



Nova Scotia's Agriculture Industry

Agriculture and Agri-Food Canada (AAFC) supports farmers and processors in Nova Scotia 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, 2011, Statistics Canada International Merchandise Trade Statistics 2011 and AAFC calculations.

Nova Scotia at a Glance

Population:	940,800 (2013)
Change from previous census:	2.1%
Share of National Population:	2.7%
Total GDP:	\$36.4B (2013, Forecast)
Debt to GDP ratio:	35.8% (2013-14, Forecast)
Forecasted GDP growth:	2.0% (2014, Forecast)
Unemployment rate:	8.9% (February, 2014)

Source: 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: 5,100 (1.8% of Canadian total)
Number of Farms: 3,905 (2% of Canadian total)
Average Farm Size: 261 acres (1M acres total)

Source: 2011 Census data, Statistics Canada.

Contribution of Agriculture, Agri-Food and Manufacturing Sectors

Farm Cash Receipts: \$585.5M (2012) (1.1% of Canadian total)
Value of Food Processing: \$1.9B (2011)*
Value of Total Manufacturing: \$10.6B (2011)

The Nova Scotia agriculture and agri-food system is very diverse, with dairy and furs returning the highest share of farm cash receipts. Nova Scotia had 2.4% (2011) of Canada's food and beverage processing sales, with seafood, dairy and animal food processing as its major food processing 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%)

Nova Scotia

Nova Scotia's agriculture and food processing GDP in 2012 represented:

- 1.9% of Canada's agriculture and food processing GDP; and
- 2.2% of the province's total GDP.

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

Nova Scotia's Trade

- In 2012, Nova Scotia's agri-food exports totaled \$230M. This was up 8.9% over the 5-year average (2007-2011).
- The top Nova Scotia agri-food exports were fruit and nuts (e.g. fresh and frozen berries) at \$116M, other agri-food products at \$21M, other animal products (e.g. furs) at \$18M, and vegetables, excluding potatoes, (e.g. frozen vegetables) at \$17M, in 2012.
- Exports of primary agricultural products were valued at \$42.9M in 2012 and accounted for 19% of Nova Scotia's agriculture and agri-food exports.
- Exports of processed products were valued at \$187.5M in 2012 and accounted for 81% of Nova Scotia'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 Nova Scotia source its food?

Nova Scotia 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, 32% of all the agriculture and food products that were sold in Nova Scotia were purchased from Nova Scotia producers and processors, 48% came from other parts of Canada, and 20% were imported from abroad.

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

Source	%
Nova Scotia	32
Rest of Canada	48
International	20
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 (40.6 %)
- The United States (19.3 %)
- Australia (7.5 %)

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

Where do Nova Scotia's primary agriculture and agri-food processors sell their products?

Nova Scotia's primary agricultural producers and food processors sell their products across Canada and around the world. In 2009, 39% of Nova Scotia's agriculture and agri-food production was purchased within the province, 32% was sold in other provinces and territories, and 29% was exported to international markets.

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

Destination	%
Nova Scotia	39
Rest of Canada	32
International	29
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 (54.2 %)
- The European Union (27.1 %)
- Japan (8.3 %)

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

Employment

The Nova Scotia agriculture and agri-food system employed 57,400 people in 2012, broken down as follows:

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

Industry	Employees (2012)	Establishments (2012)
Primary Agriculture	5,600*	3,905
Food & Beverage Manufacturing	8,900	280
Food Retail/Wholesale Grocery Stores	18,000	677
Foodservice Restaurants	24,900	1,945

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 2012.

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

- In Nova Scotia, the total net annual expenditures came to \$37M 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 \$19M per year, on average, between 2009-10 and 2013-14. During the same period, program expenditures came to \$20M, on average.

Federal expenditures in selected program areas averaged as follows:

- Producer income support and stabilisation - \$6.2M
- Research programs - \$1.4M
- Inspection programs - \$1.2M
- Environment programs - \$1.4M
- Advancing Canadian Agriculture and Agri-Food (ACAAF) program and Canadian Agriculture Adaptation Program (CAAP) - Adaptation Council - \$1.1M

- ACAA program and CAAP national component allocated to Nova Scotia - \$0.003M
- Canadian Agriculture and Food International (CAFI) program and AgriMarketing Program (AMP) - \$0.08M

Source: AAFC Strategic Policy Branch Databook, 2012.

Key Sectors

Food and non-food manufacturing is a significant contributor to the Nova Scotia economy with approximately 460 processors transforming raw agriculture and seafood materials into a variety of value-added products. Two key sectors include the processing of wild blueberries and the processing of mink pelts (reporting exports of \$97M and \$125M respectively in 2012).

In terms of importance measured by farm gate revenues, the supply managed sectors (dairy, poultry and eggs) represent 44% of Farm Cash Receipts (FCR). Overall, dairy is the top revenue-generating sector, followed by fur (mink) and chicken. Other important contributors to Nova Scotia's farm gate are eggs, cattle, blueberries, vegetables, floriculture, Christmas trees and apples.

Nova Scotia has a diverse **fish & seafood sector** which makes a significant contribution to the provincial economy. In 2012, Nova Scotia's commercial fish landings were valued over \$768M. The top species in terms of landed value were lobster (\$382M), scallops (\$104M), snow crab (\$91M), shrimp (\$53M), and halibut (\$22M). The aquaculture industry continues to grow and in 2012 reported sales in excess of \$52M. Exports of fish and seafood products from Nova Scotia exceeded \$922M in 2012.

The outlook for the agriculture and agri-food industry is considered positive with a renewed focus by both industry and government on **innovation and competitiveness**. Nova Scotia's abundance of arable land, access to important export markets (e.g. Eastern U.S. and EU) and improving infrastructure present opportunities for growth. Increasing private-sector growth through international and interprovincial trade, innovation and diversification are priorities. The Perennia Innovation Centre is playing a critical role in addressing the commercialization gap between agricultural research and development for startup and established agri-based businesses. The Province is also investing in the renewal of key industries such as apple, wine, and grass-fed beef.

Nova Scotia is also home to a number of industry leaders, including:

- Oxford Frozen Foods Ltd., the world's largest supplier of frozen wild blueberries
- Acadian Seaplants Ltd., the world's largest manufacturer of seaweed-based specialty products
- Clearwater Seafoods Inc., a global leader in harvesting, processing and distribution of shellfish

- Nova Agri Inc., a leading grower, processor and exporter of fresh fruits and vegetables
- Terra Beata Farms Ltd., a grower, buyer, processor and marketer of Atlantic cranberries

Consumer interest in supporting local industry, environmental sustainability, and health have served as a catalyst for industry

to explore new innovations with respect to process and products, bioenergy, and biobased products for both food and non-food uses.

Source: Statistics Canada, NS Department of Agriculture, Department of Fisheries and Oceans, Atlantic Canada Economic Council

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Source: Statistics Canada.

Federal Government Expenditures in Support of the Agri-Food Sector in Nova Scotia

(\$000)	2009-10	2010-11	2011-12	2012-13	2013-14	Average
Total Operating and Capital Expenditures	18,427	18,451	19,314	18,289	18,506	18,597
Research	3,221	3,077	3,209	3,901	3,913	3,464
Inspection	7,994	7,838	8,560	8,426	8,563	8,276
Other Operating Expenditures	6,701	7,073	7,034	5,658	5,698	6,433
Other Capital Expenditures	511	463	512	304	332	424
Total Program Expenditures	31,135	18,866	14,809	18,055	17,312	20,035
Income Support and Stabilization	11,722	5,017	5,682	4,873	3,825	6,224
Ad hoc and Cost Reduction	921	594	1	0	1,388	581
Crop Insurance / Production Insurance	709	705	561	676	639	658
Financial Assistance	3,255	80	264	966	-18	909
Research	1,039	582	1,895	1,244	2,201	1,392
Food Inspection	2,840	826	821	1,222	408	1,223
Marketing and Trade	638	667	666	801	481	651
Rural and Regional Development	8,380	8,355	3,178	6,231	5,767	6,382
Environment	1,220	1,696	1,311	1,730	1,282	1,448
Other Programs	412	343	432	312	1,338	567
Total Gross Expenditures	49,562	37,316	34,123	36,344	35,818	38,633
Recoveries	(1,971)	(1,926)	(1,424)	(2,116)	(1,792)	(1,846)
Total Net Expenditures	47,591	35,390	32,699	34,228	34,026	36,787
Specific Programs within Program Expenditures						
ACAAF and/or CAAP (Adaptation Council)	876	1,844	843	754	1,200	1,103
ACAAF and/or CAAP (National)	0	16	0	0	0	3
CAFI and/or AMP	0	124	151	113	0	78

Source: Agriculture and Agri-Food Canada, 2013.

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AAFC No. 12228E

Paru également en français sous le titre
Industrie agricole en Nouvelle-Écosse

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