

# Agri-Food Statistics Update



## Issue No: FOOD15-1

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.

### **Manufacturing sales data are generated from two establishment based surveys conducted by Statistics Canada:**

(a) The Monthly Survey of Manufacturing (MSM) collects monthly estimates of sales of goods manufactured, inventories and orders.

(b) The Annual Survey of Manufactures and Logging (ASML) collects principal industrial statistics (revenue, employment, salaries and wages, costs of materials/supplies, energy, water utility as well as inventories).

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

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

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## Alberta Food and Beverage Manufacturing Sales, 2010-2015

This Update presents 2010-2014 annual and 2015 year-to-date (January to September) manufacturing sales for Alberta's food and beverage processing industries.

### **Key Messages**

- In 2014, food and beverage processing industries represented the second largest manufacturing sector in Alberta (17.3 per cent of total manufacturing sales) after petroleum and coal products industries (28.7 per cent). A total of 25,500 Albertans were employed in food/beverage processing industries in 2014.
- Reaching a record \$13.7 billion in 2014, food and beverage manufacturing sales increased 9.7 per cent over 2013, and marked the fifth consecutive annual gain. The latest increase was led by a 24.1 per cent gain in meat products (including poultry) sales, which accounted for over one-half of total provincial food sales. The next largest segments were grain and oilseed milling and animal foods (including livestock feed).
- Food and beverage manufacturing growth continued in 2015 with January to September total sales (\$11.0 billion) increasing 8.2 per cent over the same period in 2014. Meat products industries showed substantial growth, up 12.9 per cent to \$5.8 billion. The upward trend was largely due to sales of red meat products which rose 13.0 per cent to \$5.1 billion. Alberta accounted for just over one-half of the Canadian red meat sales.

**Manufacturing sales** refers to the value of goods manufactured from own materials whether at the business unit (plant, mill or factory) or at any other subcontracted manufacturing plant located in Canada. Sales include goods that were shipped earlier on consignment, sales shipped to foreign countries for which customs entry forms have been prepared, charges for installation of manufactured goods where installation is part of sale and the book value of goods sold for rental. Sales exclude transfers into inventory and consignment sales, shipping charges by common or contract carriers, discounts and returns, federal and provincial sales taxes and excise duties and taxes and sales of goods purchased for resale.

# Alberta Food and Beverage Manufacturing Sales, 2010-2015

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	Annual						Year-to-Date: January-September		
	2010	2011	2012	2013r	2014r	% Chg. '14/'13	2014r	2015p	% Chg. '15/'14
	\$ Millions						\$ Millions		
<b>Total Manufacturing Industries</b>	59,366.4	69,880.1	72,326.4	73,429.8	78,940.8	7.5	59,217.3	52,011.6	-12.2
<b>Food and Beverage Manufacturing Industries</b>	10,637.2	11,073.3	11,309.1	12,474.3	13,685.2	9.7	10,132.0	10,967.0	8.2
<i>% Share of Total Manufacturing Industries</i>	17.9	15.8	15.6	17.0	17.3	n/a	17.1	21.1	n/a
<b>Food Industries</b>	9,715.0	10,010.7	10,188.0	11,498.6	12,675.3	10.2	9,361.3	10,200.8	9.0
<b>Meat Products (Includes Poultry)</b>	5,206.5	4,921.3	4,745.6	5,651.1	7,015.4	24.1	5,161.8	5,828.8	12.9
Food Industries Excluding Meat Products	4,508.5	5,089.4	5,442.4	5,847.5	5,659.8	-3.2	4,199.4	4,371.9	4.1
Animal Slaughtering (Red Meats)	x	x	x	4,743.1	6,117.7	29.0	4,509.3	5,094.2	13.0
Rendering, Meat and Poultry Processing	x	x	x	x	x	x	x	x	x
<b>Grain and Oilseed Milling</b>	1,387.6	1,667.6	1,772.3	1,692.3	1,621.9	-4.2	1,230.0	1,196.2	-2.7
<b>Animal Foods (Includes Livestock Feed)</b>	512.2	691.0	816.1	891.5	1,019.6	14.4	742.8	816.6	9.9
<b>All Other Food Manufacturing</b>	2,608.7	2,730.8	2,854.0	3,263.7	3,018.3	-7.5	2,226.6	2,359.1	5.9
Dairy Products	x	x	x	1,654.7	1,390.1	-16.0	1,016.4	1,066.7	4.9
Bread and Bakery Products	358.4	459.4	518.8	345.3	380.5	10.2	280.4	305.9	9.1
Other Foods (Includes Snack Foods)	x	x	x	738.0	780.5	5.7	579.2	612.7	5.8
<b>Beverage Industries</b>	922.2	1,062.6	1,121.1	975.7	1,009.9	3.5	770.8	766.2	-0.6

x - data not available due to confidentiality % Chg. - Per Cent Change

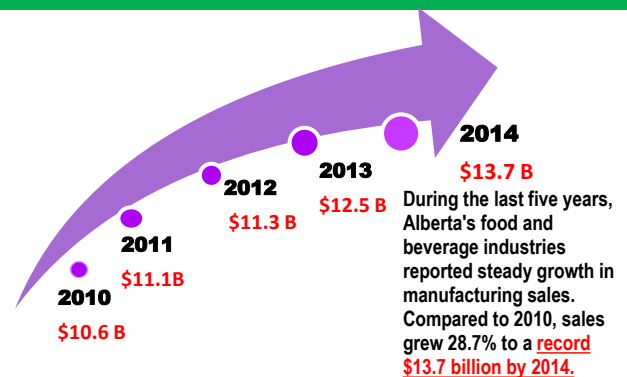
## Food and Beverage Sales Set Another Record in 2014

In 2014, Alberta's manufacturing firms generated \$78.9 billion in total sales, 7.5 per cent higher than in 2013. Food and beverage sales increased 9.7 per cent to \$13.7 billion in 2014, marking the fifth consecutive annual gain. While food sales jumped 10.2 per cent to \$12.7 billion, beverage sales increased slightly by 3.5 per cent to \$1.0 billion. Much of the growth in food sales was due to strong sales of meat products (including poultry) which jumped 24.1 per cent to a new high of \$7.0 billion.

## Higher Sales of Meat Products Led Processing Growth Into 2015 (January-September)

Compared to the same period in 2014, food and beverage sales for January to September were stronger in most regions of Canada. Leading the gains were British Columbia (10.4 per cent) and Alberta (8.2 per cent), both outpacing the national gain of 7.6 per cent. Contributing to the higher sales in Alberta at \$11.0 billion, were increases in meat products (12.9 per cent), animal foods including livestock feed (9.9 per cent), and all other food products including dairy products and bread and bakery products (5.9 per cent).

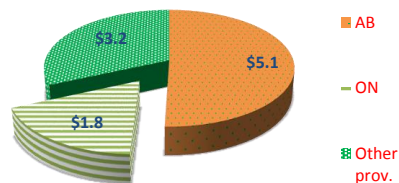
Alberta Food and Beverage Sales (\$ Billions) 2010-2014



## Red Meat Sales for January-September, 2015

Canadian red meat sales (predominately beef and pork) for January to September, 2015 totaled \$10.1 billion, up 2.9 per cent over the same period last year. Alberta generated the majority of this total contributing the largest proportion at \$5.1 billion (or 50.4 per cent). Alberta sales were 13.0 per cent higher than a year ago. Largely contributing to this trend were strong meat prices, increased consumer demand and a weaker Canadian dollar.

2015 Jan-Sept Red Meat Sales (\$Billions)



Alberta and Ontario alone accounted for nearly 70.0 per cent of Canada's \$10.1 billion of red meat sales in 2015 (January to September).

## Distribution of Alberta Food Sales in 2014

### Top Three Food Industries



## Alberta Food and Beverage Sector Activity in 2014

Albertans spent more in food and beverage stores (\$14.4 billion) and in foodservice outlets (\$8.7 billion) in 2014, compared to 2013. Overall, **food prices were up 2.9 per cent** in 2014, slightly faster than the gain of 2.1 per cent in 2013 (as measured by the Consumer Price Index). Food and beverage processing industries remain Alberta's **largest manufacturing employer**. In 2014, 25,500 Albertans were employed in these industries (17.6 per cent of provincial manufacturing workers). Food industries employed 22,700 persons with meat product workers accounting for the largest segment (9,300 persons). In 2014, food and beverage processing activity generated a **record \$13.7 billion in manufacturing sales**, an increase of 9.7 per cent over 2013. Accounting for 17.3 per cent of total provincial manufacturing sales, food and beverage processing was the second largest manufacturing sector in the province after petroleum and coal products at 28.7 per cent or \$22.6 billion. Exports of food and beverage products totaled \$3.5 billion in 2014, a significant increase of 28.6 per cent over 2013. This was the largest gain since 2008. These products accounted for 35.9 per cent of total provincial agri-food exports (\$9.7 billion). The top five products were meat products (\$2.0 billion or over one-half of the total), animal feeds, cereals milled and prepared, refined oils and fats and processed potatoes.

December 16, 2015