

Agri-Food Statistics Update



Issue No: FOOD16-1

Collected from a variety of sources, the Statistics and Data Development Section 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, 2011-2016

This Update presents 2011-2015 annual and 2016 year-to-date (January to March) manufacturing sales for Alberta's food and beverage processing industries.

Key Messages

- In 2015, food and beverage processing industries represented the largest manufacturing sector in Alberta (21.5 per cent of total manufacturing sales). A total of 26,400 Albertans were employed in food and beverage manufacturing industries.
- Setting a new record of \$14.6 billion in 2015, food and beverage manufacturing sales increased 18.7 per cent over 2014, and marked the second consecutive year of growth. The increase was led by a 28.6 per cent gain in meat products (including poultry) sales, which accounted for 56.2 per cent of provincial food sales. Largely contributing to the increase in meat sales were strong boxed beef prices in 2015. The next largest segments were grain and oilseed milling, and animal foods (including livestock feed).
- Food and beverage manufacturing sales in the first quarter of 2016 (January to March) totalled \$3.4 billion, practically unchanged from the same period in 2015. Meat products sales fell 4.7 per cent to \$1.7 billion, largely due to lower boxed beef prices.

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.

Note: Data shown in this Update are in current dollars.

Alberta Food and Beverage Manufacturing Sales, 2011-2016

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	Annual						Year-to-Date: January-March		
	2011	2012r	2013r	2014r	2015p	% Chg. '15/'14	2015p	2016p	% Chg. '16/'15
	\$ Millions						\$ Millions		
Total Manufacturing Industries	69,880.1	72,689.3	74,451.6	79,145.5	68,044.6	-14.0	17,258.2	14,282.2	-17.2
Food and Beverage Manufacturing Industries	11,073.3	12,600.3	11,971.0	12,328.2	14,633.7	18.7	3,429.4	3,413.1	-0.5
<i>% Share of Total Manufacturing Industries</i>	15.8	17.3	16.1	15.6	21.5		19.9	24.0	
Food Industries	10,010.7	11,376.2	10,730.0	11,041.8	13,630.9	23.4	3,217.9	3,207.0	-0.3
Meat Products (Includes Poultry)	4,921.3	5,962.0	5,692.1	5,959.9	7,663.4	28.6	1,791.9	1,708.4	-4.7
Food Industries Excluding Meat Products	5,089.4	5,414.2	5,037.9	5,081.9	5,967.5	17.4	1,426.0	1,498.6	5.1
Animal Slaughtering (Red Meats)	x	4,745.6	5,806.0	6,117.7	6,676.2	9.1	1,560.5	1,485.5	-4.8
Grain and Oilseed Milling	1,667.6	1,764.6	1,773.6	1,724.2	1,623.2	-5.9	428.0	408.8	-4.5
Animal Foods (Includes Livestock Feed)	691.0	817.5	801.6	984.4	1,126.0	14.4	275.0	293.3	6.6
All Other Food Manufacturing	2,730.8	2,832.1	2,462.7	2,373.3	3,218.3	35.6	723.0	796.6	10.2
Dairy Products	x	x	893.4	753.3	1,447.4	92.1	332.5	364.0	9.5
Bread and Bakery Products	459.4	514.6	515.5	530.4	434.7	-18.0	93.9	118.8	26.5
Other Foods (Includes Snack Foods)	x	x	630.6	660.9	839.3	27.0	175.7	202.6	15.3
Beverage Industries	1,062.6	1,224.1	1,241.0	1,286.4	1,002.8	-22.0	211.5	206.1	-2.5

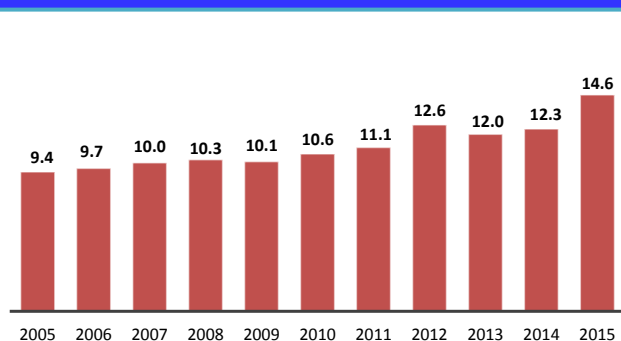
Food and Beverage Sales Were a Record in 2015

In 2015, Alberta's manufacturing firms generated \$68.0 billion in total sales, 14.0 per cent lower than in 2014. However, total food and beverage manufacturing sales was a record \$14.6 billion, up 18.7 per cent over 2014, and marked the second consecutive year of growth. While food sales jumped 23.4 per cent to \$13.6 billion, beverage sales fell 22.0 per cent to \$1.0 billion. The increase in food sales was largely due to strong sales of meat products (including poultry) which rose 28.6 per cent to a record of \$7.7 billion. Fuelling the increase in meat sales were strong boxed beef prices in 2015.

Manufacturing Sales Declines in the First Quarter of 2016

Compared to the same period in 2015, Alberta manufacturing sales fell 17.2 per cent to \$14.3 billion in 2016. Higher sales were reported for electrical equipment, appliance and component manufacturing industry (up 2.6 per cent), followed by paper manufacturing (up 1.5 per cent), and wood product manufacturing (up 1.1 per cent). Machinery manufacturing showed the largest decline at 55.0 per cent, followed by 32.1 per cent decline in petroleum and coal product manufacturing. Food and beverage manufacturing sales remained practically unchanged at \$3.4 billion.

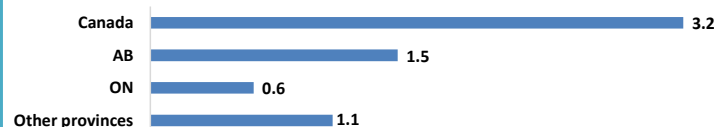
Alberta Food and Beverage Sales (\$ Billions) 2011-2015



Red Meat Sales for January-March, 2016

Canadian red meat sales for the first quarter of 2016 (January-March) totalled \$3.2, practically unchanged over the same period in 2015. Alberta accounted for the largest proportion at \$1.5 billion, or 46.4 per cent of Canada's total. Alberta sales of red meat were 4.8 per cent lower than a year ago. Partially contributing to this trend were lower boxed beef prices.

Red Meat Sales (\$ Billions), January - March, 2016



Alberta and Ontario alone accounted for nearly 65.8 per cent of Canada's \$3.2 billion of red meat sales in the first quarter of 2016.

Distribution of Alberta Food Sales in 2015

Top Three Food Industries



Alberta Food and Beverage Sector Activity in 2015

Albertans spent more in food and beverage stores (\$14.2 billion) in 2015, compared to 2014. Overall, food prices were 3.7 per cent higher in 2015, as measured by the Consumer Price Index (CPI), with meat prices up 7.8 per cent. Food and beverage processing industries remain Alberta's largest manufacturing employer. In 2015, 26,400 Albertans were employed in these industries (18.9 per cent of provincial manufacturing workers). Food industries employed 24,600 persons with meat product workers accounting for the largest segment (10,800 persons). In 2015, food and beverage processing activity generated a record \$14.63 billion in manufacturing sales, an increase of 18.7 per cent over 2014. Accounting for 21.5 per cent of total provincial manufacturing sales, food and beverage processing was the largest manufacturing sector in the province, and was followed by petroleum and coal products at 21.4 per cent or \$14.56 billion. Exports of food, beverage, and animal feed products totalled \$3.9 billion in 2015, an increase of 12.2 per cent over 2014. This was the third largest gain after 2014 and 2008. These products accounted for 38.4 per cent of total provincial agri-food exports (\$10.2 billion). The top five food categories were meats (\$2.3 billion or almost 60.0 per cent), animal feeds, cereals milled and prepared, processed potatoes, and refined oils and fats.

p - preliminary r - revised x - data not available due to confidentiality % Chg. - Per Cent Change

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Source: Statistics Canada, CANSIM Table Numbers 301-0006, 301-0008, and 304-0015

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