



Agriculture Forecast to 2029

How Labour Challenges Will Shape the Future of the 'Grain and Oilseed' Industry

One of Canada's largest agricultural employers, the 'grain and oilseed'* industry faces a widening labour gap that could significantly impede its ability to grow and reach its full market potential over the next decade.

Industry Overview

The 'grain and oilseed' industry is one of the largest in Canada's agriculture sector, accounting for 11% of the total agriculture workforce. That workforce is generally comprised of domestic workers, with foreign workers making up only 0.4% of the total labour pool.

The industry includes farm operations that produce a wide variety of crops, with canola, wheat, soybeans, and feed corn being the industry's key products. Other industry products include pulses (such as lentils and dry peas), barley, oats, and fodder crops.

Over 80% of the 'grain and oilseed' industry labour force is concentrated in the Prairies, with 44% located in Saskatchewan, 21% in Manitoba, and 20% in Alberta.

In the past decade, the industry saw some of the strongest production, productivity, and labour-force growth of any industry in the agriculture sector. However, it also saw the biggest sales losses, in dollar terms, due to labour shortages. Indeed, in 2017, the industry was unable to find enough workers, and 2,000 jobs went unfilled as a result of labour shortages. Those shortages resulted in production losses and delays, as well as \$594 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, the 'grain and oilseed' industry employed **38,750** people.

The industry was unable to fill **2,000 jobs**, which cost the industry **\$594 million**, or **2.6%** of sales.

By 2029, the industry will be unable to fill **10,600 jobs** with the available pool of domestic workers.

While production growth and productivity are expected to slow in the coming decade, the 'grain and oilseed' industry could face even greater losses during this time, as the available domestic labour force dwindles. By 2029, the labour gap will have quintupled in size, and the industry is predicted to have 10,600 jobs that can't be filled by the available domestic workforce.

Labour Forecast

While the 'grain and oilseed' industry's strong growth outlook will require a bigger workforce to meet output targets, the domestic labour force is predicted to shrink, with retirement being one of the key factors affecting the labour supply.



The demand for workers in the 'grain and oilseed' industry is expected to grow by an average of 0.3% per year, from 40,800 in 2017 to 42,500 in 2029. The domestic supply of workers is expected to decrease by an average of 1.6% per year during the same time period. By 2029, the available workforce will have shrunk from 38,700 to 31,900 workers.

As a result, the labour gap will widen significantly, increasing by an average of 15% per year between 2018 and 2029. While there were 2,000 fewer workers than available jobs in 2017, that number will more than quintuple in the coming decade, reaching 10,600 in 2029. In other words, to reach its production potential, the industry will need to find 10,600 workers beyond what the domestic labour force can supply.

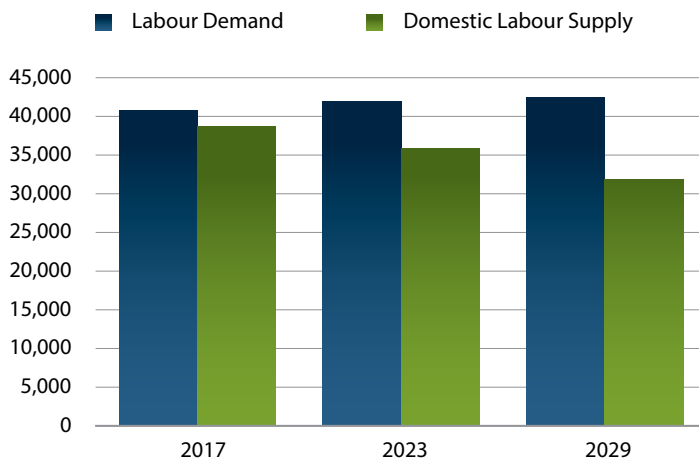
With no access to the Seasonal Agricultural Worker Program (SAWP) and the Agricultural Stream of the Temporary Foreign Worker Program (TFWP), this industry is unable to supplement its domestic workforce with foreign workers through these mechanisms.

As the labour gap widens over the next decade, the Prairies will be hardest hit by the labour shortage. Between now and 2029, Saskatchewan is predicted to see an additional 4,600 jobs that can't be filled by the available labour pool. Alberta will see an additional 2,000 jobs at risk, and Manitoba will see 1,200.

From an occupational perspective, the 'grain and oilseed' industry will have the most trouble filling managers in agriculture positions, which include owner-operators and hired managers, and general farm worker positions. Indeed, by 2029, managerial roles will account for 61% of the labour gap, with 6,500 management-related jobs at risk of going unfilled because of a lack of domestic workers. General farm workers will account for 18% of the labour gap, with 1,900 jobs potentially going unfilled.



The Labour Gap Widens for the 'Grain and Oilseed' Industry



Meeting the Challenge

The 'grain and oilseed' industry is a large and growing part of Canada's agriculture sector, with promising foreign markets and strong production and productivity growth. However, a growing inability to find enough workers threatens the industry's growth potential.

Over the next decade, the labour gap will more than quintuple, with one in four 'grain and oilseed' jobs (25%) potentially going unfilled due to a lack of available workers. If the issue can't be addressed, it will impede the industry's growth.

However, there are a significant labour challenges to overcome:

- 'Grain and oilseed' operations tend to be far from urban centres, and rural depopulation is thinning the available workforce further and requiring employers to provide housing for their workers.
- 'Grain and oilseed' producers do not have access to foreign workers through the SAWP and the Agricultural Stream of the TFWP.
- 'Grain and oilseed' production is concentrated in the Prairies, where competition for workers in natural resource sectors is intense.
- This industry's workforce is significantly older than the agricultural average and will be heavily impacted by retirements, with nearly two in five workers expected to retire between now and 2029.



To meet these challenges, the industry has several strengths it could leverage:

- The work is less physical than average for jobs in agriculture.
- 'Grain and oilseed' producers enjoy below-average voluntary turnover rates.
- Insufficient compensation compared with other sectors is less likely to impede recruitment and retention efforts within the industry.

Finding solutions to these labour challenges and increasing the pool of available domestic workers will ensure that this vital agriculture industry 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.

Based on our 2018 survey of the industry's employers:

- **41%** could not find enough workers;
- **48%** of employers who experienced labour shortages lost sales as a result;
- **44%** reported zero Canadian job applicants for job postings

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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