

Agri-Food Statistics Update



Issue No: EMP09-01

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.

Please refer to the following website for a 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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Employment in Alberta Agri-Food Industries, 2004- to 2009 (September 2009)

This Update presents annual (2004 to 2008) and monthly (January 2008 to September 2009) estimates of employment levels in Alberta agri-food industries (agriculture industries and food and beverage manufacturing industries). The source of the data is Statistics Canada Labour Force Survey which generates detailed monthly and annual information on labour market conditions across Canada. Data gathered on those employed, unemployed and not in the labour force are used to identify shifts in employment across industrial sectors, unemployment rates, hours worked and class of worker.

Based on 2008 annual estimates, 85,500 Albertans were employed in agri-food industries representing 4.2 per cent of the total provincial workforce. Agriculture industries employed 61,000 workers while food and beverage manufacturing industries employed the remainder at 24,500.

The Labour Force Survey identifies two categories of workers: employees (those who work as employees of a private firm or business or for the government or public); and the self-employed (working owners of incorporated or unincorporated businesses, farms or professional practices). Employment figures also refer to unpaid family labour and include both full-time and part-time employment.

Note: In interpreting labour force survey data, it is important to note that industry data are based on the general nature of the business carried out by the employer for whom the survey respondent works (**main job only**). When a respondent holds more than one job or business, the job or business involving the greatest number of usual hours worked is considered the main job. The rising incidence of off-farm income reported by farm operators and the declining trend in unpaid family labour are other important factors to remember when interpreting industrial employment data.

Employment in Alberta Agri-Food Industries (1), 2004-2009 (September 2009)

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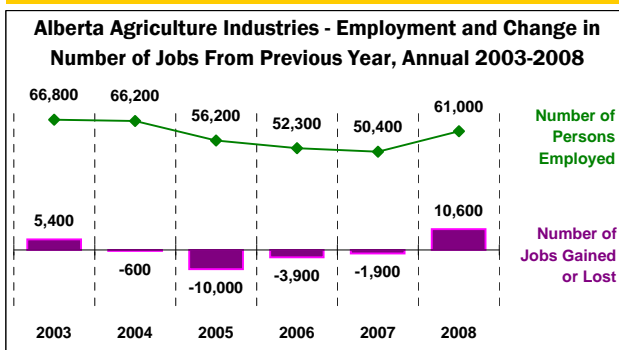
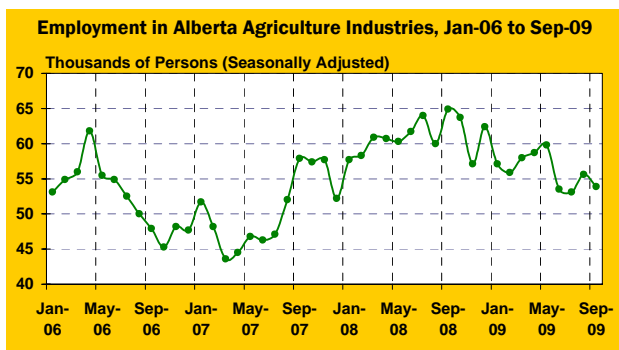
Following a decrease of 7.1 per cent in 2007, Alberta's **annual employment level in agri-food industries** rose 16.0 per cent to 85,500 persons in 2008. The improvement was due to gains in both agriculture industries (21.0 per cent) and food and beverage manufacturing industries (5.2 per cent). Accounting for just over 60.0 per cent of agriculture employment, workers in animal production industries (including cattle ranching) jumped 34.3 per cent. Other gains were reported in crop production industries (6.7 per cent) and in support activities for animal and crop production (68.4 per cent). These increases were partially offset by a 17.7 per cent decline in mixed farming industries. The employment level in food processing industries (21,600) was 3.8 per cent higher in 2008, due to a 10.0 per cent gain in non-meat products industries. Following a 26.3 per cent decline in 2007, meat products processing industries recorded a further 3.1 per cent decrease in 2008 to total 9,500, the lowest level since 2001.

In terms of overall employment growth, Alberta outperformed all other provinces during the last three years. Although growth slowed to 2.8 per cent in 2008 (from increases of 4.8 per cent and 4.7 per cent in 2006 and 2007, respectively), the gain was still the largest in Canada. In 2008, Alberta's unemployment rate remained the lowest among the provinces at 3.6 per cent, well below the national rate of 6.1 per cent. Major factors affecting Alberta's labour market in 2008 included: reduced activity in the conventional oil and gas sector; a slumping housing market resulting in construction declines; lower levels of net interprovincial migration; volatility in global commodity prices affecting export levels; and continued labour shortages.

	ANNUAL Employment (Number of Persons)					Chg. in No. 2008/2007	% Change		
	2004	2005	2006	2007	2008		2006	2007	2008
All Alberta Industries	1,757,500	1,784,400	1,870,700	1,959,400	2,013,300	53,900	4.8	4.7	2.8
Total Agri-Food Industries (A+B)	92,300	78,500	79,300	73,700	85,500	11,800	1.0	-7.1	16.0
Agriculture Industries (A)	66,200	56,200	52,300	50,400	61,000	10,600	-6.9	-3.6	21.0
Crop Production	17,300	17,200	14,000	14,900	15,900	1,000	-18.6	6.4	6.7
Animal Production	41,800	29,000	27,200	27,400	36,800	9,400	-6.2	0.7	34.3
Cattle Ranching and Farming	30,300	20,900	18,500	19,100	26,000	6,900	-11.5	3.2	36.1
Other Animal Production	11,500	8,100	8,700	8,300	10,800	2,500	7.4	-4.6	30.1
Mixed Farming	5,600	8,600	9,300	6,200	5,100	-1,100	8.1	-33.3	-17.7
Support Activities for Agriculture	1,500	1,500	1,800	1,900	3,200	1,300	20.0	5.6	68.4
Food and Beverage Manufacturing (B)	26,100	22,300	27,000	23,300	24,500	1,200	21.1	-13.7	5.2
Food Manufacturing	23,700	20,000	24,100	20,800	21,600	800	20.5	-13.7	3.8
Meat Products Manufacturing	11,000	11,400	13,300	9,800	9,500	-300	16.7	-26.3	-3.1
All Other Food Manufacturing	12,700	8,600	10,800	11,000	12,100	1,100	25.6	1.9	10.0
Beverage Manufacturing	2,400	2,300	2,900	2,500	2,900	400	26.1	-13.8	16.0
Food Related Service Industries									
Food and Beverage Stores	55,300	55,600	51,000	52,300	56,800	4,500	-8.3	2.5	8.6
Food Services and Drinking Places	100,100	85,300	88,500	89,600	86,600	-3,000	3.8	1.2	-3.3

	MONTHLY Employment in Agriculture Industries, Seasonally Adjusted Jan-08 to Sep-09 (No. of Persons)		
	2008	2009	Chg.*
Jan	57,700	57,100	-600
Feb	58,300	55,900	-2,400
Mar	60,900	58,000	-2,900
Apr	60,700	58,700	-2,000
May	60,300	59,800	-500
Jun	61,700	53,500	-8,200
Jul	64,000	53,100	-10,900
Aug	60,000	55,600	-4,400
Sep	64,900	53,900	-11,000
Oct	63,700	na	-
Nov	57,100	na	-
Dec	62,400	na	-
Average Year-to-Date (Jan-Sep)	60,900	56,200	-4,700

* Change From Same Month A Year Ago



Agri-Food Industries

- In 2008, 85,500 Albertans were employed in agri-food industries, representing 4.2 per cent of the provincial workforce (2,013,300). Agri-food employment continues to be dominated by cattle ranching industries and meat products processing industries. In 2006 and 2007, employment in cattle ranching dropped to the lowest levels in two decades. However, in 2008, jobs jumped 36.1 per cent to 26,000. In contrast, employment in meat products processing declined for the second year, down 3.1 per cent to total 9,500.

- Agri-food industries ranked thirteen largest among Alberta's 18 major industries (4.2 per cent). Retail trade was the largest employer at 11.4 per cent (229,700), followed by construction at 10.2 per cent (205,300), health care and social assistance at 9.4 per cent (190,200), professional, scientific and technical at 8.2 per cent (164,200), and mining, oil and gas industries at 7.2 per cent (145,500).

Agriculture Industries

- *During the last three decades the proportion of Albertans reporting agriculture as their main job (1) has trended downwards from about 10.0 per cent in the late 1970s to 3.0 per cent in 2008.*

- From 2004 to 2007, agriculture industries reported four consecutive annual declines in employment levels. Employment moved from 66,200 to 50,400, a record low. While jobs in crop production decreased by 2,400 during this period, the loss in cattle ranching and farming was much larger at 11,200. In 2008, the overall downward trend reversed with an increase of 10,600 jobs to total 61,000. Cattle ranching and farming recorded a significant improvement with 6,900 new jobs to reach 26,000.

- *Seasonally adjusted monthly estimates* indicate that late into 2007 and most of 2008, Alberta's agriculture industries experienced general growth in employment moving from a low of 43,600 in March 2007 to a high of 64,900 in September 2008. However, since then, employment levels have generally declined. Monthly 2009 levels have been consistently lower than the equivalent months in 2008. In September 2009, 53,900 Albertans were employed in agriculture compared to 64,900 a year ago. (Note: seasonally adjusted data for sub-groups of agriculture industries are not available).

Factors impacting employment levels in Alberta's agriculture industries include:

- demographic changes, for example, labour mobility out of agriculture is influenced by age and education of producers
- advances in agriculture labour productivity due to increased spending on machinery and equipment and new technologies
- exodus of young people leaving the farm to urban areas to pursue other career opportunities
- attraction to higher income paying jobs in other industries particularly oil and gas industries, public sector, utilities and services industries
- domestic/international factors affecting producers such as the global financial crisis and recession, labour shortages, rising farm input costs, currency fluctuations, export market pressures, commodity price swings, adverse climate conditions, crop and livestock diseases and changes in food demand.

(1) Industry data are based on the general nature of the business carried out by the employer for whom the Labour Force survey respondent works. When a respondent holds more than one job or business, the job or business involving the greatest number of usual hours worked is considered the "main job". Employment in agri-food industries refers to the employed labour force (15 years of age and over) in primary agriculture and secondary food and beverage manufacturing industries. Primary agriculture includes paid workers (employees); self-employed workers (working owners of an incorporated or unincorporated farm with or without employees); unpaid family workers who work on farms; and workers in support activities directly related to the farm (e.g., livestock breeding services, veterinarians, crop dusting and spraying services, agricultural consultants, farm management services, etc.). Food and beverage manufacturing includes those employed in industries that transform agricultural products and livestock into food and animal feed products. Due to limited data availability, data for other related industries such as wholesalers of farm equipment, farm input (chemicals and fertilizers) suppliers, wholesalers of food, agricultural equipment manufacturers, etc. are not included in this Update.

October 20, 2009