



## Agriculture Forecast to 2029

# How Labour Challenges Will Shape the Future of Agriculture in Alberta

A significant employer with a bright production outlook, Alberta's agriculture sector faced a costly labour gap in 2018, and that gap is expected to widen over the next decade.

## Provincial Overview

In 2017, Alberta was home to the third-largest agriculture sector in Canada, employing 54,500 people, or 16% of Canada's agricultural workforce.

Alberta employs a high share of Canada's agricultural workers in a number of industries. The province employs over one-third (34%) of the nation's 'beef'\* workers, which is more than Saskatchewan or Ontario, at 20% and 19%, respectively. Alberta also employs 20% of Canada's 'grain and oilseed' workers and 17% of its 'swine' workers, making this province the third-largest

employer in both of these industries. Additionally, the province accounts for 31% of the nation's 'sheep and goat' workers.

While Alberta is known for its 'beef' industry, which employs 28% of the province's agricultural workers, the 'grain and oilseed' and the 'greenhouse, nursery, and floriculture' industries are also significant employers with 14% and 9% of the sector's workers, respectively.

Alberta's agriculture sector has a very low reliance on foreign workers: only 4.3% of the province's workforce is foreign workers. Of those, more than half work in the 'greenhouse, nursery, and floriculture' industry, which tends to be highly seasonal and labour intensive.

In 2017, the province was unable to find enough workers, and 2,800 jobs went unfilled as a result of labour shortages. Those shortages resulted in production losses and delays, as well as \$821 million in lost sales.

\* 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, Alberta's agriculture sector employed 54,455 people.

The province was unable to fill **2,800 jobs**, which cost the industry **\$821 million**, or **5.8%** of sales.

By 2029, the province will have **19,600** more jobs than the domestic labour force can fill.

Between now and 2029, Alberta's key agriculture industries are all predicted to have strong productivity and a growing demand for labour. However, the province's domestic labour supply is predicted to shrink during that time, which will more than quadruple the labour gap and create even greater labour challenges in the years ahead.

## Labour Forecast

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

The demand for agricultural workers in Alberta is expected to grow by 0.7% per year between 2017 and 2029, rising from 57,300 to 62,000 workers required by the province's agriculture sector. However, the supply of domestic workers is predicted to shrink, with 10,400 fewer Canadian

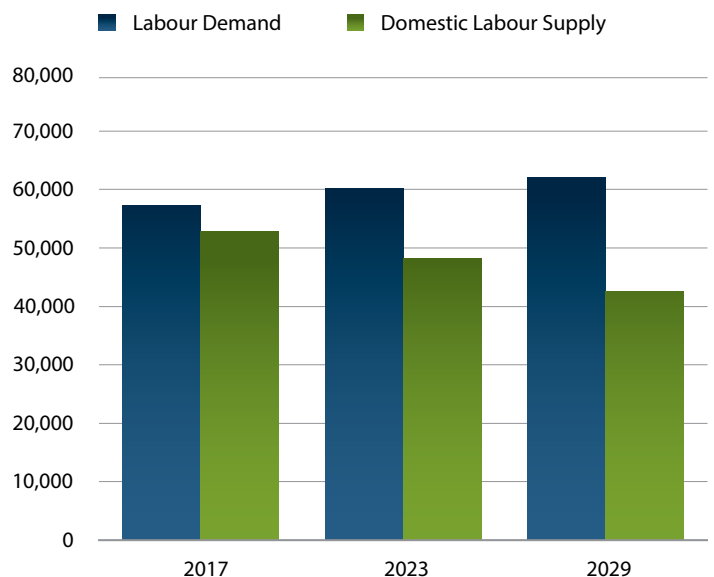


residents available to work in Alberta's agriculture sector by 2029. As a result, the gap between the number of workers needed and the domestic workers available will widen by 13.4% per year. This means that over the next decade, the number of jobs that can't be filled with domestic labour will more than quadruple, increasing from 4,400 to 19,600, and the percentage of jobs at risk will rise from 8% to 32% of the total workforce required to support the industry. In other words, within 10 years, roughly one in three agricultural jobs in this province will remain vacant unless more foreign or domestic workers can be found.

The labour gap will widen more for some industries than others. By 2029, Alberta's 'beef' industry will see 5,600 jobs that can't be filled by the domestic labour pool. Its 'grain and oilseed' industry will see 2,500 jobs at risk of going unfilled, and its 'greenhouse, nursery, and floriculture' industry will see 2,800 jobs at risk.

From an occupational standpoint, Alberta's agriculture sector will have the most trouble filling managers in agriculture positions, which includes both owner-operators and hired managers, and general farm worker positions. Indeed, by 2029, there will be 8,000 general farm worker jobs and 5,500 managers in agriculture jobs in excess of the available domestic labour pool.

## The Labour Gap Widens for Alberta's Agriculture Sector



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

- **48%** could not find enough workers
- **56%** of employers who experienced labour shortages lost sales as a result
- **23%** reported zero Canadian job applicants for job postings

## Meeting the Challenge

Alberta'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, 32% of the jobs required to support the sector could be at risk.

Given that unfilled jobs resulted in lost sales of \$821 million in 2018, this reality could significantly impede the sector's profitability and growth potential.

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

- The rural location of operations is a major recruitment barrier, with many workers unwilling to move to rural areas or commute to work from the city.
- Retirement will shrink the workforce considerably, with 42% of today's workers predicted to retire between now and 2029.
- Attracting workers with enough experience to the agriculture sector is difficult, with more than two out of five employers reporting this as a key recruitment issue.
- Agricultural operations have higher-than average voluntary and involuntary turnover rates.



However, the province's agriculture sector also has strengths that it could leverage:

- The perception of low wages in agriculture is less likely to impede recruitment by agricultural employers within the province.
- The province has above-average immigration rates and a stable number of school graduates predicted over the forecast period.
- The sector has the potential to create more advancement opportunities to attract and retain more workers.

Finding solutions to labour challenges and increasing the pool of available workers will ensure that Alberta 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](http://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](http://www.cahrc-ccrha.ca).

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