



Agriculture Forecast to 2029

How Labour Challenges Will Shape the Future of Agriculture in Ontario

Canada's largest agricultural employer, Ontario, will face some of the most critical labour challenges in the sector over the next 10 years.

Provincial Overview

In 2017, Ontario was the largest agricultural sector employer, employing 97,800 people (including self-employed, paid labour, and foreign workers), or 28% of Canada's agricultural workforce.

Ontario is home to the highest concentrations of workers for three of Canada's agricultural industries. The province accounts for 48% of the nation's workforce in the 'greenhouse, nursery, and floriculture'* industry, 43% in the 'field fruit and vegetable' industry, and 25% in the 'poultry and egg' industry.

In terms of the province's agricultural workforce distribution, over one in four workers in the province's agricultural sector (26%) work in the 'greenhouse, nursery, and floriculture' industry.

The second-biggest employers are the 'field fruit and vegetable' and 'dairy' industries, each accounting for 10% of the province's workers. The 'beef' industry employs a further 9% of the province's agricultural workforce.

Ontario has the heaviest reliance on foreign workers to meet its agricultural labour requirements. Currently, nearly one in three workers in the sector (30%) is foreign. The heavy reliance on foreign workers enables Ontario's agricultural sector to fill part of the sizable gap between its workforce requirements and the domestic labour supply.

In 2017, the province had 30,600 more agricultural jobs than domestic workers available to fill them. Even with help from the foreign labour force, the province's agricultural sector was still unable to fill 4,400 jobs in 2017, a shortfall that cost the industry \$591 million.

* The Labour Market Information data classifies Canada's agriculture sector into 11 commodity areas: 1) 'apiculture'; 2) 'aquaculture'; 3) 'beef'; 4) 'dairy'; 5) 'field fruit and vegetable'; 6) 'grain and oilseed'; 7) 'greenhouse, nursery, and floriculture'; 8) 'poultry and egg'; 9) 'sheep and goat'; 10) 'swine'; and 11) 'tree fruit and vine'.

In 2017, Ontario's agriculture sector employed 97,800 people.

The province was unable to fill **4,400 jobs**, which cost the industry **\$591 million**, or **4.4%** of sales.

By 2029, the province will have **47,300** more jobs than the domestic labour force can fill.

Between now and 2029, the need for labour will grow and the available supply of domestic labour will shrink, caused in large part by a high percentage of workers lost to retirement. This will widen the labour gap even further and prevent the province's vital agriculture sector from reaching its full potential.

Labour Forecast

A growing demand for labour and a shrinking supply of domestic workers will widen Ontario's labour gap considerably.

The demand for agricultural workers in Ontario is expected to grow by an average of 0.8% per year over the forecast, rising from 102,200 workers in 2017 to 112,300 by 2029. This growth rate is the highest among provinces.

While the demand for labour will rise, the supply of domestic workers is predicted to shrink, with 6,600 fewer Canadian residents available to work in Ontario's agriculture sector by 2029.

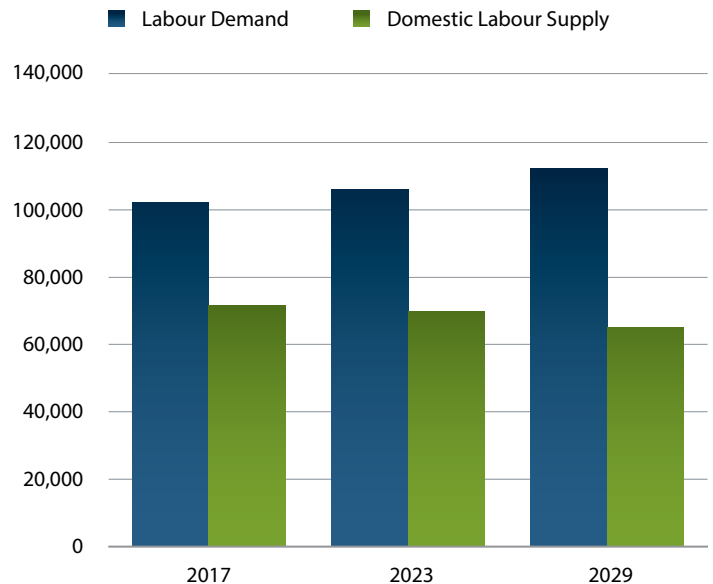


This means that over the next decade, the number of jobs that can't be filled with domestic labour will increase by 3.7% per year, rising from 30,600 to 47,300. That number is equivalent to 42% of the total workforce required to support the industry. In other words, within 12 years, more than two in five jobs in this province will remain vacant unless more foreign or domestic workers can be found.

The 'greenhouse, nursery, and floriculture' industry is predicted to be hardest hit by labour shortages, with 18,000 jobs at risk of going unfilled. The 'field fruit and vegetable' industry will see 8,500 jobs at risk, and the 'tree fruit and vine' industry will see 6,400 jobs at risk, with the remaining agriculture industries accounting for the remaining 14,400 jobs at risk.

From an occupational standpoint, Ontario's agriculture sector will have the most trouble filling general farm worker and greenhouse worker positions. Indeed, by 2029, there will be 7,300 nursery and greenhouse worker jobs and 23,500 general farm worker jobs in excess of the available domestic labour pool.

The Labour Gap Widens for Ontario's Agriculture Sector



'Based on our 2018 survey of the province's agricultural employers:

- **46%** could not find enough workers
- **58%** of employers who experienced labour shortages lost sales as a result
- **43%** reported zero Canadian job applicants for job postings

Meeting the Challenge

Ontario's agriculture sector will have to navigate a future in which a strong production outlook and a growing need for labour coincides with a shrinking domestic labour pool. Looking ahead to 2029, more than two in five of the jobs required to support the sector (42%) could be at risk. No other province has a wider gap between the number of agricultural workers required and the number of domestic workers available.

Given that unfilled jobs resulted in lost sales of \$591 million in 2018, this reality could significantly impact the sector's profitability and growth potential.

While Ontario has been reasonably successful in addressing the labour gap by hiring foreign workers, this solution is not without risks: a change in policy concerning foreign workers could reduce or eliminate access to this labour source, with devastating results.

To address its agricultural labour issues, the province will need to overcome a number of key challenges:

- In 2018, almost half of agricultural operations reported not finding all the workers they needed.
- Two in five of Ontario's agricultural employers said they receive zero Canadian job applicants for job postings.
- Ontario's agricultural employers were much more likely to cite people not wanting to work outdoors as a key recruitment barrier.



- Changes to the Temporary Foreign Worker Program (TFWP) could reduce or eliminate this vital source of labour.

In terms of meeting these challenges, the province could leverage these strengths:

- Agricultural operations in this province tend to be located closer to bigger cities with larger labour pools.
- The province will see some of the healthiest demographic trends over the next decade, including above-average international and interprovincial immigration rates.
- Tapping into pools of workers who may only be interested in working part of the year (e.g. retired farmers) may help to address the sector's need for large numbers of workers for limited periods of time.
- Creating more advancement opportunities within the sector could help to attract more workers.

Finding solutions to labour challenges and increasing the pool of available workers will ensure that Ontario is better prepared to take advantage of an upcoming decade of growth.

To read the accompanying report, or to access additional provincial, commodity, or national fact sheets and reports, please visit www.AgriLMI.ca.



About This Fact Sheet

The data cited in this fact sheet is based on an update to the Labour Market Information (LMI) study that the Canadian Agricultural Human Resource Council (CAHRC) undertook between 2014 and 2016. Information was collected by modelling labour demand and supply by province, commodity, and occupation; conducting a survey of more than 1,700 sector stakeholders; and validating the results through webinars as well as an advisory group presentation.

The study was initiated by the Canadian Agricultural Human Resources Council (CAHRC), a national, nonprofit organization focused on addressing human resource issues faced by agricultural businesses across Canada. For more information about the Council and its products and services for Canada's agriculture sector, please visit www.cahrc-ccrha.ca.

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