

SUSTAINABILITY OF CANADA'S AGRICULTURAL WORKFORCE

CANADIAN AGRICULTURE & AGRI-FOOD WORKFORCE ACTION PLAN



LABOUR TASK FORCE
A Future for Canadian Farmers & Canadian Food Production

WORKFORCE ACTION PLAN: BACKGROUND

The **Canadian Agriculture and Agri-Food Workforce Action Plan** (WAP) is a roadmap designed to address the sector's critical and pervasive labour shortages which have been identified as the biggest business risk management issue for the industry. The plan is a collaborative effort developed by the national Labour Task Force (LTF), comprised of industry representatives from every aspect of the agriculture and agri-food value chain, including the seafood sector, over the last three years. The **Action Plan** provides government and industry with short, medium and long-term action items focusing on:

1. Increasing the supply of labour for skilled and unskilled workers; and
2. Improving the knowledge and skills of workers in the industry.

HIRING CANADIAN WORKERS: AG INDUSTRY'S FIRST PRIORITY

Canada's Agriculture & Agri-Food industry employs 2.3 M Canadians and is full of high quality career options with competitive wages and benefits. In spite of employers expending extensive efforts on recruitment and retention for Canadian workers, critical labour shortages continue to be pervasive for the agriculture value-chain. **Statistics Canada Job Vacancy and Wage Survey data** backs this up, clearly showing agriculture is encountering significant difficulties with ongoing job vacancies in spite of vigorous recruitment.

AGRICULTURE: A UNIQUE INDUSTRY

Unlike other industries, which were reported as abusing the Temporary Foreign Worker Program, the agriculture industry has a long record of respecting the Federal Government's robust programming. For fifty years the Seasonal Agriculture Worker Program, used by some commodities to supplement the Canadian workforce with international agriculture workers during peak periods, has received international recognition as a best practice model.

The agriculture industry needs workers with unique skills and has workforce challenges including:

- **Rural De-population:** employment in rural areas makes it difficult for employers to access and attract workers;
- **Perishable Product:** handling of live animals and plants, food safety and security requirements for Canadian consumers; and
- **Seasonality:** the work can be seasonal which restricts ability to provide full-time permanent jobs.

The Workforce Action Plan solution prioritizes hiring Canadian workers and includes a plan for a long term sustainable labour supply which will create more Canadian jobs within the industry and within the broader economy.

WHAT'S NEEDED: SHORT TERM

When Canadian workers are unavailable, agricultural employers need access to international agriculture workers:

- Improve **pathways to permanency** allowing agriculture and agri-food workers access to a viable pathway to permanent residency through the Express Entry Program;
- Create a **dedicated Canadian Agriculture and Agri-Food Workforce Program** to provide consistent and efficient access to international agriculture workers to support the industry's productivity, growth and future success;
- **Recognize the Seasonality** of agriculture by removing existing caps on the duration of stay for those Agriculture Stream workers brought in to address acute labour needs that can't be filled through the domestic workforce; and
- **Create a Centre of Specialization** (single office) for the Agriculture Stream and the agri-food industry to ensure knowledgeable staff, timely LMIA processing and consistent treatment of these applications.

WHAT'S NEEDED: MEDIUM - LONG TERM

To address the chronic agriculture worker shortages fully implement the Canadian Agriculture and Agri-Food Workforce Action Plan:

- **Collect enhanced Labour Market Information** including development of **wage rate methodology** and process that reflects the agriculture industry actual wages, working towards an acceptable transparent wage rate process for industry and the Federal Government.
- **Improve Access to Domestic Labour:**
 - Develop a Jobs Resource Centre for Industry; and
 - Create a National Career Promotion initiative and tools for industry to attract more Canadian workers.
- **Improve Knowledge & Skills of Agriculture Workers:**
 - Develop a Learning Resource Centre;
 - Align Training with Industry Needs; and
 - Increase Investment in HR Management and Training.

MUSHROOM GROWERS

AG WORKER SHORTAGE: WHAT THIS MEANS



CANADIAN MUSHROOM GROWERS

The work involved in mushroom growing involves intensive labour that includes handling of **live plants**. Recognize the growing sector of year round agricultural operations and the need for a long term, reliable and skilled workforce.

- **Canadian mushroom farms** require 24 hours, 7 days a week and 365 days a year care. The work is physically demanding and a large ag workforce is required to plant and harvest in a short period of time. – **ag worker shortages are not an option.**
- **Canadian mushroom farms** need access to workers that are skilled and experienced for food safety reasons. Mushroom workers need to sterilize equipment between crops. Then, the growth medium, also known as substrate, is pasteurized before the mushroom mycelia are planted in it. Wearing hair nets and no jewelry, workers are trained in health and safety protocols including personal hygiene - **ag worker shortages are not an option.**



MUSHROOM INDUSTRY BACKGROUND

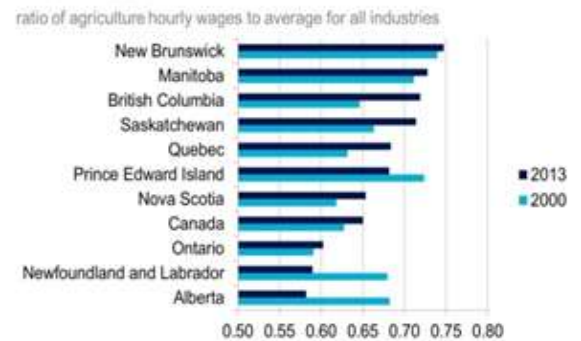
Mushrooms are fresh, simple and good for you. Rich in vitamin D, recent medical research indicates they may help fight tumors. There are over 100 mushroom farms in Canada: 50% of the production is in Ontario, 35% in British Columbia, 10% on the Prairies and 5% in Quebec and the Maritimes. There are over 200 million pounds (91,000 tonnes) of mushrooms grown in Canada annually. Most are sold fresh, some are canned. Per capita consumption of fresh mushrooms in Canada is approximately 3.5 lb. (1.6 kg.). **Canada exports 80 million lb. (36,300 tonnes) of fresh mushrooms to the USA and imports 45 million lb. (20,600 tonnes) of canned or processed mushrooms, mostly from China.**

MUSHROOM INDUSTRY INVESTING IN TECHNOLOGY FOR TOMORROW

The mushroom industry is investing in robotic picking technology today that is expected to be available within ten years' time. Canadian mushroom farms are working with academic institutes, computer science agencies, and equipment suppliers on robotic technology that could reduce labour requirements. This investment in innovation demonstrates a **significant response to labour shortage issues growers are facing**. This new innovative work is positioning Canada as developer of mushroom robotics for the world which will be creating new technology focused employment for Canadians. With the **Canadian Mushroom industry pegged as a \$1 billion industry** and the United States alone producing 10 times more mushrooms there is great potential for robotics in the mushroom industry worldwide.

Canadian Agricultural Wages are increasing more quickly than other industries

Agriculture Wage Gap Has Narrowed in Most Provinces



Graph represents primary agriculture statistics including aquaculture
Source: Canadian Agricultural Human Resource Council, Conference Board of Canada, Statistics Canada

- Affordable food and global competitiveness affect Canadian farmers who have restricted profit margins; Canadian farmers are price takers not price setters; and
- Canadian agricultural employers compete against much lower wages in developing countries & US.

CANADIAN CONSUMERS

The **Agriculture & Agri-Food worker shortage** means: **Less Canadian product** availability; **Higher food prices** for Canadian consumers.



CANADIAN ECONOMY & EXPORTS

Currently 1 in 8 Canadian jobs are from Canada's Ag & Agri-Food sector. The Ag industry employs 2.3 M Canadians, representing \$108.2 B and over 6% GDP. Canada is the 5th largest exporter of Ag & Agri-Food products.

Agriculture & Agri-Food worker shortage contributes to:

- hollowing out and economically suffocating rural communities across Canada;
- worsening Canada's rural de-population;
- lost wages & jobs for Canadian workers;
- farmers & processors losing export opportunities and farm gate returns putting agri-business at risk; and
- jeopardizing Canada's global market position as an Agriculture & Agri-Food export leader.



MUSHROOM GROWERS

UNIQUE AGRICULTURAL CHALLENGES



HIRING CANADIAN WORKERS: AG INDUSTRY'S FIRST PRIORITY

Dependable, sustainable and experienced ag workers are a must. The worker shortage contributes to producers being unable to meet current production targets for domestic consumer demand and expand operations to meet trade and marketing opportunities. The mushroom industry **recruits and hires Canadian workers first**, however, there are many unique workforce challenges:

- The handling of perishable products: related to live plants that **need timely and ongoing attention**;
- Mushrooms grow 4% an hour and are harvested daily so **Ag workers need to work 365 days a year**;
- Mushroom harvesting is a **highly trained skill set**, requiring up to a year to become proficient;
- Crops need to be harvested and **picked when ready to avoid spoilage** and to maximize yields;
- Canadian mushroom farms **require 24/7/365 management** to avoid devastating losses to farming operations.

ISSUE BACKGROUND: PATHWAY TO PERMANENCY NEEDED FOR AG WORKERS

Agriculture and agri-food workers are in high demand and strong candidates for economic immigration in rural communities in need of re-population. However, since general farm workers and harvesters are classified as "lower skilled" no such pathway currently exists. Although Provincial Nominee Programs (PNP) offer some hope, Ontario does not allow agriculture or agri-food workers to immigrate and the provincial programs are regularly shut down causing the agriculture industry to lose valuable workers.

Better Pathways to Permanency are needed for workers in all of the Agriculture and Agri-Food Canada's Value Chains, including: Bee Health, Beef, Food Processing, Grains, Horticulture, Organics, Pork, Pulses, Seafood, Seed, Sheep, Special Crops

ISSUE BACKGROUND: THE "4 IN 4 OUT RULE"

For those that qualify for the federal National Commodity List there are two streams of the Temporary Foreign Worker Program:

- **Seasonal Agriculture Worker Program** is a well-run internationally recognised program which allows access to seasonal workers from Mexico and the Caribbean countries. These workers can return year after year without restriction.
- **Agriculture Stream** allows access to workers from other countries such as the Philippines, Guatemala, Australia, and New Zealand etc. for seasonal and year round positions. **These workers are not allowed to return to Canada after 4 years of work.**

Temporary Foreign Workers including the TFWP's Agriculture Stream workers, must return home after working in Canada for a total of four years, and must remain there for four years before coming back. This new cumulative duration rule change is commonly referred to as the "4 in 4 out" rule and acts as a cap on returning workers that are uniquely trained with special skills which the industry needs. For mushroom operations, the current regulatory environment is causing:

- **Restricted access to workers with unique and special skills that are needed to do the job**
- **Skills deficit for agricultural employers**

Issues with the "4 in 4 out" Agriculture Stream rule change has caused the mushroom industry to lose ten percent of its workforce last year and many mushroom farms are dealing with 50 percent turnover. It is also affecting 9 of Agriculture and Agri-Food Canada's Value Chains, including: Bee Health, Beef, Grains, Horticulture (Ag Stream users), Organics, Pulses, Seed, Sheep, and Special Crops.

ISSUE BACKGROUND: WAGE RATES KEEPING PACE

"Demographic pressures are building within Canada's labour market and agriculture must address labour shortages to remain competitive and encourage future growth in the sector. Analyzing wages paid to farm employees reveals that: The average wage of farm labour has held its own relative to wages paid in all sectors and the median wage of farm labour has gained relative to wages paid in all sectors." – Farm Credit Canada, Ray Bollman

THE SOLUTION

Mushrooms Canada supports the *Canadian Agriculture and Agri-Food Workforce Action Plan's* recommendations, when Canadian workers cannot be found, better access to international agriculture workers is needed to address chronic and pervasive agriculture **labour shortages, jobs that can't be filled through the domestic workforce.**

- **Improve Pathways to Permanency** - *allowing agriculture and agri-food workers access to a viable pathway to permanent residency through the Express Entry Program;*
- **Update agriculture and value-added processing NOC codes** - *with consultation and input from industry to ensure content describes actual work being conducted in today's employment environment;*
- **Ag Stream Cumulative Duration – "4 in 4 out"** - *"Remove 48 months duration cap on Agriculture stream workers if the employer is bringing in workers that stay no longer than 11 months at a time and who are then outside Canada for 1 month";*
- **Wage Rates - Collect enhanced Labour Market Information** including development of **wage rate methodology** and process that reflects the agriculture industry actual wages, working towards an acceptable transparent wage rate process for industry and the Federal Government.