

# Fishery

Fishing vessels and fish plant, Salvage



Fish landings are expected to fall by about 1% to approximately 343,500 tonnes in 2007, reflecting lower landings of pelagics and shellfish. However, landed value is expected to increase by about 8% to between \$500-\$510 million, reflecting higher crab and shrimp prices. The fishing industry continues to be challenged by a rising Canadian dollar, high fuel costs and global competition.

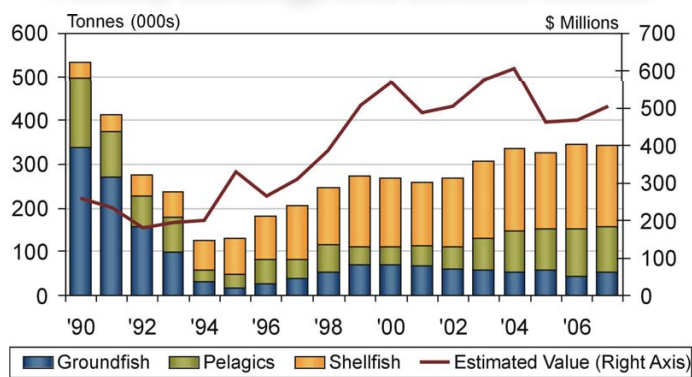
Shellfish landings are expected to decline from 195,200 tonnes in 2006 to between 180,000-190,000 tonnes in 2007, as lower squid, surf clams and scallop catches offset higher landings of crab and shrimp. Despite this decline, the value of shellfish landings should increase by about 23% due to higher crab and shrimp values. The volume of crab landings is expected to increase by about 4% in 2007, reflective of a 3% quota increase. The value of crab landings is expected to exhibit a much greater (73%) increase as a result of higher prices—the average price paid to harvesters increased from \$0.96 per pound in 2006 to about \$1.58 per pound in 2007. Shrimp landings are also expected to be higher and the value of landings should rise by more than 16%. A change to the Autonomous Tariff Rate Quota is benefitting the shrimp sector. The amount of shrimp that can now be sold to the European Union under the lower 6% tariff has increased from 10,000 to 20,000 tonnes. Shrimp sold above this quota is subject to a 20% tariff.

Pelagics are expected to be down by approximately 2% this year to approximately 105,000 tonnes due to lower catches of capelin. The decline in capelin was due mainly to reduced effort because of lower prices. The value of pelagic landings is expected to be around \$30 million, down about 15% from 2006.

Groundfish landings and value are expected to be higher in 2007. Volume is expected to total about 52,000 tonnes, up almost 19% over 2006, while landed value is expected to increase by over 5% to between \$65-\$70 million. The increase in volume is largely the result of higher landings of yellowtail flounder and American plaice. In 2006, a ma-

ior quota holder of yellowtail flounder did not harvest its quota because of a labour dispute. Consequently, catches of American plaice, a by-catch species from the yellowtail fishery, also fell. This year, most of the yellowtail quota is expected to be landed.

## Fishery Landings and Landed Values



f: forecast  
 Department of Fisheries and Aquaculture

Fishery Products International (FPI) shareholders recently approved the sale of the company's assets to Ocean Choice International Inc. (OCI) and High Liner Foods Incorporated. OCI will purchase FPI's primary processing plants in the province and take control of offshore groundfish, scallop and shrimp quotas. Under an agreement between the federal and provincial governments, OCI will be obligated to land and process FPI's groundfish quotas in Newfoundland and Labrador. High Liner will purchase the secondary processing plant at Burin and the marketing division in the United States. Both companies have committed to sustained operations of all FPI facilities, where traditional levels of employment will be maintained. These transactions are expected to be finalized by year end.

The aquaculture industry is experiencing solid growth. This year, it is estimated that 11,550 tonnes of product will be produced compared with 10,500 tonnes in 2006 and 1,745 tonnes about ten years ago. Last year, aquaculture production was valued at \$52.3 million.