



Quebec's Agriculture Industry

Agriculture and Agri-Food Canada (AAFC) supports farmers and processors in Quebec 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 & 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.

Quebec at a Glance

Population:	8.2 million (2013)
Change from previous census:	3.2%
Share of National Population:	23.2%
Total GDP:	\$331B (2013, Forecast)
Debt to GDP ratio:	49.8% (2013-14, Forecast)
Forecasted GDP growth:	1.9% (2014, Forecast)
Unemployment rate:	7.8% (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: 43,920 (15% of Canadian total)
 Number of Farms: 29,437 (14.3% of Canadian total)
 Average Farm Size: 280 acres (8.3M acres total)

Source: 2011 Census data, Statistics Canada.

Contribution of Agriculture, Agri-Food and Manufacturing Sectors

Farm Cash Receipts: \$8.3B (2012) (15.6% of Canadian total)

Value of Food Processing: \$19.5B (2011)*

Value of Total Manufacturing: \$137.8B (2011)

The Quebec agriculture and agri-food system is diverse, with dairy and hog farms contributing most of the province's farm market receipts. Quebec had 24% (2011) of Canada's food and beverage processing sales, with meat, dairy and animal food processing as its main 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%)

Quebec

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

- 22.2% of Canada's agriculture and food processing GDP; and
- 2.8% of the province's total GDP.

Sources: Statistics Canada Table 379-0030: GDP at Basic Prices 2012 and special tabulations for AAFC.

Quebec's Trade

- In 2012, Quebec's agri-food exports totaled \$5.8B. This is up 27.3% over the 5-year average (2007-2011).
- The top Quebec agri-food exports were red meats (e.g. pork) at \$1.5B, other agri-food products (e.g. food preparations including condiments) at \$817M, and oilseeds (e.g. soybeans) at \$805M, in 2012.
- Exports of primary agricultural products were valued at \$1.4B in 2012 and accounted for 25% of Quebec's agriculture and agri-food exports.
- Exports of processed products were valued at \$4.3 B in 2012 and accounted for 75% of Quebec'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 Quebec source its food?

Quebec 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 Quebec were purchased from Quebec producers and processors, 26% came from other parts of Canada, and 22% were imported from abroad.

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

Source	%
Quebec	53
Rest of Canada	26
International	22
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 European Union (32.0%)
- The United States (26.6%)
- Brazil (7.3%)

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

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

Quebec's primary agricultural producers and food processors sell their products across Canada and around the world. In 2009, 58% of Quebec's agriculture and agri-food production was purchased within the province, 27% was sold in other provinces and territories, and 15% was exported to international markets.

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

Destination	%
Quebec	58
Rest of Canada	27
International	15
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 (54.0%)
- The European Union (10.0%)
- Japan (8.4%)

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

Employment

The Quebec agriculture and agri-food system employed 489,400 people in 2012, broken down as follows:

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

Industry	Employees (2012)	Establishments (2012)
Primary Agriculture	50,900*	29,437
Food & Beverage Manufacturing	83,900	1,470
Food Retail/Wholesale Grocery Stores	142,300	6,069
Foodservice Restaurants	205,300	20,405

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 Quebec's Agri-Food Sector

- In Quebec, the total net annual expenditures came to \$452M 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 \$262M per year, on average, between 2009-10 and 2013-14. During the same period, program expenditures came to \$216M, on average.

Federal expenditures in selected program areas averaged as follows:

- Producer income support and stabilisation - \$84.8M
- Research programs - \$15.2M
- Inspection programs - \$6.6M
- Environment programs - \$12.3M
- Advancing Canadian Agriculture and Agri-Food (ACAAF) program and Canadian Agriculture Adaptation Program (CAAP) - Adaptation Council - \$4.1M
- ACAA program and CAAP - national component allocated to Quebec - \$0.05M

- Canadian Agriculture and Food International (CAFI) program and AgriMarketing Program (AMP) - \$2.4M

Source: AAFC Strategic Policy Branch Databook, 2012.

Key Sectors

The **dairy industry** included 6,828 specialized farm operations in 2012 with market revenue of \$2.19B in 2012, or 37% of the Canadian industry's total. The 2.94B litres of milk produced are processed by nearly 100 companies, including Saputo, Agropur, Parmalat, Danone, Kraft, General Mills and numerous artisanal cheese producers. Manufacturing shipments for the dairy sector in 2012 totalled \$5.5B.

The **hog and pork industry** included some 1,890 farms in 2012, and generated market revenue of \$1.3B in 2012. There are some 230 pork processors in Quebec. The main ones include Olymel, Agromex, Aliments Asta, Viandes du Breton, ATrahan Transformation and Lucyporc. Quebec's hog and pork industry generated exports worth \$1.35B in 2012.

The **beef industry** (beef and veal) included 5,325 farms in 2012, and generated revenue of \$512.6M in 2012. The main processors are Viandes Laroche, Écolait and Montpak. Beef industry exports were worth \$165M in 2011, almost half in the form of live animals.

The **poultry industry** included 2,103 operations in 2012, including 1,358 raising chickens and turkeys, and 745 producing hatching eggs and table eggs. Market revenues totalled \$930M in 2012. Quebec has some 30 poultry processors, including Exceldor, Olymel and Maple Leaf. Manufacturing shipments totalled \$1.569M in 2012.

The **grains and oilseeds industry** included 8,350 farms in 2012, and generated market revenue of \$1.3B in 2012. Manufacturing shipments of animal feed and grains and oilseeds milled products were estimated to be worth \$2.7B in 2012. While a large proportion of the industry's exports, worth \$878M in 2012, were in the raw state, a portion is processed in Quebec by such companies as Archer Daniels Midland Milling Co., Robin Hood Multifoods, Multi-Marques, Boulangeries Weston Itée, Culinar Inc. Biscuits Leclerc, Catelli, Canada Maltage, Schenley Distilling, Shur-Grain and Agribands Purina.

The **fruit and vegetable industry** included 5,138 operations in 2012, and generated market revenue of \$736M in 2012. Its products are processed by some 60 establishments, including Bonduelle, Kraft Canada (Nabisco) and Saladexpress. Exports in 2012 were worth \$313M.

The **maple products** included 6,676 operations in 2012, and generated market revenue of \$275.8M in 2012. Quebec has more than 70 maple syrup processors, including Citadelle, Les Industries Bernard et Fils Itée and Décacer. Exports in 2012 were worth \$239M.

Source: Statistics Canada, 2009.

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

(\$000)	2009-10	2010-11	2011-12	2012-13	2013-14	Average
Total Operating and Capital Expenditures	262,696	263,132	270,441	255,799	257,872	261,988
Research	44,253	43,336	43,795	53,092	53,267	47,549
Inspection	111,583	112,810	119,203	118,117	120,001	116,343
Other Operating Expenditures	99,831	100,391	100,398	80,405	80,032	92,211
Other Capital Expenditures	7,029	6,596	7,045	4,186	4,572	5,885
Total Program Expenditures	266,926	264,656	158,620	200,524	189,865	216,118
Income Support and Stabilization	126,580	137,860	25,528	73,918	60,336	84,844
Ad hoc and Cost Reduction	3,338	21,578	2,328	738	1,822	5,961
Crop Insurance / Production Insurance	25,713	28,066	28,596	29,369	27,758	27,901
Financial Assistance	61,725	17,099	35,746	25,985	30,196	34,150
Research	5,241	8,740	17,981	25,631	18,180	15,155
Food Inspection	3,294	10,411	5,984	5,772	7,293	6,551
Marketing and Trade	10,587	9,519	4,672	3,932	11,264	7,995
Rural and Regional Development	14,373	14,278	10,744	10,278	11,431	12,221
Environment	11,839	10,429	18,621	14,757	5,705	12,270
Other Programs	4,235	6,676	8,421	10,144	15,879	9,071
Total Gross Expenditures	529,621	527,789	429,061	456,323	447,737	478,106
Recoveries	(27,131)	(27,401)	(20,295)	(30,181)	(25,474)	(26,096)
Total Net Expenditures	502,490	500,387	408,766	426,143	422,263	452,010
Specific Programs within Program Expenditures						
ACAAF and/or CAAP (Adaptation Council)	6,903	4,128	1,517	4,402	3,505	4,091
ACAAF and/or CAAP(National)	54	191	0	0	0	49
CAFI and/or AMP	1,659	3,715	3,674	2,744	6,431	2,359

Source: Agriculture and Agri-Food Canada, 2013.

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Industrie agricole au Québec

For more information,
call the Quebec Regional Office at 514-283-8888
or reach us at www.ats-sea.agr.gc.ca/reg/qc-eng.htm.

