



## Agriculture Forecast to 2029

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

An important economic force with a bright production outlook, Manitoba'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, Manitoba was home to the sixth-largest agriculture sector in Canada, employing 24,700 people, or 7% of Canada's agricultural workforce. Agriculture plays an important role in the province's economy, with 3.7% of the province's domestic workforce directly employed in agriculture. Only Saskatchewan and Prince Edward Island have a higher economic dependence on the sector.

Manitoba's agricultural workforce is dominated by the 'grain and oilseed'\* industry, with the province's 'beef' industry being the second-largest employer. In 2017, 33% of agricultural workers

within the province were employed by the 'grain and oilseed' industry, with the 'beef' industry accounting for a further 17% of the workforce.

Manitoba accounts for a considerable share of Canada's agricultural employment in several industries. For example, the province employed 21% of the 'grain and oilseed' industry's workforce, making it the second-largest industry employer after Saskatchewan, which accounted for 44% of the 'grain and oilseed' workforce. Manitoba is also the fourth-largest employer of 'beef' workers, accounting for 9% of the industry's workforce. Only Alberta (34%), Saskatchewan (20%), and Ontario (19%) accounted for a larger share.

The province has a very low reliance on foreign workers; only 2.8% of the province's agricultural workforce is foreign workers.

In 2017, the province was unable to find enough workers, and 1,100 jobs went unfilled as a result of labour shortages. Those shortages resulted in production losses and delays, as well as \$367 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, Manitoba's agriculture sector employed 24,704 people.

The province was unable to fill 1,100 jobs, which cost the industry \$367 million, or 5.6% of sales.

By 2029, the province will have 5,300 more jobs than the domestic labour force can fill.

Between now and 2029, the need for labour will grow even faster, driven by strong production growth in the 'grain and oilseed', 'beef', and 'swine' industries. With a growing demand for labour and a shrinking supply of workers, the labour gap will continue to widen, preventing the sector from reaching its full potential.

## Labour Forecast

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

The demand for agricultural workers in Manitoba is expected to grow by a modest 0.4% per year over the forecast period, rising from 25,800 workers in 2017 to 27,000 by 2029. This growth rate is slightly lower than the national average of 0.5%.

While the demand for labour will rise, the supply of domestic workers is predicted to shrink, with 2,700 fewer Canadian residents available to work in Manitoba's agriculture sector by 2029.

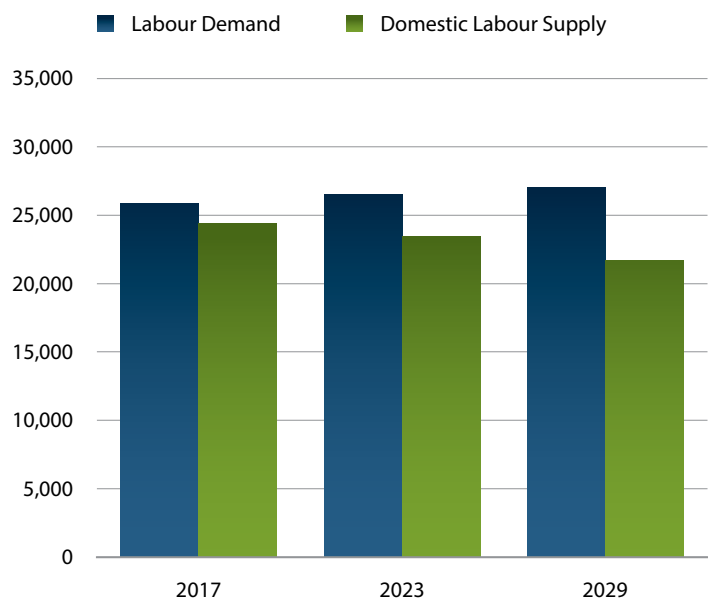


This means that over the next decade, the number of jobs that can't be filled with domestic labour will more than triple, increasing from 1,400 to 5,300, and the percentage of jobs at risk will rise from 6% to 20% of the total workforce required to support the industry. In other words, within 10 years, one in five agricultural jobs in this province will remain vacant unless more domestic or foreign workers can be found.

The labour gap will widen further for some industries than others, and Manitoba's two most important agriculture industries will be hardest hit by labour shortages. The 'grain and oilseed' industry will need to cope with roughly 1,200 additional jobs that the available domestic labour pool can't fill, while the 'beef' industry will see an additional 900 jobs that can't be filled by the available domestic labour force accumulating by 2029.

From an occupational perspective, Manitoba's agriculture sector will have the most trouble filling managers in agriculture positions, which include both owner-operators and hired managers, and general farm worker positions. Indeed, by 2029, there will be an additional 1,800 general farm worker jobs and an additional 900 managers in agriculture jobs potentially going unfilled due to a lack of domestic workers.

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



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

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

- **52%** could not find enough workers
- **59%** of employers who experienced labour shortages lost sales as a result
- **31%** reported zero Canadian job applicants for job postings



## Meeting the Challenge

Manitoba'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, 20% of the jobs required to support the sector could be at risk.

Given that unfilled jobs resulted in lost sales of \$367 million in 2018, this reality could significantly impact the sector's profitability and growth potential.

To address these issues, the province's agriculture sector 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.
- Agricultural employers have difficulties keeping employees because of work conditions and the limited opportunities for advancement.
- An aging workforce will result in 33% of today's workers being lost to retirement between now and 2029.
- Labour shortages are more likely to result in excessive stress for owner and other staff at agriculture operations within the province.

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

- Manitoba benefits from below-average voluntary and involuntary turnover rates.
- Robust rates of international migration and a healthy number of school graduates have the potential to increase the labour supply.
- The sector has the potential to use training programs, mentorships, and internships to create more skilled labour.

As the labour gap widens, Manitoba will need to find ways to strengthen the domestic labour pool in order to avoid financial losses and reach its growth potential.

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).

Photo credits: Doug Chorney, Alberta Pork, Mary Robinson, Lydia Schouten, Lee Townsend.

