

Livestock estimates, July 1, 2022

Released at 8:30 a.m. Eastern time in *The Daily*, Tuesday, August 23, 2022

On July 1, 2022, Canadian cattle and hog inventories were down, while sheep inventories were up, compared with the same date a year earlier.

The Canadian livestock sector continued to feel lasting effects from the drought conditions that affected Western Canada in the latter half of 2021. In particular, tight grain supplies led to at-times record high feed prices and increased production costs. Meanwhile, in Eastern Canada, labour shortages and ongoing reductions in slaughter capacity disrupted the hog processing sector.

The Canadian cattle herd fell to the lowest level recorded since July 1, 1988, as high feed costs and rising export demand for beef supported an increase in slaughter.

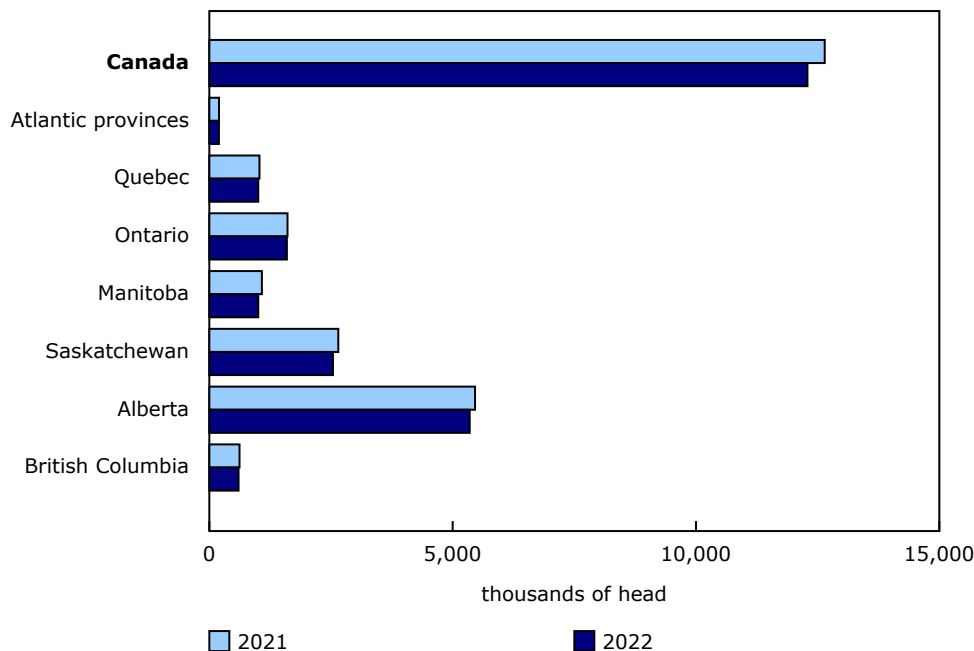
Hog inventories also fell on July 1, 2022 as strong international hog exports and declines in hog production contributed to lower on-farm inventories.

Sheep inventories were up on July 1 for the second year in a row, as favourable market conditions throughout 2021 and into 2022 supported flock increases in several provinces.

Cattle and calf slaughter reaches highest level in over a decade

Canadian farmers held 12.3 million cattle and calves on their farms on July 1, 2022, down 2.8% from the same date the previous year. This represents the largest year-over-year decrease since July 1, 2015, when record high prices incentivised farmers to sell their animals.

Chart 1
Total cattle inventories, July 1, 2021 and July 1, 2022



Source(s): Table 32-10-0130-01.

Cattle and calf slaughter for the period from January to June 2022 was up 2.5% from the same period in 2021, and reached the highest level recorded for the first half of the year since 2010. Strong export demand for Canadian beef—particularly from the United States and Japan—helped support domestic slaughter, as total exports of beef and veal for the January-to-June period rose in 2022, compared with the same period in 2021.

Inventories on July 1, 2022 were down 1.4% to 2.8 million head in Eastern Canada, and declined by 3.2% to 9.5 million head in Western Canada, as the lingering effects of drought conditions in 2021, primarily tight feed supplies, maintained pressure on the livestock sector. Alberta held the largest cattle inventories among the provinces on July 1, 2022, contributing 43.5% to the national total, followed by Saskatchewan (20.7%) and Ontario (13.0%).

Canadian cattle producers retained less breeding stock on July 1, 2022, with year-over-year decreases observed in all categories: beef cows (-1.7% to 3.7 million head), dairy cows (-0.8% to 972,300 head), beef heifers for breeding (-7.4% to 622,100 head), dairy heifers for breeding (-2.4% to 419,600 head) and bulls (-1.9% to 219,200 head).

Producers also held fewer feeder heifers (-4.7%), yet slightly more steers (+0.6%) compared with July 1, 2021. Heifers typically require more feed than steers to create a pound of meat; as such, producers may favour retaining steers over heifers when feed prices are high.

Canadian farmers held 1.4 million dairy cows and heifers on their farms on July 1, 2022, down 1.3% from the same date a year earlier. The inventory of calves dropped by 4.7% to 3.9 million head, a result of the decrease in the breeding herd, as well as a decline in demand for calves from producers due to higher feed costs. In particular, international imports of live calves fell by over half (-51.6%) from January to June 2022, compared with the same period in 2021.

International exports of cattle and calves for January to June 2022 were up 50.5% year over year to 413,100 head. Exports from Western Canada were particularly strong, as feed costs spurred the sale of both feeder and slaughter animals to the United States.

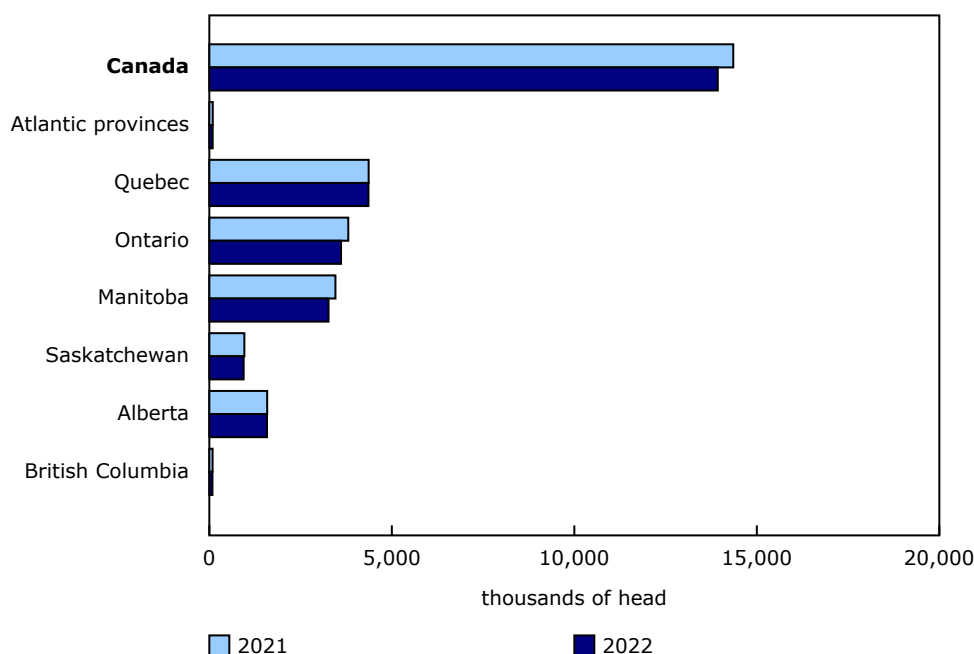
Average prices for Canadian feeder and slaughter cattle generally remained higher in the first half of 2022, compared with the same period in 2021, a result of higher production costs, and greater demand from feedlots and processors.

As of July 1, 2022, inventories of cattle and calves were reported by 72,685 farms, down 2.0% from July 1, 2021. The number of cattle farms in Canada has generally declined since 2004, largely because of business consolidations.

Hog production drops as processing slowdowns persist

Hog producers reported 13.9 million hogs on their farms on July 1, 2022, down 3.0% from the same date in 2021. Quebec, Ontario and Manitoba continued to hold the largest inventories among the provinces. These three provinces are home to over 80% of Canada's hogs, with Quebec accounting for nearly one-third of Canadian hog inventories, at 4.4 million head.

Chart 2
Total hog inventories, July 1, 2021 and July 1, 2022



Source(s): Table 32-10-0160-01.

As of July 1, 2022, hog inventories were reported by 7,310 farms, down 1.5% from the same date a year earlier. These farms reported 1.2 million sows and gilts (-1.8%), while the number of boars decreased by 1.8% year over year to 16,500 head.

The pig crop, which represents the number of live piglets after weaning, fell to 14.9 million for the January-to-June 2022 period, a 2.9% drop compared with the same period a year earlier. Manitoba posted the largest decrease in hog production, with a 7.6% decline in the pig crop, and international exports (-6.9%) and slaughter (-1.0%) were also down.

Capacity reductions in the eastern Canadian hog processing sector, as well as lower export demand for pork, particularly from China as hog production in that country continued to recover from the effects of African swine fever, were the primary drivers behind the 0.2% year-over-year decrease in total slaughter from January to June 2022, to 11.1 million head.

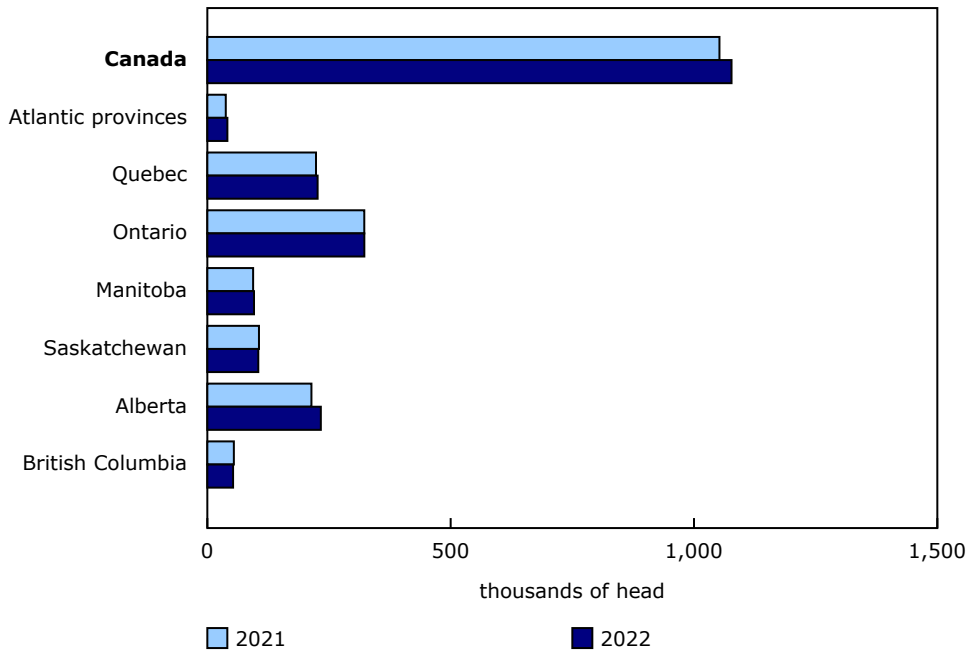
Canada exported 3.3 million live hogs in the first half of 2022, up 1.8% from the same period in 2021, as processing reductions in Eastern Canada continued to encourage exports of live hogs to the United States. Ontario exports for January to June 2022 remained high, up 3.7% year over year from the same period in 2021, reaching 989,200 head, and 54.8% over the previous five-year average, as producers sought to offset decreases in domestic slaughter.

While producer prices for hogs generally trended lower towards the end of the January to June 2022 period, as export demand for live hogs from the United States began to weaken, average Canadian producer prices remained well above those received in the first half of 2021. However, Quebec slaughter hog prices were down from a year ago, following a temporary arrangement reached between Quebec hog producers and processors in late March 2022, whereby producers agreed to lower slaughter hog prices in an effort to reduce processing backlogs.

Lamb prices tumble from record highs

Canadian inventories of sheep and lambs were up 2.4% year over year to 1.1 million head on July 1, 2022, the second consecutive annual increase.

Chart 3
Total sheep inventories, July 1, 2021 and July 1, 2022



Source(s): Table 32-10-0129-01.

Ontario and Quebec were home to over half of Canada's sheep and lambs on July 1.

The sheep breeding herd rose 1.4% year over year to 659,400 head, as increases in the number of ewes (+1.9%) and rams (+2.1%) more than offset a 0.9% decline in replacement lambs. Inventories of market lambs rose 3.9% year over year to 417,700 head on July 1, 2022, primarily on account of higher births (+3.8%). During the first half of 2022, sheep and lamb slaughter fell 0.5% year over year to 339,700 head.

Average producer prices for Canadian slaughter lambs generally weakened during the first half of 2022, falling below the at-times record prices received during the same period in 2021, when supplies were tighter relative to demand. Nevertheless, prices for January to June 2022 remained well above historic values for that period, as global demand for lamb continued to be strong.

International exports of live sheep and lambs increased over twentyfold, year over year, for the January to June 2022 period, reaching 18,100 head, as US prices remained strong relative to domestic markets. Meanwhile, international imports of live animals remained elevated relative to historical levels at 13,300 head, as demand from Western Canada remained strong.

Note to readers

Livestock estimates are available for Canada and the provinces, as well as for the United States.

Intercensal revisions

Following the release of the 2021 Census of Agriculture data in May 2022, intercensal revisions to the Livestock Estimates data for years 2016 to 2021 are now available. For the latest information on the Census of Agriculture, visit the [Census of Agriculture](#) portal.

PigTRACE data

As of the January to June 2017 period, this release uses administrative data collected by the Canadian Pork Council (CPC) to estimate interprovincial hog imports and exports, defined as the movement of pigs to a different province for non-slaughter purposes. This approach is in line with Statistics Canada's [AgZero Initiative](#), which aims to produce high-quality estimates using models, administrative data and other non-traditional survey-based approaches.

Since July 1, 2014, reporting to PigTRACE is mandatory by law for all people and organizations participating in the movement of pigs. It is, however, recognized that if premises do not report their movements to the CPC, there may be undercoverage in the PigTRACE estimates. Adjustments may be applied to the PigTRACE estimates in cases of known or suspected undercoverage.

Random tabular adjustment

The random tabular adjustment (RTA) technique, which aims to increase the amount of data made available to users while protecting the confidentiality of respondents, was applied to the estimates derived from PigTRACE hog movement reports.

Statistics Canada typically uses suppression techniques to protect sensitive statistical information. These techniques involve suppressing data points that can directly or indirectly reveal information about a respondent. This can often lead to the suppression of a large number of data points and significantly reduce the amount of available data.

Using RTA, Statistics Canada can identify sensitive estimates and randomly adjust their value rather than suppress them. The size of the adjustment is calculated to protect respondent confidentiality. After adjusting the value, the agency assigns a quality measure (A, B, C, D or E) to the estimate to indicate the degree of confidence that users can have in its accuracy.

For more information on RTA, please refer to the article "[Random Tabular Adjustment is here!](#)," available as part of the StatCan Blog.

For more information on agriculture and food, visit the [Agriculture and food statistics](#) portal.

Available tables: [32-10-0125-01](#), [32-10-0126-01](#), [32-10-0129-01](#), [32-10-0130-01](#), [32-10-0139-01](#) to [32-10-0141-01](#), [32-10-0151-01](#), [32-10-0160-01](#), [32-10-0200-01](#) to [32-10-0204-01](#) and [32-10-0227-01](#).

Definitions, data sources and methods: survey number [3460](#).

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca).