





Will the tariff tiff tear at the fabric of Canada-U.S. seafood trade?

18 February 2025 By Lisa Jackson

As Trump tariffs loom, the U.S.-Canada seafood industry faces rising costs, job losses and supply chain chaos, forcing leaders to act fast



As Trump tariffs loom, the U.S.-Canada seafood industry faces rising costs, job losses and supply chain chaos, forcing leaders to act fast. Image by Thomas K, via Pexels.

From snow crab and lobster to Pacific salmon, seafood is a trade driver between Canada and the United States. This cross-border commerce has mutually benefited the two nations but rising trade tensions now threaten this critical supply chain.

This month, President Donald Trump has signed executive orders (https://www.whitehouse.gov/factsheets/2025/02/fact-sheet-president-donald-j-trump-imposes-tariffs-on-imports-from-canadamexico-and-china/) imposing broad tariffs on Canada, Mexico and China, its top trading partners. Imports from Canada and Mexico face a 25 percent tariff, except for Canadian energy products, which would be taxed at 10 percent. A 10 percent tariff was also placed on Chinese goods.

In response to these Trump tariffs, Canada and Mexico quickly fired back. Canadian Prime Minister Justin Trudeau announced a 25 percent tariff (https://www.cbc.ca/player/play/video/9.6632060) on (U.S.) \$20 billion worth of U.S. goods, with an additional **\$85 billion in tariffs** (https://www.nytimes.com/live/2025/02/01/us/trump-tariffs-news) to follow within three weeks. However, later that day, Trudeau said that after a call with Trump, he agreed to a 30-day delay on tariffs on Canadian exports.

With a trade war still looming, the seafood sector faces uncertainty over pricing, market access and job security. Across Canada, industry leaders are bracing for economic fallout as possible tariffs could disrupt the flow of seafood between the two nations.



(https://link.chtbl.com/aquapod)

'We'll start to feel it'

The seafood trade between Canada and the United States generates billions in revenue annually, benefiting both countries. Canada imported (U.S.) \$3.1 billion

(https://globalnews.ca/news/10970364/us-canada-tariffs-what-could-get-costlier/) worth of seafood in 2023 alone, with the United States supplying the largest share at \$1 billion - making up 31 percent of Canada's total seafood imports. On the flip side, the United States imported more than \$3.6 billion in seafood products (https://www.ers.usda.gov/amber-waves/2024/may/u-s-seafood-imports-expandas-domestic-aquaculture-industry-repositions-

itself#:~:text=Canada%2C%20as%20the%20largest%20supplier,the%20United%20States%20in%202023.) from Canada, making it the country's largest supplier.

But with tariffs driving up prices, that could change. Canadian buyers may look elsewhere for seafood or cut back on purchases, potentially leading to surplus supply and financial strain on American fisheries. If this happens, two U.S. products are expected to be hit the hardest: salmon and lobster.

Salmon accounts for 21 percent (https://globalnews.ca/news/10970364/us-canada-tariffs-whatcould-get-costlier/) (approximately \$661 million) of Canada's seafood imports, with the United States as the top supplier, providing approximately \$280 million. U.S. lobster exporters, especially in Maine and Massachusetts, are also at risk, as nearly 99 percent of Canada's lobster imports come from those two states.

Geoff Irvine, executive director of the Lobster Council of Canada, said industry leaders are lobbying U.S. officials alongside the National Fisheries Institute to prevent damaging trade restrictions.

"They've put a bunch of money together to lobby Washington because they don't want their members to pay more for Canadian seafood," Irvine told CBC News (https://www.cbc.ca/news/canada/novascotia/lobster-exports-u-s-seafood-tariffs-donald-trump-1.7436431) before the tariffs were officially announced. "We're reminding anybody that will listen that American importers make money on our fish and they don't want to lose that revenue."

Meanwhile, Canadian industry leaders worry tariffs could hit the country's lobster fishery hard (https://www.cbc.ca/news/canada/nova-scotia/lobster-exports-u-s-seafood-tariffs-donald-trump-1.7436431). While live lobster shippers have diversified their markets, with China as reportedly the largest buyer, the frozen lobster sector relies heavily on the United States. According to Irvine, frozen and processed lobster makes up 55 percent of Canada's lobster exports, with 75 percent going to American buyers.

"They've driven up prices for both those products in the last six months," Irvine told CBC News (https://www.cbc.ca/news/canada/nova-scotia/lobster-exports-u-s-seafood-tariffs-donald-trump-1.7436431). "So the guestion will be how much more can the market take if there's a 25 percent tax."

Irvine said that the lobster industry is somewhat insulated from immediate harm due to low inventory levels and limited production during the winter season – for now.

"If it's three months of tariffs, it's not going to impact us dramatically," he said. "If it maintains, though, into the very busy spring season, that's when we'll start to feel it."



The Advocate reports from the Responsible Seafood **Summit in St Andrews**

More than 80 speakers took the stage to discuss a wide range of topics in fisheries and aguaculture and responsible seafood sourcing.



'We need to be prepared'

that has existed for decades, so this is a major disruption."

A 25 percent tariff could devastate Atlantic Canada's seafood sector, jeopardizing thousands of jobs. Kris Vascotto, executive director of the Nova Scotia Seafood Alliance, warned that the impact on the province's industry would be severe.

"We ship well over 40 percent of our wild-caught fish and seafood from Nova Scotia to our trading partner to the south," Vascotto told The Canadian Press (https://www.thecanadianpressnews.ca/business/n-l-s-most-lucrative-fishery-in-jeopardy-as-atlanticcanada-braces-for-tariffs/article_87f6e98f-0aa1-5f5f-b95e-1511ea9a726f.html). "It's a relationship

Newfoundland and Labrador stand to lose the most in Canada's Maritimes, with their most valuable catch – snow crab – on the line. A staggering 96 percent of the province's crab exports go to the United States, generating approximately \$531 million in 2022 – more than half of its \$977 million fishing industry. With so much at stake, prolonged trade barriers could cripple the fishery and destroy coastal communities.

"The fishery is the lifeblood of rural Newfoundland and Labrador," said Dwan Street, president of the union representing inshore fishers and fish plant workers, at a news conference (https://www.thecanadianpressnews.ca/business/n-l-s-most-lucrative-fishery-in-jeopardy-as-atlanticcanada-braces-for-tariffs/article_87f6e98f-0aa1-5f5f-b95e-1511ea9a726f.html). "There are also adjacent industries. You're looking at the grocery store, the gas station, the trucking industry. The effects trickle down. It's not just jobs at risk - it's coastal communities at risk."

With tariffs on the table, Jeff Loder, executive director of the Association of Seafood Producers, cautioned that the fishery may not open as planned next month.

"I cannot sit here today and say there will be a fishery," Loder said at the news conference. "This is a serious situation ... We're going to do everything we can to have a fishery, but we need to be prepared for whatever transpires."

Newfoundland and Labrador's premier Andrew Furey warned that as many as 20,000 jobs could be at stake if the trade restrictions go into effect, an economic blow the province's fishery cannot afford. He vowed to stand by workers "come hell or high water," promising "COVID-style support" if the industry collapses. Furey also warned that Trump's tariffs would bring "equally punishing" consequences for American buyers.

'A wake-up call' for market diversification

With tariffs on a 30-day hold, industry leaders are urging the seafood sector to secure new markets. Premier Furey said the province is already moving (https://www.gov.nl.ca/releases/2025/exec/0201n01/), reallocating \$4 million

(https://www.cbc.ca/news/canada/newfoundland-labrador/byrne-market-diversification-1.7450184) to help the fishing industry break into European and Asian markets.

"Although we've been given a temporary reprieve, we do not know where this is going to go," Fisheries Minister Gerry Byrne told CBC News (https://www.cbc.ca/news/canada/newfoundland-labrador/byrnemarket-diversification-1.7450184). "So we are exploiting that time period, that interim period of these 30 days, to really, really prepare and ratchet up our response. Market diversification is core to that response."

In the meantime, other industry players are racing to adapt. Speaking from Madrid, Danny Dumaresque, owner of Labrador Gem Seafood, is already scoping out European markets.

"This was a wake-up call," Dumaresque told **CBC News**

(https://www.cbc.ca/player/play/video/9.6631661). "We must react and diversify, because we could have many more years. It's incumbent on us to get out there right now. Let's put [the U.S.] on notice that we are seeking other like-minded seafood lovers, especially on this side of the pond."

Vascotto said Nova Scotia's seafood industry is pushing to expand in Asia and Europe. However, the impact on the province's fish processors hinges on how long the trade restrictions remain in place.

"This will provide an opportunity to find other markets, which might be willing to pay more for Canadian products," he told The Canadian Press (https://www.thecanadianpressnews.ca/business/n-l-s-mostlucrative-fishery-in-jeopardy-as-atlantic-canada-braces-for-tariffs/article_87f6e98f-0aa1-5f5f-b95e-1511ea9a726f.html). "(But) there's a lot of uncertainty."

Irvine said the Canadian lobster industry has spent the past 40 years working to diversify its markets. expanding to China, Europe, South Korea, and more recently, the Middle East. However, he noted that sellers, shippers and processors need financial support and incentives to explore markets that are less accessible than the United States.

"They're right there, we know them, they pay in U.S. dollars. It's easy," he told CBC News (https://www.cbc.ca/news/canada/nova-scotia/lobster-exports-u-s-seafood-tariffs-donald-trump-1.7436431). "But it's not as easy to sell a container to the Philippines. So we have to find some way to encourage our exporters to take that kind of extra risk or sort of extra push."

Rabobank: Production growth for key aquaculture species in 2025; modest gains for salmon and shrimp



Global aquaculture is set for growth in 2025, led by finfish production, but trade and market risks remain a concern, according to Rabobank.



Global Seafood Alliance

'There would not be a market'

The outlook on Canada's West Coast is just as uncertain. The United States is by far British Columbia's (B.C.) largest seafood export market, making potential tariffs a concern. In 2023, B.C. shipped \$510 million worth of fish and seafood to the United States, part of \$21.2 billion in total exports across the border, according to B.C. Statistics (https://catalogue.data.gov.bc.ca/dataset/ca3ad618-b023-4f22b3f2-e9de1bee92d3/resource/596619b7-990f-44c1-a5cd-7753f3a3a540/download/exp_annual_bc_exports.pdf).

With over 60 percent of all wild B.C. seafood sold in the United States, Christina Burridge, executive director of the B.C. Seafood Alliance, which represents fishermen and processors of wild-caught seafood, is urging Canadian consumers to support the industry by buying locally.

"I worry very much that we would be looking at layoffs in both processing plants and for fish harvesters," Burridge told CBC News (https://www.cbc.ca/news/canada/british-columbia/us-tariffs-bc-seafood-1.7444184). "We would simply have to tie up vessels because there would not be a market."

The B.C. Seafood Alliance represents 5,000 workers in the sector and is responsible for most commercially harvested seafood in the province, worth almost \$697 million in annual sales. Burridge said there are unique challenges to diversifying B.C.'s seafood market.

"We would hope that people in B.C. buy more halibut and quite likely the price would be lower, which might be helpful," she said. "But I can't see selling a lot of our halibut to Toronto, Montreal, Ottawa because they have Atlantic halibut. But we'll be looking at everything that we can."

Salmon farmers could see profitability plummet if their largest export market becomes less accessible, with B.C. Salmon Farmers claiming that the tariffs would hurt both sides of the border.

"Salmon farming relies on an integrated supply chain built on products from Canada and the U.S., from ingredients in salmon feed to food-safe packaging, with many suppliers and services in between," the organization wrote.

The organization is collaborating with the Canadian Aquaculture Industry Alliance (CAIA) and the B.C. Agriculture Council (BCAC) to sound the alarm on the economic impact of trade barriers. With jobs, local economies and the future of salmon farming at stake, they are pushing policymakers to act before tariffs cause lasting damage.

"As Canada's most consumed seafood and B.C.'s largest export to California, farm-raised salmon plays a vital role in Canadian food security and trade," the organization said in a press release (https://www.bcsalmonfarmers.ca/news/statement-us-tariffs/). "Ensuring its continued accessibility is not only critical to salmon farmers but also to the broader Canadian economy."

Meanwhile, B.C. exporters like Lions Gate Fisheries are scrambling to move fish across the U.S. border ahead of potential tariffs. The company operates a large processing plant in Delta with 100 workers, shipping seafood throughout the United States. While alternative markets for salmon, halibut and groundfish exist, establishing new trade relationships takes time.

"It's not like you can turn a switch and just do it overnight," company president Todd Waterfield told **The** Vancouver Sun (https://vancouversun.com/business/bc-businesses-working-on-ways-to-combatpotential-us-tariffs). "Hopefully, clearer heads will prevail here sooner than later, and these guys will figure out that the tariffs are not a benefit to anybody."

Author



LISA JACKSON

Associate Editor Lisa Jackson is a writer who lives on the lands of the Anishinaabe and Haudenosaunee nations in Dish with One Spoon territory and covers a range of food and environmental issues. Her work has been featured in Al Jazeera News, The Globe & Mail and The Toronto Star.

Copyright © 2025 Global Seafood Alliance

All rights reserved.