



Saskatchewan's Agriculture Industry

Agriculture and Agri-Food Canada (AAFC) supports farmers and processors in Saskatchewan by investing in risk management programs, science and technology, innovation, market development and trade. By doing so, AAFC is helping set the right conditions for farmers and processors to compete and succeed, while providing the best possible service to farmers and the sector.

Canada at a Glance

Population:	35.2 million (M) (2013)
Total GDP:	\$1.6 trillion (T) (2013)*
2012 Total Agri-Food Exports:	\$43.6 billion (B)
2012 Total Agri-Food Imports:	\$33.1B
2012 Trade Balance:	\$10.5B

*Adjusted to 2007 dollars.

Top 3 Canadian Agri-Food Export Commodity Groups: oilseed and oilseed products (e.g. canola, canola oil and soybeans), grain and grain products (e.g. wheat), and live animals, red meats and other animal products (e.g. frozen pork).

Top 3 Canadian Agri-Food Import Commodity Groups: Fresh and processed fruits and vegetables, beverages and juices (e.g. wine, beer and coffee) excluding fruit, and other agri-food products.

Top 5 Seafood Exports: Frozen crabs, salmon, frozen lobster, live lobster, frozen shrimps and prawns.

Sources: AAFC's Agri-Food Trade Service, 2012, Statistics Canada Table 379-0031, International Merchandise Trade Statistics 2012 and AAFC calculations.

Saskatchewan at a Glance

Population:	1.11M (2013)
Change from previous census:	7.2%
Share of National Population:	3.1%
Total GDP:	\$60.8B (2013, Forecast)
Debt to GDP ratio:	5.5% (2013-14, Forecast)
Forecasted GDP growth:	2.0% (2014, Forecast)
Unemployment rate:	3.9% (February, 2014)

Sources: 2011 Census data, Statistics Canada. RBC, Provincial Outlook, March 2014, RBC Provincial Fiscal Tables, March 28, 2014 and Statistics Canada catalogue no. 71-001-X.

Overview of Farm Operations

Farm Operators: 49,475 (17% of Canadian total)
 Number of Farms: 36,952 (18% of Canadian total)
 Average Farm Size: 1,668 acres (61.6M acres total)

Source: 2011 Census data, Statistics Canada.

Contribution of Agriculture, Agri-Food and Manufacturing Sectors

Farm Cash Receipts: \$11.8B (2012) (22% of Canadian total)
 Value of Food Processing: \$3.9B (2011)*
 Value of Total Manufacturing: \$14.1B (2011)

The Saskatchewan agriculture and agri-food system is diverse, with canola, wheat (excluding durum) and cattle contributing the largest share of farm market receipts. Saskatchewan had 4% (2011) of Canada's food and beverage processing sales, with grain and oilseed milling, meat and animal food processing as its major sub-industries, by value of shipments.

*Beverage manufacturing sales were not included because of confidentiality.

Sources: Statistics Canada Table 002-0001, ASML 2011 and AAFC calculations.

GDP

Canada

Real Gross Domestic Product (GDP) (2007 dollars) of the Canadian agriculture and agri-food system was \$103.4B in 2012, accounting for 6.7% of total Canadian GDP. The contribution of each component of the system accounted for the following shares of total GDP:

- Primary Agriculture (1.1%)
- Food, Beverage and Tobacco Processing (1.7%)
- Food Retail/Wholesale (1.8%)
- Input and Service Suppliers (0.6%)
- Foodservice (1.4%)

Saskatchewan

Saskatchewan's agriculture and food processing GDP in 2012 represented:

- 10.0% of Canada's agriculture and food processing GDP; and
- 6.9% of the province's total GDP.

Sources: Statistics Canada Table 379-0025: GDP at Basic Prices 2012 and special tabulations for AAFC.

Saskatchewan's Trade

- In 2012, Saskatchewan's agri-food exports totaled \$11.1B. This was up 31.6% over the 5-year average (2007-2011).
- The top Saskatchewan agri-food exports were grains (e.g. non-durum wheat, barley and oats) at \$3.7B, oilseeds (e.g. canola and flaxseed) at \$3.1B, and oilseed products (e.g. rapeseed oil) at \$2.3B and dried pulses at \$1.3B in 2012.
- Exports of primary agricultural products were valued at \$8.5B in 2012 and accounted for 77% of Saskatchewan's agriculture and agri-food exports.
- Exports of processed products were valued at \$1.7B in 2012 and account for 23% of Saskatchewan's agriculture and agri-food exports.

Sources: Statistics Canada International Merchandise Trade Statistics 2012 and AAFC calculations.

Markets*

*Because of limited data, the information in this section should be used with caution.

Where does Saskatchewan source its food?

Saskatchewan sources its food from a variety of locations, including from within the province, from other Canadian provinces or territories and from other countries. In 2009, 53% of all the agriculture and food products that were sold in Saskatchewan were purchased from Saskatchewan producers and processors, 32% came from other parts of Canada, and 14% were imported from abroad.

Source of Saskatchewan's Agriculture and Agri-Food Products (2009)

Source	%
Saskatchewan	53
Rest of Canada	32
International	14
Total	100*

Sources: Statistics Canada Table 386-0002: Interprovincial and International Trade Flows at Producer Prices 2009 and AAFC calculations.

* Percentages may not add up to 100 as they are rounded to the nearest percent.

In 2012, most agri-food imports originated from:

- The United States (81.3 %)
- The European Union (3.2%)
- Mexico (3.0 %)

Sources: Statistics Canada International Merchandise Trade Statistics 2012 and AAFC calculations.

Where do Saskatchewan's producers and food processors sell their products?

Saskatchewan's primary agricultural producers and food processors sell their products across Canada and around the world. In 2009, 23% of Saskatchewan's agriculture and agri-food production was purchased within the province, 28% was sold in other provinces and territories, and 48% was exported to international markets.

Destination of Saskatchewan's Agriculture and Agri-Food Production (2009)

Destination	%
Saskatchewan	23
Rest of Canada	28
International	48
Total	100*

Sources: Statistics Canada Table 386-0002: Interprovincial and International Trade Flows at Producer Prices 2009 and AAFC calculations.

* Percentages may not add up to 100 as they are rounded to the nearest percent.

In 2012, the leading export markets were:

- The United States (28.4%)
- China (17.1 %)
- Japan (10.6%)

Sources: Statistics Canada International Merchandise Trade Statistics 2011 and AAFC calculations.

Employment

The Saskatchewan agriculture and agri-food system employed 84,600 people in 2012, broken down as follows:

Saskatchewan's Agriculture and Agri-Food System Employment and Number of Establishments

Industry	Employees (2012)	Establishments (2012)
Primary Agriculture	36,400*	36,952
Food & Beverage Manufacturing	4,200	183
Food Retail/Wholesale Grocery Stores	17,200	678
Foodservice Restaurants	23,600	2,162

Input suppliers have been omitted because of confidentiality at the provincial level, but are included in the total.

*Statistics Canada Annual LFS 2012 "total paid workers" was used and differs from the Census of Agriculture's "number of operators", but was selected for comparability between agriculture and agri-food industries.

Sources: Statistics Canada, Annual LFS 2012 and special tabulation for AAFC, Table 551-0003, Table 080-0023: Annual Retail Store Survey 2012, Census of Agriculture 2011 and CRFA's Foodservice Facts 2013.

Federal Government Expenditures in Support of Saskatchewan's Agri-Food Sector

- In Saskatchewan, the total net annual expenditures came to \$846M per year, on average, between 2009-10 and 2013-14.
- These expenditures represented administrative expenditures of the Department (operating and capital) and program expenditures (subsidies and contributions).
- The data are presented on a financial year basis and, in some cases, were broken down and weighted between the provinces following certain factors.
- Operating and capital expenditures including research and inspection represented \$386M per year, on average, between 2009-10 and 2013-14. During the same period, program expenditures came to \$495M, on average.

Federal expenditures in selected program areas averaged as follows:

- Producer income support and stabilisation - \$164.1M
- Research programs - \$13.0M
- Inspection programs - \$6.8M
- Environment programs - \$13.0M
- Advancing Canadian Agriculture and Agri-Food (ACAAF) program and Canadian Agriculture Adaptation Program (CAAP) - Adaptation Council - \$3.1M
- ACAA program and CAAP - national component allocated to Saskatchewan - \$0.1M

- Canadian Agriculture and Food International (CAFI) program and AgriMarketing Program (AMP) - \$2.5M

Source: AAFC Strategic Policy Branch Databook, 2012.

Key Sectors

Crop Production

With 44% of Canada's arable land, **cereal, oilseed, pulse, specialty crop production** represents a large economic driver for the province. In Canada, Saskatchewan produces:

- 100% of the chickpeas
- 100% of the canary seed
- 96% of the lentils
- 87% of the durum wheat
- 82% of the flax
- 76% of the mustard seed
- 65% of dry field peas
- 60% of the oats
- 52% of the industrial hemp
- 50% of the canola
- 43% of the triticale
- 41% of the spring and winter wheat
- 34% of the rye
- 33% of the barley

Source: Statistics Canada November Estimate of 2013 Crop Production

Livestock and Feed

Saskatchewan is home to Canada's second largest beef cattle herd, with inventory at 2.4 million head in 2014: this represents 20% of Canada's beef cattle herd. Cattle numbers are beginning to stabilize after several difficult years. The province's pig production is starting to move upward, with 1.04 million head, which constitutes a small increase of 1.4% over 2013. The province has one federally inspected pork slaughter facility, but it does not have a federal beef slaughter facility.

Saskatchewan's many different soil zones and climate make it an ideal location to grow high quality annual forages. Potential annual forage crops include barley, oats, wheat, triticale, annual ryegrass, pea mixtures. Forage and hay production in Saskatchewan includes native rangelands, tame grass and legumes, pasture and hay lands and some annual crops like triticale. In terms of acreage of cultivated forages for pasture, Saskatchewan grows 5.1 million acres of tame hay or seeded pasture and grazes a further 11.9 million acres of natural pasture land.

Biosciences

Saskatchewan has one of Canada's most vibrant bioscience clusters and is a recognized world leader in **agricultural biotechnology**, accounting for 30% of the Canadian sector. Over 50 public and private research organizations are located in Saskatchewan and benefit from cluster synergies to advance science and product development. Leading research organizations include POS Biosciences, VIDO-InterVac, the National and Saskatchewan Research Councils, Genome Prairie, the University of Saskatchewan, and the Canadian Light Source Inc., Canada's only third generation synchrotron facility.

Saskatchewan's **bioproducts sector** is dominated by grain-based ethanol production (340M litres/year), biodiesel production, and the manufacture of biochar, biolubricants and additives. There is considerable interest in work to develop the production of drop-in jet fuels from camelina and brassica carinata, which grow well in the province. Saskatchewan develops and manufactures microbial controls for weeds and plant diseases, inoculants, biofertilizers, and biochemicals.

Food Ingredient Manufacturing and Further Processing

Food and beverage processing is Saskatchewan's largest manufacturing sector, which is anchored by a growing **food ingredient manufacturing** sector that provides solid competitive base for further food processing. The ingredients sector is dominated by canola crushing, grain milling, malt and other specialty items. **Beef, bison, pork and poultry** slaughtering and processing represents a significant portion of Saskatchewan's food processing sector for consumer sale.

Federal Government Expenditures in Support of the Agri-Food Sector in Saskatchewan

(\$000)	2009-10	2010-11	2011-12	2012-13	2013-14	Average
Total Operating and Capital Expenditures	361,408	366,161	372,524	439,726	391,206	386,205
Research	58,396	58,797	58,088	71,404	71,630	63,663
Inspection	158,143	161,131	168,964	167,903	170,621	165,352
Other Operating Expenditures	135,594	137,390	136,128	194,867	142,891	149,374
Other Capital Expenditures	9,275	8,842	9,344	5,552	6,064	7,815
Total Program Expenditures	355,194	517,827	549,755	582,214	468,927	494,783
Income Support and Stabilization	96,636	142,622	162,594	306,592	112,227	164,134
Ad hoc and Cost Reduction	2,312	166,528	143,953	-6	68,232	76,204
Crop Insurance / Production Insurance	163,128	140,009	180,292	220,933	208,815	182,635
Financial Assistance	47,137	8,093	11,076	4,684	9,487	16,095
Research	6,599	16,820	7,104	4,984	29,370	12,975
Food Inspection	13,696	3,685	5,399	6,115	5,132	6,806
Marketing and Trade	7,962	6,502	5,276	6,096	8,373	6,842
Rural and Regional Development	8,655	8,529	7,783	8,622	6,494	8,017
Environment	4,161	18,600	13,834	17,147	11,329	13,014
Other Programs	4,908	6,439	12,443	7,048	9,469	8,061
Total Gross Expenditures	716,602	883,988	922,279	1,021,940	860,133	880,988
Recoveries	(35,802)	(36,708)	(27,206)	(40,455)	(34,157)	(34,865)
Total Net Expenditures	680,800	847,280	895,073	981,485	825,976	846,123
Specific Programs within Program Expenditures						
ACAAF and/or CAAP (Adaptation Council)	4,425	3,516	1,258	3,480	2,879	3,112
ACAAF and/or CAAP (National)	366	285	0	0	0	130
CAFI and/or AMP	201	4,000	4,415	3,758	0	2,475

Source: Agriculture and Agri-Food Canada, 2013.

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Industrie agricole en Saskatchewan

For more information,
call the Midwestern Regional Office (Saskatchewan) at 306-523-6529
or by email at ats-sk@agr.gc.ca
or reach us at www.ats-sea.agr.gc.ca/reg/sk-eng.htm.

