

Agri-Food Statistics Update



Issue No: GDP11-01

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.

This Update presents an analysis of Alberta's 2010 Gross Domestic Product (GDP) for agri-food industries (primary agriculture industries and food and beverage manufacturing industries).

GDP is the total unduplicated value of goods and services produced in a region during a given year. GDP of an industry equals the output by the industry minus the value of intermediate inputs that were purchased from other industries, domestic or foreign. This Update presents "real GDP" which provides a measurement of economic performance changing over time, excluding the effects of price changes. An increase in GDP is a sign of a healthy economy while a decline indicates that the economy is not functioning to its full capacity.

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)

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**Government
of Alberta** ■

Alberta Real Gross Domestic Product (GDP) for Agri-Food Industries, 2010

Key Messages

- Following a decline of 4.5 per cent in 2009, Alberta's economy rebounded in 2010 with a gain of 3.3 per cent in total real Gross Domestic Product.
- Alberta's gain was the third largest among the provinces after Newfoundland (up 6.1 per cent) and Saskatchewan (4.0 per cent).
- In 2010, Alberta's agri-food industries (primary agriculture and food and beverage manufacturing industries) reported the second highest increase in GDP (11.4 per cent) among the province's 19 major industries.
- Primary agriculture industries (crop and livestock production and supporting activities) contributed 1.5 per cent to Alberta's economy in 2010.
- Following a 17.0 per cent decrease in 2009, GDP for primary agriculture industries recovered in 2010 with a gain of 15.0 per cent. GDP for the crop production rose 19.7 per cent. In comparison, animal production GDP grew at a slower pace of 1.3 per cent.

Note to Users: In May, 2012, Statistics Canada will begin implementing important methodological and structural changes to the Canadian System National Accounts. Consequently, historical revisions will be made to GDP estimates presented in this Update.

January 23, 2012

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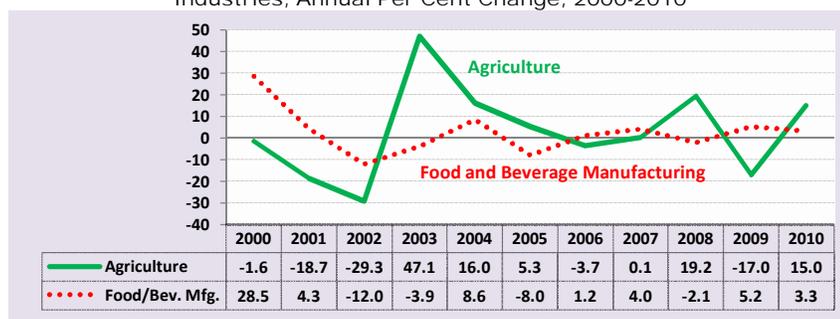
Alberta Real Gross Domestic Product (GDP) for Agri-Food Industries, 2010

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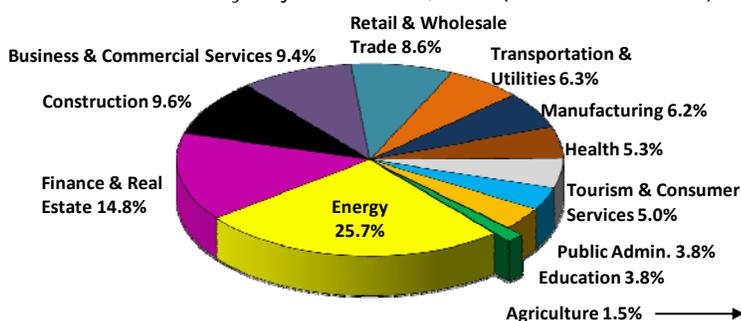
Alberta GDP in 2002 Chained Dollars	\$ Millions			% Change	
	2008	2009	2010p	'09/'08	'10/'09
All Industries (1)	185,668	177,376	183,251	-4.5	3.3
Agri-Food Industries	7,423	6,591	7,340	-11.2	11.4
Agriculture	5,501	4,568	5,250	-17.0	15.0
Crop Production	4,729	3,748	4,485	-20.7	19.7
Animal Production	804	809	819	0.6	1.3
Support Activities	82	74	84	-10.1	13.9
Food and Beverage Manufacturing	1,923	2,023	2,090	5.2	3.3
Goods-Producing Industries	73,449	66,652	69,967	-9.3	5.0
Agriculture	5,501	4,568	5,250	-17.0	15.0
Forestry, Fishing and Hunting	443	378	430	-14.7	13.8
Mining, Oil and Gas Extraction	33,732	33,336	34,482	-1.2	3.4
Manufacturing	15,779	13,015	14,199	-17.5	9.1
Food and Beverage Manufacturing	1,923	2,023	2,090	5.2	3.3
Petroleum and Coal Products	738	761	782	3.1	2.8
Other Manufacturing	13,118	10,231	11,327	-22.0	10.7
Construction	17,147	12,742	13,355	-25.7	4.8
Utilities	3,607	3,761	3,843	4.3	2.2
Services-Producing Industries	108,919	108,906	111,162	0.0	2.1
Finance, Insurance, Real Estate and Leasing	29,196	30,073	30,764	3.0	2.3
Transportation and Warehousing	9,623	9,157	9,595	-4.8	4.8
Professional, Scientific and Technical Services	9,658	9,337	9,510	-3.3	1.9
Retail Trade	9,597	9,132	9,437	-4.8	3.3
Wholesale Trade	9,571	8,735	9,339	-8.7	6.9
Public Administration	6,933	7,326	7,204	5.7	-1.7
Education Services	7,028	7,288	7,418	3.7	1.8
Health Care and Social Assistance	8,748	9,267	9,471	5.9	2.2
Information and Cultural Industries	4,924	5,010	5,037	1.7	0.5
Other Services (Except Public Administration)	4,595	4,565	4,508	-0.7	-1.2
Accommodation and Food Services	4,021	3,963	3,913	-1.4	-1.3
Adm. Support/Waste Mngmt./Remediation Svcs.	3,937	3,817	3,823	-3.0	0.2
Arts, Entertainment and Recreation	1,159	1,162	1,156	0.3	-0.5

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Alberta Real GDP for Agriculture and Food and Beverage Manufacturing Industries, Annual Per Cent Change, 2000-2010



Alberta GDP By Major Industries, 2010 (in Nominal Dollars)



The contribution of an industry to total GDP is measured in nominal (current) dollars. In 2010, Alberta's economy remained dominated by the energy sector which accounted for 25.7 per cent of total GDP. Following were finance and real estate (14.8 per cent) and construction (9.6 per cent). Alberta's primary agriculture industries consist of crop and livestock production as well as supporting activities. Agriculture industries contributed 1.5 per cent to the province's economy in 2010.

- Following a 4.5 per cent decline in 2009, **Alberta's economy experienced a recovery from the global recession in 2010**. Real gross domestic product (GDP) grew an estimated 3.3 per cent. Alberta's gain was the third largest among the provinces after the other resource abundant provinces of Newfoundland (up 6.1 per cent) and Saskatchewan (up 4.0 per cent). The main drivers of growth in all three provinces included increased consumer demand and higher business investment levels. Alberta's expansion involved increased spending on machinery and equipment, greater investment in residential construction and higher total export levels. Corporate profits grew 24 per cent and crude oil exports rose as energy prices strengthened.

- After a contraction of 11.2 per cent in 2009, **Alberta's GDP for agri-food industries rebounded with a 11.4 per cent increase in 2010**. This was the second highest gain among the province's 19 major industries. The largest increase was in forestry, fishing and hunting at 13.8 per cent. In comparison, mining, oil and gas extraction industries reported a 3.4 per cent gain, a turnaround from three consecutive annual declines. Following a substantial decline of 17.5 per cent in 2009, GDP for manufacturing industries rose 9.1 per cent.

- Economic performance in both agri-food sub-sectors improved in 2010. Alberta's **primary agriculture** industries recorded double-digit growth at 15.0 per cent, the third increase in the last four years. GDP for crop production (largest proportion of agriculture GDP) showed the most notable change in 2010. Recovering from a 20.7 per cent decrease in 2009, GDP grew 19.7 per cent, mainly due to higher grain production, particularly, canola. Animal production grew 1.3 per cent, slightly better than the 0.6 per cent increase in 2009. **Food and beverage manufacturing** activity was up for the second consecutive year at 3.3 per cent. While GDP for meat product industries was up 22.3 per cent in 2010, the gain was offset by slower growth or no growth in most of the other food manufacturing categories.

(1) Components may not add up due to rounding and statistical discrepancies.

Source: Statistics Canada; and Alberta Treasury Board and Enterprise.

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