



Industry Profile

Dairy Product Manufacturing

Canada's dairy processing industry comprises establishments engaged in producing a large number of distinct products grouped under three broad categories: fluid milk and fluid milk products, cheese and cheese products and butter and dry and canned dairy products.

The dairy industry is the third-largest agricultural industry in Canada. The industry continues to expand to offer a range of innovative dairy products to meet consumer demand, including greek-style yogurt, pre and probiotics, lactose-free and calcium or omega-3-fortified products. In addition, the Canadian Dairy Commission (CDC) announced an increase in the butter support price effective February 1, 2023, which is expected to result in higher farmgate prices and increase dairy cash receipts by 5.7% in 2023. The anticipated increase in production by 2.7% is partly due to the need to replenish low butter stocks.

Dairy product manufacturing accounts for 8.9% of Canada's food and beverage manufacturing GDP. This sector contributed approximately \$3B in GDP (in 2012 dollars) in 2021. The dairy product manufacturing industry generated \$17.4B in reported sales in 2022. Exports totalled \$1.2B in 2022. Imports totalled \$1.5B, bringing the trade deficit for dairy product manufacturing to \$339M. As of 2022, the number of establishments in the industry totaled 407. Most establishments employ fewer than 20 workers. There were more than 27,400 people employed in the sector across the country, comprising 9.2% of the food and beverage workforce in 2022. These workers earned a median annual income of \$58,000 in 2021.



NAICS 3115

Profile Summary

Export Value, 2022:

\$1.2B

8.9% of Canada's food and beverage manufacturing GDP

Establishments, 2022:

407

GDP (in 2021):

3B

Sales 2022:

\$17.4B

Median Annual Income:

\$58,000

Employment, 2022:

27,424

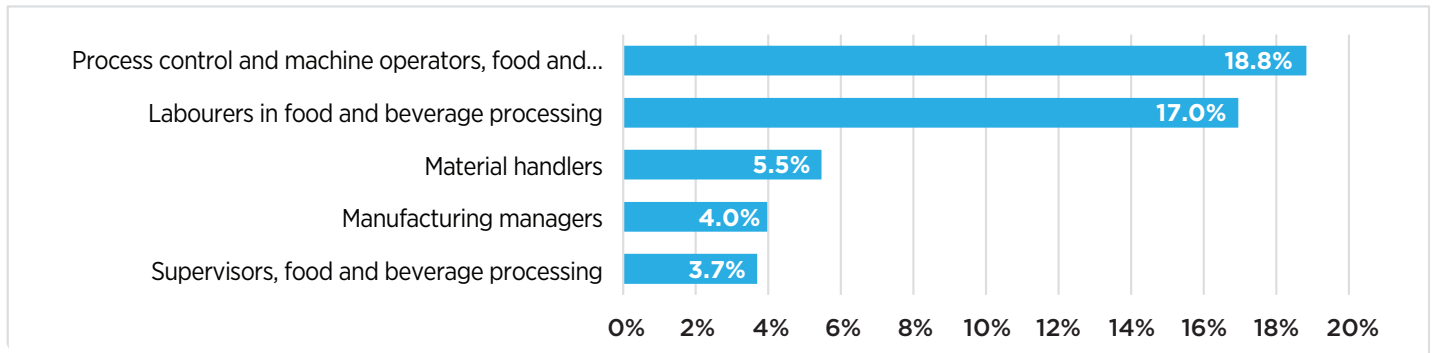


Occupational, Employment Count, and Age Distributions

- Process control and machine operators in food and beverage processing have the highest share of employment within dairy product manufacturing, accounting for approximately 19% of the sector.
- Youth (15 to 24) comprise 11.1% of the sector's labour force, compared to 8.3% of the manufacturing sector and 13.1% in all industries.
- Workers nearing retirement age (55 and over) comprise 23.9% of the labour force, compared to 27.4% of the manufacturing sector and 23.1% in all industries.
- Most dairy product manufacturing establishments (with employees) employ fewer than 20 workers.
- Dairy product manufacturing saw the addition of 40 new establishments from 2017 to 2022, much of this growth was concentrated in firms with 1 to 4 employees and firms with 20 to 49 employees.

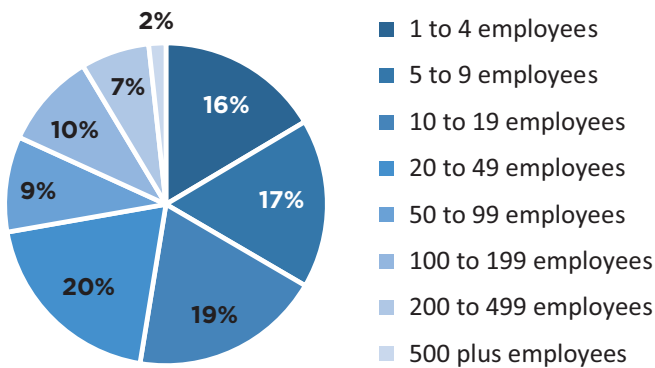


Top 5 Occupations by Share of Total Employment



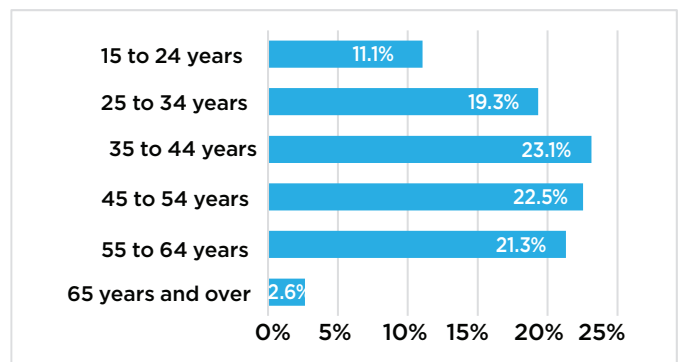
2021 Census of Population

Number of Firms by Employment Count



Canadian Business Counts, with employees June 2022

Age Distribution within Meat Product Manufacturing



2021 Census of Population



Provincial Profile Summary:

- Quebec and Ontario account for the most dairy production, with approximately 68% of reported sales in 2022. British Columbia and Alberta account for an additional 21% and the remaining provinces, 12%.
- Ontario and Quebec are the largest provincial exporters of dairy products, with a cumulative market share of 88% in 2022.
- Alberta, British Columbia, Manitoba, and Ontario are the only provinces where dairy imports exceed exports.
- Outside of the U.S., the biggest importer of dairy manufacturing goods from Canada is Egypt. New Jersey is the biggest importer within the U.S.



Characteristics of Dairy Product Manufacturing by Province (In Millions of CAN Dollars)

	Employment (2022)	Industry GDP (2021)	Industry Sales (2022)	Firm Count (2022)	Imports (2022)	Exports (2022)	Trade Balance (2022)
Canada	27,424	\$2,983	\$17,365	407	\$1,492	\$1,153	-\$339
Alberta	1,437	\$308	\$1,517	26	\$17	\$11	-\$6
British Columbia	2,504	\$247	\$2,061	56	\$166	\$77	-\$89
Manitoba	551	\$50	\$958	11	\$33	\$11	-\$21
New Brunswick	405	\$102	-	5	\$2	\$9	\$7
Newfoundland and Labrador	169	\$16	-	2	-	\$0.08	\$0.08
Nova Scotia	646	\$32	-	7	\$0.03	\$0.29	\$0.25
Ontario	10,746	\$1,063	\$5,618	144	\$914	\$603	-\$312
Prince Edward Island	377	\$46	-	8	-	\$2	\$2
Quebec	10,241	\$1,048	\$6,128	145	\$348	\$409	\$61
Saskatchewan	349	\$73	-	3	\$11	\$31	\$20

Source: Gross Domestic Product by Industry, Monthly Survey of Manufacturing, Canadian Business Counts June 2022, with employees, Canadian International Merchandise Trade (Customs Basis), 2021 Census of Population, Survey of Employment, Payrolls and Hours (SEPH)