



Agriculture Forecast to 2029

How Labour Challenges Will Shape the Future of Agriculture in Saskatchewan

A significant contributor to Canada's 'grain and oilseed'* production, Saskatchewan'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, Saskatchewan was a significant agricultural employer with 37,500 people working in the sector, equivalent to 11% of the national agricultural workforce. The sector is particularly important to Saskatchewan, as agriculture directly supports 7 per cent of all employment in the province – the highest share in the country.

The 'grain and oilseed' industry is easily the largest in the province and it accounts for 45% of the sector's total employment. Moreover, the province's 'grain and oilseed' industry is easily

the largest in the country as it accounts for 44% of national employment. The province's second most significant agricultural employer is the 'beef' industry, accounting for nearly one in four (24%) of the province's agricultural workers.

Saskatchewan's agriculture sector has limited access to foreign workers and the lowest reliance on this labour source: only 1.6% of the province's agricultural workforce is foreign workers, compared to 17% across the entire Canadian agricultural sector workforce.

In 2017, Saskatchewan's employers were unable to fill 1,600 positions. This was equivalent to roughly 4% of total workforce requirements. This labour shortage cost the sector \$574 million, or 4.1% of sales, and these shortages also impact the province's ability to expand and grow in the future.

* 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, Saskatchewan's agriculture sector employed 37,517 people.

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By 2029, the province will have **12,300** more jobs than the domestic labour force can fill.

Looking ahead to 2029, Saskatchewan's labour challenges are expected to intensify. The province's agriculture sector is expected to grow modestly over the next decade, putting upward pressure on labour requirements. But the pool of available labour is expected to shrink, due in large part to an aging workforce which will result in an increasing number of retirements. Unless Saskatchewan can find alternative sources of domestic or foreign labour, the growth potential of one of its vital sectors and its key contribution to Canada's 'grain and oilseed' industry will be at risk.

Labour Forecast

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

The demand for agricultural workers in Saskatchewan is expected to grow by a modest 0.5% per year over the forecast period, rising from 39,100 workers in 2017 to 41,400 by 2029.

While the demand for labour will rise, the supply of domestic workers is predicted to shrink, with 8,600 fewer Canadian residents available to work in Saskatchewan's agriculture sector by 2029.

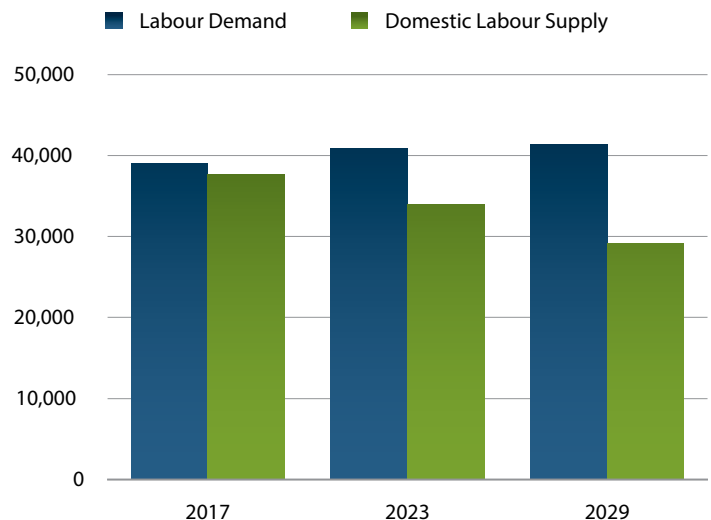


This means that over the next decade, the number of jobs that can't be filled with domestic labour will increase substantially, from 1,400 to 12,300, and the percentage of jobs at risk will rise from 4% to 30% of the total workforce required to support the industry. Put another way, within 10 years, just under one in three agriculture jobs in this province are at risk of going unfilled unless more domestic or foreign workers can be found.

Saskatchewan's two most important agricultural industries will be hardest hit by labour shortages. The 'grain and oilseed' industry will see its labour gap increase from 890 in 2017 to 5,400 by 2029. 'Beef' producers, which faced a deficit of 225 workers in 2017, will have a labour gap equal to 3,250 positions by the end of the forecast.

From an occupational perspective, Saskatchewan'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 3,800 managers in agriculture jobs and an additional 3,700 general farm worker jobs potentially going unfilled due to a lack of domestic workers.

The Labour Gap Widens for Saskatchewan's Agriculture Sector



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

- **40%** could not find enough workers
- **62%** of employers who experienced labour shortages lost sales as a result
- **24%** reported zero Canadian job applicants for job postings

Meeting the Challenge

Saskatchewan'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, 30% of the jobs required to support the sector could be at risk.

Given that unfilled jobs resulted in lost sales of \$574 million in 2018, this reality could significantly impact the sector's profitability and growth potential.

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

- Many workers are not interested in moving to rural areas or are unable to travel to farms from town for work, which presents a recruitment barrier for agricultural employers in rural locations.
- In 2016, 65% of Saskatchewan's agricultural workforce was aged 45 years or older, compared to 45% of Canada's general worker population. By 2029, 41% of these agricultural workers will have retired.
- The province's agricultural operations face higher-than-average voluntary and involuntary turnover rates.
- Saskatchewan's biggest agricultural employer, the 'grain and oilseed' industry, does not qualify for access to foreign workers through the Seasonal Agricultural Worker Program (SAWP) and the Agricultural Stream.



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

- Highly mechanized production in the 'grain and oilseed' industry helps to reduce the amount of physical labour required to complete many activities, which can reduce the need for labour and keep turnover rates lower.
- A mild inflow of international migrants and a stable number of young workers entering the workforce are expected to provide some support to the province's labour supply.
- Finding ways to communicate the benefits of agricultural work to a younger demographic could help to attract more young workers.

As the labour gap widens, Saskatchewan 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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