



Economic Impact: Growing the PEI Agricultural and Agri-Food Industry



**The Prince Edward Island Agricultural and Agri-Food Industry:
An Economic Impact Analysis**

Research and Economic Analysis

Dr. Ziad Ghaith

ziad.ghaith@usask.ca

Independent Consultant

Note

This study was conducted with funding from the Prince Edward Island Federation of Agriculture (PEIFA). The author has made every effort to ensure the accuracy and thoroughness of the analysis. The views and opinions expressed in this study are those of the author and do not necessarily reflect the official policy or position of the PEIFA or any other agency.

March 2025

List of Tables

Table 1. Distribution of PEI Farms by Type and Area, 2021	12
Table 2. Economic Impact of PEI's Agricultural and Agri-Food Industry on PEI's Economy, 2021	23
Table 3. Multipliers of PEI's Agricultural and Agri-Food Industry, 2021	26
Table 4. PEI's Agricultural and Agri-Food Industry Classification	35
Table 5. Detailed Economic Impact of PEI's Agricultural and Agri-Food Industry on PEI's Economy, 2021	36
Table 6. Economic Impact of PEI's Agricultural and Agri-Food Industry on RoC's Economy, 2021	38
Table 7. Economic Impact of PEI's Agricultural and Agri-Food Industry on Canada's Economy, 2021	39

List of Acronyms

PEIFA	PEI Federation of Agriculture
EIA	Economic Impact Analysis
FCRs	Farm Cash Receipts
FTE	Full-Time Equivalent
GDP	Gross Domestic Product
IO	Input-Output
PEI	Prince Edward Island
RoC	Rest of Canada
SUTs	Supply and Use Tables
U.S.	United States

List of Figures

Figure 1. Distribution of PEI Farms by Type and County, 2021	13
Figure 2. Average Farm Size by Province, 2021	13
Figure 3. PEI Farm Cash Receipts, 2023	14
Figure 4. Farm Cash Receipts Per capita Across Canadian Provinces, 2023	15
Figure 5. Distribution of Licensed Dairy Establishment by Province, 2024	16
Figure 6. Distribution of Federally Inspected Cattle Slaughter Plants by Province, 2024	16
Figure 7. Share of Agricultural and Agri-Food Exports in Total Exports by Province, 2024	17
Figure 8. Top Ten Agricultural and Agri-Food Export Markets for PEI, 2024	18
Figure 9. Agricultural and Agri-Food Exports Per Capita by Provinces, 2024	18
Figure 10. Potato international Exports by Province, 2024	19
Figure 11. Economic Backward and Forward Linkages	20
Figure 12. PEI's Agricultural and Agri-Food Industry: Total Economic Impact by Category, 2021	24
Figure 13. PEI's Agricultural and Agri-Food Industry Contributions to Provincial GDP, 2021	25
Figure 14. PEI's Agricultural and Agri-Food Exports in Nominal and Real Values, 1990–2024	28
Figure 15. Real Annual Growth Rate of PEI's Exports, 2015–2024	29
Figure 16. PEI's Agricultural and Agri-Food Exports Forecast, 2010–2030	30
Figure 17. PEI's Agricultural and Agri-Food Industry Output in Nominal and Real Values, 2010–2021	31
Figure 18. PEI's Agricultural and Agri-Food Industry Growth Forecast, 2015–2030	31

Glossary

Direct Economic Impact	The immediate economic effect generated by the operations of a specific sector or activity.
Farm Cash Receipts (FCRs)	Revenues from the sale of agricultural commodities, including direct program payments that support or subsidize the agriculture sector.
Full-Time Equivalent (FTE)	A measure of employment calculated by dividing total hours worked by the average annual hours of a full-time job.
Gross Domestic Product (GDP)	The total market value of all final goods and services produced within an economy over a specific period.
Indirect Economic Impact	Economic effects that arise when businesses purchase goods and services from other industries in response to demand from a particular sector.
Induced Economic Impact	Economic activity generated by the re-spending of income earned through direct and indirect employment in a given sector.
Input-Output (IO) models	Quantitative models that analyze the interdependencies between industries within an economy, showing how changes in one sector affect others.
Multiplier	A measure of how a change in one economic variable (e.g., investment or output) leads to proportional changes in other economic variables (e.g., GDP, employment, or income).
Supply and Use Tables (SUTs)	A regulatory framework in Canada that controls supply and stabilizes prices in certain agricultural sectors through production quotas, import controls, and price-setting mechanisms.
Total economic impact	The combined effect of direct, indirect, and induced economic impacts within an economy.

Introduction

The agricultural and agri-food industry is a cornerstone of Prince Edward Island's (PEI) economy, deeply rooted in the province's history, culture, and economic framework. Agriculture, alongside agri-food processing, is not merely an economic activity but a way of life for many Islanders and a vital contributor to the province's identity. With its rich soils and favorable growing conditions, PEI has long been celebrated for its agricultural heritage (Gupta, 1991; MacFadyen, 2016), particularly its renowned potato production, which has established the province as a significant player in national and international markets (Government of PEI, 2020a).

The agricultural and agri-food industry serves as both an economic pillar and a driver of societal well-being. Beyond generating revenue, it sustains rural communities, preserves traditional farming practices, and promotes innovation through advancements in sustainable farming techniques and food processing (Government of PEI, 2019). This sector encompasses diverse activities, including crop cultivation, livestock farming, and food processing, connecting raw agricultural products to broader value chains. Together, these components form the foundation of a dynamic system that fuels economic growth and sustains livelihoods across the province.

The diversity of PEI's agricultural and agri-food industry is one of its greatest strengths. The province is renowned for high-quality potatoes, grains, and vegetables, alongside a robust livestock and dairy sector. Complementing these is a growing agri-food processing industry that adds value to primary agricultural outputs and expands access to export markets (Government of PEI, 2020b). These interconnected industries contribute directly to GDP and employment while stimulating activity in transportation, manufacturing, retail, and tourism.

The industry's influence extends far beyond direct economic contributions. It fosters economic linkages by driving demand for goods and services throughout the supply chain, from farm inputs to distribution networks. Additionally, it generates induced impacts as income earned within the sector circulates through local communities, creating a ripple effect that benefits other industries (Windfeld & Lhermie, 2022). These interactions underscore agriculture's role as a vital engine of economic activity, amplifying its importance to PEI's overall prosperity.

This study aims to provide a comprehensive, quantitative analysis of the economic contributions of PEI's agricultural and agri-food industry. Using the latest data and established methodologies, it evaluates the sector's direct, indirect, and induced impacts on the provincial and national economies. It seeks to highlight the integral role agriculture plays in sustaining economic growth while identifying opportunities for future expansion and innovation.

By exploring both the economic benefits and broader linkages fostered by the sector, this study underscores the agricultural and agri-food industry's enduring relevance in shaping PEI's economic framework. Beyond its economic significance, the industry represents a fundamental element of PEI's cultural heritage and identity, making it a critical area for continued investment and support.

Overview of PEI Farms: Types, Distribution, and Operations

According to the 2021 Census of Agriculture, PEI is home to 1,195 farms covering a total farm area of 504,674 acres, accounting for 0.3% of Canada's total farm area. Despite its small size¹, PEI boasts a highly productive and diverse agricultural sector, with operations ranging from grain and oilseed farming to fruit and vegetable production and livestock farming. Agriculture is not only a vital economic driver but also deeply intertwined with the province's cultural identity and rural traditions.

Potato farming stands out as the most prominent agricultural activity in the province. In 2021, there were 175 potato farms occupying approximately 219,000 acres, representing 14.6% of all farms and 43.4% of the province's total agricultural land. This sub-sector plays a critical role in driving the province's agricultural economy, contributing significantly to farm incomes, processing activities, and export revenues. Potatoes from PEI are renowned for their quality and have established a strong presence in both domestic and international markets, further enhancing the province's agricultural reputation. The success of this sector is supported by advanced farming practices, research collaborations, and a strong network of processing facilities, ensuring its competitiveness in global markets.

In addition to potatoes, oilseed and grain farming is a key sub-sector, with 136 farms utilizing over 70,000 acres of land. Livestock farming, particularly beef and dairy production, also makes substantial contributions to the province's economy and rural employment. Meanwhile, smaller sectors such as fruit farming, greenhouse production, and poultry farming add to the diversity of PEI's agricultural output, supporting local and niche markets. These diverse sub-sectors not only generate income for farmers but also create opportunities for value-added industries such as food processing, transportation, and retail. Table 1 provides a breakdown of PEI farms by type and area in 2021.

TABLE 1. DISTRIBUTION OF PEI FARMS BY TYPE AND AREA, 2021

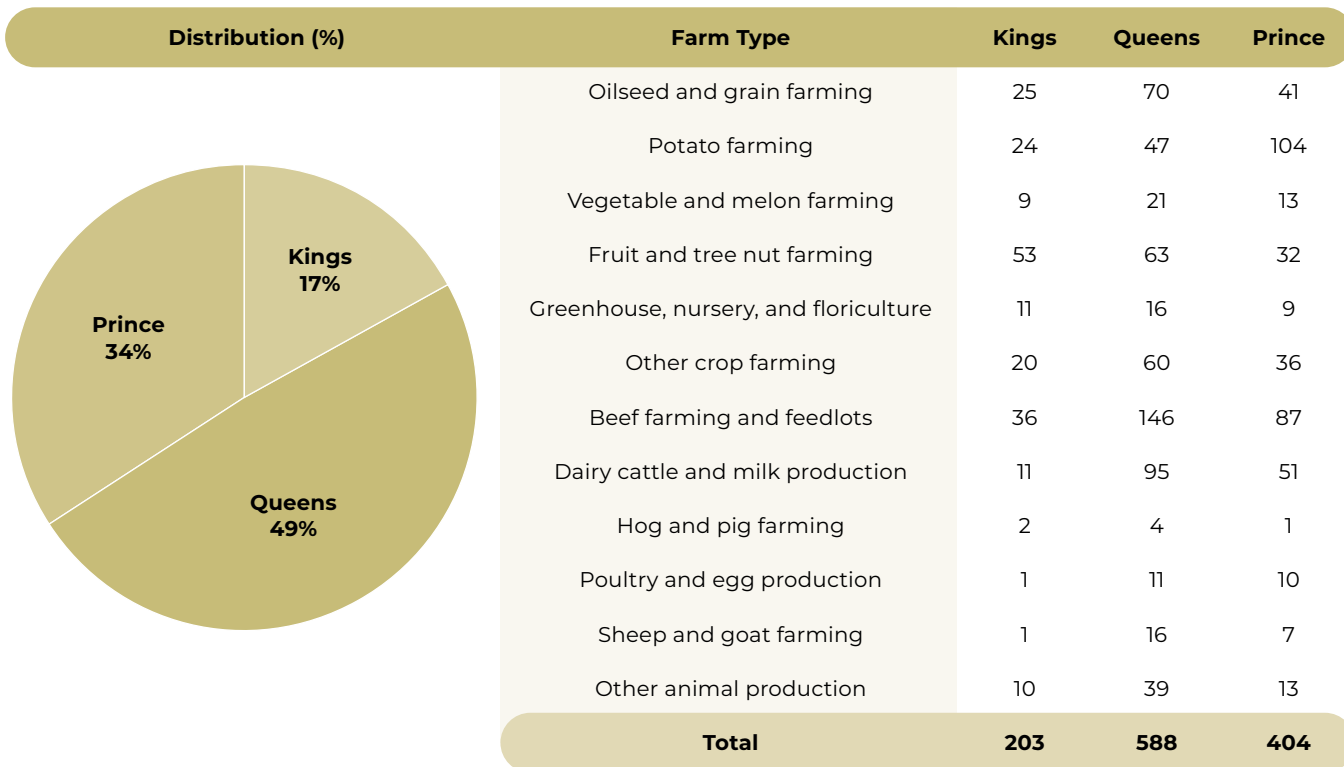
Farm Type	Number of Farms	Share (%)	Area ('000 Acres)	Share (%)
Oilseed and grain farming	136	11.4	70	13.9
Potato farming	175	14.6	219	43.4
Vegetable and melon farming	43	3.6	8	1.6
Fruit and tree nut farming	148	12.4	28	5.5
Greenhouse, nursery, and floriculture	36	3.0	3	0.6
Other crop farming	116	9.7	27	5.4
Beef farming and feedlots	269	22.5	59	11.7
Dairy cattle and milk production	157	13.1	71	14.2
Hog and pig farming	7	0.6	3	0.5
Poultry and egg production	22	1.8	2	0.3
Sheep and goat farming	24	2.0	2	0.4
Other animal production	62	5.2	13	2.5
Total	1,195	100.0	505	100.0

Source: Statistics Canada. Table 32-10-0231-01

¹ PEI's geographic area is 1.4 million acres. PEI is the smallest province in the country, representing less than 0.1% of Canada's land area (Statistics Canada, 2016).

PEI farms are distributed across the province, with 49% in Queens County, 34% in Prince County, and 17% in Kings County. While farms exist in all three counties, distinct patterns in agricultural activity emerge. Queens County has a significant concentration of dairy and cattle farming, Prince County is the hub for potato farming, and Kings County is notable for its fruit farms. This distribution reflects historical practices and regional specializations shaped by soil and climate. The diversity of farming activities enhances productivity, sustains rural communities, and contributes to the province's economic resilience. Figure 1 provides a detailed breakdown of farm distribution by type and county.

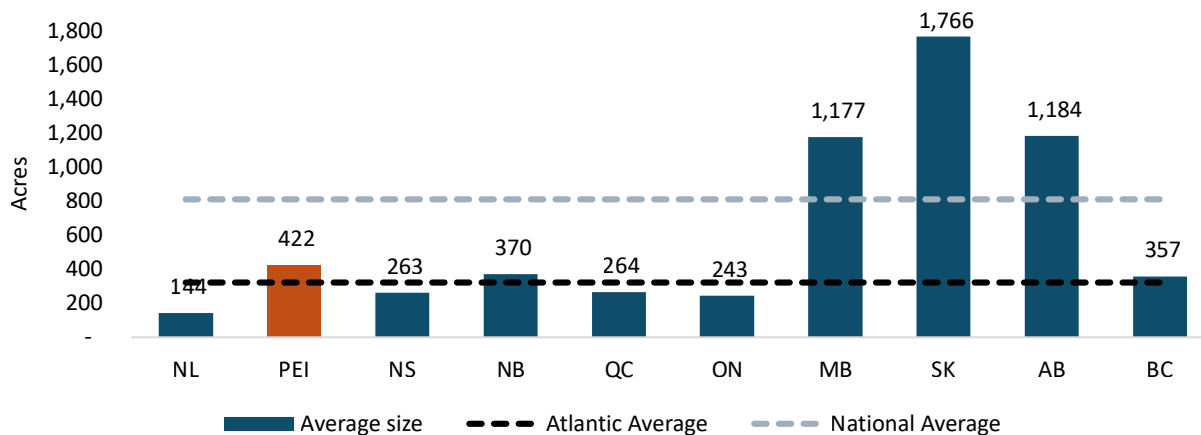
FIGURE 1. DISTRIBUTION OF PEI FARMS BY TYPE AND COUNTY, 2021



Source: Statistics Canada. Table 32-10-0231-01

The average farm size in PEI is smaller than the national average but larger than the Atlantic provinces' average. As reported in the 2021 Census of Agriculture, the average farm in PEI covers 422 acres, significantly below the national average of 809 acres yet exceeding the Atlantic average of 322 acres (Figure 2).

FIGURE 2. AVERAGE FARM SIZE BY PROVINCE, 2021



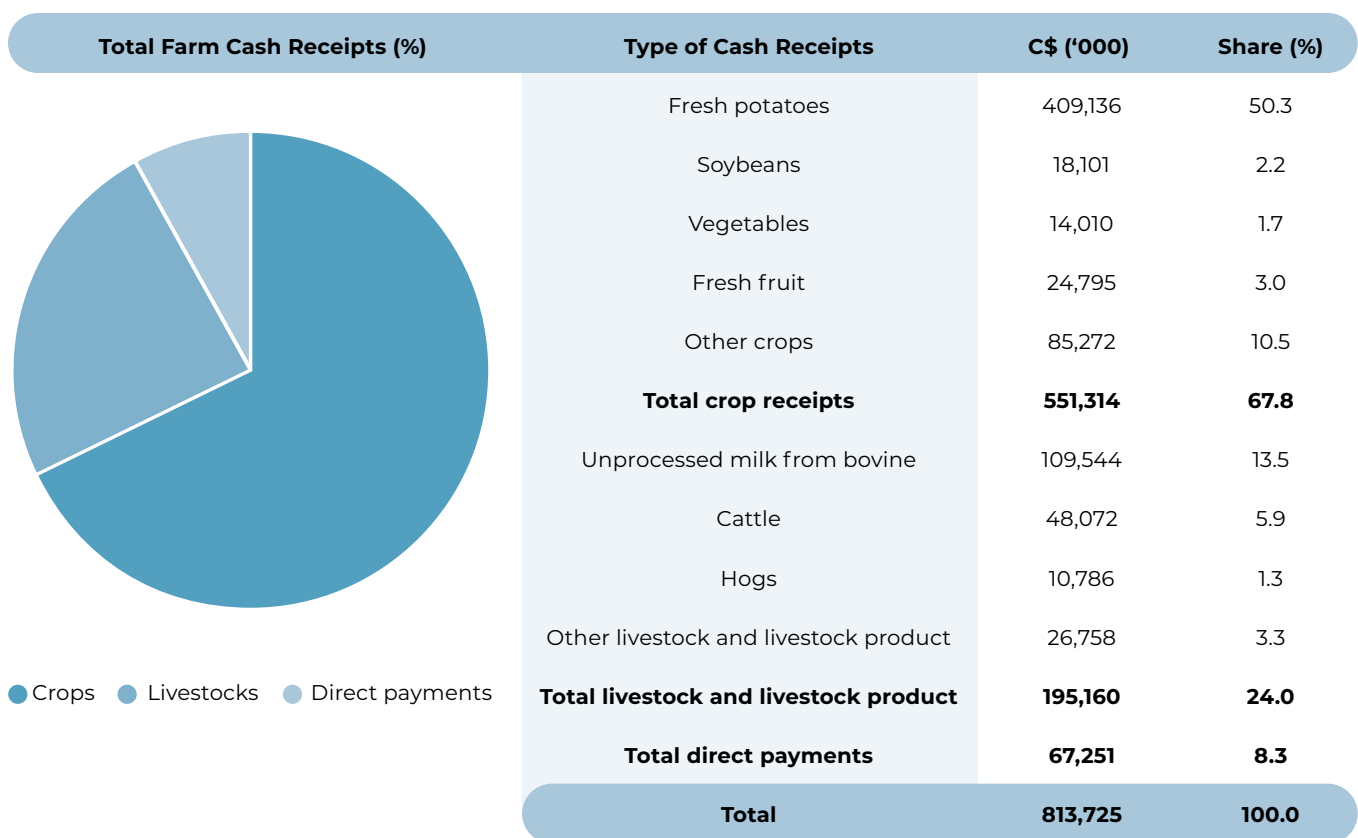
Source: Statistics Canada. Statistics Canada. Table 32-10-0153-01

Farm Cash Receipts

Farm cash receipts (FCRs)¹ in Prince Edward Island (PEI) have grown significantly in recent years. In 2023, PEI's total FCRs reached C\$814 million, an increase from C\$544 million in 2019. Of the 2023 total, crop receipts accounted for approximately 68%, livestock receipts contributed 24%, and direct payments represented 8%.

As expected, fresh potatoes were the largest contributor, comprising approximately 50% of the province's total FCRs and 21% of Canada's total fresh potato FCRs. This underscores the critical importance of potatoes to both the provincial and national economies. Milk also played a significant role, with FCRs for milk totaling C\$110 million in 2023. This represented 13% of the province's total FCRs and over 56% of livestock and livestock product receipts. Figure 3 provides a snapshot of PEI's 2023 FCRs, emphasizing the major contributors.

FIGURE 3. PEI FARM CASH RECEIPTS, 2023



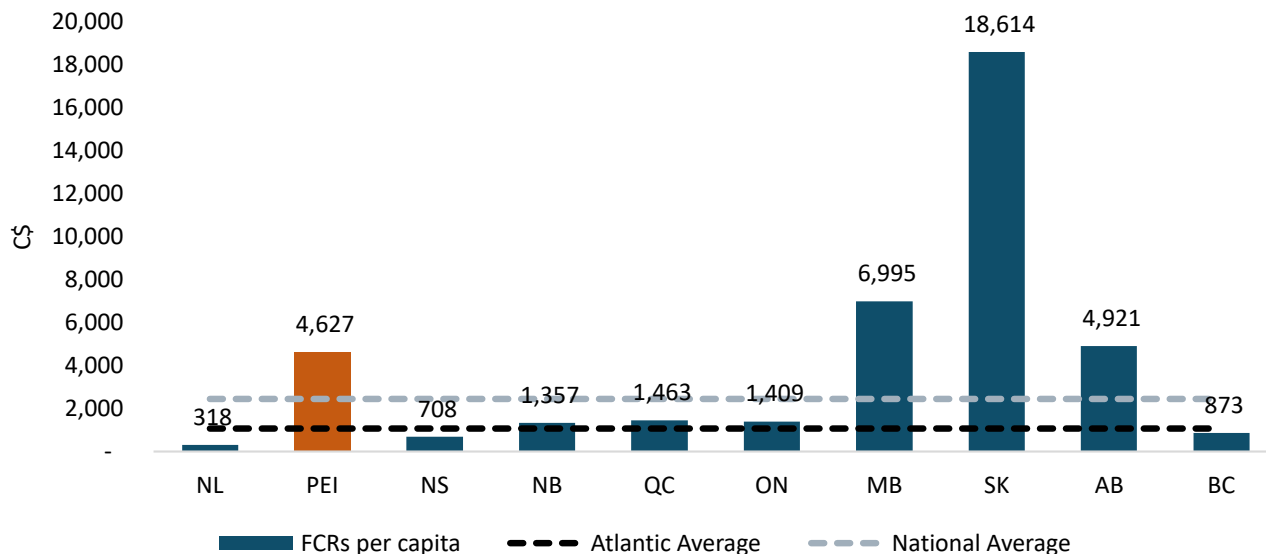
Source: Statistics Canada. Table 32-10-0045-01

Despite its small geographic size, PEI's total FCRs surpass those of Newfoundland and Labrador and Nova Scotia. When viewed in terms of population and size, PEI's FCRs per capita stand out significantly. In 2023, PEI's FCRs per capita were C\$4,627, ranking fourth in Canada after Saskatchewan, Manitoba, and Alberta. This figure is more than four times the Atlantic average (C\$1,098) and nearly double the national average of C\$2,454.

These figures also underscore the pivotal role agriculture plays in sustaining PEI's economy while contributing meaningfully to the broader national economy. Despite its modest size, PEI's agricultural sector punches above its weight in productivity and output. Figure 4 illustrates FCRs per capita across Canadian provinces alongside the national and Atlantic averages for 2023.

² FCRs include revenues from the sale of agricultural commodities as well as direct program payments made to support or subsidize the agriculture sector (Statistics Canada, 2024).

FIGURE 4. FARM CASH RECEIPTS PER CAPITA ACROSS CANADIAN PROVINCES, 2023



Food Processing in PEI: Key Sectors and Contributions

Food processing complements primary agricultural activities on the island and represents a major economic contributor and job creator for the province. The key food processing industries in PEI include potato processing, dairy processing, beef processing, and fruit processing, each playing a significant role in driving the province's economy.¹

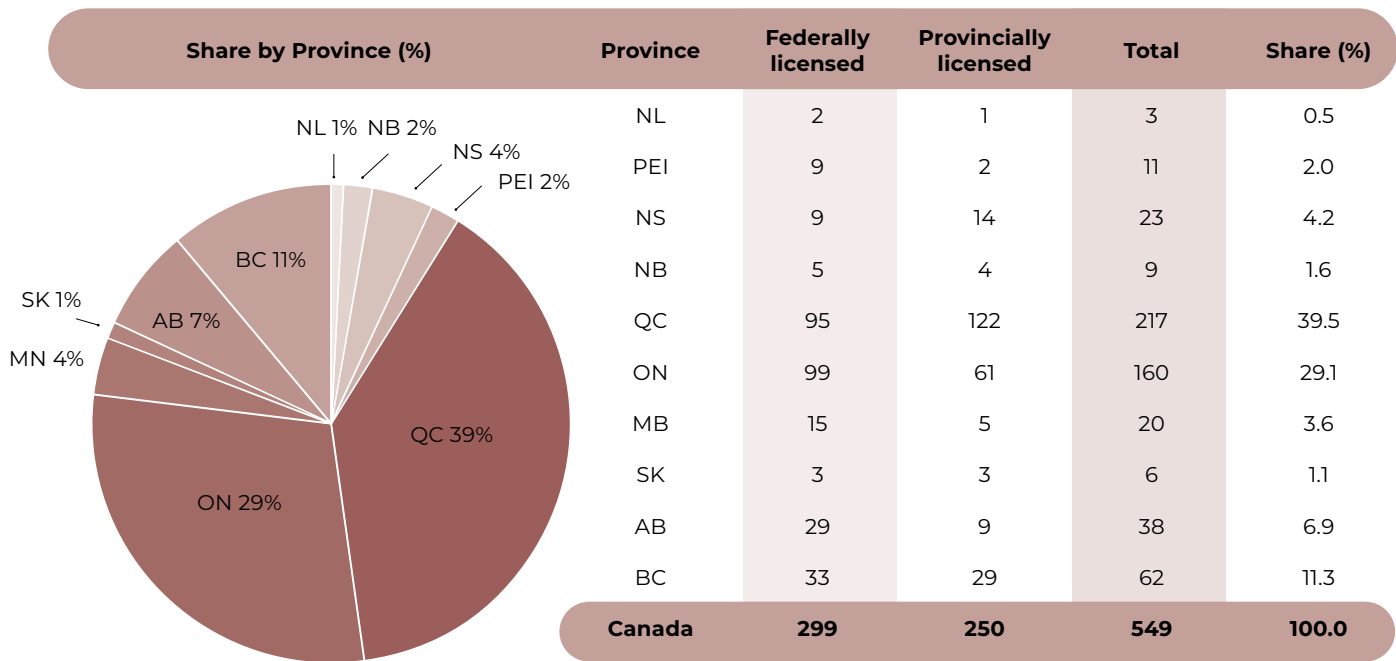
Potato processing is the cornerstone of PEI's food processing industry, with approximately 60% of the total potatoes grown on the island used for processing both locally and off-island. The majority of PEI's processing potatoes are sold to Cavendish Farms Corporation,² which primarily produces and supplies frozen potato products (Government of PEI, 2020a). This sector underscores the critical economic importance of potatoes in PEI, creating value-added products that support both local and export markets.

The dairy sector is another vital component of PEI's food processing industry, contributing significantly to the island's economy. The sector operates under Canada's unique supply management system, which is based on planned domestic production, administered pricing, and import controls for dairy products (AAFC, 2021). In 2024, PEI was home to 11 licensed dairy establishments, representing about 2% of all Canadian dairy facilities (AAFC, 2024a). Amalgamated Dairies Limited (ADL), PEI's largest dairy processor, is entirely owned by the province's dairy producers. ADL processes nearly 100 million liters of fresh milk annually into a diverse range of products, including ice cream, butter, various types of cheese, and condensed and dried milk. Figure 5 illustrates the distribution of federally and provincially licensed Canadian dairy establishments across provinces in 2024, showcasing PEI's contributions to the dairy processing industry.

¹ Seafood processing represents a major industry in the province; however, it falls outside the scope of this report.

² Cavendish Farms is the 4th largest processor of frozen potato products in North America (Cavendish Farms Corp., 2024).

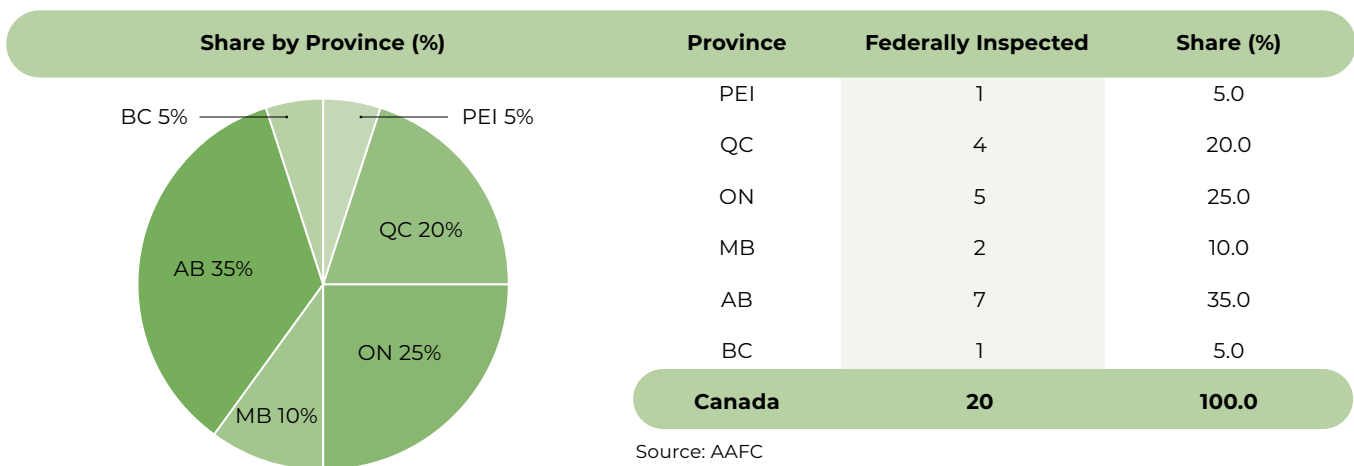
FIGURE 5. DISTRIBUTION OF LICENSED DAIRY ESTABLISHMENT BY PROVINCE, 2024



Source: AAFC

Meat processing also plays a pivotal role in PEI’s economy. The province is home to Atlantic Beef Products Inc., the only federally inspected cattle processing facility in Atlantic Canada and one of only 20 such facilities in the entire country (AAFC, 2024b). Despite its small geographic size, PEI provides essential beef processing services to farms across the Atlantic provinces and supplies products to customers nationwide. Figure 6 shows the distribution of federally inspected cattle processing facilities in Canada, with PEI’s Atlantic Beef Products Inc. holding a unique position in the region.

FIGURE 6. DISTRIBUTION OF FEDERALLY INSPECTED CATTLE SLAUGHTER PLANTS BY PROVINCE, 2024



Source: AAFC

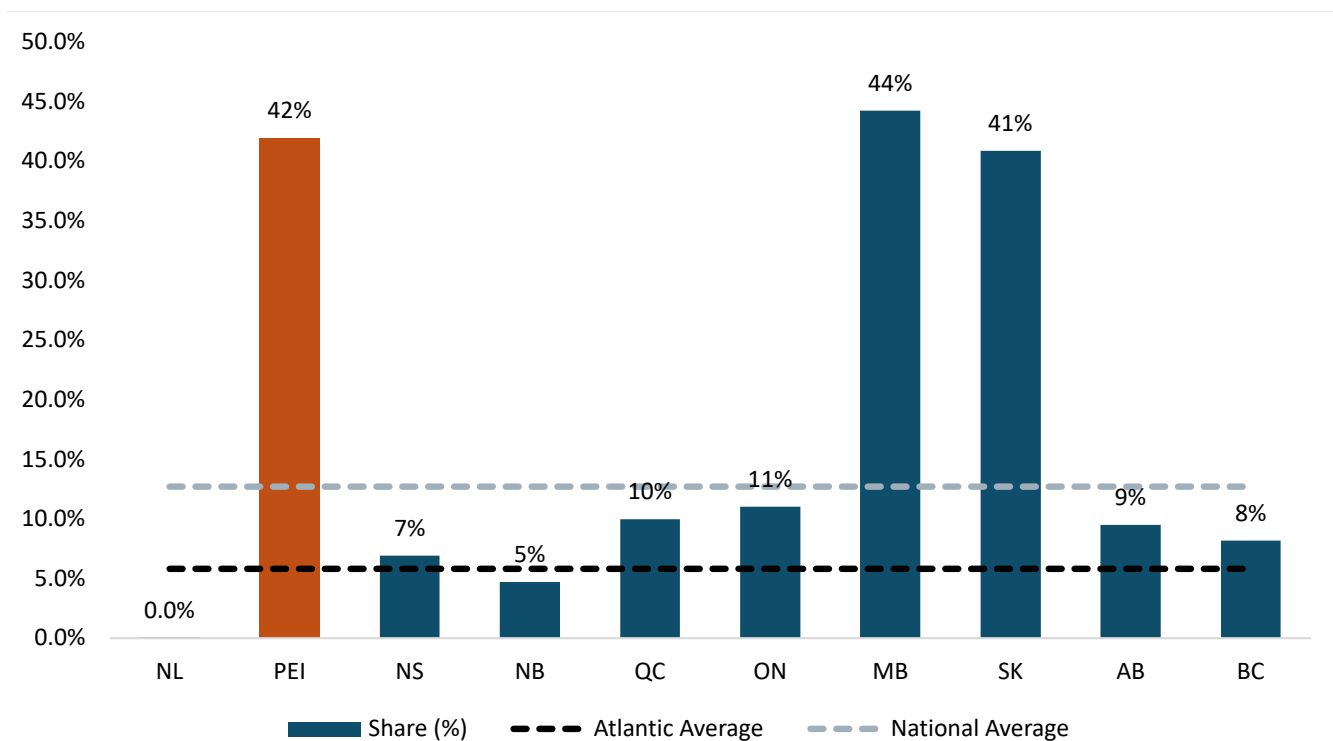
The fruit processing industry in PEI is dominated by wild blueberry processing. The province is recognized for its wild blueberries, as it is one of the few regions in North America where low-bush wild blueberries thrive. Alongside New Brunswick, Nova Scotia, Newfoundland, Northern Quebec, Northern Ontario, and Maine, PEI contributes to this niche agricultural sector. A significant portion of PEI’s wild blueberries is processed locally and exported. Jasper Wyman and Son Canada Inc., a prominent blueberry processor located on PEI, manages thousands of acres of blueberry land across the Maritimes. While blueberries are its primary focus, the company also processes other fruit products, including cranberries, strawberries, blackberries, and raspberries (Canada Food Island, n.d.).

International Exports

PEI's agricultural and agri-food industry is highly export-oriented, including both primary agricultural commodities and processed food products. In 2024, the province's agricultural and agri-food exports surpassed C\$1 billion for the second consecutive year, more than doubling the C\$473 million recorded in 2019. This remarkable growth underscores advancements in agri-food processing, increasing global demand, and successful integration into international markets. Agricultural and agri-food exports accounted for approximately 42% of PEI's total international exports—ranking second after Manitoba—far surpassing the Atlantic average of 6% and the national average of 13%. These figures highlight the pivotal role of agriculture and agri-food in PEI's economy as a cornerstone of trade and economic activity. Figure 7 illustrates the share of agricultural and agri-food exports in total exports by province.

FIGURE 7.

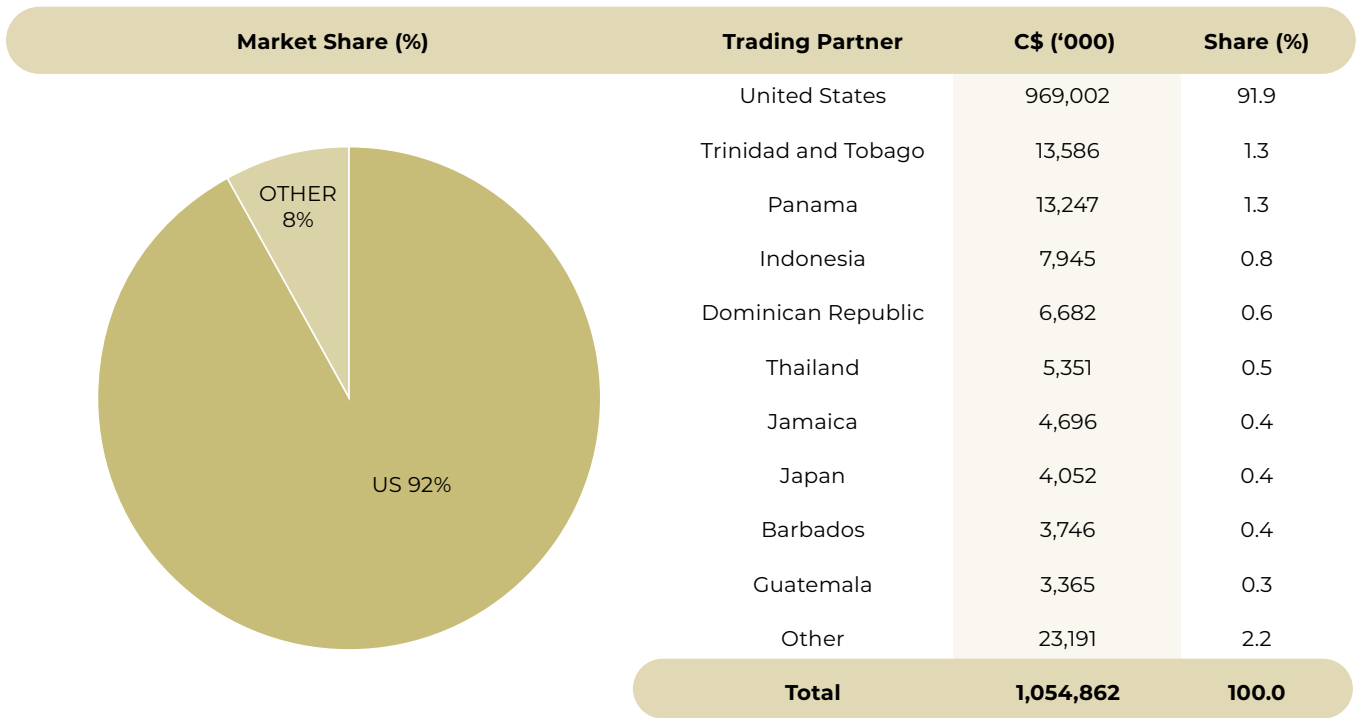
SHARE OF AGRICULTURAL AND AGRI-FOOD EXPORTS IN TOTAL EXPORTS BY PROVINCE, 2024



Source: Trade Data Online

In 2024, PEI exported agricultural and agri-food products to 48 countries. The United States (U.S.) remained the province's largest trading partner, accounting for 92% (C\$969 million) of total agricultural and agri-food exports. Other significant markets included Trinidad and Tobago, Panama, Indonesia, the Dominican Republic, Thailand, Jamaica, Japan, Barbados, and Guatemala. These partnerships underscore PEI's strong integration into global markets and its ability to meet growing international demand for high-quality agricultural and food products. Although the U.S. dominates PEI's exports, the province's presence in diverse global markets signals potential for reducing dependency on a single trading partner. Figure 8 illustrates PEI's top ten agricultural and agri-food export markets in 2024, along with their respective shares.

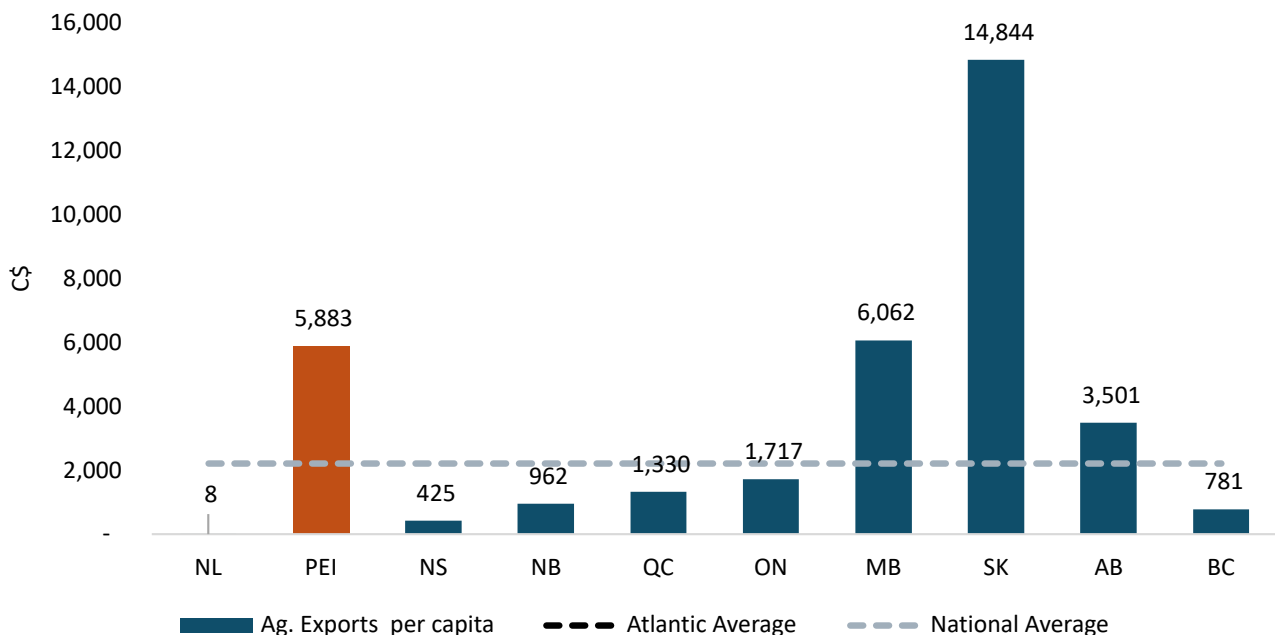
FIGURE 8. TOP TEN AGRICULTURAL AND AGRI-FOOD EXPORT MARKETS FOR PEI, 2024



Source: Trade Data Online

Although PEI's agricultural and agri-food exports represent approximately 1.2% of Canada's total agricultural and agri-food exports, the province ranks third in the country for per capita exports, following Saskatchewan and Manitoba. In 2024, PEI's agricultural and agri-food exports per capita stood at C\$5,883—significantly higher than the Atlantic average of C\$880 and nearly three times the Canadian average. This exceptional per capita performance highlights the productivity of PEI's agricultural and agri-food sector, it also underscores the province's strategic focus on value-added production and high-quality outputs, which have resonated with global markets. Figure 9 illustrates agricultural and agri-food exports per capita across provinces in 2024.

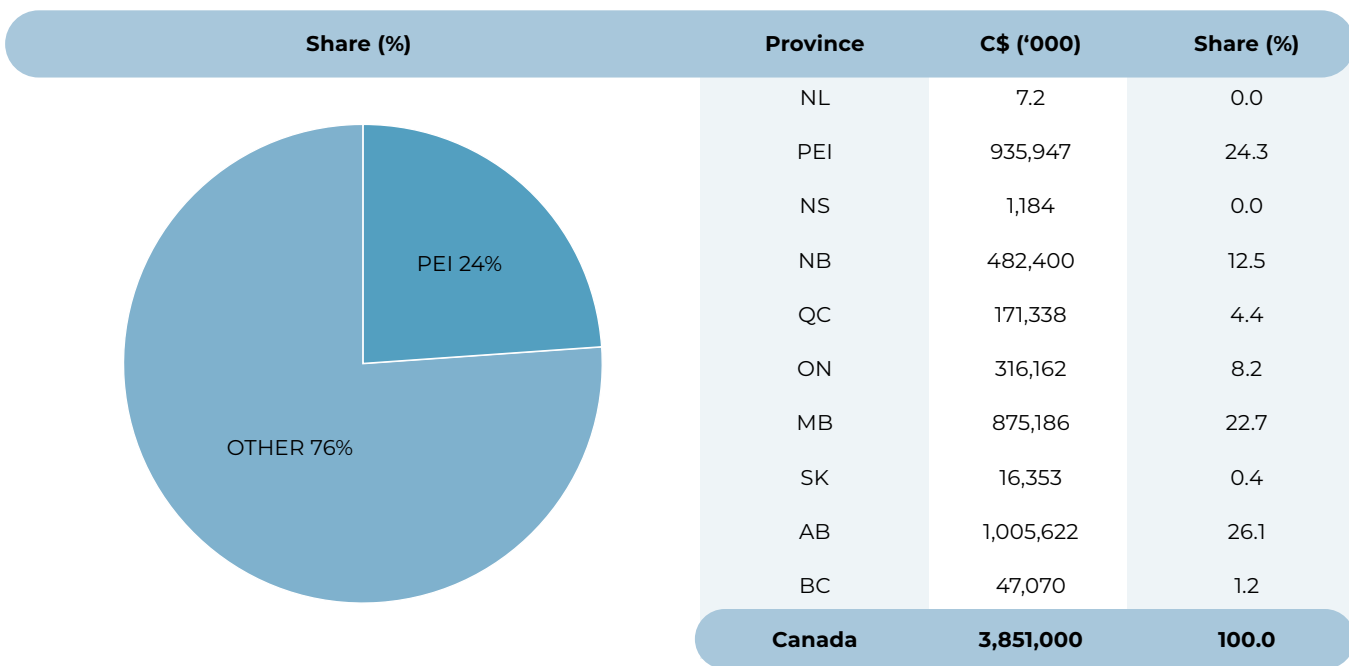
FIGURE 9. AGRICULTURAL AND AGRI-FOOD EXPORTS PER CAPITA BY PROVINCES, 2024



Source: Trade Data Online

PEI's agricultural and agri-food exports encompass a wide range of products, with fresh and processed potatoes accounting for approximately 89% of the province's total agricultural and agri-food exports. PEI plays a significant role in Canada's potato exports; in 2024, the province's potato exports represented roughly 24% of Canada's total potato exports (Figure 10). This dominance highlights the importance of potatoes not only as a staple crop but also as a key processed food product that meets international demand. Other notable exports include fresh and frozen blueberries, vegetables, grains, and animal products, demonstrating the province's ability to produce a diverse array of high-quality commodities.

FIGURE 10. POTATO INTERNATIONAL EXPORTS BY PROVINCE, 2024



Source: Trade Data Online

PEI's agricultural and agri-food industry's strong international trade performance underscores its significance as a cornerstone of the province's economy. With record-breaking export values exceeding C\$1 billion in 2024, a robust per capita ranking, and global trade partnerships spanning 48 countries, the industry has demonstrated remarkable resilience and adaptability in a competitive global marketplace. The dominance of potatoes, which account for 89% of total agricultural and agri-food exports, highlights the province's ability to leverage its strengths in traditional agriculture while supporting it with a strong food processing sector. PEI's ability to maintain strong ties with key trading partners like the U.S., while expanding into emerging markets in regions such as the Caribbean and Asia, reflects its potential to diversify trade and mitigate risks.

This export success not only reinforces PEI's position as a leader in the agricultural and agri-food sector but also creates ripple effects across related industries, such as transportation, logistics, and manufacturing. It supports rural communities by driving economic activity, sustaining livelihoods, and enhancing infrastructure. Furthermore, it positions PEI as a model for leveraging agriculture to achieve broader economic goals and inform strategies on trade and agriculture.

Building on this foundation, the subsequent analysis quantifies the economic impact of PEI's agricultural and agri-food industry, providing deeper insights into its contributions to GDP and job creation. By evaluating these metrics, the analysis will paint a comprehensive picture of how this pivotal sector drives prosperity and shapes the economic landscape of PEI.

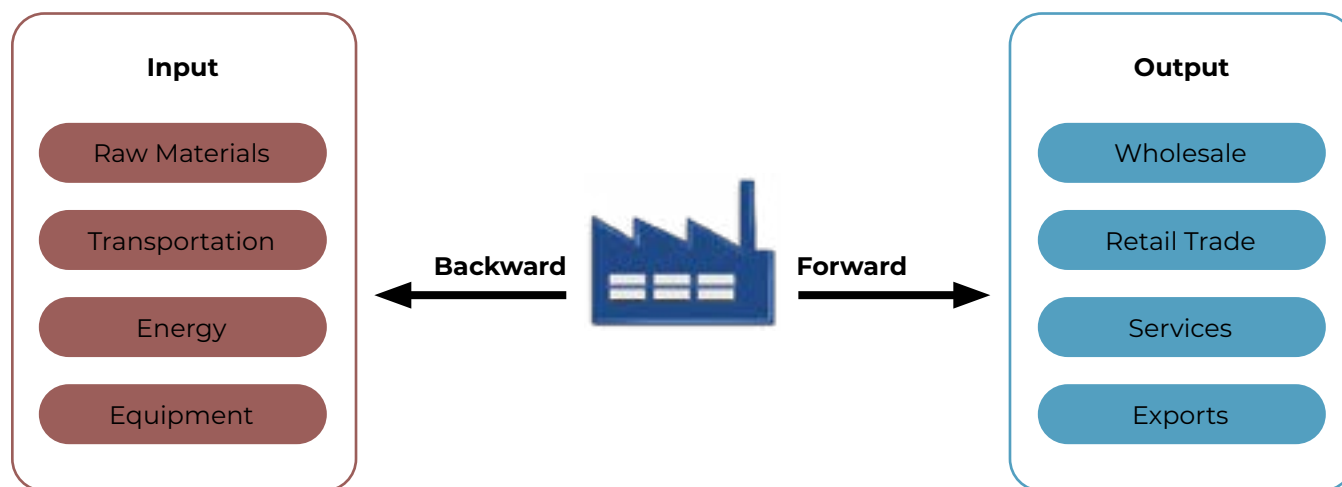
Economic Impact Analysis: Methodology and Data

Overview

The Economic Impact Analysis (EIA) in this study aims to quantify the economic contribution of PEI's agricultural and agri-food industry to both the provincial and national economies. To accurately assess the economic contribution of a sector, it is essential to consider its backward and forward economic linkages, as industries operate within a broader economic ecosystem, interconnected with other sectors.

Backward linkages refer to the industries that supply inputs necessary for the operation of a particular sector. These could include raw materials, intermediate goods, equipment, or services directly utilized in production. Forward linkages, on the other hand, describe the industries or sectors that purchase or utilize the outputs produced, either as intermediate inputs for further production or as final goods for consumption (Davis et al., 2002). Together, these linkages create a ripple effect, amplifying the economic impact of the sector across the entire economy. For example, in the case of a food processing facility, backward-linked activities include farming, feed production, transportation services, and equipment manufacturing. These industries provide the essential inputs and services that enable the facility to operate efficiently. Forward-linked activities, in contrast, involve the industries that use the outputs of food processing, such as wholesale and retail trade, foodservice businesses (restaurants and catering), and export markets. Each linkage extends the reach of the agricultural and agri-food industry, generating value and employment far beyond its immediate operations. Figure 11 presents a visual illustration of backward and forward linkages within an economic system.

FIGURE 11. ECONOMIC BACKWARD AND FORWARD LINKAGES



Statistics discussed in the previous sections underscore the significant role of the agricultural and agri-food industry in PEI's economy. However, to fully capture the industry's economic impact, this study employs input-output (IO) modelling, a widely used methodology for estimating the economic contribution of a sector or activity to the domestic economy (Miller & Blair, 2009). By incorporating these interconnections into the analysis, the EIA evaluates not only the direct economic contribution of PEI's agricultural and agri-food industry but also its indirect and induced effects.

Methodology at A Glance

IO models are quantitative tools used to trace the interdependencies between sectors in an economy. These models facilitate the analysis of relationships among economic sectors and their backward and forward linkages, including interactions with final consumers such as households and governments (ten Raa, 2009). This study employs Statistics Canada's 2021 provincial supply and use tables (SUTs) to measure the economic impact of PEI's agricultural and agri-food industry on both provincial and national economies. Key economic indicators assessed include output, GDP, labor income, and employment.

IO modeling captures the comprehensive economic impact by accounting for three types of effects (Pleeter, 1980):

- i. Direct economic impact refers to the immediate effects resulting from the operations of a specific economic activity. For example, this includes the employment generated within a food processing facility and the direct sales of its products.
- ii. Indirect economic impact reflects the effects on other sectors that supply goods or services to the primary activity. For instance, a food processing facility's purchase of inputs, such as raw agricultural products from farms, creates indirect impacts on the farming sector, including job creation and increased demand for agricultural inputs.
- iii. Induced economic impact accounts for the economic activity generated by the spending of income earned by workers throughout the value chain. For example, employees of a food processing facility use their wages to purchase goods and services, thereby stimulating demand in sectors like retail, housing, and transportation.

Collectively, these direct, indirect, and induced effects form the total economic impact of a sector or industry within an economy. Through IO modeling, this study offers a comprehensive evaluation of the agricultural and agri-food industry's role as a key driver of economic activity, employment, and income in both PEI and Canada.

Data Sources

This study relies on Statistics Canada's 2021 provincial SUTs and IO multipliers for the corresponding year. While Statistics Canada provides data at both national and provincial levels, there is a four-year lag in publication; hence, the 2021 tables are used in this analysis. The SUTs provide a detailed snapshot of all economic activities within the province and across the country by tracing production—both domestic and imported—and their allocation as intermediate inputs, final consumption, or exports. Moreover, the SUTs detail the flow of goods and services between industries, offering a complete view of regional economic interdependencies.

Sectors Included

The agricultural and agri-food industry comprises two broad sectors that are deeply integrated into the economy. Primary agriculture, which includes farming and farm support activities, serves as the foundation of this industry, while value-added activities, such as potato and meat processing, represent another critical component.

This study incorporates two main sectors, each encompassing several subsectors: (i) primary agriculture, including crop and animal production and their support activities, and (ii) value-added, including food processing, such as crop and meat processing. A detailed map of PEI's agricultural and agri-food industry, including its categories and subcategories, is provided in Appendix A.

Economic Impact Analysis: Results and Discussion

This section presents the results of the economic impact analysis, focusing on the direct, indirect, induced, and total contributions of PEI's agricultural and agri-food industry in 2021. The analysis evaluates the sector's impact on key economic metrics:

- i. Output: The total value of goods and services produced by PEI's agricultural and agri-food industry.
- ii. GDP: The additional value generated by the sector, reflecting its value-added contribution to the economy.
- iii. Labour Income: The total compensation paid to workers in the industry and its related economic activities.
- iv. Employment: Reflects the employment impact of economic activities, expressed in full-time equivalent (FTE) jobs. FTE jobs account for both full-time and part-time positions by converting them into a full-time equivalence based on average hours worked and is calculated as total hours worked divided by average annual hours worked in full-time jobs (Statistics Canada, 2015).

Data Adjustments

To accurately estimate the overall impact of the agricultural and agri-food industry, it is essential to eliminate double counting of backward linkages to farming when calculating the indirect impacts of the value-added sector. A significant portion of the indirect economic activity associated with the value-added sector represents direct activity in farming. To address this, purchases from the primary agriculture sector are set to zero when estimating the economic impact of the value-added sector, ensuring that farming's contribution is not counted twice. This approach, while necessary to avoid double counting, can understate the economic contribution of the value-added sector. To balance this limitation, this study reports the impact of the value-added sector, including its purchases from primary agriculture. However, when presenting the total economic impact of the agricultural and agri-food industry, the contribution of primary agriculture to the value-added sector is excluded. As a result, the total industry impact is not simply the sum of the primary agriculture and value-added sector impacts, but a refined estimate that accounts for inter-sectoral linkages.

Economic Impact

Table 2 provides a summary of the direct, indirect, induced, and total economic impacts of PEI's agricultural and agri-food industry on the economy of PEI in terms of output, GDP, labor income, and employment. For a more detailed breakdown, Appendix B illustrates the economic impacts by category on PEI's economy, Appendix C details the impact on the and the rest of Canada (RoC) economy, and Appendix D presents the total economic impact on Canada as a whole.

TABLE 2.

ECONOMIC IMPACT OF PEI'S AGRICULTURAL AND AGRI-FOOD INDUSTRY ON PEI'S ECONOMY, 2021

Primary Agriculture				
Economic Indicator	Direct	Indirect	Induced	Total
Output (C\$'000)	1,052,848	430,864	142,977	1,626,689
GDP (C\$'000)	423,205	209,765	93,846	726,817
Labour income (C\$'000)	219,967	112,652	34,724	367,343
Jobs (FTE)	5,745	2,388	826	8,920
Value-Added				
Economic Indicator	Direct	Indirect	Induced	Total
Output (C\$'000)	1,412,296	739,725	137,921	2,289,905
GDP (C\$'000)	370,230	310,008	90,824	771,063
Labour income (C\$'000)	158,065	165,495	33,774	357,333
Jobs (FTE)	3,126	4,154	799	8,079
Agricultural and Agri-Food Industry (Total)*				
Economic Indicator	Direct	Indirect	Induced	Total
Output (C\$'000)	2,037,114	920,269	241,412	3,198,758
GDP (C\$'000)	672,282	420,307	158,573	1,251,162
Labour income (C\$'000)	338,320	224,106	58,847	621,273
Jobs (FTE)	8,308	5,129	1,396	14,795

* The total industry impact has been adjusted to remove double counting between primary agriculture and value-added. As a result, the total impact is not a direct sum of the individual sector impacts but reflects the net contribution of the entire agricultural and agri-food industry.

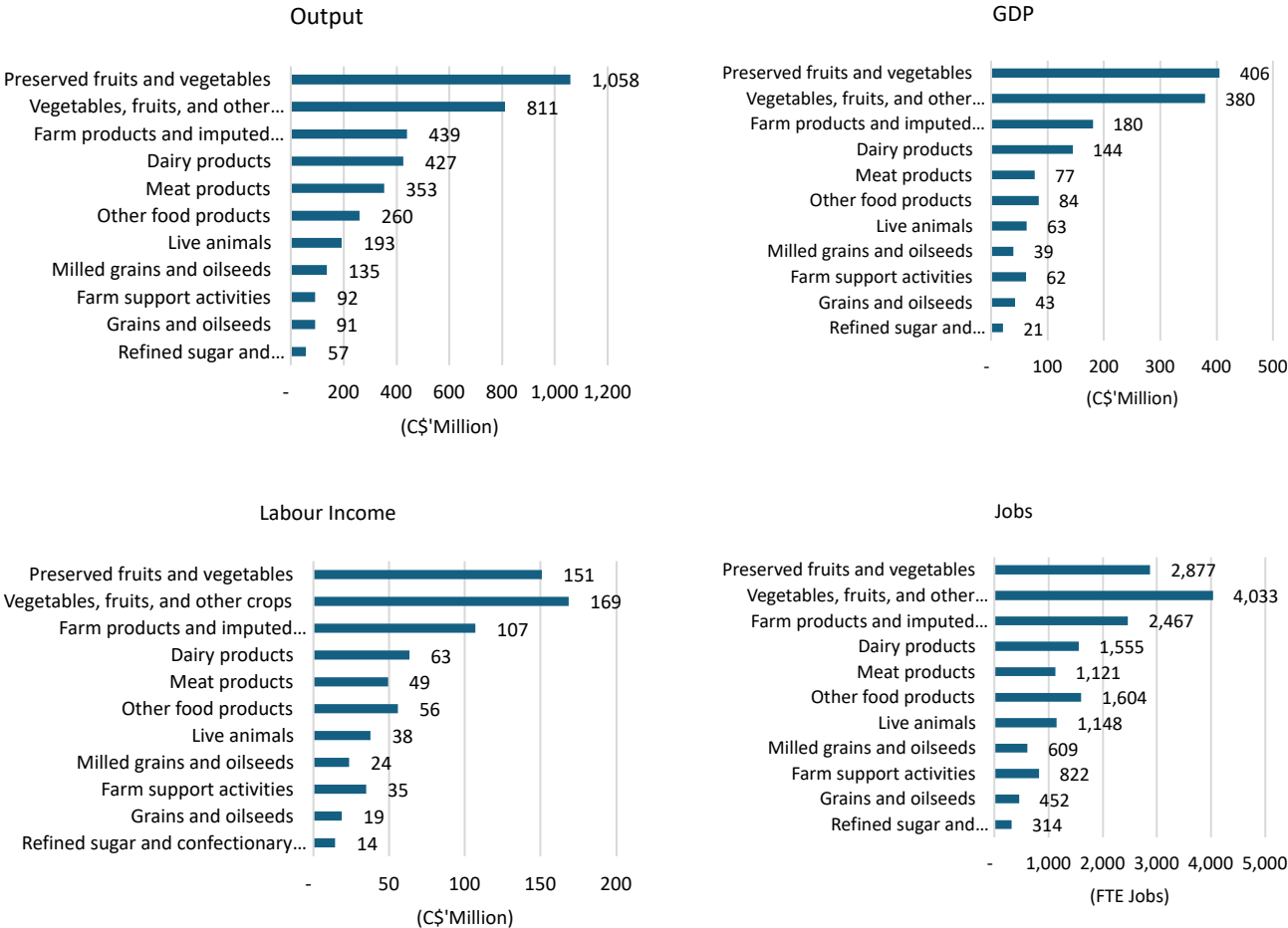
The results of the EIA for 2021 reveal that PEI's agricultural and agri-food industry made substantial contributions to the provincial economy. Table 2 summarizes these contributions across direct, indirect, and induced impacts in terms of output, GDP, labour income, and employment. Specifically, the industry's direct effects contributed approximately C\$2 billion in output, C\$672.3 million to GDP, C\$338.3 million in labour income, and generated 8,308 FTE jobs. Through its linkages with other sectors, the industry indirectly generated an additional C\$920.3 million in output, C\$420.4 million in GDP, C\$224.1 million in labour income, and supported 5,129 FTE jobs. Induced effects—arising from the spending of income by employees—added C\$241.4 million in output, C\$158.6 million in GDP, C\$58.8 million in labour income, and

created 1,396 FTE jobs. In total, the industry contributed approximately C\$3.2 billion in output, C\$1.3 billion to GDP, C\$621.3 million in labour income, and 14,795 FTE jobs to PEI's economy in 2021. These figures underscore the critical role the industry plays as a driver of economic activity, employment, and income in the province.

Further analysis shows that both primary agriculture and value-added sectors contribute significantly to the economy. The analysis indicated that in 2021, the primary agriculture sector contributed approximately C\$1.6 billion in output, C\$726.8 million to provincial GDP, C\$367.3 million in labour income, and generated 8,920 FTE jobs.

Figure 12 provides a visual representation of the total economic contributions of PEI's agricultural and agri-food industry (direct, indirect, and induced), disaggregated by category, offering a clearer view of the industry's impact across the economy. Notably, potato and fruit processing is the leading contributor to output and GDP, highlighting the significant value-added through processing activities that transform raw agricultural products into higher-value goods. In contrast, crop farming is the largest contributor to labour income and job generation, reflecting its labour-intensive nature. This dynamic illustrates the complementary roles of primary agriculture and value-added processing, with farming serving as the foundation of the industry while processing enhances overall economic value and efficiency.

FIGURE 12.
PEI'S AGRICULTURAL AND AGRI-FOOD INDUSTRY: TOTAL ECONOMIC IMPACT BY CATEGORY, 2021



The economic impact of PEI's agricultural and agri-food industry extends beyond the province. Through indirect and induced linkages, the industry contributed approximately C\$1.6 billion in output to other provinces, increased their GDP by C\$717.2 million, generated C\$369 million in labour income, and supported 6,023 FTE jobs. This spillover effect highlights the industry's integration into national supply chains, as PEI's agricultural products and processed goods drive economic activity across Canada through trade, transportation, and input demand. Appendix C provides a detailed breakdown of these impacts on the RoC economy, while Appendix D summarizes the total economic impact of the industry, encompassing both provincial and RoC economies.

Agricultural and Agri-Food Industry in PEI's Economic Context

The economic impact analysis highlights the critical role of the agricultural and agri-food industry in PEI's economy. To contextualize these findings, Figure 13 visually represents the industry's direct and total contributions to the province's GDP, broken down by sector (i.e., primary agriculture and value-added processing). The results indicate that the industry's direct contribution to PEI's GDP accounts for 9% of the total provincial GDP. However, when factoring in indirect and induced impact, the industry's total contribution rises to 16%, underscoring its far-reaching economic influence beyond primary production.

FIGURE 13.

PEI'S AGRICULTURAL AND AGRI-FOOD INDUSTRY CONTRIBUTIONS TO PROVINCIAL GDP, 2021



Multipliers

The economic multipliers for PEI's agricultural and agri-food industry, summarized in Table 3⁵, provide critical insights into the industry's broader impact on the provincial economy. These multipliers measure how initial economic activity in the industry generates additional benefits through supply chain interactions (indirect effects) and household spending (induced effects). Understanding these relationships is essential for evaluating industry trends, assessing growth potential, and identifying investment opportunities.

Table 3 illustrates PEI's agricultural and agri-food industry multipliers, broken down by primary agriculture, value-added, and the industry as a whole.

TABLE 3. MULTIPLIERS OF PEI'S AGRICULTURAL AND AGRI-FOOD INDUSTRY, 2021

Primary Agriculture				
Economic Indicator	Direct	Indirect	Induced	Total
Output multiplier	1.00	0.41	0.14	1.55
GDP/ (C\$1 million)	401,962	199,236	89,135	690,334
Labour income/ (C\$1 million)	208,926	106,997	32,981	348,904
Jobs (FTE)/ (C\$1 million)	5.46	2.27	0.78	8.47
Value-Added				
Economic Indicator	Direct	Indirect	Induced	Total
Output multiplier	1.00	0.52	0.10	1.62
GDP/ (C\$1 million)	262,148	219,506	64,309	545,964
Labour income/ (C\$1 million)	111,921	117,182	23,914	253,016
Jobs (FTE)/ (C\$1 million)	2.21	2.94	0.57	5.72
Agricultural and Agri-Food Industry (Total)				
Economic Indicator	Direct	Indirect	Induced	Total
Output multiplier	1.00	0.45	0.12	1.57
GDP/ (C\$1 million)	330,017	206,325	77,842	614,184
Labour income/ (C\$1 million)	166,079	110,011	28,887	304,977
Jobs (FTE)/ (C\$1 million)	4.08	2.52	0.69	7.26

The output multipliers indicate how much total economic activity is generated for every dollar of industry output. For primary agriculture, every C\$1 million in direct output leads to an additional C\$410,000 in indirect impacts as businesses supplying goods and services to the sector experience increased demand. An additional C\$140,000 is generated through induced effects, which arise from employees spending their earnings within the local economy. This results in a total impact of C\$1.55 million for every C\$1 million of primary agriculture output.

⁵ Table 3 presents the overall multipliers for PEI's agricultural and agri-food industry, along with a breakdown by sector (i.e., primary agriculture and value-added processing). Multipliers for specific categories or subcategories may differ from these aggregate values.

The value-added sector of the industry, which includes food processing, has a higher total impact, with an indirect multiplier of 0.52 and an induced multiplier of 0.10, leading to a total output multiplier of 1.62. This suggests that value-added activities, such as food processing, contribute significantly to economic expansion compared to primary agriculture alone.

Beyond output, GDP multipliers provide a measure of how much economic value is added for every dollar of industry output. The analysis shows that for every C\$1 million in total industry output, C\$330,017 is directly added to PEI's GDP, while an additional C\$206,325 is generated indirectly through supply chain activities. An additional C\$77,842 is created through induced effects, bringing the total GDP impact to C\$614,184 per C\$1 million of industry output. A closer examination reveals that the value-added sector has a higher indirect GDP impact, highlighting its role in increasing overall economic efficiency by processing raw agricultural goods into higher-value products.

Labour income multipliers further underscore the industry's importance in generating wages and salaries across PEI's economy. For every C\$1 million in gross industry income, approximately C\$166,079 is paid directly to workers within the agricultural and agri-food industry. Another C\$110,011 is earned by employees in industries that supply goods and services to the agricultural and agri-food industry, and C\$28,887 is generated through induced effects. In total, the industry contributes C\$304,977 in labour income for every C\$1 million in industry output. This demonstrates that, beyond its direct employment effects, the industry has significant spillover benefits for workers in other industries, such as transportation, equipment manufacturing, and retail services.

Employment multipliers illustrate how the industry drives job creation. For every C\$1 million in agricultural and agri-food industry output, 4 FTE jobs are created directly within the industry. Additionally, approximately 3 FTE jobs are supported indirectly in industries that provide inputs such as fertilizers, machinery, and transportation services. A further 1 FTE job is generated through induced effects, as increased wages and spending by industry employees stimulate demand for goods and services across the economy. Altogether, for every C\$1 million in industry output, approximately 7 FTE jobs are created in PEI's economy. Notably, primary agriculture has a higher employment multiplier than value-added, reflecting the labour-intensive nature of primary agriculture sector.

Overall, these multipliers highlight the extensive economic footprint of PEI's agricultural and agri-food industry. The industry not only contributes directly to provincial GDP, employment, and labor income but also stimulates broader economic activity through its linkages with other industries and the spending power of its workforce. These findings reinforce the industry's role as a key driver of economic growth and resilience in PEI, with implications for policy decisions, investment strategies, and workforce development initiatives aimed at maximizing its contributions to the broader economy.

Historical Trends and Future Growth Trajectory

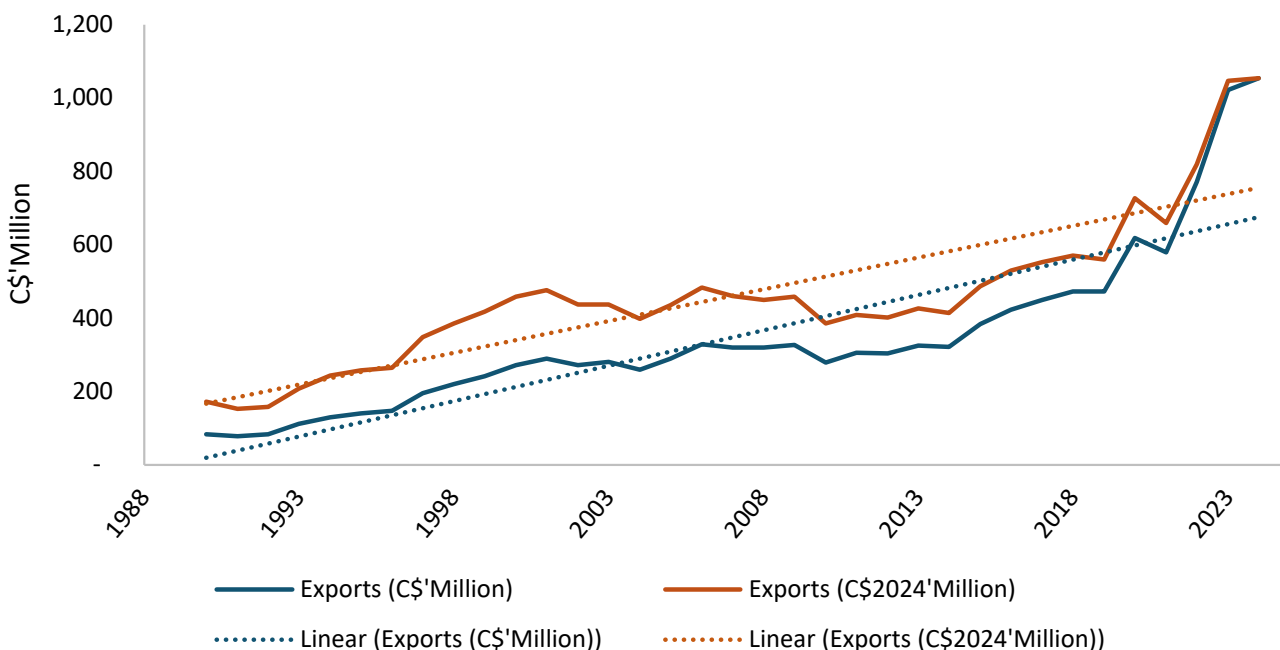
The agricultural and agri-food industry has long been a cornerstone of PEI's economy, evolving in response to market demands, technological advancements, and policy changes. This section provides a detailed analysis of historical trends and the projected growth trajectory of the industry through 2030. Specifically, it examines historical export patterns and industry output, offering insights into past performance and future prospects.

Exports: Historical Patterns and Growth Trajectory

PEI's agricultural and agri-food exports have grown substantially over the past decades, reflecting the industry's increasing integration into global markets. In 2024, exports reached an all-time high, surpassing C\$1 billion for the second consecutive year—underscoring the sector's resilience and expanding market reach. Over time, PEI's agricultural and agri-food exports have experienced significant real expansion, driven by both increased production and greater global market accessibility. When adjusted for inflation, the real value of these exports has grown by over 500% when comparing 2024 to 1990, demonstrating the industry's long-term growth over the past three decades. Additionally, between 2015 and 2024, real exports increased by 117%, reflecting strong recent growth.

This sustained expansion has been supported by several factors, including rising global demand for PEI's agricultural products, improved market access, advancements in processing and supply chain efficiencies, and innovations in agricultural technology that have enhanced yields and production efficiency. Figure 14 illustrates PEI's agricultural and agri-food exports in both nominal and real terms (adjusted for inflation) from 1990 to 2024, highlighting the sector's sustained growth over the past three decades.

FIGURE 14.
PEI'S AGRICULTURAL AND AGRI-FOOD EXPORTS IN NOMINAL AND REAL VALUES, 1990–2024

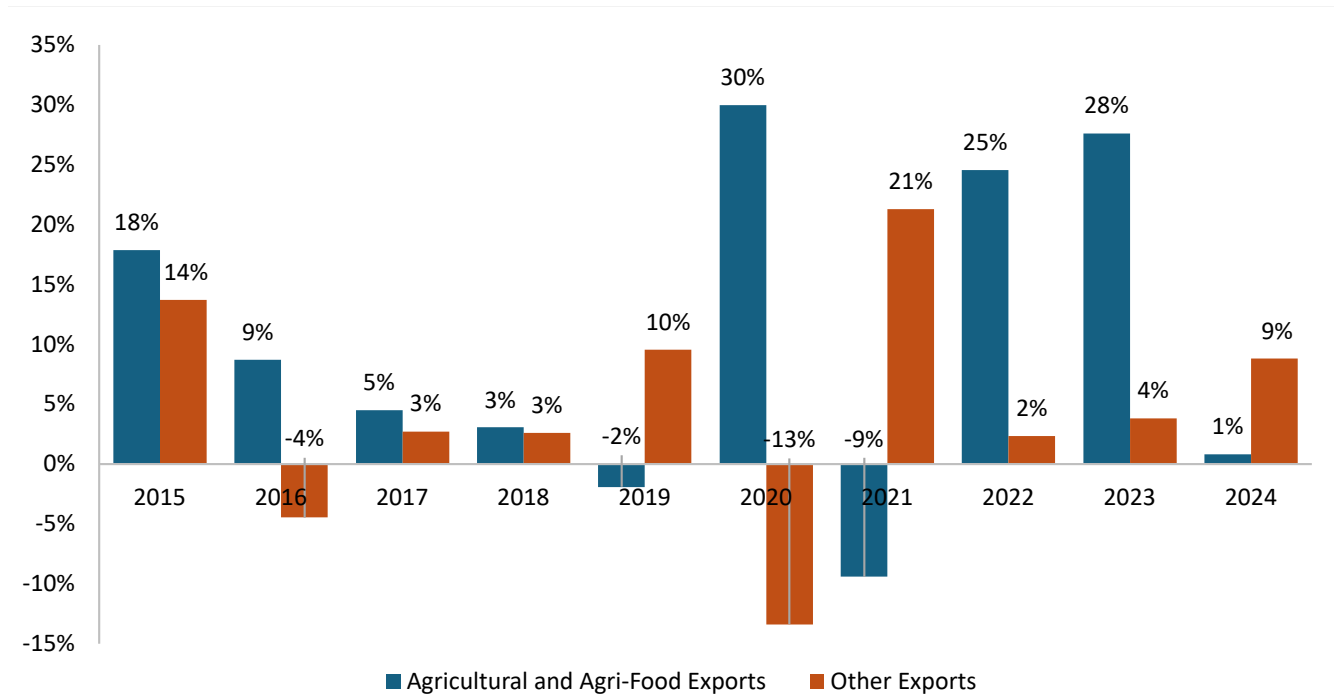


Source: Trade Data Online

The real average annual growth rate of PEI's agricultural and agri-food exports between 1990 and 2024 was 6%. However, growth has accelerated significantly in recent years. Over the past decade (2015–2024), the industry recorded an average annual export growth rate of 11%, nearly doubling the long-term trend, signaling a period of rapid expansion. Notably, this outpaces the average real growth rate of other PEI exports, which stood at 5% over the same period (2015–2024), underscoring the agricultural and agri-food industry's growing importance to the province's overall trade performance.

Figure 15 compares the annual real growth rate of agricultural and agri-food exports with the real growth of other PEI exports between 2015 and 2024.

FIGURE 15. REAL ANNUAL GROWTH RATE OF PEI'S EXPORTS, 2015–2024



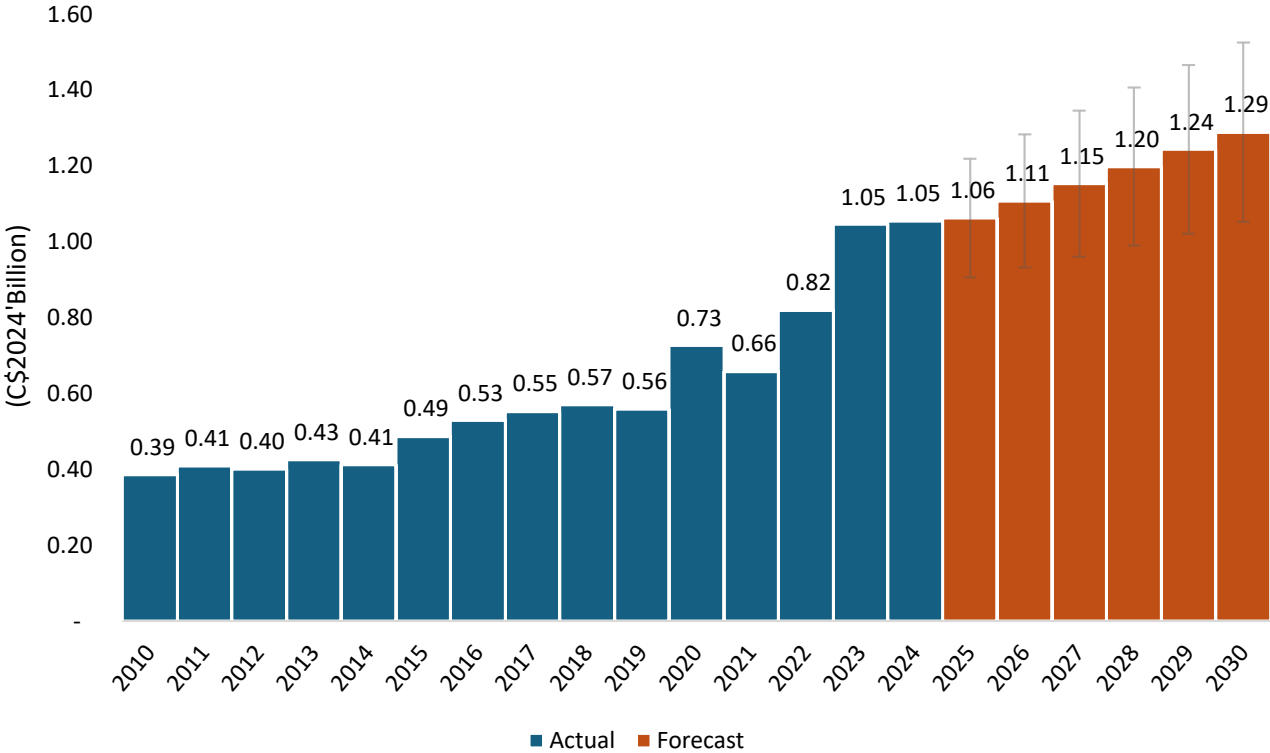
Source: Trade Data Online

The sustained growth in exports highlights the industry's critical role in PEI's economy and its strong potential for continued expansion. Based on recent trends (2010–2024), PEI's agricultural and agri-food exports are projected to grow at an average annual real rate of 3% between 2025 and 2030. At this rate, exports are expected to reach approximately C\$1.2 billion by 2028 and approximately C\$1.3 billion by 2030.⁶

Figure 16 illustrates actual and forecasted export growth between 2010 and 2030.

⁶The growth trajectory is based on historical trends, with a particular emphasis on recent years. However, the analysis does not account for several critical yet harder-to-measure factors that also shape export patterns. These include uncertainties related to global geopolitical shifts, changes in Canadian and trading partner policies, marketing and branding efforts, alignment with development plans or sector strategies, trade-offs between competing export sectors, evolving consumer preferences, quality considerations, and other intangible factors specific to products and market conditions. Such unmeasured factors can pose significant challenges that may hinder the realization of projected export growth. Therefore, these projections should be viewed as indicative estimates rather than definitive forecasts or standalone decision-making tools.

FIGURE 16. PEI'S AGRICULTURAL AND AGRI-FOOD EXPORTS FORECAST, 2010-2030



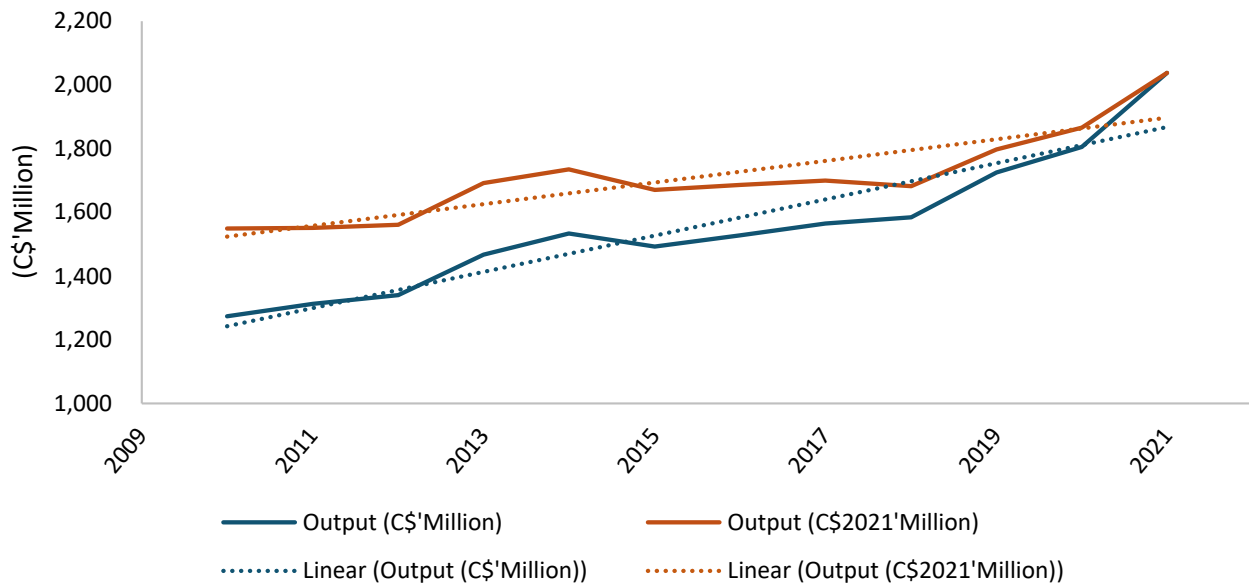
Output: Historical Patterns and Growth Trajectory

PEI’s agricultural and agri-food industry has experienced substantial growth over the past decade, reflecting its increasing contribution to the provincial economy. Over time, the industry has undergone significant real expansion, primarily driven by increased production and efficiency gains. Despite occasional periods of contraction, the real output of PEI’s agricultural and agri-food industry grew at an average annual rate of 3% between 2010 and 2021, demonstrating a steady long-term growth trajectory. When comparing 2021 to 2010, real industry output increased by approximately 24%, highlighting strong expansion.

This growth has been supported by several key factors, including rising productivity, supportive government policies, enhanced processing and supply chain efficiencies, increasing global demand for PEI’s agricultural products, and technological advancements that have improved yields and overall production efficiency.

Figure 17 illustrates PEI’s agricultural and agri-food industry output in both nominal and real terms (adjusted for inflation) from 2010 to 2021, showcasing the sector’s sustained expansion over the past decade.

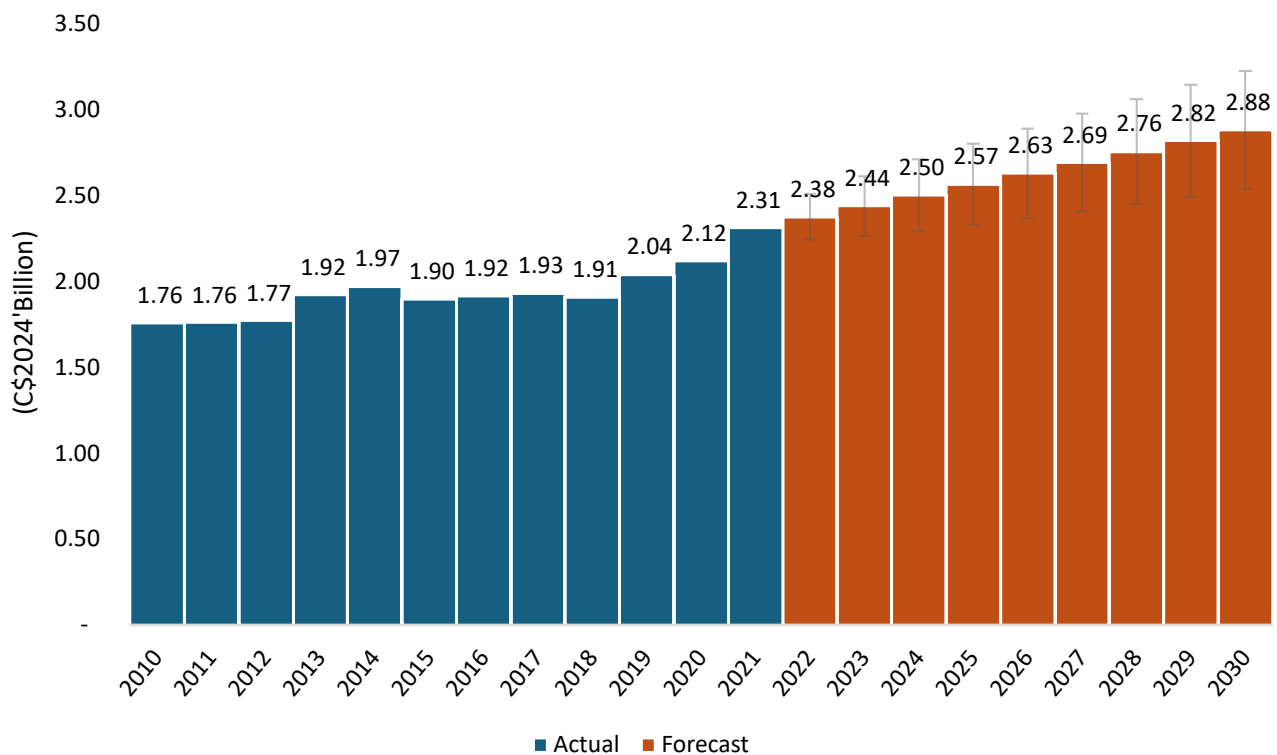
FIGURE 17. PEI'S AGRICULTURAL AND AGRI-FOOD INDUSTRY OUTPUT IN NOMINAL AND REAL VALUES, 2010–2021



An analysis of historical industry output suggests that growth will continue, albeit at a more moderate pace. Based on recent trends (2015–2021), PEI’s agricultural and agri-food industry is projected to grow at an average annual rate of 2% between 2025 and 2030.

Figure 18 presents actual and forecasted industry output from 2015 to 2030.

FIGURE 18. PEI'S AGRICULTURAL AND AGRI-FOOD INDUSTRY GROWTH FORECAST, 2015–2030



Conclusions

The agricultural and agri-food industry remains a cornerstone of PEI's economy, driving substantial economic activity both within the province and beyond. This study has highlighted the industry's total economic contributions, illustrating its direct, indirect, and induced impact on output, GDP, labor income, and employment. With deep integration into supply chains and household spending, the industry's influence extends far beyond the farm gate, reinforcing its critical role in sustaining economic growth.

The analysis revealed the dual nature of PEI's agricultural and agri-food industry, where primary agriculture and food processing complement each other, jointly serving as key economic drivers. The study underscored the capital-intensive nature of value-added food processing, which generates significant indirect contributions through its linkages with other industries. In contrast, crop and livestock farming were found to be highly labor-intensive, providing essential employment and income while supporting rural communities. These distinctions are crucial for policymakers and industry stakeholders when designing strategies to sustain both primary production and value-added activities.

The industry's contributions have expanded significantly over the years, driven by increasing farm revenues, a growing food processing sector, and the remarkable rise of international exports. As a result, PEI's agricultural and agri-food sector has solidified its position as one of the province's leading industries. Moreover, when adjusted for population and land size, PEI stands out as one of Canada's most agriculturally significant provinces.

The economic impact analysis in this study demonstrates that the industry's influence extends well beyond PEI's borders. In 2021, the agricultural and agri-food sector generated C\$3.2 billion in total output, contributed C\$1.3 billion to provincial GDP, generated C\$621.3 million in labor income, and created 14,795 full-time equivalent (FTE) jobs within PEI. Beyond the province, through indirect and induced linkages, the industry contributed approximately C\$1.6 billion in output to other provinces, added C\$717 million to GDP, generated C\$357.4 million in labor income, and supported 6,023 FTE jobs.

This study highlights the importance of continued support for PEI's agricultural and agri-food industry to ensure its long-term stability and growth. The economic analysis illustrates that any investment aimed at enhancing the industry's output generates benefits beyond the direct value of the investment. Specifically, the total economic multipliers (i.e., direct, indirect, and induced) for PEI's agricultural and agri-food industry indicate that for every C\$1 million increase in output, the province's economy would gain C\$1.57 million in total output, C\$614,184 in GDP, C\$304,977 in labor income, and approximately seven additional FTE jobs.

The analysis of the industry's growth trajectory suggests that PEI's agricultural and agri-food industry is expected to continue expanding between 2025 and 2030. Agricultural and agri-food exports are projected to grow at an average annual rate of 3%, while industry output is expected to increase by an average of 2% per year over the same period. These projections underscore the industry's strong foundation for continued expansion and its ongoing contribution to PEI's economy in the coming years.

The findings of this study reinforce the agricultural and agri-food industry's vital role in PEI's economic landscape. Continued investment, innovation, and strategic policymaking will be essential to maximizing the industry's long-term contributions to economic prosperity, ensuring sustainable growth, and strengthening PEI's position as a key player in Canada's agricultural sector.

References

- Agriculture and Agri-Food Canada (AAFC). (2021). *Canada's dairy industry at a glance*. <https://agriculture.canada.ca/en/sector/animal-industry/canadian-dairy-information-centre/dairy-industry>
- Agriculture and Agri-Food Canada (AAFC). (2024a). *Dairy processors and jobs in Canada*. <https://agriculture.canada.ca/en/sector/animal-industry/canadian-dairy-information-centre/statistics-market-information/processing/employees>
- Agriculture and Agri-Food Canada (AAFC). (2024b). *Distribution of slaughtering activity and number of federally inspected plants*. <https://agriculture.canada.ca/en/sector/animal-industry/red-meat-and-livestock-market-information/slaughter-and-carcass-weights/distribution-slaughtering-activity#wb-auto-10>
- Canada's Food Island. (n.d.). *Jasper Wyman & Son Canada Inc.* <https://canadasfoodisland.ca/export/company/jasper-wyman-son-canada-inc/>
- Cavendish Farms Corp. (2024). Our Locations. <https://www.cavendishfarms.com/en/our-story/#:~:text=Cavendish%20Farms%C2%AE%20is%20the,Ontario's%20key%20vegetable%20growing%20region>
- Government of PEI. (2019). *Sustainability in PEI Agriculture, Aquaculture and fisheries*. <https://www.princeedwardisland.ca/en/information/agriculture/sustainability-in-pe-i-agriculture-aquaculture-and-fisheries>
- Government of PEI. (2020a). *The Prince Edward Island Potato Sector: An Economic Impact Analysis*. Charlottetown, PE: Strategic Policy and Evaluation Division, Department of Agriculture and Land.
- Government of PEI. (2020b). *Agriculture on PEI*. <https://www.princeedwardisland.ca/en/information/agriculture/agriculture-on-pe-i>
- Gupta, U. C. (1991). Iron status of crops in Prince Edward Island and effect of soil pH on plant iron concentration. *Canadian Journal of Soil Science*. 7(2), 197-202. <https://doi.org/10.4141/S98-033>
- MacFadyen, J. *The Fertile Crescent: Agricultural Land Use on Prince Edward Island, 1861-1971*. In E. MacDonald, J. MacFadyen, and I. Novaczek (Ed.), *Time and a Place: An Environmental History of Prince Edward Island* (pp. 61-194). Montreal: McGill-Queen's University Press.
- Miller, R., & Blair, P. (2009). *Input-Output Analysis: Foundations and Extensions* (2nd ed.). Cambridge: Cambridge University Press. doi:10.1017/CBO9780511626982
- Pleeter S. (1980) *Methodologies of Economic Impact Analysis: An Overview*. In: Pleeter S. (eds) *Economic Impact Analysis: Methodology and Applications*. Studies in Applied Regional Science, vol 19. Springer, Dordrecht. https://doi.org/10.1007/978-94-011-7405-3_2
- Statistics Canada. (2015). *Glossary of terms*. Last updated November 27, 2015. <https://www150.statcan.gc.ca/n1/pub/13-604-m/2012070/gloss-eng.htm>

Statistics Canada. (2016). *Land and freshwater area, by province and territory (table)*. Last updated October 7, 2016. <https://www150.statcan.gc.ca/n1/pub/11-402-x/2010000/chap/geo/tbl/tbl07-eng.htm>

Statistics Canada. (2024). *Farm Cash Receipts (FCR)*. <https://www23.statcan.gc.ca/imdb/p2SV.pl?Function=getSurvey&SDDS=3437>

ten Raa, T. (2009). *Input-Output Economics: Theory and Applications - Featuring Asian Economies*. 10.1142/6968

Windfeld, E., & Lhermie, G. (2022). The value of Canadian agriculture: Direct, indirect, and induced economic impacts. *Frontiers in Sustainable Food Systems*, 6. <https://doi.org/10.3389/fsufs.2022.940968>

Appendices

Appendix A

TABLE 4. PEI'S AGRICULTURAL AND AGRI-FOOD INDUSTRY CLASSIFICATION

Sector	Category	Subcategory
Primary agriculture	Grains and oilseeds	Canola (including rapeseed) Oilseeds (except canola) Wheat Grains (except wheat)
	Vegetables, fruits, and other crops	Fresh potatoes Fresh fruits Fresh vegetables Other miscellaneous crop products
	Live animals	Cattle and calves Hogs Poultry Other live animals
	Farm products and imputed farm products	Imputed feed (animal feed produced for own consumption) Imputed fertilizer (fertilizer produced for own consumption) Floriculture and nursery products (except cannabis), and sod Cannabis plants, seeds and flowering tops Unprocessed milk Eggs in shell Raw furskins, and animal products n.e.c. Other animal feed
	Farm support activities	Support services for crop production Support services for animal production Wholesale margins - farm products
Value-Added	Milled grains and oilseeds	Flour and other grain mill products Margarine and cooking oils Breakfast cereal and other cereal products Grain and oilseed products, n.e.c.
	Refined sugar and confectionary products	Sugar and sugar mill by-products Chocolate (except confectionery) Confectionery products
	Preserved fruits and vegetables	Fresh, frozen and canned fruit and vegetable juices Preserved fruit and vegetables and frozen foods
	Dairy products	Processed fluid milk and milk products Cheese and cheese products Butter and dry and canned dairy products Ice cream, sherbet and similar frozen desserts
	Meat products	Fresh and frozen beef and veal Fresh and frozen pork Fresh and frozen poultry of all types Processed meat products, other miscellaneous meats and animal by-products
	Other food products	Bread, rolls and flatbreads Cookies, crackers and baked sweet goods Flour mixes, dough and dry pasta Snack food products Coffee and tea Flavouring syrups, seasonings and dressings Other food products, n.e.c.

Appendix B

TABLE 5. DETAILED ECONOMIC IMPACT OF PEI'S AGRICULTURAL AND AGRI-FOOD INDUSTRY ON PEI'S ECONOMY, 2021

Grains and oilseeds				
Economic Indicator	Direct	Indirect	Induced	Total
Output (C\$'000)	60,127	23,029	7,696	90,852
GDP (C\$'000)	26,095	11,364	5,051	42,510
Labour income (C\$'000)	10,823	6,193	1,864	18,880
Jobs (FTE)	276	131	44	452
Vegetables, fruits, and other crops				
Economic Indicator	Direct	Indirect	Induced	Total
Output (C\$'000)	536,903	205,634	68,724	811,260
GDP (C\$'000)	233,016	101,475	45,100	379,590
Labour income (C\$'000)	96,643	55,301	16,644	168,588
Jobs (FTE)	2,466	1,169	397	4,033
Live animals				
Economic Indicator	Direct	Indirect	Induced	Total
Output (C\$'000)	111,349	68,702	12,805	192,856
GDP (C\$'000)	22,715	31,734	8,351	62,801
Labour income (C\$'000)	17,927	16,814	3,118	37,859
Jobs (FTE)	707	367	74	1,148
Farm products and imputed farm products				
Economic Indicator	Direct	Indirect	Induced	Total
Output (C\$'000)	273,753	125,593	39,971	439,317
GDP (C\$'000)	93,410	60,724	26,253	180,387
Labour income (C\$'000)	65,621	31,679	9,758	107,059
Jobs (FTE)	1,608	667	231	2,467
Farm support activities				
Economic Indicator	Direct	Indirect	Induced	Total
Output (C\$'000)	70,716	7,906	13,781	92,403
GDP (C\$'000)	47,969	4,468	9,091	61,528
Labour income (C\$'000)	28,953	2,665	3,341	34,959
Jobs (FTE)	687	54	80	822
Milled grains and oilseeds				
Economic Indicator	Direct	Indirect	Induced	Total
Output (C\$'000)	79,143	46,994	9,149	135,286
GDP (C\$'000)	10,289	22,876	6,046	39,211
Labour income (C\$'000)	10,380	11,088	2,248	23,715
Jobs (FTE)	310	245	53	609

Refined sugar and confectionary products

Economic Indicator	Direct	Indirect	Induced	Total
Output (C\$'000)	39,052	11,926	6,337	57,279
GDP (C\$'000)	11,820	5,218	3,882	20,921
Labour income (C\$'000)	9,542	3,347	1,592	14,481
Jobs (FTE)	207	71	36	314

Preserved fruits and vegetables

Economic Indicator	Direct	Indirect	Induced	Total
Output (C\$'000)	679,367	319,982	58,426	1,057,774
GDP (C\$'000)	212,642	154,216	38,724	405,582
Labour income (C\$'000)	62,502	74,051	14,267	150,819
Jobs (FTE)	840	1,698	339	2,877

Dairy products

Economic Indicator	Direct	Indirect	Induced	Total
Output (C\$'000)	206,173	196,689	23,710	426,572
GDP (C\$'000)	66,800	61,852	15,669	144,321
Labour income (C\$'000)	18,349	39,173	5,773	63,295
Jobs (FTE)	245	1,172	137	1,555

Meat products

Economic Indicator	Direct	Indirect	Induced	Total
Output (C\$'000)	228,918	105,073	18,542	352,534
GDP (C\$'000)	29,759	35,024	12,133	76,916
Labour income (C\$'000)	22,663	21,976	4,578	49,217
Jobs (FTE)	386	627	108	1,121

Other food products

Economic Indicator	Direct	Indirect	Induced	Total
Output (C\$'000)	179,643	59,060	21,757	260,460
GDP (C\$'000)	38,920	30,821	14,370	84,112
Labour income (C\$'000)	34,630	15,860	5,316	55,806
Jobs (FTE)	1,138	340	126	1,604

Agricultural and Agri-Food Industry (Total)*

Economic Indicator	Direct	Indirect	Induced	Total
Output (C\$'000)	2,037,114	920,269	241,412	3,198,758
GDP (C\$'000)	672,282	420,307	158,573	1,251,162
Labour income (C\$'000)	338,320	224,106	58,847	621,273
Jobs (FTE)	8,308	5,129	1,396	14,795

* The total industry impact has been adjusted to remove double counting between primary agriculture and value-added. As a result, the total impact is not a direct sum of the individual category impacts but reflects the net contribution of the entire agricultural and agri-food industry.

Appendix C

TABLE 6.

ECONOMIC IMPACT OF PEI'S AGRICULTURAL AND AGRI-FOOD INDUSTRY ON ROC'S ECONOMY, 2021

Primary Agriculture				
Economic Indicator	Direct	Indirect	Induced	Total
Output (C\$'000)	0	550,032	200,536	750,568
GDP (C\$'000)	0	219,379	103,954	323,333
Labour income (C\$'000)	0	112,779	52,700	165,479
Jobs (FTE)	0	1,649	869	2,517
Value-Added				
Economic Indicator	Direct	Indirect	Induced	Total
Output (C\$'000)	0	1,008,995	273,131	1,282,162
GDP (C\$'000)	0	413,827	145,819	559,682
Labour income (C\$'000)	0	216,525	71,445	287,970
Jobs (FTE)	0	3,776	1,222	4,998
Agricultural and Agri-Food Industry (Total)*				
Economic Indicator	Direct	Indirect	Induced	Total
Output (C\$'000)	0	1,255,906	393,757	1,649,700
GDP (C\$'000)	0	509,986	207,151	717,174
Labour income (C\$'000)	0	265,713	103,256	368,969
Jobs (FTE)	0	4,292	1,733	6,023

* The total industry impact has been adjusted to remove double counting between primary agriculture and value-added. As a result, the total impact is not a direct sum of the individual sector impacts but reflects the net contribution of the entire agricultural and agri-food industry.

Appendix D

TABLE 7. ECONOMIC IMPACT OF PEI'S AGRICULTURAL AND AGRI-FOOD INDUSTRY ON CANADA'S ECONOMY, 2021

Primary Agriculture				
Economic Indicator	Direct	Indirect	Induced	Total
Output (C\$'000)	1,052,848	980,896	343,513	2,314,822
GDP (C\$'000)	423,205	429,144	197,799	1,050,149
Labour income (C\$'000)	219,967	225,431	87,424	532,823
Jobs (FTE)	5,745	4,037	1,695	11,438
Value-Added				
Economic Indicator	Direct	Indirect	Induced	Total
Output (C\$'000)	1,412,296	1,748,720	411,052	3,572,068
GDP (C\$'000)	370,230	723,835	236,643	1,330,745
Labour income (C\$'000)	158,065	382,020	105,218	645,303
Jobs (FTE)	3,126	7,930	2,021	13,077
Agricultural and Agri-Food Industry (Total)*				
Economic Indicator	Direct	Indirect	Induced	Total
Output (C\$'000)	2,037,114	2,176,174	635,170	4,786,023
GDP (C\$'000)	672,282	930,293	365,723	1,968,335
Labour income (C\$'000)	338,321	489,818	162,103	990,243
Jobs (FTE)	8,308	9,421	3,129	20,818

* The total industry impact has been adjusted to remove double counting between primary agriculture and value-added. As a result, the total impact is not a direct sum of the individual sector impacts but reflects the net contribution of the entire agricultural and agri-food industry.

