

MANITOBA MARKETS

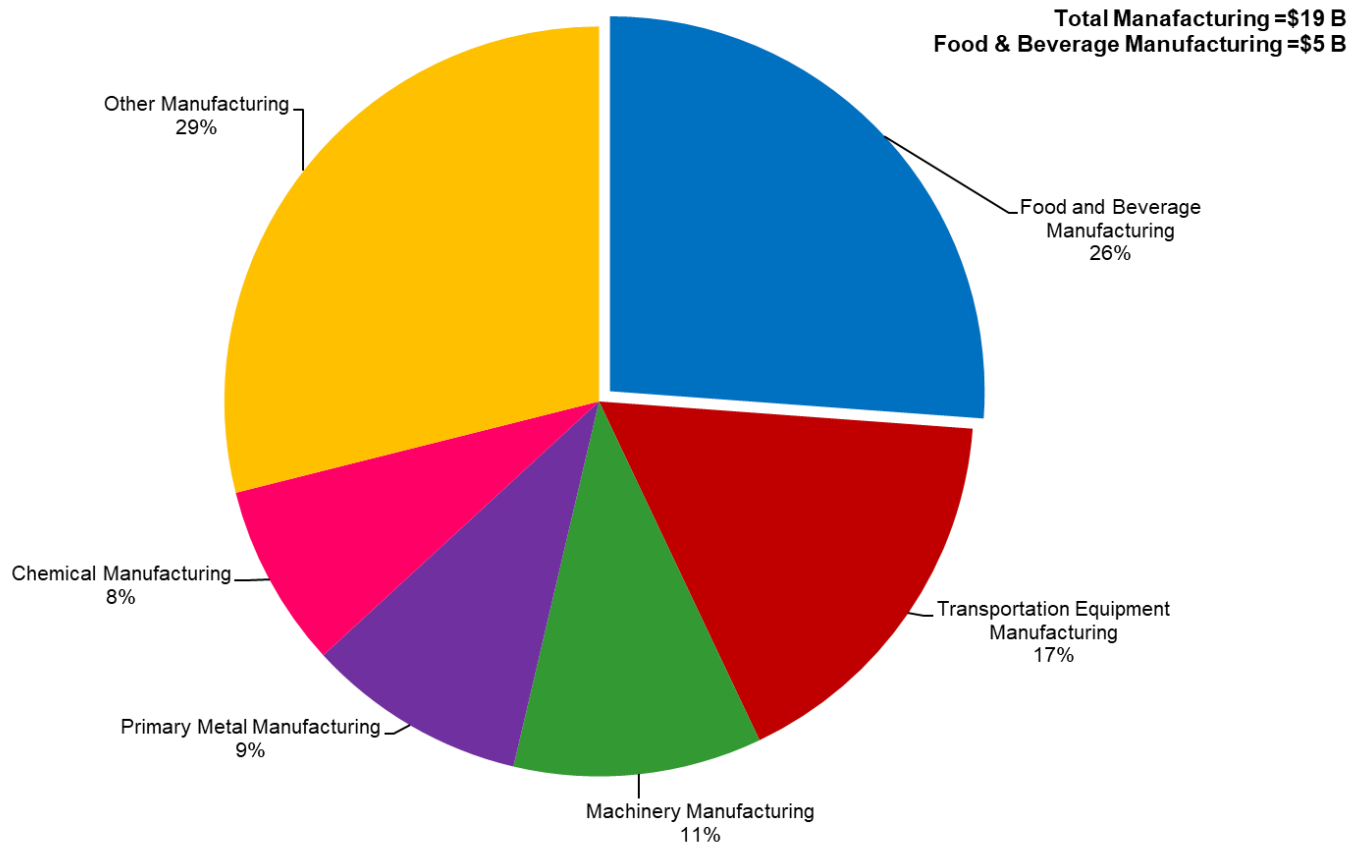
Food and Beverage Manufacturing Sales



FOOD AND BEVERAGE MANUFACTURING SALES – 2019

The food manufacturing industry is the largest manufacturing industry in Manitoba in terms of sales (shipments) valued at \$5 billion in 2019. This represents 26% of Manitoba's total manufacturing sales of \$19 billion. For the past 5 years, food manufacturing has contributed an average of \$4.7 billion to Manitoba's economy each year (not adjusted for inflation).

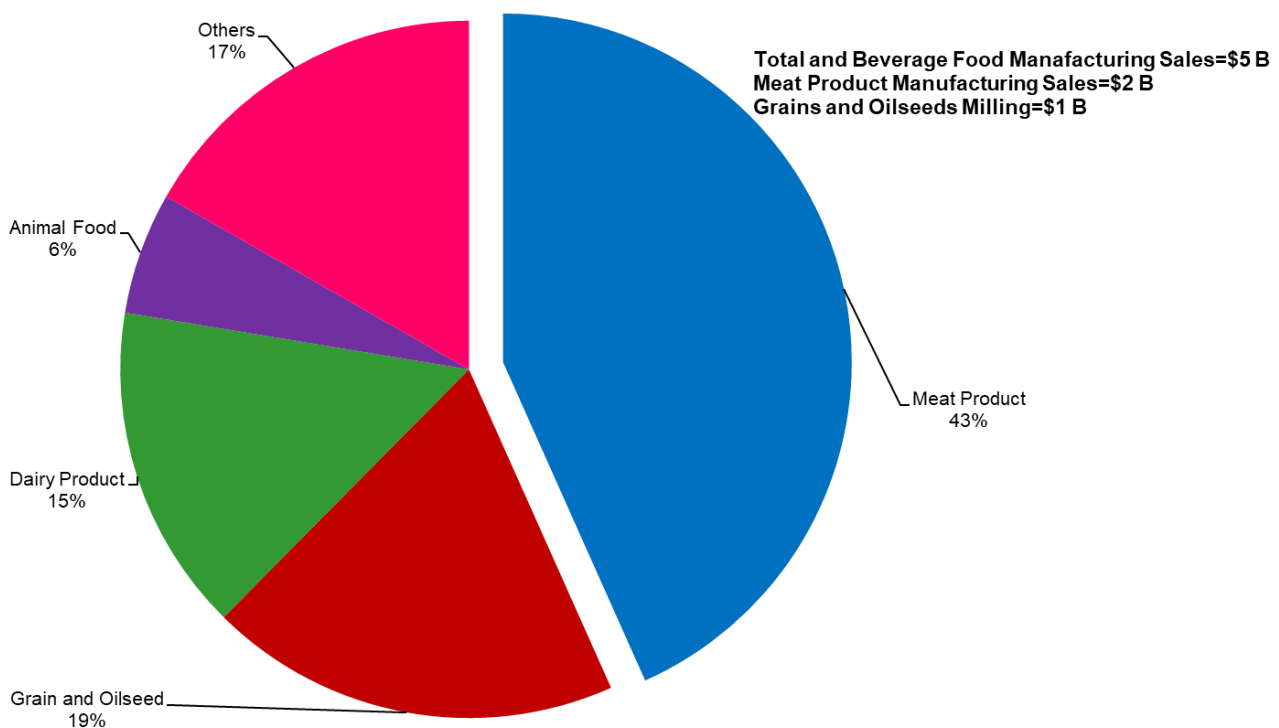
TOP FIVE SECTORS CONTRIBUTING TO MANUFACTURING SALES IN MANITOBA, 2019



FOOD AND BEVERAGE MANUFACTURING SALES BY COMMODITY

Meat product manufacturing continues to be the largest food manufacturing sub-sector in Manitoba. In 2019, the meat manufacturing sales grew by 0.2% as compared to the previous year with \$2 billion in sales, meat product manufacturing accounted for 43% of the total food and beverage manufacturing sales. Grain and oilseed milling, the second largest food manufacturing sub-sector, showed a decrease of 4.4% in 2019 registering a sales value of \$950 million; this accounts for 19% of the total food and beverage manufacturing sales. Dairy product manufacturing saw the largest increase in 2019 with \$755 million in sales value, an increasing of 5.7% as compared to the previous year. Animal food manufacturing showed a 0.7% increase in sales in 2019 as compared to the previous year.

FOOD AND BEVERAGE MANUFACTURING SALES BY COMMODITY IN MANITOBA, 2019



Source: Statistics Canada, Table 16-10-0048-01

Manitoba Agriculture and Resource Development, 2020-06-01

FOOD AND BEVERAGE MANUFACTURING SALES PERFORMANCE (2019 VERSUS 2018)

Manitoba food and beverage manufacturing sales decreased by 4% from \$5.2 billion in 2018 to \$5 billion in 2019. This is approximately \$205 million lower than the 2018 sales value. The decrease in sales value mainly came from grain and oils seed manufacturing, approximately \$44 million or 4.4%. Dairy product manufacturing, which saw the largest increase of approximately \$40 million or 5.7%, animal food manufacturing increased by \$2 millions, approximately 0.7% higher than the previous year. Similarly, meat product manufacturing increase by \$2.1 million, or 0.2% as compared with 2018. The opening of the new \$100 million investment dairy ingredients processing plant (MDI) in Winnipeg is the main driver for the large increase in dairy manufacturing sales in 2018 and 2019, as this investment increases the plant's processing capacity. MDI was a joint venture between two dairy processors, Vitalus Nutrition Inc. and Gay Lea Foods Co-operative Ltd. The company process liquid

milk into high value proteins such as MPC 85, MPI 90, butter and buttermilk powders. The company sales its products in Canada and internationally. The opening of this facility plays a great role in resolving the concerns of Manitoba’s dairy farmers about the inadequate milk processing capacity in the province.

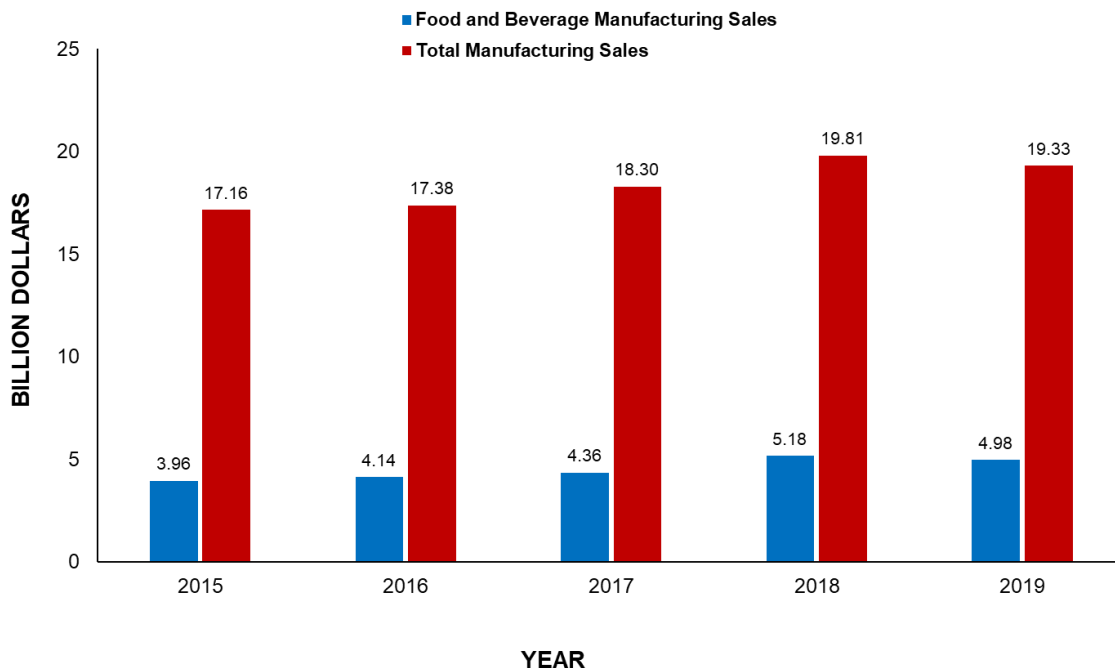
FOOD AND BEVERAGE MANUFACTURING SALES 2019 VERSUS 2018 (\$ Thousand CAN)

Commodity Type	2018	2019	Percentage change (2019/2018)
Meat product	2,152,231	2,155,659	100
Grain and oilseed	994,232	950,316	96
Dairy product	714,970	755,866	106
Animal Foods	278,822	280,905	101
Others	1,041,073	833,502	80
Total food manufacturing	5,181,328	4,976,248	96

FOOD AND BEVERAGE MANUFACTURING SALES FROM 2015-2019

Over the last five years, Manitoba food manufacturing sales has fluctuated between \$4.0 billion and \$5.2 billions. The highest sales of \$5.2 billion was registered in 2018. Food manufacturing has increased between 2015 and 2018 but slightly decreased in 2019. Total food and beverage manufacturing sales grew by 4.4% and 5.3% in 2016 and 2017, respectively. In 2018, food and beverage manufacturing sales increased 1.1% compared with the previous year but, in 2019, sales decreased by 4% comparing the previous year.

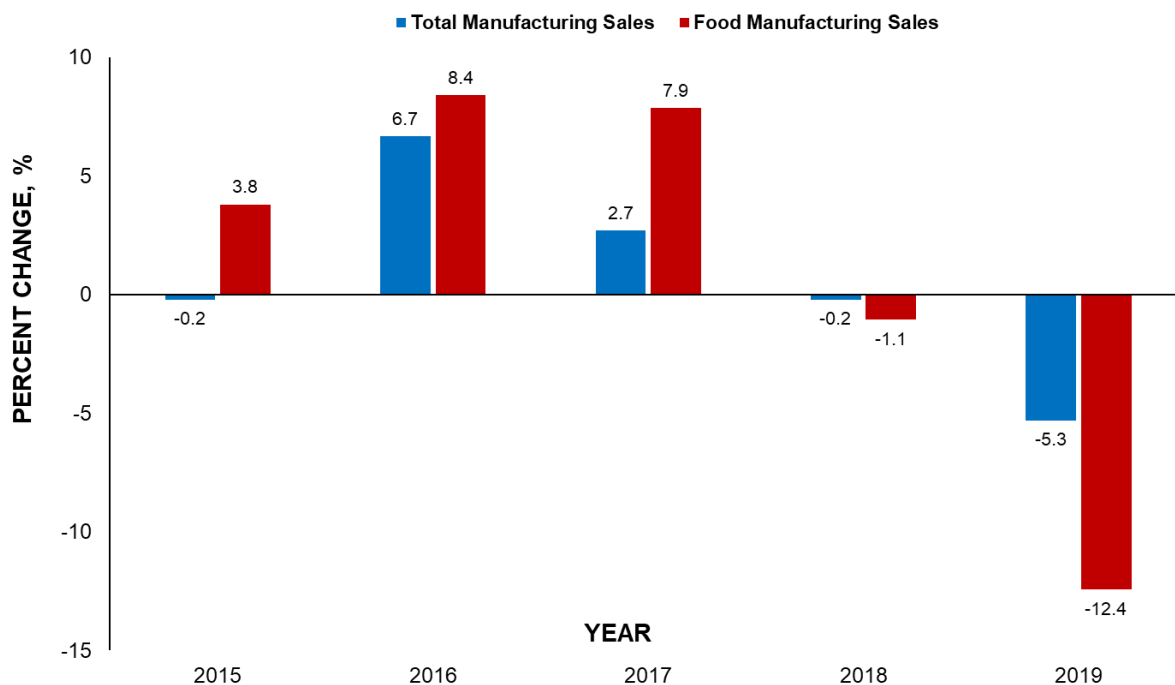
TRENDS IN MANITOBA FOOD MANUFACTURING SALES 2015-2019



Source: Statistics Canada, Table 16-10-0048-01

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PERCENTAGE CHANGES IN MANITOBA FOOD MANUFACTURING SALES 2015-2019



Source: Statistic Canada, Table 16-10-0048-01

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FOOD AND BEVERAGE MANUFACTURING EMPLOYEES

In 2018, the total number of employees in the Manitoba food and beverage manufacturing industries were 12,890. This represents 22% of the Manitoba's total manufacturing employment of 59,520. Manitoba's food and beverage manufacturing employment represent 4.6% of Canada's total food and beverage manufacturing employment.

TOTAL NUMBER OF EMPLOYEES (PEOPLE)

Principal statistics	Canada	Manitoba	Percentage of Manitoba's Contribution to Canada's
Total Manufacturing Employees	1,603,860	59,520	3.7
Food and beverage Manufacturing Employees	280,065	12,890	4.6
Food and beverage Manufacturing Employees as a Percentage of Total Manufacturing Employees	17.4	22	

Source: Statistics Canada 36-10-0480-01

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