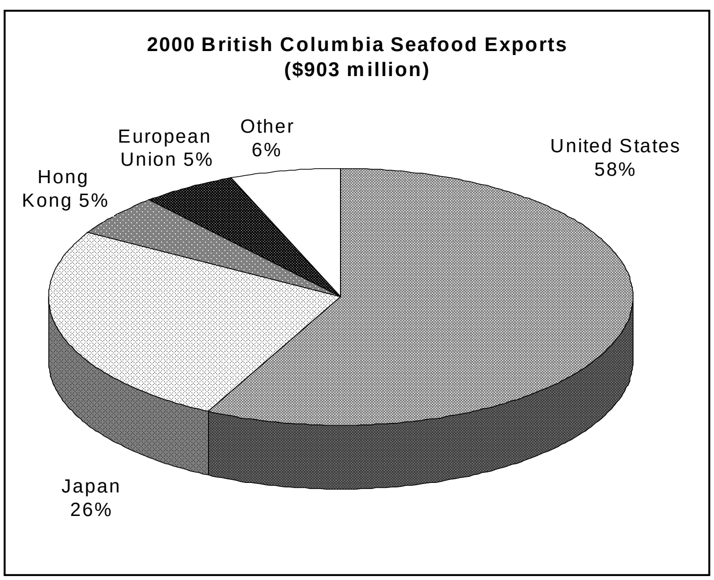
The 2000 British Columbia Seafood Industry Year in Review

BRITISH COLUMBIA

BC Ministry of Agriculture,
Food and Fisheries

2000 Performance Highlights

The British Columbia fisheries and aquaculture industry generated more than $1 billion in wholesale value in 2000. Provincial fish production of all species totalled 196,000 tonnes. Harvests of shellfish, salmon and herring were relatively unchanged while the groundfish catch declined 50 per cent from the previous year. The combined landed and farmgate values for all seafood rose 5 per cent to $643 million in 2000. Aquaculture shellfish, trout and salmon contributed 29 per cent of the total seafood harvest with a combined farmgate value of $295 million. British Columbia firms exported 113 thousand tonnes of fish and seafood products worth $903 million to 45 countries.



British Columbia Seafood Production 1998 to 2000	WHOLESALE VALUE ... $ Millions ...			LANDED VALUE ... $ Millions ...			LANDINGS ... '000 Tonnes ...		
	2000[E]	1999[P]	1998[P]	2000[E]	1999[P]	1998[P]	2000[E]	1999[P]	1998[P]
Salmon[1]									
Chinook	5.0	6.0	9.2	2.9	4.1	5.5	0.5	0.8	1.4
Sockeye	117.0	62.0	76.0	39.0	12.4	32.9	8.4	1.7	5.1
Coho	8.5	6.0	6.5	<.1	<.1	<.1	<.1	<.1	<.1
Pink	37.5	54.5	58.7	4.7	5.7	2.8	7.1	9.5	3.9
Chum	34.0	40.0	57.2	3.4	4.1	12.8	2.8	5.0	19.9
Subtotal	203.4	169.1	208.3	50.0	26.3	54.0	18.8	17.0	30.3
Farmed Salmon	320.0	329.0	264.1	281.7	290.6	228.9	49.4	49.7	42.2
Farmed Trout	0.4	0.4	0.5	0.3	0.4	0.4	0.1	0.1	0.1
Herring									
Spawn on Kelp	11.1	9.8	8.9	11.1	9.8	8.9	0.3	0.4	0.4
Roe Herring	116.5	106.0	96.0	39.0	40.0	26.0	27.2	28.8	32.9
Food and Bait	3.0	3.5	2.8	1.5	1.7	1.7	0.5	0.6	0.6
Subtotal	130.6	119.3	107.7	51.6	51.5	36.6	28.0	29.8	33.9
Halibut	59.6	58.5	70.5	42.5	38.7	30.9	4.8	5.5	5.8
Sablefish	31.0	29.0	36.4	29.0	26.8	27.6	3.7	4.3	4.5
Groundfish	95.9	133.4	111.5	62.2	73.3	63.3	65.6	134.7	128.9
Shellfish[2]	175.0	158.8	153.0	124.4	103.8	103.3	23.8	23.3	25.4
Other[3]	7.1	7.1	8.2	1.5	2.0	1.5	1.5	2.0	1.5
Grand Total	1,023.0	1,004.6	960.2	643.2	613.4	546.5	195.7	266.4	272.6

E Estimates P Preliminary

1 The total wholesale value of wild salmon includes the value of salmon products such as offal, meal and oil which cannot be identified by species. The wholesale values of individual salmon species include the value of products derived from imported fish (e.g. almost all the coho wholesale value in 2000 is derived from the processing of imported coho).

2 Includes farmed shellfish.

3 Total wholesale value for other includes fish meal and oil unidentified by species.

2000 Industry Overview

Towards Sustainability

Primarily a price-taker in the global marketplace, the commercial fishing fleet, aquaculture operators and fish processing facilities of British Columbia, have made a concerted effort to capitalize on the superior quality and year-round availability of their seafood products.

A primary operating strategy has been to focus on maintaining sustainable harvest and production levels while continuing to satisfy markets and increasing both year-round employment and sales.

Commercial Fishing

In 2000, an estimated 4,600 commercial fishers and 3,436 vessels actively participated in the commercial fishery. More than 70 per cent of all seafood harvested in British Columbia comes from the commercial fleet.

In 2000, the British Columbia commercial harvest fell 34 per cent from 1999 to 139,300 tonnes. The 80 per cent decline in the offshore hake catch was the single most important factor in the decline in the total commercial harvest. All species groups, except for groundfish, experienced a rise in landed value as the provincial total increased 11 per cent to $348 million.

Seafood Imports

British Columbia fish processors access salmon, halibut, herring and shellfish from outside of Canada to augment the domestic supplies. In 2000, foreign-sourced fish accounted for an estimated $40 million of the total wholesale value of all BC seafood products.

While local processors buy some of the fish and incorporate it into their processing and distribution streams, a second scenario has the imported fish custom-processed by the BC plants and re-exported.

This facet of the industry provides positive spin-offs in increased employment, income generation without incurring the expense of purchasing the fish, and no additional strain on domestic fish stocks.

Aquaculture

In 2000, British Columbia's 682 aquaculture operations provided direct employment for an estimated 1,800 people. Shellfish and marine finfish farms each generated approximately 800 full- and part-time jobs while the freshwater farms and hatcheries employed an additional 200 people.

Twenty-nine per cent of the volume of the total BC seafood harvest came from aquaculture facilities. In 2000, the combined farmed salmon, trout and shellfish harvest was steady at 56,400 tonnes. Overall the sector generated $295 million in farmgate value and $342 million in wholesale value.

Fish Processing

British Columbia's 187 fish processing plants utilized more than 80 species of fish and shellfish provided by the commercial fishing and aquaculture sectors.

To ensure a place in specific high value markets, BC fish plants have made efforts to initiate new and refine old processing and handling techniques.

All species groups have maintained strong positions in the BC seafood economy each with significant portions of the $1 billion total wholesale value:

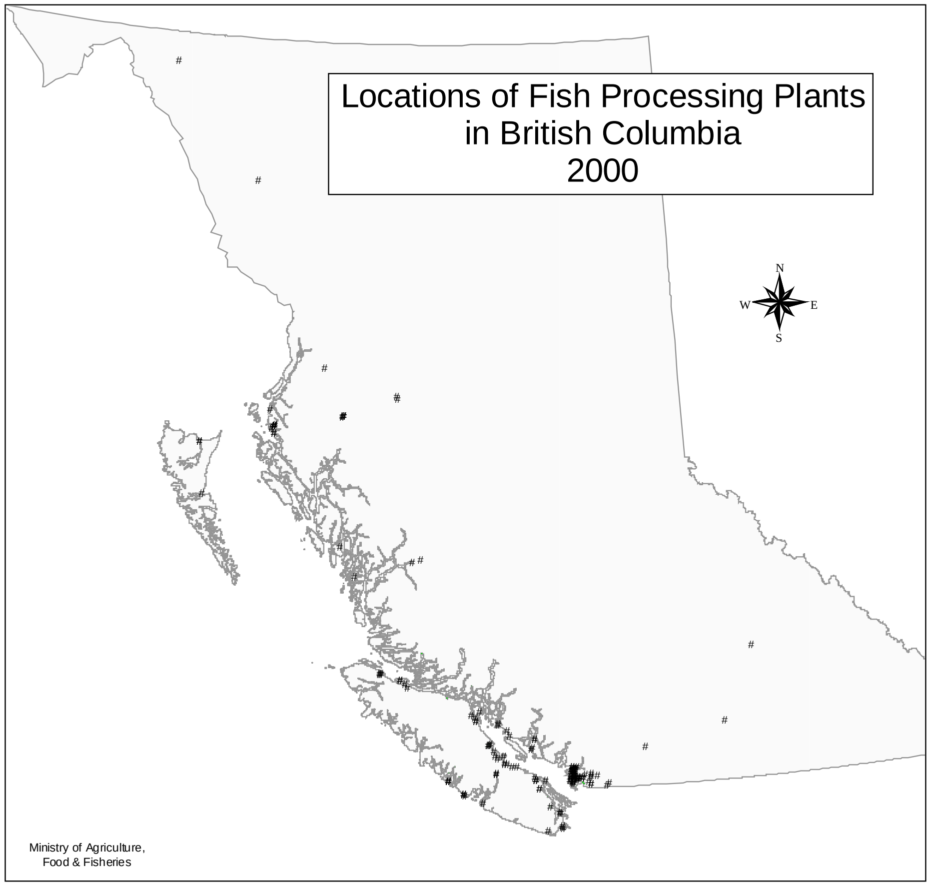
Wild salmon (20%) The wholesale value of products, at $203 million, was up over 1999 levels but was still significantly lower than the long-term average.

Farmed salmon (31%) Sales of finished products generated $320 million in 2000.

Groundfish (18%) The combined sales of halibut and other groundfish products generated $187 million in 2000.

Shellfish (17%) Sales from farmed and wild sources generated a total of $175 million.

Herring (13%) Market prices were stronger in 2000 generating a wholesale value of $131 million.



Seafood Exports

The United States and Japan are vital trading partners receiving 84 per cent of all shipments with a total value of $753 million. Another $84 million worth of products was exported to Hong Kong and the United Kingdom while the remainder of the European Union and various Pacific Rim countries accounted for an additional $66 million.

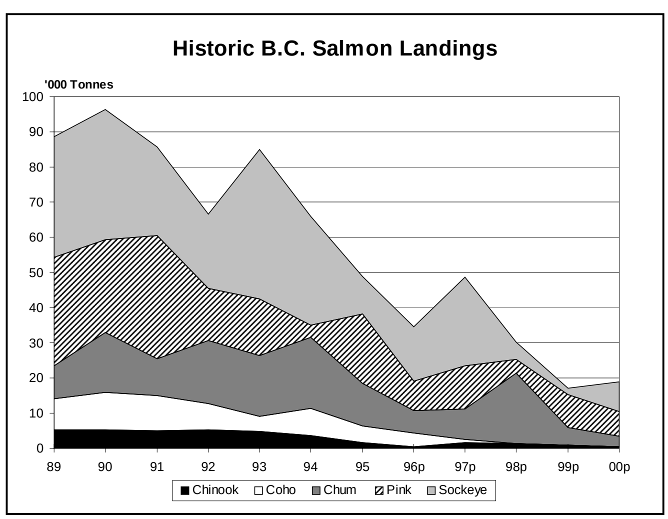
Species Synopsis

WILD SALMON

Despite continued conservation concerns for many wild salmon stocks in 2000, returns were better than expected and resulted in a 20 per cent increase in the harvest over 1999 levels to 18,800 tonnes.

The value of the harvest almost doubled in 2000 to $50 million due to the increased availability of the higher-valued sockeye. As the commercial fleet improved its ability to select out non-target species an increase in fishing opportunities and resource allocations has been realized.

Wild salmon products generated a total wholesale value of $203 million, up 20 per cent from 1999.



Canned Salmon

The total 2000 British Columbia canned salmon pack was down 33% from 1999 to 646,000 cases. Close to 8,000tonnes of Alaskan and Russian salmon were accessed and processed on British Columbian salmon canning lines producing more than 247,000 cases, and 38 per cent of the total pack.

Canned salmon, including added-value specialty canned items such as paté and skinless-boneless salmon, generated $117 million for a 58 per cent share of the total wholesale value of all wild salmon products.

Coho

There were again no directed commercial fisheries for coho in 2000. Concerns over the health and abundance of many of British Columbia's coho stocks continued the coast-wide ban on the retention of coho in most commercial, recreational and aboriginal fisheries. A small amount of coho was imported from Alaska for the canned salmon market, generating $8.5 million in wholesale value.

Sockeye

Sockeye dominated the wild salmon industry as both the fishermen and processors benefited from the increase in domestic supplies. Although sockeye made up less than 50 per cent of the salmon harvest by volume, it generated 80 per cent of the income to the salmon fleet in 2000. The 8,400-tonne harvest garnered fishermen $39 million, a three-fold increase over 1999 values. With the addition of imports, provincial fish plants generated $117 million worth of sockeye products.

Pink

The 2000 pink salmon harvest was 7,100 tonnes, down from the 9,500 tonnes caught in 1999. Pinks contributed 35 per cent of the total salmon catch by volume but low prices paid to harvesters resulted in only $4.7 million in landed value, representing less than 10 per cent of the total wild salmon share.

Pink salmon is a mainstay of the British Columbia canned salmon producers and in 2000 more than 90 per cent, or 6,700 tonnes, of the domestic pink harvest was routed to the canned market. Supplemented with 3,200 tonnes of imported pink salmon, the processing sector was able to generate a total wholesale value for all pink salmon products combined, of $37.5 million.

Chum

At 2,800 tonnes the 2000 chum salmon harvest was closer to typical levels. Chum salmon, historically destined primarily for roe products, have been the focus of increased utilization efforts as the fish processors develop markets for the flesh as well. With the increased demand, chum prices paid to fishers rose from $0.82 per kg in 1999 to $1.21 per kg in 2000. While chum was 15 per cent of the harvest, chum products generated $34 million, or 17 per cent of the wild salmon wholesale value.

FARMED SALMON

Farmed production of Atlantic, chinook, and coho salmon held steady at 49,400 tonnes in 2000. British Columbia's farmed salmon products were exported primarily to the US in direct competition with high volumes of Chilean farmed salmon. Although BC farms increased production of fresh fillets, in 2000, the Chilean gluts have adversely affected market prices and the anticipated increase in revenues was not realized.

Farmed salmon continued to be a solid mainstay of the BC seafood sector and in 2000 generated $320 million - close to one-third of the total value of all seafood sales.

Atlantic salmon drawing courtesy of Fisheries and Oceans Canada

HERRING

The 2000 harvest volumes and values of herring and herring spawn-on-kelp were similar to 1999. The combined wholesale value of all herring products increased almost 10 per cent over the previous year. Brokers were able to secure higher prices for the finished products in 2000 and processors realized $131 million in sales.

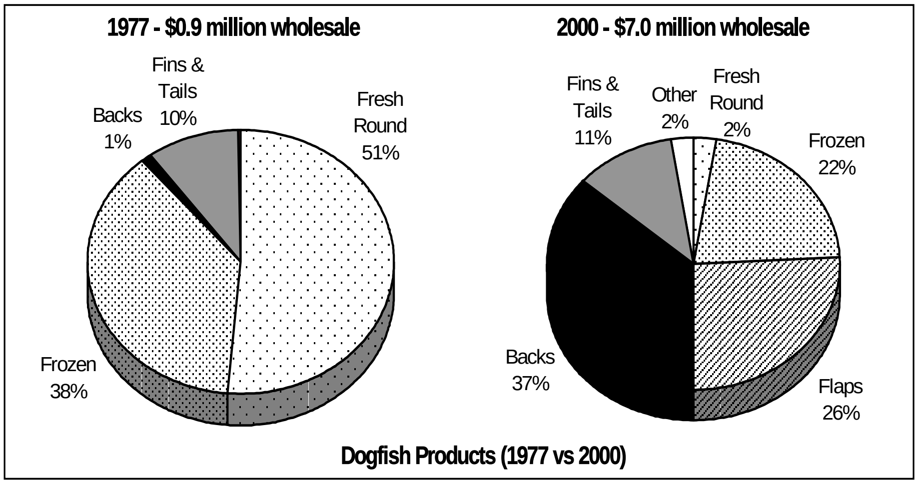
British Columbia Groundfish Production 1998 to 2000

	WHOLESALE VALUE ... $ Millions ...			LANDED VALUE ... $ Millions ...			LANDINGS ... '000 Tonnes ...		
	2000^E	1999^P	1998^P	2000^E	1999^P	1998^P	2000^E	1999^P	1998^P
Dogfish	7.0	5.0	1.7	3.1	2.0	1.1	4.6	3.3	2.5
Hake	9.5	46.0	32.8	7.0	18.4	19.1	22.9	92.5	91.0
Halibut	59.6	58.5	70.5	42.5	38.7	30.9	4.8	5.5	5.8
Lingcod	6.0	5.5	5.9	4.9	3.8	3.2	2.7	2.0	1.9
Pacific Cod	3.5	3.0	4.7	1.2	1.3	1.5	0.7	0.8	1.4
Pollock	3.5	3.5	2.3	0.5	0.7	0.4	1.0	1.2	0.8
Rockfish	49.0	49.5	41.8	37.0	37.4	29.7	23.0	23.9	21.6
Sablefish	31.0	29.0	36.4	29.0	26.8	27.6	3.7	4.3	4.5
Soles	11.0	12.5	11.1	6.5	7.8	6.7	5.9	5.6	5.0
Turbot	2.0	2.0	1.8	1.2	1.2	1.3	4.3	3.6	3.8
Other	4.4	6.4	9.4	0.8	0.7	0.3	0.5	1.8	0.9
Total	**186.5**	**220.9**	**218.4**	**133.7**	**138.8**	**121.8**	**74.1**	**144.5**	**139.2**

E Estimates P Preliminary

GROUNDFISH

Although most species maintained harvest levels and selling prices similar to the previous year, one significant event was the anomalous distribution of the migratory Pacific hake with sharply reduced catches. As a result, the 69,300-tonne harvest from British Columbia's groundfisheries was only half of the total brought in during 1999 and the corresponding landed value also declined in direct relation to the loss of volume, contributing only 12 per cent of the total provincial seafood harvest.



The total wholesale value of groundfish products, at $127 million, was also lower than 1999 levels as the reduction in the hake catch severely affected many companies. Most other groundfish species were strong in the marketplace in 2000, with a number of opportunities realized for both portioning and specialty cuts adding value to the total.

Dogfish

Dogfish landings increased 40 per cent to 4,600 tonnes, in 2000, with a landed value of $3.1 million. Flaps, backs, fins and tails are processed into niche market products primarily for the German and Asian markets. These products have increased their share of total dogfish sales from 11 to 74 per cent with the resultant wholesale value increasing from less than $1 million in 1977 to $7 million in 2000.

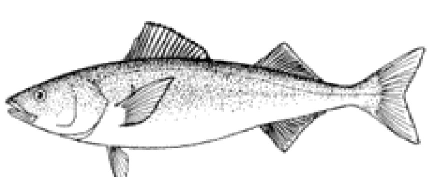
Hake

The 2000 West Coast hake fishery was described as a disaster. The migratory fish held offshore in locations and at depths inaccessible to the onshore fleet. Special harvesting requirements resulted in reduced harvest opportunities as BC fishing vessels were unable to fish.

British Columbia's on-shore processors accessed only 6,100 tonnes of hake from the 2000 season compared to 69,000 tonnes in 1999. The 90 per cent reduction in supply severely curtailed all processing opportunities for hake surimi and the co-dependant reduction facilities. The wholesale value of hake products generated less than $10 million in value - down 79 per cent from the previous year.

Sablefish

The West Coast individual quota sablefish fishery has been a strong contributor to the provincial groundfish sector with a year-round harvest conducted by a limited number of vessels. In 2000, the sablefish harvest was reduced to 3,700 tonnes but the price paid to fishers increased and the resultant landed value rose to $29 million from $27 million. Sablefish products generated $31 million, or 34 per cent of the total landed value of all groundfish species.



Sablefish drawing courtesy of Fisheries and Oceans Canada

Halibut

In the last few years processors have expanded the halibut market by producing several new specialty and value-added products. In 2000, British Columbia plants imported significant quantities of US frozen halibut to supplement the fresh domestic supplies in an effort to meet the growing demand for this important groundfish species. As a result of secondary processing the wholesale value of halibut generated $60 million in 2000.

SHELLFISH

In 2000, the British Columbia shellfish harvest was stable at 23,800 tonnes. The total landed value, at $124 million, showed a 20 per cent increase over 1999. There was also a 10 per cent increase in wholesale value to $175 million. Close to one third of the total provincial shellfish harvest (by weight) originated from the 417 clam, oyster, scallop and mussel aquaculture sites, which generated $13 million in farmgate value. Commercial shellfish landings generated $111 million primarily due to the high-value geoduck, crab and prawn fisheries. These three species groups were the most important income generators for the fishers with a combined landed value of $90 million. In terms of the wholesale value of processed products, however, prawns, red sea urchins, geoduck and crabs held prominence. New commercial fisheries are being developed for several shellfish species including the varnish clam and tanner crab.

Geoduck Clams

Geoduck clams, also managed as an individual quota fishery, continued to be a significant species for both commercial shellfish harvesters and processors. In 2000 the geoduck harvest of 1,800 tonnes represented 8 per cent of the provincial total shellfish harvest. Although the harvest is relatively small, geoduck harvesters earned $42 million for 33 per cent of the total landed value of all shellfish. Geoduck products generated almost $50 million, in 2000, and represented 28 per cent of the value of all British Columbia shellfish sales.

Prawns

The 2000 fishing season proved extremely successful for the prawn harvesters and processors. The combined harvest increased 14 per cent to 1,600 tonnes while the landed value rose 55 per cent to $29 million. The wholesale value of prawn products also showed significant gains in 2000 rising from $21 million to $32.3 million.

British Columbia Shellfish Production 1998 to 2000

	WHOLESALE VALUE ... $ Millions ...			LANDED VALUE ... $ Millions ...			LANDINGS ... '000 Tonnes ...		
	2000E	1999E	1998P	2000E	1999E	1998P	2000E	1999E	1998P
Farmed									
Clams	8.6	6.7	6.6	5.9	4.2	3.7	1.0	0.8	0.7
Oysters	12.7	11.2	8.8	7.0	5.6	5.0	5.9	5.3	5.4
Scallops	0.2	0.3	0.6	0.2	0.1	0.3	0.04	0.03	0.04
Subtotal	**21.5**	**18.2**	**16.0**	**13.1**	**9.9**	**9.0**	**6.9**	**6.1**	**6.1**
Wild									
Clams	6.9	8.5	9.5	4.7	5.3	5.3	1.3	1.6	1.6
Crabs	30.0	25.0	25.0	19.7	21.8	21.4	2.7	3.0	3.0
Geoducks	49.6	55.5	42.4	41.6	33.7	29.8	1.8	1.8	1.8
Scallops	0.3	0.3	0.6	0.3	0.2	0.3	0.05	0.04	0.06
Sea Cucumbers	3.2	2.0	2.2	1.7	1.1	1.0	1.0	0.9	0.8
Sea Urchins (Red)	20.1	17.0	18.5	8.1	7.0	9.2	5.3	5.2	6.0
Sea Urchins (Green)	1.4	2.5	2.4	1.0	1.2	1.0	0.18	0.19	0.16
Shrimp	7.9	8.0	11.0	4.0	4.2	5.7	2.4	2.6	3.5
Prawns	32.3	21.0	24.2	29.2	18.8	19.5	1.6	1.4	1.7
Other	1.8	0.8	1.2	1.0	0.6	1.1	0.6	0.5	0.7
Subtotal	**153.5**	**140.6**	**137.0**	**111.3**	**93.9**	**94.3**	**16.9**	**17.2**	**19.3**
Total	**175.0**	**158.8**	**153.0**	**124.4**	**103.8**	**103.3**	**23.8**	**23.3**	**25.4**

E Estimates P Preliminary

Seafood Outlook 2001

Wild Salmon
The 2001 season is expected to be better than last year, with increased harvests (though still low relative to historic levels) and reasonable prices.

Herring
Catches are expected to rise slightly and the sector continues to produce high quality products.

Groundfish
Overall harvests will show an increase in tonnage as hake is expected to return to a more normal distribution (but with a reduced quota). For some other species there will be reduced quotas, with continued good prices as the fishery has become adept at managing quotas to maximize value and quality.

Shellfish
Wild harvests will fluctuate among species, but the overall catch and value should remain relatively unchanged or slightly improved.

Aquaculture
The outlook is positive with moderate increases expected for shellfish production due to expansions in the size and number of sites and farmed salmon production stable. For both sectors the successful introduction of technology and value-added products is expected to increase prices and revenues.

	Harvest	Landed Value	Wholesale Value)
Wild Salmon	↑	↑	↑
Farmed Salmon	↔	↔	↔
Herring	↔	↑	↔
Halibut	↔	↔	↔
Groundfish	↑	↑	↑
Wild Shellfish	↔	↔	↔
Farmed Shellfish	↑	↑	↑
Other Species	↑	↑	↑
Total BC	↑	↑	↑

This is the eighth issue in the British Columbia Seafood Industry Year in Review series. We encourage you to send us your comments on this publication and any suggestions for future issues.

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Or visit our web site at http://gov.bc.ca/agf/

Data Sources: All seafood finished products and wholesale values as well as aquaculture industry harvests and farmgate values are compiled by the Seafood Development Branch of the provincial Ministry of Agriculture, Food and Fisheries. Commercial fisheries landings and values are provided by the federal Department of Fisheries and Oceans, Pacific Region. Preliminary values for 1998, 1999 and 2000 have been adjusted. June 2001