

Agri-Food Statistics Update



Issue No: EXP11-1

Collected from a variety of sources, the Statistics and Data Development Branch monitors statistical indicators of agri-food activity for Alberta. The Agri-Food Statistics Update is designed to provide users with commentary on current issues, trends and new developments related to agriculture and the food and beverage processing industries. Up-to-date statistics are supplemented with informative charts and diagrams. To gauge Alberta's performance, comparative data and information are often available for Canada and the provinces.

Please visit the following website for a complete listing of Agri-Food Statistics Update releases:

[http://www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/all/sdd5270](http://www1.agric.gov.ab.ca/$department/deptdocs.nsf/all/sdd5270)

Note to Users: The contents of this document may not be used or reproduced without properly accrediting Alberta Agriculture and Rural Development, Economics and Competitiveness Division, Statistics and Data Development Branch.

Government
of Alberta ■

2010 Alberta Agri-Food Exports

Agri-food exports refer to exports of primary agricultural commodities (animals and crops) and processed agricultural and food products (value added exports). The latter includes: food, beverages, animal feed and inedible crude animal and plant products.

The statistics show that Alberta agri-food exports declined 9.6 per cent in 2010 to \$6.7 billion, from \$7.4 billion in 2009. Declines in exports were reported for major grains, oilseeds, due to lower volume and weak prices. Moderating these declines, were higher exports of live animals and meat. As well, substantial increases in exports were reported for dairy products, beer, prepared animal feed, tallow and crude canola oil.

Information on Alberta agri-food exports is generated by the Statistics and Data Development Branch of Alberta Agriculture and Rural Development. Data are sourced from the International Trade Division of Statistics Canada.

This update presents the latest international trade statistics released by Statistics Canada. The information is preliminary and subject to revision. However, in general, it is considered a good indicator of Alberta trade performance.

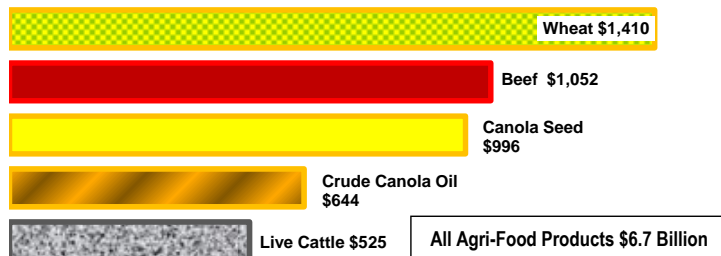
International trade statistics are compiled by Statistics Canada according to the "General" system of trade defined by the Statistical Office of the United Nations. Under this system, domestic exports include all goods grown, extracted or manufactured in Canada, including goods of foreign origin, which have been materially transformed in Canada. Trade statistics are classified and published according to the Harmonized Commodity Description and Coding System (Harmonized System or HS). The HS is a product classification system used by almost all countries in reporting export and import statistics.

Export statistics are developed from administrative records of Customs. Customs based export statistics may understate and/or incorrectly portray the destination of exports. Inaccuracies of export data often result from inadequacies of the province of origin identification. Also, the country of final destination may be inaccurately reported when exports are routed through an intermediary country before continuing on to their final destination. For example, exports to the U.S may be overestimated and exports to other countries like Mexico or Russia underestimated.

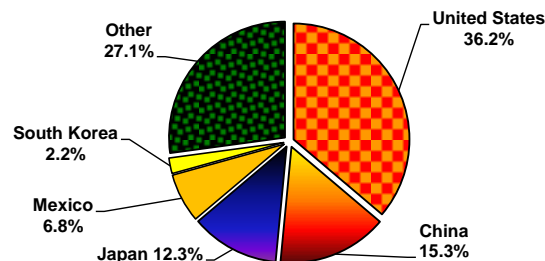
June 9, 2011

(Please turn over)

Top Five Alberta Export Products in 2010, \$ Millions



Top Five Alberta Export Markets in 2010



Alberta Agri-Food Exports, 2008 to 2010

	2008r	2009r	2010p	2008r	2009r	2010p	2010/'09
	- \$ Millions -			% of Total			% Change
Total Agri-Food Exports	8,386	7,429	6,718	100.0	100.0	100.0	-9.6
Top Five Products in 2010	5,758	5,145	4,626	68.7	69.3	68.9	-10.1
1. Wheat	2,398	2,093	1,410	28.6	28.2	21.0	-32.7
2. Beef (Fresh, Frozen or Chilled, incl. Offal)	1,069	957	1,052	12.7	12.9	15.7	9.9
3. Canola Seed	1,493	1,220	996	17.8	16.4	14.8	-18.3
4. Crude Canola Oil	255	409	644	3.0	5.5	9.6	57.2
5. Live Cattle (excl. Purebred)	542	465	525	6.5	6.3	7.8	12.7
Top Five Markets in 2010	5,787	5,751	5,351	69.0	77.4	79.6	-7.0
1. United States	3,213	2,704	2,431	38.3	36.4	36.2	-10.1
2. China	624	987	1,030	7.4	13.3	15.3	4.4
3. Japan	1,196	919	828	14.3	12.4	12.3	-10.0
4. Mexico	606	438	460	7.2	5.9	6.8	5.0
5. South Korea	149	117	146	1.8	1.6	2.2	24.4
- Primary Commodities (Animals and Crops)	5,070	4,217	3,262	60.5	56.8	48.6	-22.6
- Value Added Products (Processed)	3,315	3,212	3,456	39.5	43.2	51.4	7.6

Highlights on Alberta Agri-Food Exports in 2010

According to the latest trade statistics released by Statistics Canada, Alberta exports of primary and processed agricultural and food products (agri-food) declined 9.6 per cent to \$6.7 billion in 2010, from \$7.4 billion in 2009. Nationally, Alberta accounted for 19.2 per cent of total Canadian agri-food exports (\$35.8 billion), Alberta was the third largest exporter of agri-food products after Saskatchewan and Ontario.

– **Exports of primary commodities** (animals and crops), worth \$3.3 billion, were 22.6 per cent lower than in 2009, mainly due to declined exports of major grains and oilseeds. On the other hand, **value added exports** rose 7.6 per cent to \$3.5 billion in 2010. Meat continued to represent the majority of value added exports, followed by crude canola oil, french fries, oilseed cake and meal, and malt.

– **In the crop sector**, export revenue and volume of grains and oilseeds declined for the second straight year, compared to the record in 2008. Alberta's wheat exports fell 19.5 per cent to 5.5 million tonnes, while the value declined 32.7 per cent from a year earlier, to \$1.4 billion in 2010. Major markets for wheat were the United States, Bangladesh, Japan, Sri Lanka and Mexico. As well, barley exports were down in both value and quantity. The value fell by 50.0 per cent and quantity was down 42.0 per cent. The top buyers of Alberta's barley in 2010 were China, the United States, Saudi Arabia and Japan. Exports of canola seed fell 18.7 per cent in quantity to 2.2 million tonnes, and the value declined 18.3 per cent to \$996 million. In 2010, Japan remained the largest export market for canola seed, followed by China, Mexico, United Arab Emirates and Pakistan.

– **In the livestock sector**, contrary to crops, exports of live animals and meat were up in 2010. Exports of live cattle rose 12.7 per cent to \$525 million in 2010, and the number of head was up 14.4 per cent to 452,965. Larger shipments to the United States contributed to the increase. Exports of live hogs were also higher, up about 4.0 per cent in value and 2.0 per cent in quantity. As well, meat exports posted gains in 2010. Beef sales increased 9.9 per cent to \$1.1 billion, from \$957 million in 2009, while quantity rose 3.7 per cent to 307,241 tonnes. Larger exports of beef were reported for the United States, Mexico, Japan, Hong Kong and Russia. Pork exports rose 8.5 per cent to \$392 million, and quantity was up 4.4 per cent to 129,331 tonnes. As in previous years, Japan was the number one customer of Alberta pork. On a less positive note, horse meat, the third largest meat exports, declined in both, value and quantity.

– **Among the other products**, substantial gains in 2010 exports were recorded for dairy products, dried peas, beer, prepared animal feed, tallow and crude canola oil.

– **The United States** remains Alberta's largest trading partner accounting for 36.2 per cent of Alberta total agri-food exports. In comparison, this share was 44.8 per cent five years ago (2006). In 2010, exports to this market, at \$2.4 billion, were 10.1 per cent lower than in 2009. Declines in exports were reported for grains and oilseeds, due to lower volume and weak prices. Wheat, barley and canola seed, each fell in quantity and value. Partially offsetting these declines were higher revenue from exports of live cattle, hogs, tallow, prepared animal feed, raw hides and skins, pork and beef. The United States continues to be Alberta's sole export market for live cattle and hogs (non-purebred), and accounts for almost 74.0 per cent of Alberta's beef exports by volume.

– **Exports to China**, Alberta's second largest export market in 2010, rose 4.4 per cent to \$1.0 billion, from a year earlier. Major exports to this market in 2010 were crude canola oil, canola seed, oilseed cake and meal, and raw hides and skins. These four products made up 74.5 per cent of Alberta's total agri-food exports to China. Among these products, canola seed declined 60.0 per cent in value and quantity, while the other products showed increases. It is worth noting, that China was the largest single buyer of Alberta crude canola oil (97 per cent of total).

– **Exports to Japan**, which ranked the third largest export destination in 2010, fell 10.0 per cent to \$828 million, from \$919 million in 2009. Lower exports of canola seed, wheat, barley and hay contributed to the decline. Moderating these declines were higher exports of beef, pork, honey and prepared animal feed. Beef exports continued to grow for the fourth consecutive year, reaching \$64 million in 2010 (up 35.9 per cent). In terms of value, canola seed (\$287 million) and pork (\$203 million) remained the largest exports, accounting for 59.0 per cent of Alberta's total agri-food exports to Japan.

– **Exports to Mexico**, Alberta's fourth largest market, grew 5.0 per cent to \$460 million in 2010. Exports of canola seed (\$193 million) and beef (\$153 million) continued to account for the majority of Alberta's exports to this market. In terms of value, both exports increased, 16.8 per cent and 11.0 per cent, respectively. Also, pork exports almost doubled in value to \$7.5 million. Moderating these increases, were lower exports of wheat and refined canola oil.

– **South Korea** was Alberta's fifth largest market in 2010. Exports to this market grew by 24.4 per cent to \$146 million, mainly due to large purchases of wheat. Wheat exports more than tripled, from \$20.0 million in 2009, to \$71 million in 2010. Other major exports to this market were pork, crude canola oil and raw hides and skins.