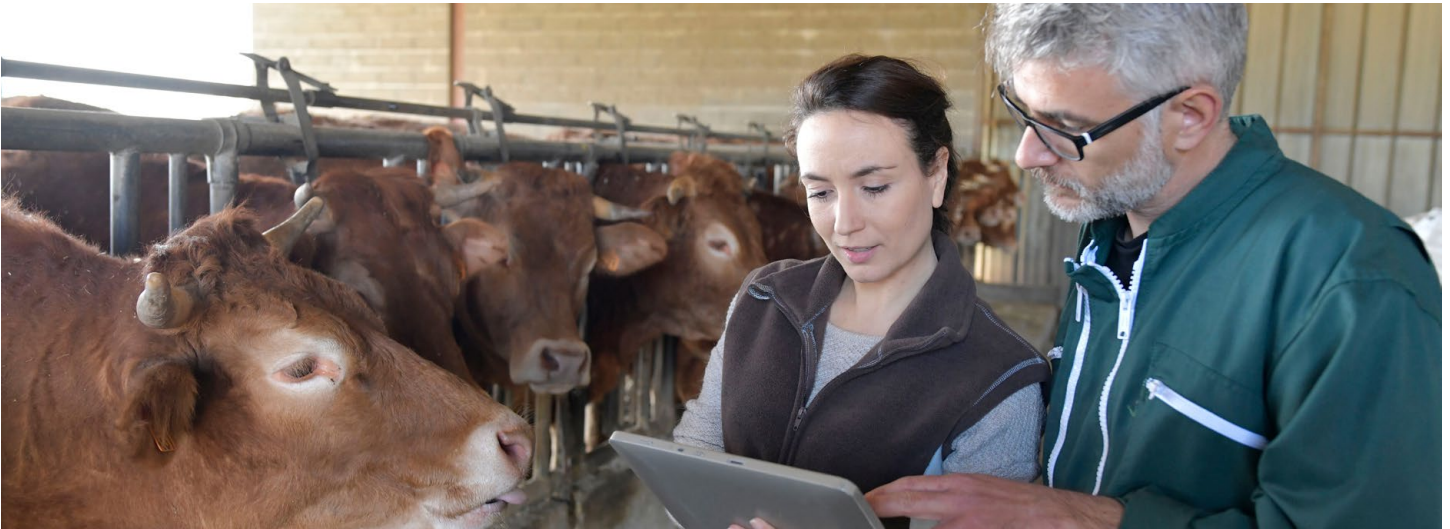




AGRICULTURE SUPPORT SERVICES

Labour market information and forecast 2023-2030



Key Findings

- In 2022, the agriculture support services industry had a peak vacancy rate of 10.5 per cent and a turnover rate of 23 per cent, which were among the highest in the sector.
- Employers in this industry reported a lack of essential skills, such as reading and arithmetic, and a lack of specialized skills as key impediments to successful employee recruitment.
- Over the forecast, the industry will have a stable supply of domestic workers, assisted by a lower share of retirements and a higher share of immigrants compared to other industries in agriculture.
- Approximately 660 foreign workers were employed in support services in 2022, accounting for 6 per cent of this industry's workforce.¹
- However, the peak demand for labour is expected to outpace domestic labour supply, leading to a growing domestic labour gap over the next 8 years.²

Current Workforce

- Support services employed around 10,600 domestic workers at peak season in 2022, accounting for 3 per cent of domestic employment in agriculture.³ Twenty-seven per cent of those workers were based in Ontario, 19 per cent in Alberta and 19 per cent in Quebec.
- Main occupations in the industry include specialized livestock workers or farm machinery operators (19 per cent of the workforce), livestock and harvesting labourers (14 per cent), managers in agriculture, including owner-operators and hired managers (8 per cent), and other technical trades and related occupations (8 per cent).⁴
- It is estimated that 960 positions went unfilled at peak season in 2022, resulting in a 10.5 per cent job vacancy rate.⁵

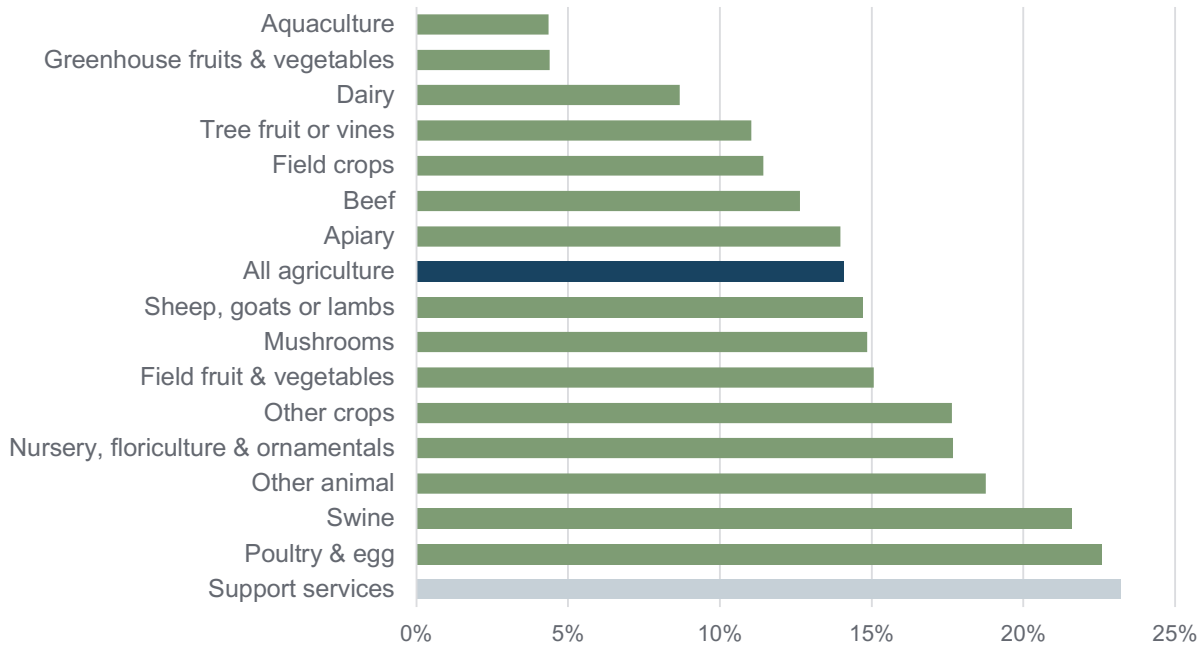
¹ Foreign workers include workers brought in through the Temporary Foreign Worker Program or Seasonal Agricultural Worker Program. Does not include immigrants or permanent residents. Statistics Canada; Employment and Social Development Canada; The Conference Board of Canada | ² Domestic labour gap is the difference between the total number of workers required and the number of domestic workers employed which equals foreign worker employment plus the number of vacancies. Estimated at peak to reflect maximum demand during seasonal peaks in agriculture. | ³ Statistics Canada; The Conference Board of Canada. | ⁴ Other technical trades and related occupations include farm blacksmiths, farriers, and a variety of technical trades occupations needed to repair, service, install, calibrate or fabricate a variety of products/machinery. | ⁵ Statistics Canada; The Conference Board of Canada Model of Occupations, Skills and Technology.

Employer Survey Insights

- Fifty-six per cent of the surveyed employers in support services were unable to find all the workers they needed, making them more at risk of labour shortages compared to other agriculture industries.⁶
- Over 75 per cent of employers reported lost sales due to labour shortages, and more than 50 per cent postponed or canceled expansion plans.⁷
- Twenty-seven per cent of employers cite a lack of essential skills, like reading and arithmetic, and 27 per cent cite lack of specialized skills as key impediments to recruitment, compared to only 13 and 19 per cent respectively across all industries.⁸
- Manual labour requirements and low wages were cited as less prominent barriers to recruitment by employers in this industry. Only 27 per cent cited manual labour, and just 20 per cent cited low wages, compared to reported rates of 59 per cent and 44 per cent respectively across all industries.⁹
- Employers in the industry reported the highest voluntary turnover rate (23 per cent), well above the 14 per cent turnover rate for the agriculture sector as a whole (Chart 1).¹⁰
- Limited opportunity for career growth was the top factor making retention difficult, cited by 40 per cent of employers in support services.¹¹

Chart 1: The support services industry has the highest voluntary turnover rate.

Voluntary turnover rates, * per cent, 2022.



Source: Canadian Agricultural Human Resource Council Employer Survey 2023.

* The voluntary turnover rate is the number of voluntary departures as a share of the total number of workers in a year. Voluntary departures are comprised of workers who quit, including seasonal workers who leave before contract completion.

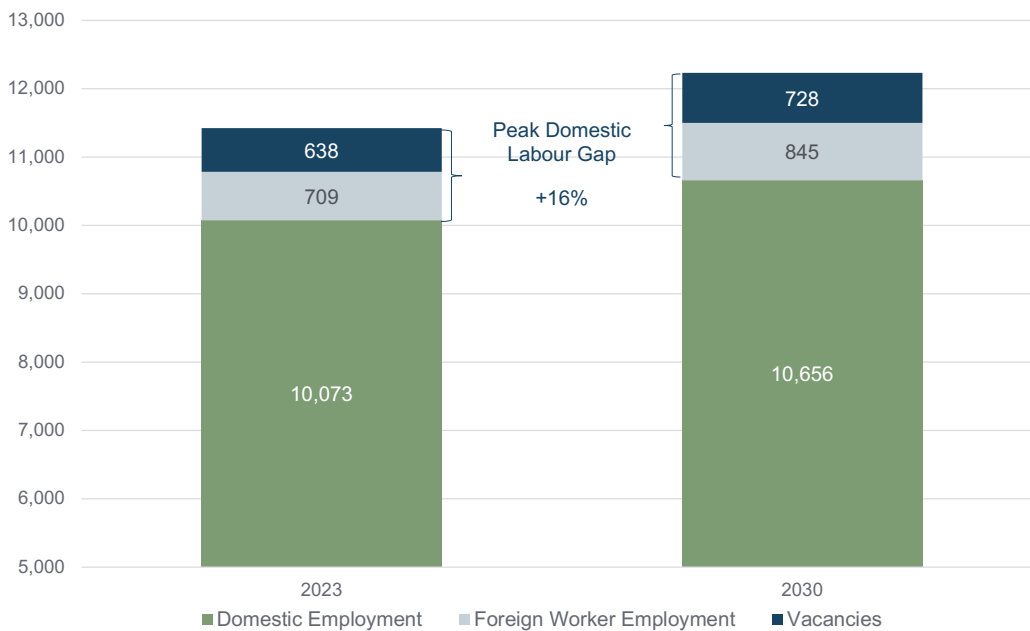
⁶ Canadian Agricultural Human Resource Council Employer Survey 2023 (n=18). | ⁷ Canadian Agricultural Human Resource Council Employer Survey 2023 (n=9). | ⁸ Canadian Agricultural Human Resource Council Employer Survey 2023 (n=15, 721). | ⁹ Ibid. | ¹⁰ Canadian Agricultural Human Resource Council Employer Survey 2023. | ¹¹ Canadian Agricultural Human Resource Council Employer Survey 2023 (n=15).

Labour Market Forecast

- Over the short term, a weaker economy will limit demand for support services, resulting in less employment and fewer vacancies in 2023 compared to 2022.
- Over the long term, steady growth in agriculture production will bolster demand for support services, with peak labour demand in this industry forecast to increase by 7 per cent over the next 8 years, reaching 12,230 workers.
- The industry is expected to see 1,620 workers retire between 2023 and 2030, while 1,010 immigrants and 1,450 school leavers are projected to enter this industry's workforce.¹²
- As a result, domestic employment is expected to grow 6 per cent between 2023 and 2030. This will slightly lag labour demand, resulting in a growing peak domestic labour gap, reaching 1,570 workers by 2030.
- The industry will increasingly rely on foreign workers to fill the labour gap. However, around 730 vacancies are expected to remain in 2030 at peak season.
- Thirty per cent of these vacancies will be for livestock and harvesting labourers, and 25 per cent for specialized livestock workers or farm machinery operators.

Chart 2: The peak domestic labour gap is growing.

Number of workers required at peak season in the support services industry.



Source: The Conference Board of Canada's Model of Occupations, Skills and Technology.

Foreign workers include workers brought in through the Temporary Foreign Worker Program or Seasonal Agricultural Worker Program. Does not include immigrants or permanent residents. The peak number of foreign workers is less than the cumulative total employed over the year since not all workers will be employed simultaneously.

¹² School leavers is the number of workers finished school (all levels of education) and entering the workforce.



Building the Future Workforce

- The support services industry requires a higher proportion of workers with specialized skills than other industries in agriculture. Finding workers with these skills is increasingly challenging. Training programs geared towards the specialized skill needs of this industry would be particularly beneficial.
- Competition for skilled workers coming from other sectors is contributing to the high turnover in support services. Employers in this industry may need to assess their incentives, highlighting career opportunities to help foster employee retention.

About the Support Services Industry

This factsheet pertains to the support services industry as defined by Statistics Canada as NAICS 1151 and 1152, “establishments primarily engaged in providing support activities for growing crops and support activities related to raising livestock, including companion animals.”

Support activities for crops include farm management, chemical soil treatments, orchard and vineyard maintenance, cleaning services, combining services, disease control for crops, crop drying services, inspection and grading, and pollination services. For a full list click [here](#).

Support activities for animals include farm management, breeding services, cleaning services, cattle dehorning and hoof trimming, chicken catching, egg grading stations, registration services, shearing and pelting services, horseshoeing and honey straining. For a full list click [here](#).

About This Factsheet

The data cited in this fact sheet is based on a Labour Market Information (LMI) study that took place between March and September 2023. This study involved modelling labour demand and supply by province, commodity, and occupation; conducting a survey of more than 1,400 sector stakeholders; and validating the results through webinars as well as an advisory group presentation. For more information about this LMI study, please see the National Report.

The study was initiated by the Canadian Agricultural Human Resource 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.

This research was conducted by The Conference Board of Canada, our country’s foremost independent organization for applied research. Through the use of sophisticated data modelling, best-in-class forecasting and multi-method research approaches, they deliver research to help leaders take action.



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