-6 (CONT'D)

	<u>1975/76*</u>	<u>1976/77*</u> (tonnes)	<u>1977/78*</u>
<u>Fish, in airtight containers, nes, &amp; fish preparations, whether or not in airtight containers</u>			
<u>Preserved &amp; prepared fish including canned fish and pastes</u>			
Australia	7.9	5.1	5.8
Canada	770.2	905.6	979.1
China	10.2	7.2	6.0
Denmark	21.4	19.4	10.1
Hong Kong	1.5	1.6	2.3
Japan	1 189.2	1 114.1	550.2
Netherlands	9.7	6.4	5.7
Norway	91.6	116.0	95.2
Poland	41.3	9.3	58.4
Portugal	6.4	11.4	11.4
Singapore	2.2	2.4	0.3
South Africa	112.2	78.6	--
Spain	3.6	2.2	11.4
United Kingdom	353.7	571.6	245.2
US	70.4	90.0	113.0
USSR	235.6	297.0	143.5
Other	26.6	56.3	92.1
Total	<u>2 953.7</u>	<u>3 294.2</u>	<u>2 329.7</u>
<u>Crustaceans &amp; molluscs, prepared or preserved</u>			
Australia	12.6	26.1	51.5
Canada	6.8	--	1.3
China	5.2	11.6	11.4
Japan	84.3	73.1	73.0
Korea, S.	43.8	46.1	58.0
Malaysia	84.5	304.0	179.7
Pakistan	22.8	66.2	52.0
Thailand	90.8	23.6	56.6
United Kingdom	6.2	20.2	4.6
US	270.5	278.8	174.3
Other	46.1	40.1	13.4
Total	<u>673.6</u>	<u>889.8</u>	<u>675.8</u>
Total fish in airtight containers & fish preparations	<u>3 627.3</u>	<u>4 184.0</u>	<u>3 005.5</u>
Grand Total	<u>3 691.6</u>	<u>4 235.1</u>	<u>3 072.2</u>

\* July to June

0 Amount too small to be expressed

Source: Department of Statistics, Wellington

APPENDIX II  
SECTION B (CONT'D)  
TABLE A-7

AVERAGE PRICES FOR CANADIAN FISHERIES PRODUCTS EXPORTED TO NEW ZEALAND\*  
(\$ per kg)

	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>
Cod, Atlantic, frozen, whole, dressed	---	---	---	---	2.93
Salmon, chum, frozen, whole, dressed	---	---	---	---	3.00
Salmon, coho, frozen, whole, dressed	---	---	---	---	4.00
Salmon, spring, frozen, whole, dressed	---	4.00	---	---	3.00
Seafish, frozen, whole, dressed, NES	---	---	2.38	---	---
Cod fillets, Atlantic, frozen	---	---	2.86	---	3.29
Seafish fillets, frozen, NES	---	---	---	---	12.00
Cod blocks & slabs, frozen	---	2.00	---	---	---
Seafish blocks, etc., fresh, frozen, NES	---	---	1.83	---	---
Herring, kipper snacks, canned	2.00	---	---	2.50	2.88
Herring, canned NES	1.67	2.00	1.50	1.60	2.21
Salmon, chum, canned	2.42	3.20	3.06	3.69	3.92
Salmon, coho, canned	---	0	3.00	3.09	3.38
Salmon, pink, canned	3.35	3.64	3.66	3.87	4.61
Salmon, sockeye, canned	4.52	5.21	5.80	6.14	7.15
Salmon, canned, NES	2.55	2.59	3.05	2.90	4.23
Sardine, canned	1.67	1.63	2.16	2.65	3.03
Fish & fish products, canned, NES	1.20	---	1.00	1.00	0
Crabs, fresh or frozen	---	5.40	---	---	15.00
Shrimps & prawns, fresh or frozen	---	2.50	---	---	---
Lobster and products, canned	---	---	---	---	2.50
Pre-cooked frozen fish & shellfish	---	---	---	---	2.61

Source: Statistics Canada, Exports by Commodities, Ottawa.



APPENDIX II  
SECTION B (CONT'D)  
TABLE A-8

TRANSPORTATION RATES BETWEEN NEW ZEALAND AND CANADA

Canned herring, sardines and mackerel - Atlantic coast

	<u>C\$</u>
Basic rate (40 cu. ft./2 240 lb.)	152.50 <sup>1</sup>
Bunker surcharge, 16%	<u>24.40</u>
	176.90
Currency Surcharge, 7.32%	<u>12.95</u>
Rate: 40 cu. ft./2 240 lb.	<u>189.85</u> =====

Canned Salmon - Pacific coast

	<u>US\$</u>
Basic rate (cubic metre/1 000 kilos)	121.00 <sup>2</sup>
Bunker surcharge, 15½%	<u>18.75</u>
	139.75
Currency Surcharge, 6.97%	<u>9.74</u>
Rate: cubic metre/1 000 kilos	<u>149.49</u> =====

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<sup>1</sup> If shipped by 6 metre container the basic rate is reduced by \$13.00.

<sup>2</sup> If shipped by 6 metre container the basic rate is reduced by \$15.00.

APPENDIX III

SECTION A

NEW ZEALAND: MISLABELLING OF IMPORTS OF CANNED  
SARDINES, HERRINGS, PILCHARDS, ETC.<sup>1</sup>

There is evidence that through mislabelling, goods which are under import control are being imported as varieties which are exempt import control. The main mislabelling detected is importation of herring types labelled as sardines.

Goods which are exempt are included in Item Code 16.000 and those subject to control are under Item Code 16.005 which reads:

"Fish preserved in airtight containers, etc., viz: herrings, pilchards and other (excluding salmon, sardines, sild, brisling and saury)."  
See Appendix III.

For the information of importers the following types are accepted as sardines:

Sardina pilchardus (Walbaum)  
Sardina sardina  
Sardinops caerulea  
Sardinops melanosticta  
Sardinops sagax  
Sardinops neopilchardus  
Sardinops ocellata  
Clupea harengus  
Sprattus sprattus (Clupea sprattus)  
Clupea fuequencis  
Clupea antipodum  
Sardinella aurita  
Sardinella eba  
Engraulis (various species)

Where there is evidence of misleading labelling, action will be taken to check fish types and in cases where varieties subject to control are imported without a valid license action will be taken for contravention of the Import Control Regulations.

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<sup>1</sup> Reproduced from the Import Licensing Bulletin of the Department of Trade and Industry, June 1979, Wellington, New Zealand.

APPENDIX III

SECTION B

NEW ZEALAND: DEVELOPING COUNTRIES ENTITLED TO RECEIVE TARIFF PREFERENCES

Afghanistan	Guinea-Bissau	Portugal
Albania	Guyana	Qatar
Algeria	Haiti	Republic of Korea
Angola	Honduras	Romania
Argentina	India	Rwanda
Bahamas	Indonesia	Sao Tome and Principe
Bahrein	Iran	Saudi Arabia
Bangladesh	Iraq	Senegal
Barbados	Israel	Seychelles
Benin	Ivory Coast	Sierra Leone
Bhutan	Jamaica	Singapore
Bolivia	Jordan	Somalia
Botswana	Kampuchea	Spain
Brazil	Kenya	
Bulgaria	Kuwait	
Burma	Laos	
Burundi	Lebanon	
Cape Verde	Lesotho	
Central African Empire	Liberia	
Chad	Libya	
Chile	Madagascar	
China (including that part known as Taiwan)	Malawi	
Columbia	Malaysia	
Comoros	Maldives	
Congo	Mali	
Costa Rica	Malta	
Cuba	Mauritania	
Cyprus	Mauritius	
Democratic Yemen	Mexico	
Dominican Republic	Mongolia	
Ecuador	Morocco	
Egypt	Mozambique	
El Salvador	Nauru	
Equatorial Guinea	Nepal	
Ethiopia	Nicaragua	
Fiji	Niger	
Gabon	Nigeria	
Gambia	Oman	
Ghana	Pakistan	
Greece	Panama	
Grenada	Papua-New Guinea	
Guatemala	Paraguay	
Guinea	Peru	
	Philippines	

APPENDIX IV  
SECTION A

NEW ZEALAND IMPORT LICENSING SCHEDULE RELATING TO FISHERIES PRODUCTS

<u>Item Code</u>	<u>Tariff Item</u>	<u>Brief Description*</u>	<u>Allocation</u>
<u>Fish, Crustaceans and Molluscs</u>			
03.000	03.01.001 03.01.005	Live fish	E
	03.03.001 to 03.03.049	Crustaceans and molluscs	E
03.005	03.01.012 to 03.01.029 03.02.000	Other fish**	C
<u>Products of Animal Origin, not elsewhere specified or included</u>			
05.000	05.01.000 to 05.15.000	All products of animal origin of Tariff Chapter 5	E
<u>Preparations of Fish, Crustaceans or Molluscs</u>			
16.000	16.03.000.01L	Fish extracts	E
	16.04.011	Fish preparations such as sausages, "prepared meals" and the like (other than pastes)	E
	16.04.021.11J 16.04.031 16.04.051 16.04.059 16.05.005 16.05.009	Fish preserved in airtight containers etc., viz: salmon, sardines, sild, brisling and saury; fish preserved other than in airtight containers, etc. caviar and caviar substitutes; crustaceans and molluscs (excluding paste)	E
16.005	16.04.021.01A 16.04.041 16.04.049	Fish preserved in airtight containers, etc. viz: herrings, pilchards and other (excluding salmon, sardines, sild, brisling and saury)***	125% 1979 licenses
16.010	16.04.001 16.05.001	Pastes of prepared or preserved fish, crustaceans or molluscs	125% 1979 licenses

Note: "E" items are exempt from licensing.

"C" items are items for which applications for licensing will be considered individually.

\* See Section B for further details.

\*\* Licenses will be endorsed: Subject to approval of Ministry of Agriculture and Fisheries, Wellington.

\*\*\* Licences will be endorsed: Subject to the provisions of the Freshwater Fisheries Regulations 1951.

Source: Import Licensing Schedule 1980, Department of Trade and Industry, Wellington.

APPENDIX IV  
SECTION B

SECTIONS OF NEW ZEALAND CUSTOMS TARIFF\* RELATING TO PRODUCTS OF THE FISHERIES

Chapter 3

Fish, crustaceans and molluscs

NOTE:

This Chapter does not cover:

- (a) Marine mammals (heading No. 01.06) or meat thereof (heading No. 02.04 or 02.06);
- (b) Fish (including livers and roes thereof), crustaceans and molluscs, dead, unfit or unsuitable for human consumption by reason of either their species of their condition (Chapter 5); or
- (c) Caviar or caviar substitutes (heading No. 16.04).

<u>Number</u>	<u>Goods</u>	<u>Rates of Duty</u>		<u>Code</u>	<u>Unit</u>
		<u>Normal Tariff</u>	<u>Preferential Tariff</u>		
03.01	Fish, fresh (live or dead), chilled or frozen:				
03.01.001	-- Ornamental	20	Au1 free	00C	..
03.01.005	-- Other	Free	..	00J	..
03.01.012	- Fish livers	Free	..	01C	kg
	- Other				
03.01.017	-- Packed for retail sale	25	Au1 free DC 15	01E 11B 21K 31G	kg kg kg kg
03.01.029	-- Other -- per 100 kg	\$7.50	Au1 free Can \$6.00	01C 11L 21H 31E	kg kg kg kg
03.02.000	Fish, dried, salted or in brine, smoked fish, whether or not cooked before or during the smoking process per 100 kg	\$7.50	Au1 free Can \$6.00	01J 11F 21C 31L	kg kg kg kg

APPENDIX IV  
SECTION B (CONT'D)

<u>Number</u>	<u>Goods</u>	<u>Rates of Duty</u>		<u>Code</u>	<u>Unit</u>
		<u>Normal Tariff</u>	<u>Preferential Tariff</u>		
03.03	Crustaceans and molluscs, whether in shell or not, fresh (live or dead), chilled, frozen, salted, in brine or dried; crus- taceans, in shell, simply boiled in water:				
	- Crustaceans and molluscs:				
03.03.001	-- Live	Free	..	00L	kg
	-- Raw, whether fresh, chilled or frozen:				
03.03.011	--- Packed for retail sale	25	Au1 free	00F OC15	kg
03.03.021	--- Otherwise packed per 100 kg	\$7.50	Au1 free Can \$6.00	00A	kg
03.03.031	-- Salted, in brine or dried, per 100 kg	\$7.50	Au1 free Can \$6.00	00G	kg

Chapter 5

Products of animal origin, not elsewhere specified or included

05.15.000	Animal products not else- where specified or included dead animals of Chapter 1 or Chapter 3, unfit for human consumption	Free	..	01B 11K 21G 29B	.. .. .. ..
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Chapter 16

Preparations of meat, of fish, of crustaceans or molluscs

16.04	Prepared or preserved fish, including caviar and caviar substitutes				
	- Fish preparations such as pastes, sausages; "prepared meals" and the like:				

APPENDIX IV  
SECTION B (CONT'D)

Number	Goods	Rates of Duty		Code	Unit
		Normal Tariff	Preferential Tariff		
16.04.001	-- Pastes	25	Aul free Can 15 DC 15	00B	kg
16.04.011	-- Other, per 100 kg	\$25.00	Aul free Can \$21.50	00H	kg
	- Fish, preserved:				
	-- In airtight cans or jars, whether or not with added liquor, oil or sauce:				
16.04.021	--- Herrings, pilchards, sardines, sild, brisling, saury	Free	..	01A 11J	kg kg
16.04.031	--- Salmon	5	Aul free Can free DC free	00J	kg
	--- Other:				
16.04.041	---- As may be determined by the Minister per 100 kg	\$30.00*	Aul free Can \$28.50** DC \$28.50**	00D	kg
16.04.049	---- Other kinds	Free	..	00E	kg
16.04.051	-- Otherwise packed	Free	..	00K	kg
16.04.059	- Caviar and caviar substitutes	30	Aul free Can 25 DC 10	00L	kg
16.05	Crustaceans and molluscs, prepared or preserved:				
	- Preparation such as pastes, sausages, "prepared meals" and the like:				
16.05.001	-- Pastes	25	Aul free Can 15 DC 10	00F	kg
16.05.005	-- Other	5	Aul free DC free	00A	kg
16.05.009	- Other kinds	Free	..	01E 09L	kg kg

Aul: Australia.  
Can: Canada.  
DC: Developing countries

\* As at March 31, 1980.

\*\* Or such lower rate of duty as the Minister may in any case direct.

Source: Customs Department, Wellington.

APPENDIX IV

SECTION C

SALIENT SECTIONS OF THE FOOD AND DRUG REGULATIONS  
1973 AND AMENDMENTS APPLICABLE TO SEAFOODS

FOOD AND DRUG REGULATIONS 1973

101. Fish - (1) In these regulations, "fish" includes crustaceans and molluscs.

(2) Fish shall be any edible and wholesome part of a marine or freshwater creature, other than a mammal, that is ordinarily used for human consumption.

102. Fresh or chilled fish - Fresh fish or chilled fish shall be fish that has been maintained in a wholesome condition without any part having been frozen.

103. Frozen fish - (1) Frozen fish shall be fish that for one continuous period from the time of preparation for retail sale has been maintained at a temperature below - 18°C and that, if to be sold in a frozen condition, has not before sale been refrozen after thawing.

(2) Frozen filleted fish may contain any phosphate that is a specified food conditioner, in such a proportion that the total phosphorus content calculated as phosphorus pentoxide does not exceed 0.8%.

(3) This regulation shall be read subject to regulation 253 of these regulations.

104. Cured or salted fish shall be fresh, chilled, or frozen fish, cooked or uncooked, that has been prepared by treatment with salt, sugar, or any acidulant that is a specified food conditioner, or spices, with or without the addition of ascorbic acid, sodium ascorbate, isoascorbic acid, or sodium isoascorbate. Cured fish or salted fish that is canned shall be processed in accordance with the requirements for canned fish specified in regulation 107 of these regulations.

105. Smoked fish - Smoked fish shall be fish that has been maintained in a wholesome condition, with or without the addition of salt, and subjected to the action of smoke derived from wood that is free from paint or timber preservative. It may contain the colouring substances annatto and caramel.

106. Oysters and other shellfish - Oysters and other shellfish shall be maintained in a wholesome condition and shall have been procured from a location that is not subject to contamination.

107. Canned fish - Canned fish shall be fish that is canned in accordance with good manufacturing practice, with or without condiments and edible oils, and is packed in clean containers that are sealed and processed by heat to ensure preservation. Canned fish may contain the colouring substances annatto and caramel, and any phosphate that is a specified food conditioner, in such proportions that the total phosphorus content calculated as phosphorus pentoxide does not exceed 0.8 percent. Canned fish may contain not more than 300 ppm of calcium disodium ethylene diamine tetra-acetate. Canned fish may contain citric acid. Canned eels may contain gelatin.



APPENDIX IV  
SECTION C (CONT'D)

108. Fish paste - Fish paste shall be paste comprising not less than 70 percent of 1 or more kinds of fish, that are fresh, cured, or smoked, with or without other foodstuffs and permitted flavouring substances. It may contain ascorbic acid, sodium ascorbate, isoascorbic acid, sodium isoascorbate, and the colouring substances annatto and caramel.

109. Labelling of fish and fish products - (1) Every package containing fish or fish products shall be labelled with a true description of the contents.

(2) Where a product contains 2 or more kinds of fish they shall, if any reference is made in the labelling to 1 or more particular kinds, all be specified in the level in descending order of the proportions present. The name of any substance imitated in flavour by inclusion in a fish paste of a flavouring substance shall appear in the labelling only if uniformly conjoined with the word "FLAVOUR" in lettering not greater in size than that employed for describing the constituent fish.

(3) Canned fish described as salmon shall be fish of the *Oncorhynchus* genus known as Pacific salmon and shall be labelled, in 4 mm lettering, with the recognised trade name of the particular variety of salmon.

(4) Every package containing shellfish shall be labelled with the date of packing, except in the case of oysters that are sold in the shell, and of shellfish that are packed in hermetically sealed containers and processed by heat to ensure preservation.

(5) Fish sold as whitebait shall comprise juvenile forms of fish of which 90 percent are of the species *Galaxias attenuates* or any related species.

AMENDMENT NO. 1, 1974

20. Phosphate treated fresh fish - The principal regulations are hereby further amended by inserting, after regulation 102, the following regulation:

"102A. (1) Phosphate treated fresh fish shall be fresh fish that has been sprayed with any phosphate that is a specified food conditioner in such a proportion that the total phosphorus content calculated as phosphorus pentoxide does not exceed 0.8 percent.

"(2) All phosphate treated fresh fish shall be prepackaged for retail sale.

"(3) No person shall use, or permit to be used, any process or appliance for or in connection with the preparation, processing or packaging of phosphate treated fresh fish for sale unless the process or appliance has been approved for that purpose by the Medical Officer of Health.

"(4) Every package containing phosphate treated fresh fish shall be labelled with the words "PHOSPHATE TREATED", and shall be labelled with the date on which the package was filled in the following form: "PACKED ON (insert date)."

APPENDIX IV  
SECTION C (CONT'D)

AMENDMENT NO. 4, 1979

8. Importation of food - The principal regulations are hereby amended by inserting, before regulation 25 but under the heading "Protection of Food and Drugs", the following regulation:

"24B. (1) No person shall import into New Zealand any food to which this regulation applies without first satisfying the Medical Officer of Health, by the production to him of such evidence as he may reasonably require, that the food complies in all respects with the relevant provisions of the Act and these regulations.

"(2) This regulation applies to frozen cooked prawns."

NOTE: The full regulations should be consulted when considering the export of fisheries products to New Zealand.

APPENDIX IV  
SECTION D

RESTRICTIONS ON IMPORTATION OF FROZEN SALMON<sup>1</sup>

F4 FISH AND FISH PRODUCTS

F4.1 Salmon and Trout

F4.1.1 (a) The importation of carcasses, eggs (ova), sperm, organs, blood or any part of any salmonid fish, as well as live specimens is prohibited (except in terms of a permit issued under Section 13 of the Animals Act 1967) as a preventative measure against the introduction of dangerous diseases of fresh water fish into N.Z. There are many names commonly used that are taxonomically inaccurate, and for the purposes of this instruction, the following is a list of species within genera concerned with which PAOs are to abide:

<u>Scientific Name</u>	<u>Common Name</u>
<u>Oncorhynchus gorbuscha</u>	pink salmon
<u>Oncorhynchus keeta</u>	chum salmon
<u>Oncorhynchus kisutch</u>	coho, or silver salmon
<u>Oncorhynchus nerka</u>	sockeye, or red salmon
<u>Oncorhynchus tshawytscha</u>	chinook, king, or quinnet salmon
<u>Salmo clarki</u>	cutthroat trout
<u>Salmo gairdneri (iridus)</u>	rainbow trout, or steel head
<u>Salmo mykiss</u>	-
<u>Salmo salar</u>	atlantic salmon
<u>Salmo trutta (farior)</u>	brown trout, or sea trout
<u>Salvelinus alpinus</u>	arctic char, or char
<u>Salvelinus fontinalis</u>	brooktrout, or speckled char
<u>Salvelinus malma</u>	Dolly Varden
<u>Salvelinus namaycush</u>	lake trout
<u>Salvelinus oguassa</u>	blueback trout
<u>Coregonus acronis</u>	
<u>Coregonus alpenae</u>	longjaw sisco
<u>Coregonus artedii</u>	sisco
<u>Coregonus clupeaformis</u>	lake white fish
<u>Coregonus clupeoides</u>	gywniad
<u>Coregonus pollan</u>	vendace
<u>Coregonus vandesius</u>	vendace
<u>wartmaani</u>	surface white fish
<u>Thymollus thymallus</u>	grayling
<u>arcticus</u>	arctic grayling

<sup>1</sup> Port Agricultural Service Field Manual, page 4.

APPENDIX IV  
SECTION D (CONT'D)

Certain importations may be permitted and details of these are set out in F4.1.2.

- (b) When consignments of any of the items in F4.1.1(a) are intercepted, they are to be held in secure custody to await instructions from RPAO. PAOs are to advise RPAO of the following details.
  - (i) Name and address of importer.
  - (ii) Description of interception.
  - (iii) Purpose to which the import is to be put, e.g. Zoological specimens, Hatcheries, etc., if available.

F4.1.2 Salmonid Fish:

(a) Cooked and Packed in Hermetically Sealed Containers

Importation is permitted provided it is not required to be kept under refrigeration.

(b) Smoked or brined, irrespective of packing

Importation is prohibited.

(c) Preserved fish

A permit to import issued by DAHD is required. The importer will be required to submit satisfactory documentary evidence as to the actual methods and media used in preservation.

APPENDIX IV  
SECTION E

INVOICE AND COMBINED CERTIFICATE OF VALUE AND ORIGIN: FORM 59

Form 59		INVOICE AND COMBINED CERTIFICATE OF VALUE AND ORIGIN FOR EXPORTS TO NEW ZEALAND		
CANADA	Exporter	Status of Seller (delete terms inapplicable) Manufacturer Grower Producer Supplier		Page of Pages
	Sold to	Country of Origin		
	Ship/Airline, etc.			
	Sea/Airport of discharge	Final destination of goods		
Marks and numbers	Quantity and description of goods (including any discounts)	Current domestic value in currency of exporting country	Selling Price to Purchaser—State currency and whether FOB, CIF, etc.  • Amount	
Enumerate the following charge and state if amount has been included in the current domestic value	Amount in currency of exporting country	State if included	I, the undersigned, being the seller of the goods enumerated in this invoice (or manager, chief clerk, or other responsible person in the sole employ of and authorised by the seller to make and sign this certificate) have the means of knowing and hereby certify that this invoice, including continuation sheets if any, is MADE IN ACCORDANCE WITH THE VALUE CLAUSE PRINTED OVERLEAF and the goods	
Drawback or remission of duty			<input type="checkbox"/> DO or <input type="checkbox"/> DO NOT (strike out as appropriate) qualify to be entered into New Zealand under Tariff preference in accordance with the provisions of the New Zealand Customs Regulations 1968, the relevant details of which are printed overleaf.	
<b>Declaration of Packing Material Used</b> 1. No packing material of any kind is used for the goods on this invoice. 2. I hereby declare that the material(s) used as packing for the goods on this invoice is (are)  3. No hay, straw, chaff, flax rug or rice husks have been used as packing material for the goods on this invoice. 4. I hereby declare that all timber used for the packing of goods listed in this invoice has been inspected and was to the best of my knowledge free of bark and visible signs of insect and fungal attack when goods were shipped to New Zealand.			FULL NAME STATUS SIGNATURE DATE	
SIGNED:				

APPENDIX IV  
SECTION E (CONT'D)

VALUE CLAUSES

- (1) That this invoice is in all respects correct, and contains a true and full statement of the price actually paid or to be paid for the said goods, and of the actual quantity and description thereof.
- (2) No different invoice of these goods has been or will be furnished to anyone.
- (3) No arrangement or understanding affecting the purchase price of these goods, by way of discount, rebate, compensation, or of any other nature whatsoever which is not fully shown in this invoice, has been or will be made or entered into by the said seller and the purchaser or by anyone on behalf of either of them.
- (4) The said invoice exhibits, in the column headed "Current Domestic Value in Currency of Exporting Country", the current domestic value of identically similar goods when sold for home consumption for cash in equal quantities in the ordinary course of business in the principal markets of the country from which the said goods are exported to New Zealand at the time when they are so exported.
- (5) The said current domestic value includes import or excise duty to the amount shown against the item "drawback or remission of duty" overleaf;
  - (a) which has been paid on any parts, materials or ingredients used in making the goods, and in respect of which drawback has been or will be paid or allowed by the revenue authorities in the country of exportation; or
  - (b) which has been actually paid on the goods in the country from which they are exported, or would have been payable on the goods in that country if they had there been entered for home consumption instead of being exported therefrom.

ORIGIN INFORMATION

The New Zealand Customs Regulations 1968 provide for tariff preference to be allowed to goods of Canadian origin under one or other of the following categories:

GOODS WHOLLY PRODUCED OR WHOLLY MANUFACTURED	GOODS PARTLY MANUFACTURED
<p>These are goods which are the natural products of Canada which have not been subjected to any industrial processes except:</p> <ol style="list-style-type: none"> <li>(a) those primary processes whereby natural products are ordinarily obtained from the farm, mine, forest, fisheries, etc., and;</li> <li>(b) the processes of cleaning, separating, sorting and drying and of the killing of animals</li> </ol> <p>and includes goods wholly manufactured in Canada from materials of one or more of the following classes:</p> <ol style="list-style-type: none"> <li>(i) Unmanufactured raw products;</li> <li>(ii) Materials wholly manufactured in Canada.</li> </ol> <p><b>Note:</b> In respect of goods wholly manufactured the only non Canadian or Commonwealth materials permitted in goods claimed to qualify for preference under this category are those of (i) above.</p>	<p>These are goods which do not qualify for preference under the foregoing category. Such goods will nevertheless qualify for preference provided:</p> <ol style="list-style-type: none"> <li>(i) That the process last performed in the manufacture of the goods was performed in Canada; and</li> <li>(ii) That in respect of the goods, the expenditure –                     <ol style="list-style-type: none"> <li>(A) in material that is of Canadian origin, or the origin of one or more of the countries of the Commonwealth; or</li> <li>(B) in labour and factory overheads incurred in Canada or one or more of the countries of the Commonwealth; or</li> <li>(C) in inner containers that are of Canadian origin or one or more of the countries of the Commonwealth; or</li> <li>(D) Partly in such material and partly in such other items as aforesaid,</li> </ol>                     is not less than half of the factory or works cost of the article in its finished state.                 </li> </ol>
<p><b>NOTES</b></p>	<ol style="list-style-type: none"> <li>(iii) The following are examples of unmanufactured raw materials which may be used as part of the content of goods "wholly manufactured"                     <p>Natural products (e.g., minerals; animals; plants, shrubs, trees, vegetables, or part thereof such as leaves, barks, fruits, pods, nuts; nut kernels, or roots) which have not been subjected to any industrial process or processes except (a) those primary processes whereby natural products are ordinarily obtained from the farm, mine, forest, fisheries, etc., and (b) the processes of cleaning, separating, sorting and drying, and of the killing of animals. For example:</p> <ul style="list-style-type: none"> <li>Bones, hoofs, and horns; tusks (ivory).</li> <li>Cork, unmanufactured.</li> <li>Grain or seeds, cleaned or graded, but otherwise unmanufactured.</li> <li>Logs, unwrought.</li> <li>Ores, metallic.</li> <li>Petroleum, crude.</li> <li>Salt, rock.</li> <li>Skins, raw or sundried.</li> <li>Wool, greasy, washed, or scoured.</li> </ul> </li> </ol>
<ol style="list-style-type: none"> <li>(i) If the goods enumerated in this invoice are manufactured in Canada but do not meet any of the above criteria they will NOT qualify for preferential entry into New Zealand.</li> <li>(ii) In all cases preference qualification is dependent upon the goods being shipped directly from Canada to New Zealand.</li> </ol>	

