



Agriculture Forecast to 2029

How Labour Challenges Will Shape the Future of Agriculture in Newfoundland and Labrador

The agricultural workforce in Newfoundland and Labrador is the smallest, and one of the most balanced, of any province. However, the sector can expect to see its surplus of available workers become a deficit over the coming decade.

Provincial Overview

In 2017, the province of Newfoundland and Labrador was the smallest agriculture sector employer, employing roughly 2,000 people, or 1% of Canada's agricultural workforce.

The province's agricultural workforce is fairly evenly divided among four main industries*, with between 175–325 workers in each. Newfoundland and Labrador does not account for a major share of Canadian employment in any agriculture

industry, although the provincial 'aquaculture' industry does account for a higher than average share of the national industry.

The province's agriculture sector has a very low reliance on foreign workers: only 2% of its workforce is foreign workers, and roughly half of those are employed by the 'field fruit and vegetable' industry.

In 2017, the province had a small surplus of agricultural workers, but approximately 70 jobs still went unfilled, costing the sector \$4.3 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, Newfoundland and Labrador's agriculture sector employed 2,035 people.

The province was unable to fill **71 jobs**, which cost the industry **\$4 million**, or **3.1%** of sales.

By 2029, the province will have **250** more jobs than the domestic labour force can fill.

Between now and 2029, stable production outlooks and technological advances in the 'dairy' and the 'poultry and egg' industries will result in labour demand falling. However, the available supply of workers is projected to contract more quickly, pushing the current surplus of labour into a deficit position over the next decade. Thus, the province's agriculture sector will experience greater difficulty filling certain jobs, especially those requiring skilled and experienced workers.

While the demand for labour in Newfoundland and Labrador will decline, the supply of domestic workers will shrink even faster, widening the labour gap for several industries.

Stable production growth from the province's two biggest agricultural employers, combined with improvements in productivity, will reduce the number of agricultural workers required to meet production levels. As a result, the province's



demand for agricultural workers is expected to fall by 1.5% per year between 2017 and 2029, which is the steepest decline of any province.

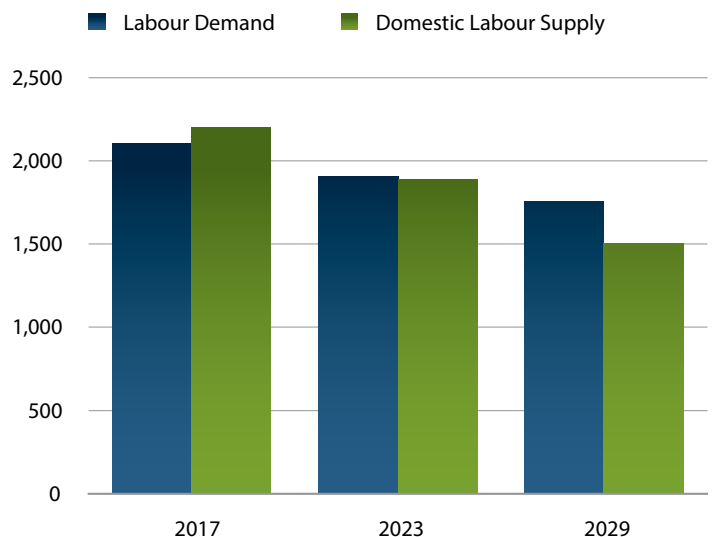
While the sector will have a need for fewer workers in the coming years, the number of domestic workers in the province's agriculture sector will also decline. Overall, the province's domestic labour supply will fall by an average of 3.1% per year, which is more than double the national agricultural average.

With agricultural labour supply shrinking faster than the demand for labour, the province should expect to see its need for labour overtake the available domestic supply as early as 2023. By 2029, the province's labour gap will represent 14% of the total demand for labour.

The 'greenhouse, nursery, and floriculture' industry is predicted to be hardest hit by labour shortages, with 60 jobs at risk of going unfilled.

From an occupational perspective, Newfoundland and Labrador'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 110 managers in agriculture jobs and 90 general farm worker jobs potentially going unfilled due to a lack of domestic workers.

Labour Surplus to Become Deficit for Newfoundland and Labrador's Agriculture Sector



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

- **32%** could not find enough workers
- **44%** of employers who experienced labour shortages lost sales as a result
- **29%** reported zero Canadian job applicants for job postings



Meeting the Challenge

Despite being one of the few provinces expected to have seen a recent labour surplus, Newfoundland and Labrador still faces labour challenges in the years ahead. Newfoundland and Labrador enjoys one of the most balanced agricultural workforces of any province. And because sales per agricultural worker are the lowest in Canada, this province is less affected financially by each unfilled vacancy.

However, with agricultural labour supply shrinking faster than the demand for labour, the province should expect to see its need for labour overtake the available domestic supply as early as 2023. By 2029, the province's labour gap will represent 14% of the total demand for labour. Given that even with a labour surplus today, the sector was unable to fill 70 jobs, the rapidly dwindling labour supply is likely to result in a larger number of unfilled jobs in the future.

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

- The province's voluntary turnover rate of 23% is the second highest in the country and significantly above than the national average of 10%.
- Difficulty in keeping workers was also an issue for agricultural employers, as evidenced by the high involuntary turnover rate.

- Agricultural employers in the province were much more likely to cite perceptions of low wages in the sector as a barrier to recruitment.
- A lack of workers with enough experience was more likely to be reported as an issue for agricultural employers in this province.

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

- Finding ways to communicate the benefits of agricultural work to a younger demographic could help to attract more young workers.
- Access to training programs, mentorships, and internships has the potential to create more skilled labour.
- Finding ways to lessen the physical nature of agricultural work could help make jobs in this sector more attractive relative to other industries.

Over the forecast period, Newfoundland and Labrador 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.



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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