



CANADIAN AGRICULTURAL
HUMAN RESOURCE COUNCIL
CONSEIL CANADIEN POUR LES
RESSOURCES HUMAINES EN AGRICULTURE
CAHRC-CCRHA

Understanding the Effects of COVID-19 on Canada's Agriculture Workforce



The opinions and interpretations in this publication are those of the author and do not necessarily reflect those of the Government of Canada.

Key findings

- Agriculture outperformed the Canadian economy in 2020, seeing gross domestic product (GDP) increase by 7.6%, compared to a 5.3% decline across all industries. However, the performance was inconsistent across industries with production growth concentrated in crop industries – mainly cannabis.
- Growth in overall agriculture production in 2020 masks the sector's significant labour challenges during this time, including widespread labour shortages. During record levels of unemployment, 41% of surveyed employers were not able to find all the workers they needed. What is more, 71% of employers who reported labour shortages cited fewer Canadian applicants.
- COVID-19-related labour shortages centered around temporary foreign workers (TFWs). We estimate that employers in our sample were unable to fill around one in five TFWs they were looking to employ because of COVID-19, with many citing challenges getting TFWs across the border.
- Results from our employer survey and interviews also highlight additional challenges that employers faced in employing TFWs during COVID-19, such as accommodating TFWs during quarantine, and meeting housing and workplace regulations.
- Labour shortages attributed to COVID-19 had significant impacts on farm operations, including excessive stress for owners and other staff, production delays, overtime costs, and delayed or canceled investment or expansion. In addition, we estimate these shortages¹ resulted in 2.9 billion in lost sales, equivalent to roughly 4.2% of the sector's total.
- Almost four in five (78%) of operators surveyed applied for government support during COVID-19. The three most widely leveraged supports included the Canada Emergency Business Account (CEBA), the Mandatory Isolation Support for Temporary Foreign Workers (MISTFWP), and the AgriInvest program.
- Feedback on government support/funding was generally positive. However, inconsistent regulation across various levels of government, especially across local health authorities, burdened many employers.
- Labour shortages are expected to prevail and may even worsen amid more stringent travel restrictions and rules around testing. To manage the pandemic over the coming year, employers would benefit from continued access to financial supports, and assistance applying for and employing TFWs.

¹ Our estimate for lost sales does not include the impact of labour shortages not attributable to COVID-19.

Background

Since the COVID-19 pandemic hit in March of 2020, it has had an unprecedented economic impact on the Canadian economy. Approximately 3 million Canadians lost their jobs between February and April 2020, as Canada mandated lockdowns, closed borders, and encouraged social distancing to slow the transmission of the virus. Most jobs had been recovered by October; however, a second wave of the virus resulted in another round of job losses. In terms of GDP, the Canadian economy shrank by 5.3 per cent in 2020.

Agriculture businesses have had to learn how to operate in an environment of uncertainty and increased health and safety regulations. Furthermore, they have faced several other COVID-19-related challenges, including disruptions to supply chains, operating procedures, and product demand. But arguably largest impact of COVID-19 for agriculture has been its effect on the sector's workforce. Most notably, border closures and travel restrictions made it very difficult for employers to bring in temporary foreign workers (TFWs) - a vital source of labour in many agriculture industries.

Against this backdrop, the Canadian Agricultural Human Resource Council (CAHRC) sought to better understand the effects of COVID-19 on Canada's agriculture workforce as well as the needs of agricultural employers as they continue to manage the pandemic in the future. In turn, CAHRC commissioned The Conference Board of Canada (CBoC) to conduct research on the implications of COVID-19 on the agriculture sector through a nation-wide survey and series of interviews. This briefing summarizes the results of this research, beginning with an overview of several key economic indicators for agriculture.

Disclaimer

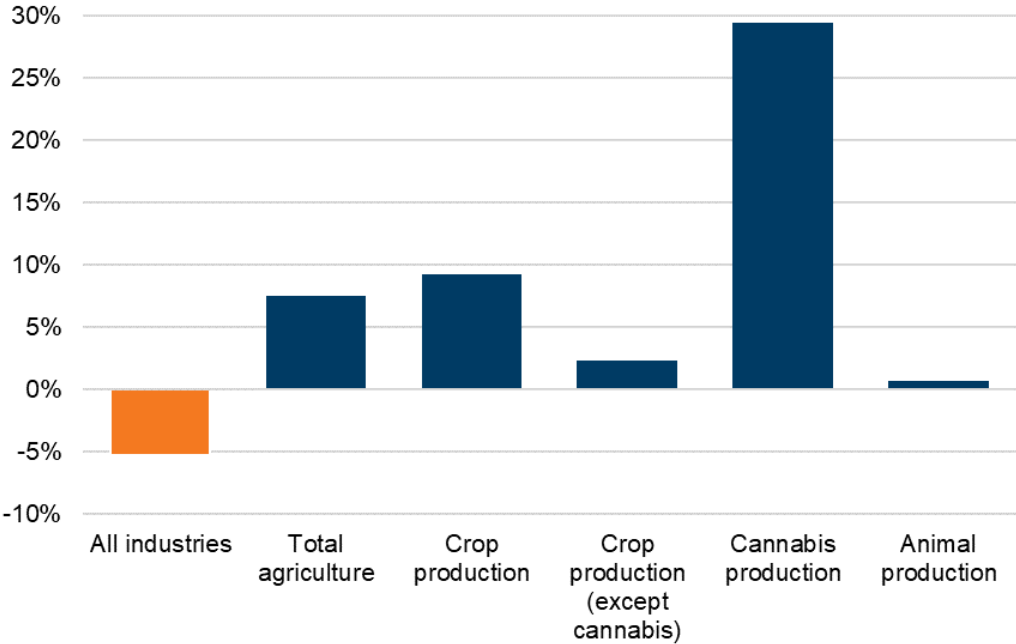
This report presents the findings from the CAHRC COVID-19 employer survey, conducted between November 16th, 2020 and January 11th, 2021, and stakeholder interviews, conducted between January 11th and February 26th, 2021. We surveyed over 450 farm operators across Canada. (See Appendix A for a detailed breakdown of responses by province, commodity, and business size.) Because the demographic distribution of the survey respondents is not identical to the demographic distribution of the population of agriculture business across Canada, the views reflected in our research may not necessarily reflect the views of the population of agricultural employers. The survey captures opinions of employers who are highly impacted by COVID-19 and can help inform future policymaking or action plans. Furthermore, the 20 interviews of farm operators and other industry stakeholders allowed us to validate the survey results and expand on our understanding of the impact of COVID-19 on agriculture.

Key economic indicators

Production

- Agriculture outperformed the Canadian economy in 2020, seeing gross domestic product (GDP) increase by 7.6%, compared to a 5.3% decline across all industries.²
- Yet, GDP growth in agriculture varied across commodities. (See Chart 1.) On the one hand, GDP in crop production grew 9.2%, with growth concentrated in cannabis production. On the other hand, animal production grew by a much more modest 0.7%.³

Chart 1: Strong GDP growth for agriculture in 2020 skewed by cannabis production
(percentage change in GDP, 2020)



Source: Statistics Canada (Table: 36-10-0434-01).

Trade

- The value of agriculture exports increased by 19.1% in 2020, driven largely by an increase of 28.3% in grain and oilseed exports.⁴ This export growth was supported by strong demand from China, especially for barley.⁵

² Statistics Canada (Table: 36-10-0434-01). Includes cannabis production.

³ Ibid.

⁴ Government of Canada. "Trade Data Online - Home." Innovation, Science and Economic Development Canada, March 2, 2021. <http://www.ic.gc.ca/eic/site/tdo-dcd.nsf/eng/Home?OpenDocument>.

⁵ China imported 1.5 million tonnes of barley from Canada between August and December 2020 to rebuild pig herds after African Swine Fever epidemic wiped out hundreds of millions of hogs. Trompiz, Gus. "UPDATE 1-China's appetite for barley sucks in French and Canadian new crop." Reuters. February 3, 2021. <https://www.reuters.com/article/china-grain-barley-idUSL1N2K91O6>.

- Exports of animal products fared much worse, declining by 17.5%, with the largest declines occurring in fur-bearing animal and rabbit production, sheep and goat farming, and aquaculture.⁶
- Imports of crop products increased by only 0.6%, while imports of animal products declined by 29.9%. In turn, the value of agriculture imports fell 1.4% in 2020.
- Strong export growth combined with weak import growth meant that agriculture's trade surplus grew to \$17.6 billion in 2020—its highest level since trade data began to be tracked in 2002.

Employment

- Agriculture's strong production growth during COVID-19 masks the sector's ongoing labour challenges, which include widespread labour shortages.
- Employment data shed some light on the sector's difficulties finding labour during the pandemic. Overall employment in agriculture was down over 5% in 2020, with domestic employment down 4%⁷ and TFW employment down 7%.⁸
- In March of 2020, the number of TFWs was down 47% because of COVID-19.⁹ Although many TFWs were able to come later in the season, the total number of TFWs remained less than in 2019. (See Chart 2.)

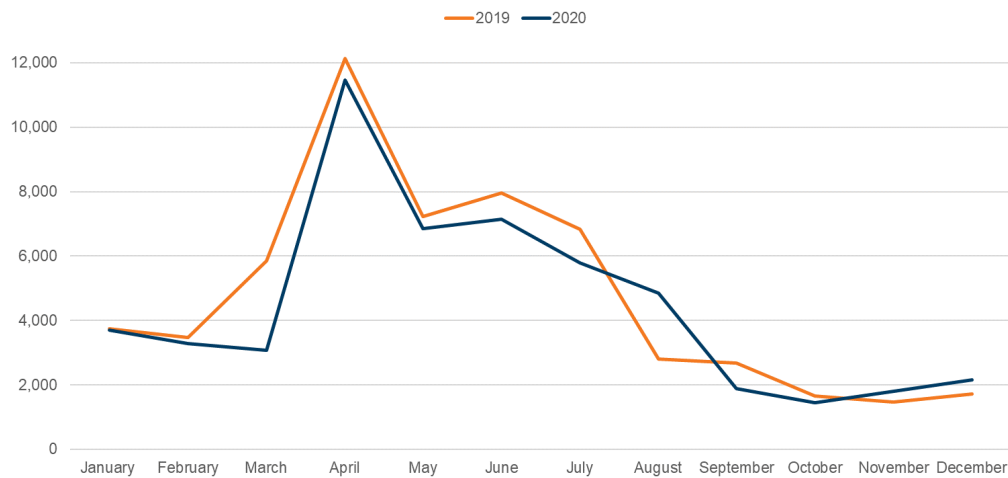
⁶ *Ibid.*

⁷ Statistics Canada (Table: 14-10-0023-01)

⁸ Immigration, Refugees and Citizenship Canada (Table: Temporary Foreign Worker Program (TFWP) work permit holders by province/territory of intended destination, program and year in which permit(s) became effective, January 2015 - December 2020).

⁹ Immigration, Refugees and Citizenship Canada (Table: Temporary Foreign Worker Program (TFWP) work permit holders by province/territory of intended destination, program and year in which permit(s) became effective, January 2015 - December 2020).

Chart 2: Employment of TFWs disrupted by COVID-19
 (agriculture work permit holders, Temporary Foreign Worker Program)



Source: Immigration, Refugees and Citizenship Canada - Temporary Foreign Worker Program (TFWP) work permit holders for agriculture workers in year which permit(s) became effective.

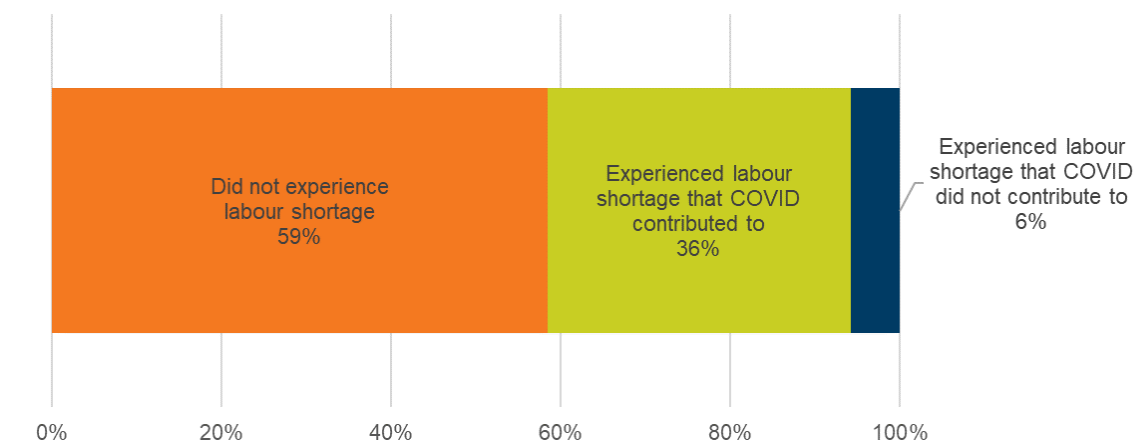
Labour impacts of COVID-19

How common were labour shortages?

- Two in five employers (41%) experienced labour shortages during COVID-19.
- Most employers (86%) who reported labour shortages believe that COVID-19 contributed to their shortages.
- In other words, 36% of surveyed employers experienced labour shortages, at least some of which they attributed to COVID-19. (See Chart 3.)

Chart 3: COVID-19 contributed to labour shortages in agriculture

(share of employers who indicated a labour shortage in 2020)



(n=446)¹⁰

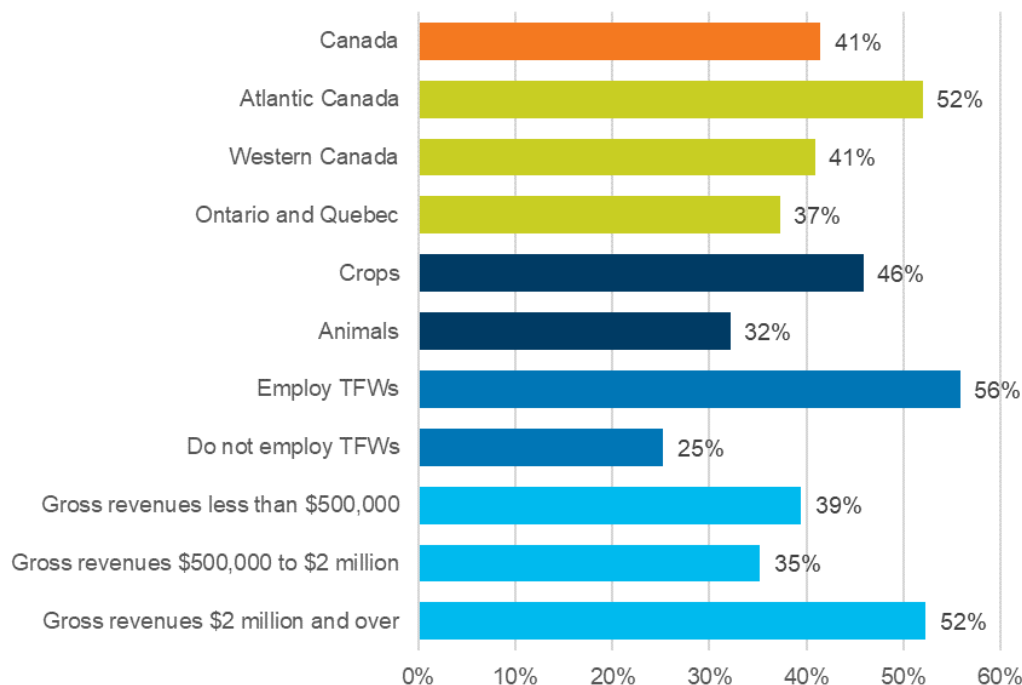
Source: CAHRC COVID-19 Employer Survey.

Who was most challenged by labour shortages?

- Farm operators who employed TFWs were over twice as likely to have experienced a labour shortage during COVID-19 than employers that did not. (See Chart 4.)
- Crop producers were much more likely to face shortages than animal producers. This reflects their reliance on TFWs. Of employers who employed TFWs, 79% were crop producers compared to 21% who were animal producers.
- Among crop producers, labour shortages were most common in horticulture with 55% of employers in this industry unable to find all the workers they needed in 2020.
- Among animal producers, labour shortages were most common in apiculture with 47% of employers in the industry unable to find all the workers they needed in 2020.
- Labour shortages were most prevalent in Atlantic Canada, with over half of agricultural employers citing vacancies in 2020. Most notably in the region, 61% of employers in Nova Scotia reported labour shortages.

¹⁰ n represents the number of observations (i.e. employers).

Chart 4: Labour shortages most common in industries that rely on TFWs
(share of employers who indicated a labour shortage in 2020)



(n=446)

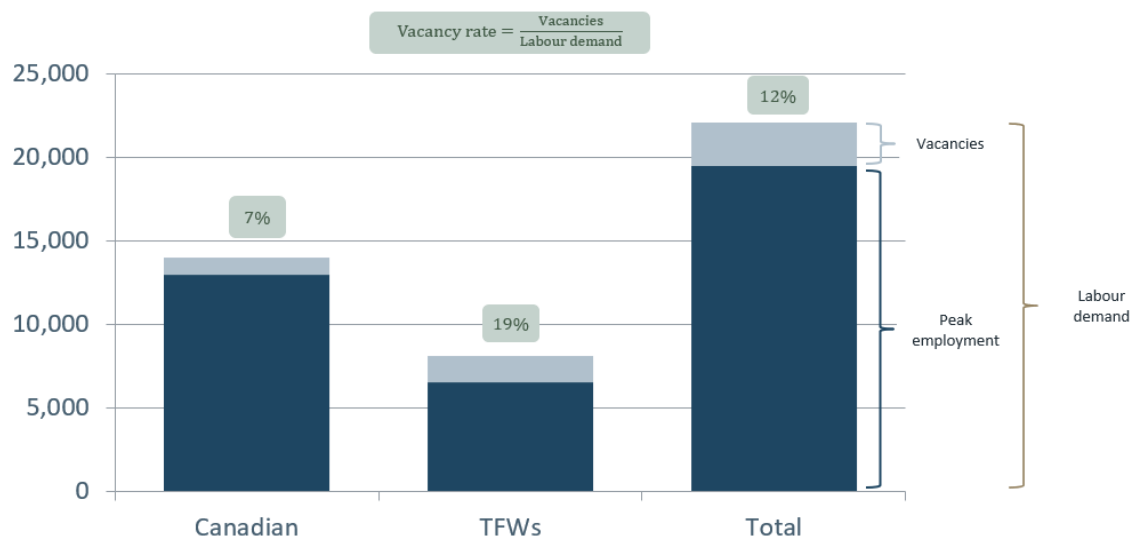
Source: CAHRC COVID-19 Employer Survey

How many positions went unfilled?

- We estimate that surveyed employers were unable to fill 12% of positions because of COVID-19.
- Challenges employing workers during COVID-19 centered around TFWs. Surveyed employers were unable to employ 1,578 of 8,125 TFWs they expected to employ—equivalent to roughly one in five TFWs. (See Chart 5.)
- In comparison, COVID-19 prevented survey respondents from employing 1,018 of the 13,984 Canadians they were looking to employ. This is equivalent to one in every fourteen positions.
- The industries that experienced the most severe labour shortages because of COVID-19 were tree fruit or vines (23% vacancy rate¹¹), poultry and eggs (14%), and apiculture (13%).
- Vacancy rates were the lowest in the aquaculture (2%), swine (3%), and field crop (6%) industries.

¹¹ Vacancy rate equals the number of vacant positions tied to COVID-19 divided by labour demand. Labour demand equals the number of employed workers plus the number of vacant positions tied to COVID-19.

Chart 5: Employers faced difficulties employing TFWs during COVID-19.
(combined agricultural workforce of surveyed employers)



(n=431)

Source: CAHRC COVID-19 Employer Survey.

What factors contributed to labour shortages?

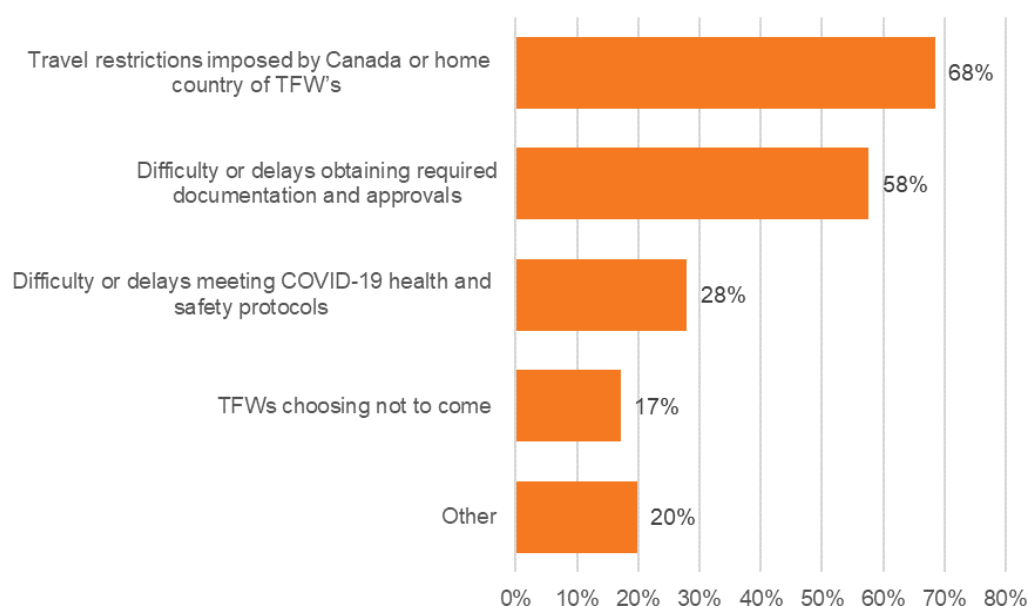
Temporary foreign workers

- Employers faced various obstacles to employing and accommodating TFWs during COVID-19, including travel restrictions, delays obtaining approvals, and difficulties meeting housing and workplace regulations.
- Roughly two-thirds of employers who reported TFW vacancies because of COVID-19 (68%) cited that travel restrictions imposed by Canada or the home countries of TFWs prevented them from bringing in TFWs. (See Chart 6.) Other travel restrictions mentioned by farm operators include limited or canceled flights.
- Over half of employers with TFW vacancies (58%) reported difficulty or delays obtaining required documentation and approvals as a reason they were unable to fill TFW positions. Results from our interviews indicate offices and embassies in foreign countries were slower to process paperwork (like biometrics, visas, and work permits) due to staff working from home or operating at reduced hours.
- Over one quarter of employers with TFW vacancies (28%) reported difficulty or delays meeting COVID-19 health and safety protocols. Of these employers, 84% cited challenges around securing housing.
- During the interviews, multiple farm operators discussed needing to build or buy more housing for their TFWs to accommodate the two-week quarantine, social distancing

measures, and other new government regulations. However, the lack of available housing in small municipalities and the rising cost of housing in more urban areas continue to challenge farm operators.

- Overall, interviewees discussed at length the challenges related to bringing in TFWs during COVID-19. Challenges included coordinating travel plans around flight cancellations/delays and border closures, finding accommodations for TFWs to quarantine for two weeks, ensuring housing for TFWs meets governments approvals, changing workplace procedures to allow for social distancing, and explaining new COVID-19 procedures to TFWs.¹²

Chart 6: Travel restrictions are the key impediment to bringing in TFWs
(reasons why employers were unable to fill vacant positions, TFWs)



(n=111)

Source: CAHRC COVID-19 Employer Survey.

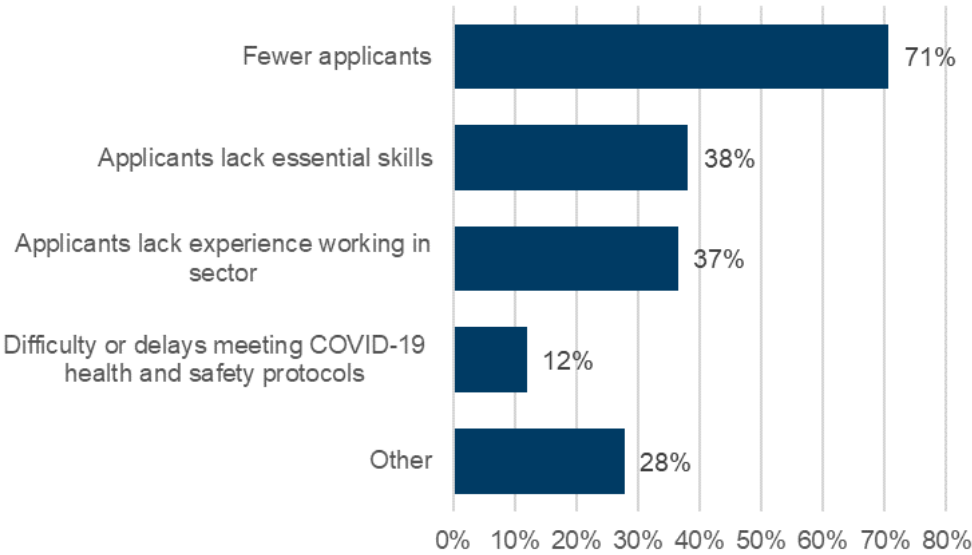
Canadian workers

- Difficulties bringing in TFWs during COVID-19 made agriculture employers more reliant on domestic labour. Unfortunately, farm operators reported challenges recruiting Canadian workers, despite record-high unemployment.
- Before COVID-19, the rural location, seasonality, wages, and physical requirements of agriculture jobs acted as barriers to recruiting and retaining Canadian workers. Results from our interviews indicate these barriers have remained unchanged during COVID-19.

¹² From interviews.

- At the same time, many employers experienced a decline in their Canadian workforces as workers left temporarily to self-isolate, take care of child or family, quarantine after travel, or recover from illness.
- Among employers who reported Canadian vacancies, 71% cited fewer applicants. (See Chart 7.) Reasons for fewer applicants as reported by employers include fear of contracting COVID-19, stay-at-home orders, childcare/family responsibilities.
- Some farm operators did experience an influx of local applicants, for example more labour available from high school students. However, employers found that these new workers often lacked essential skills and experience, which translated into lower productivity and higher turnover.¹³
- Employers also reported that many Canadian applicants were looking for part-time work, noting that this could be related to applicants wanting to maintain low enough working hours to qualify for CERB.¹⁴

Chart 7: Employers report fewer Canadian applicants
 (reasons why employers were unable to fill vacant positions, Canadian workers)



(n=126)
 Source: CAHRC COVID-19 Employer Survey.

¹³ From interviews.
¹⁴ From interviews.

“We have received 80 names ... Of those 80 people, 25 showed up and stayed for more than 24 hours. All of the others basically did not want to work ... did not want to work more than 19 hours (so that they could keep their CERB), they did not want to work early in the morning or late at night, and they did not want to work on weekends.”

~ Anne VERNY, owner/operator of a field vegetable farm in Quebec

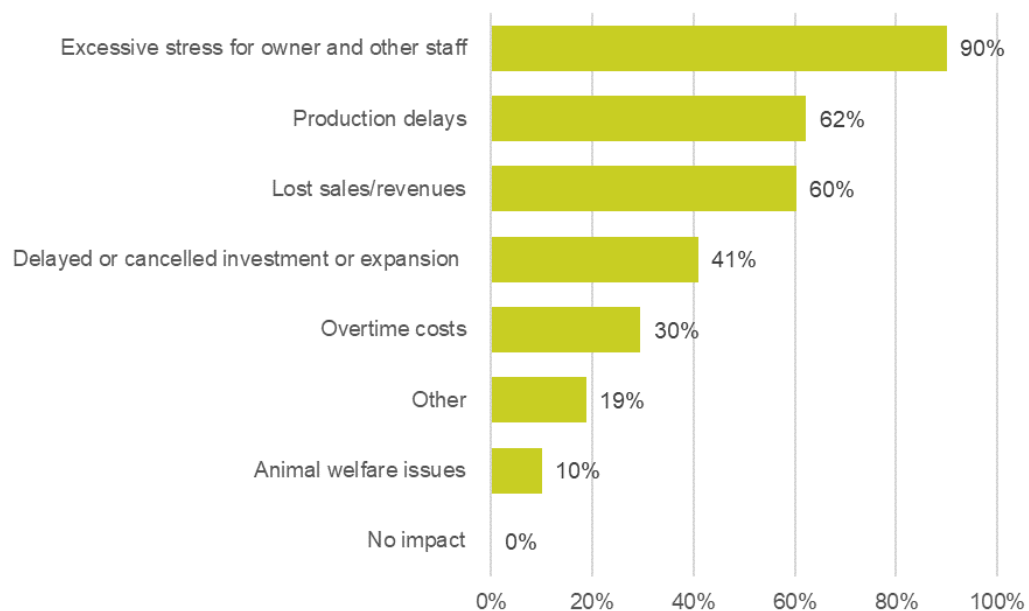
What were the impacts of labour shortages?

Excessive stress for owner and other staff

- Almost all employers with vacancies (90%) cited excessive stress for themselves and other staff as a result. (See Chart 8).
- Factors contributing to increased stress include finding and training new workers, and longer hours to meet the demand.
- Almost half of the surveyed employers who experienced a labour shortage (49%) increased the hours of shifts. This compares to 27% of employers who did so without a shortage.

Chart 8: Labour shortages put enormous strain on owners and other staff

(share of employers who indicated a labour shortage because of COVID)



(n=159)

Source: CAHRC COVID-19 Employer Survey.

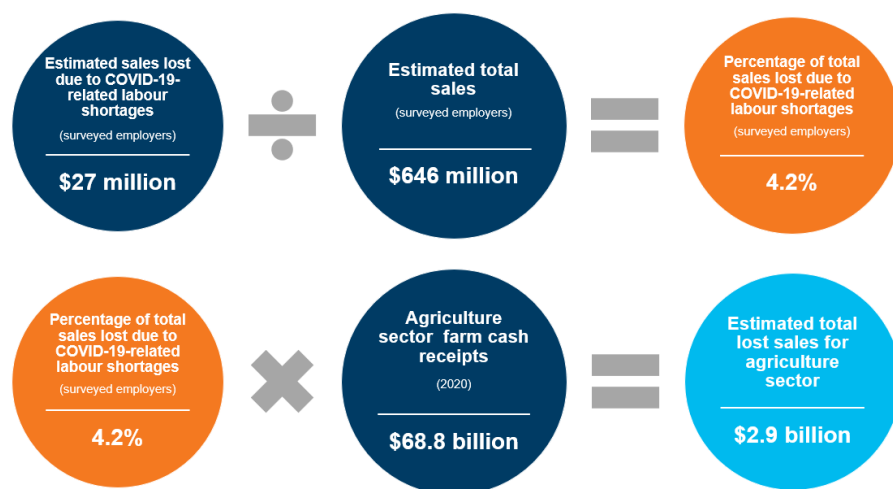
“We did have more shortages this year because of COVID. We had problems. We had people [TFWs] lined up to come here ... Some of them arrived late. Some of them didn't arrive until after seeding. One person never did get here. So, it did mean longer hours for everybody that was here, and some work didn't get done.”

~ Kenton Possberg, owner/operator of a grain farm in Saskatchewan

Production delays and lost sales

- Labour shortages attributed to COVID-19 also resulted in production delays and lost sales. Three in five employers who experienced labour shortages (60%) lost sales as a result, while 62% of employers with shortages experienced production delays.
- This individual impact of labour shortages on sales was highlighted by one interviewee who abandoned their entire line of asparagus production because they could not find enough workers in the spring. The result was \$700,000 in forgone sales.
- We also estimated the aggregate impact in lost sales from labour shortages attributed to COVID-19. Our estimate is based on the following information:
 - A total of 95 surveyed employers, or roughly one in five employers in our sample (22%), reported lost sales because of labour shortages that they attributed to COVID-19.
 - These 95 employers are estimated to have lost \$27 million in sales because of COVID-related labour shortages, equivalent to 14.4% of their combined total sales.
 - Considering that we estimate our total sample of employers generate annual sales of \$646 million, we deduce that labour shortages attributed to COVID-19 cost our sample of employers 4.2% of total sales. (See Chart 9.)
 - If our sample of employers is representative of agricultural operators across Canada, we would estimate that agriculture lost \$2.9 billion in sales because of labour shortages attributed to COVID-19, equivalent to 4.2% of the sector's total sales.
- It is important to note that this estimate only includes the impact of shortages that employers attributed to COVID-19. As such, it is not comparable to previous estimates by CAHRC.

Chart 9: Estimated lost sales from vacancies attributed to COVID-19



Sources: Calculations by The Conference Board of Canada based on the results from the CAHRC COVID-19 Employer Survey and Statistics Canada Table: 32-10-0046-01.

Delayed or canceled investment

- Because of ongoing labour shortages, two in five employers (41%) expect to delay or cancel investment or expansion.
- Thus, labour shortages are also limiting agriculture’s growth potential, translating into fewer jobs and lower tax revenues in the future.

Other impacts

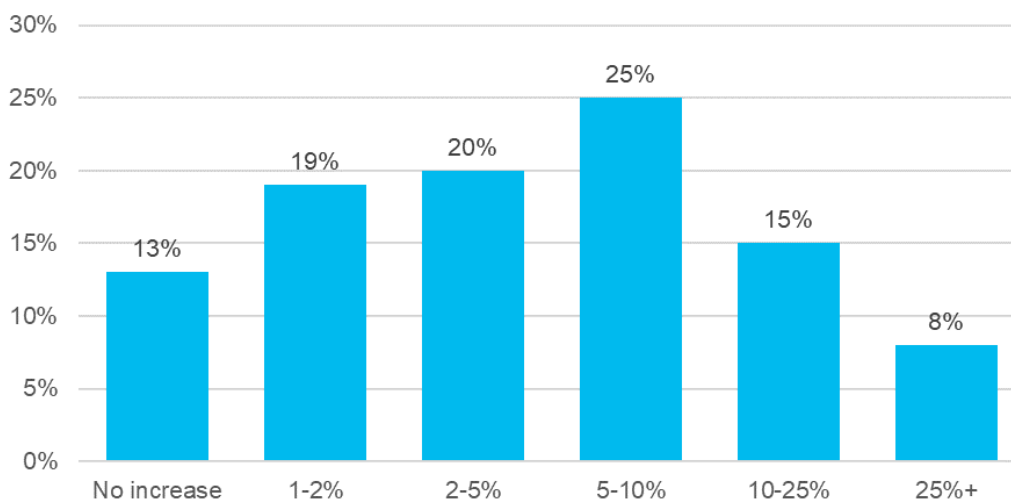
How much did COVID-19 health and safety requirements increase costs?

- In addition to the labour shortages experienced during COVID-19, employers were challenged in meeting COVID-19 health and safety requirements around personal protective equipment (PPE), housing, and transportation.
- Over four in five surveyed employers (83%) reported cost increases because of COVID-19 health and safety regulations. (See Chart 10.) The average resulting cost increase for employers was 10.8%.
- Only 12% of employers increased their prices in response to higher costs. This highlights how most operators in agriculture are price-takers who are limited in their ability to pass on cost increases to consumers.

- Although many farm operators were able to access government support to alleviate cost increases from COVID-19 health and safety requirements, several interviewees suggested that this support was insufficient.

Chart 10: COVID-19 health and safety regulations contributed to cost increases for most employers

(cost increases due to COVID-19 health and safety regulations, percentage of employers)



(n=429)

Source: CAHRC COVID-19 Employer Survey.

What other operational changes did employers make because of COVID-19?

- COVID-19 led to more adoption of technology, including more use of online tools for advertising, interviewing, onboarding, and training.
- Agriculture businesses also leveraged online tools to reduce travel and allow certain staff to work remotely. In turn, sufficient broadband internet in rural locations become even more important.
- The shut down of certain industries (mainly travel and accommodations) and the drastic change in consumers' lifestyles led to changes in demand for various agriculture products. For example, the closure of restaurants led to a decline in demand for aquaculture products and more Canadians gardening at home led to an increase in demand for nursery products. In turn, operations had to adjust their supply accordingly.
- Some operations that rely on in-person selling venues such as farmers markets were able to pivot business models, for example, by using online platforms and selling directly to consumer.

- Shutdowns of processing plants due to COVID-19 outbreaks caused major backlogs for several industries, especially beef and pork. These backlogs resulted in farm operators needing to keep their animals longer – ultimately increasing costs and dampening production.

“Just the fact that we did everything via zoom meetings ... instead of having to wait for that student to come home for a weekend to do an interview ... we can start hiring them today.”
~ Anita Heuver, owner/operator of a nursery in Alberta

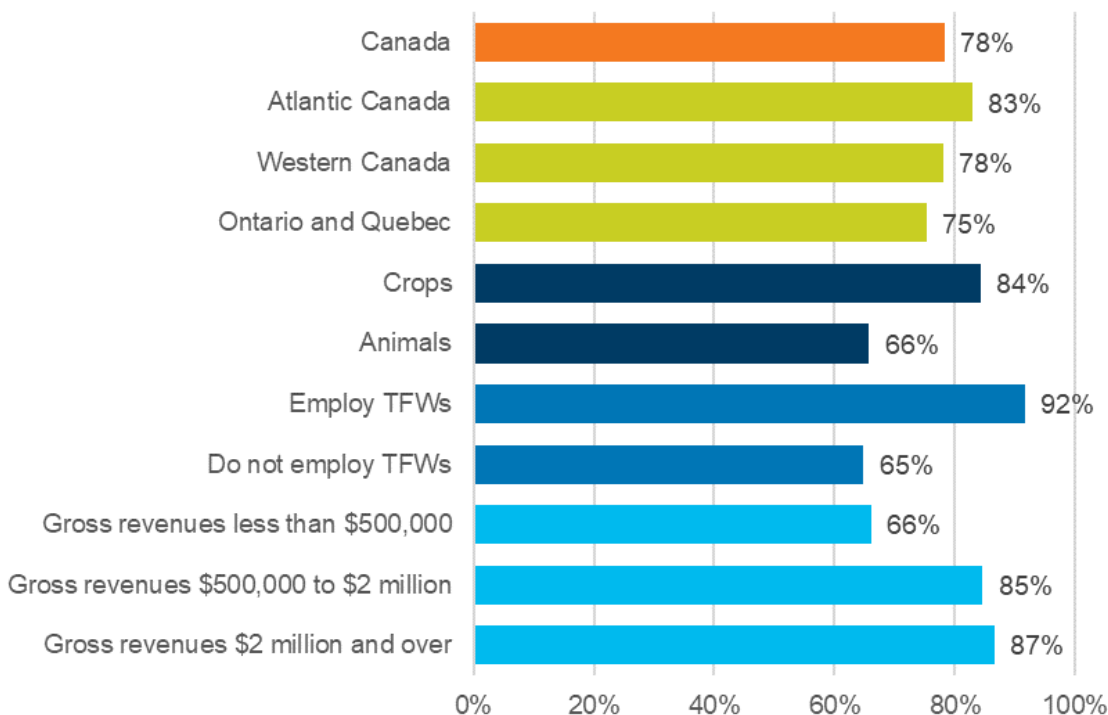
Government support

To what extent did employers leverage government support during COVID-19?

- Almost four in five surveyed employers (78%) applied for government support in 2020.
- Operations that employed TFWs were much more likely to apply for government support. Indeed, 92% of TFW employers applied for government support, compared to 65% of employers who did not employ TFWs. (See Chart 11.) This is likely to reflect the greater need for help managing the isolation and accommodation of TFWs.
- Larger operations were more likely than smaller ones to leverage government support. While 86% of operators with gross revenues over \$500,000 applied for government support, only 66% of operators with gross revenues below \$500,000 did.

Chart 11: Most employers leveraged government supports

(share of employers who applied for federal or provincial funding and/or support during COVID-19)



(n=443)

Source: CAHRC COVID-19 Employer Survey.

Which government supports were most widely used?

- On average, employers who leveraged government support applied for 3 support programs.
- The most used government support was the Canada Emergency Business Account (CEBA),¹⁵ through which just under half of surveyed employers (47%) received support.
- Just under one third of employers (31%) received support through the Mandatory Isolation Support for Temporary Foreign Workers Program (MISTFWP),¹⁶ making it the second most widely leveraged support.
- Employers also relied on other government supports such as the Canada Emergency Wage Subsidy, the AgriInvest program, the 10% Temporary Wage Subsidy, and the AgriStability program.

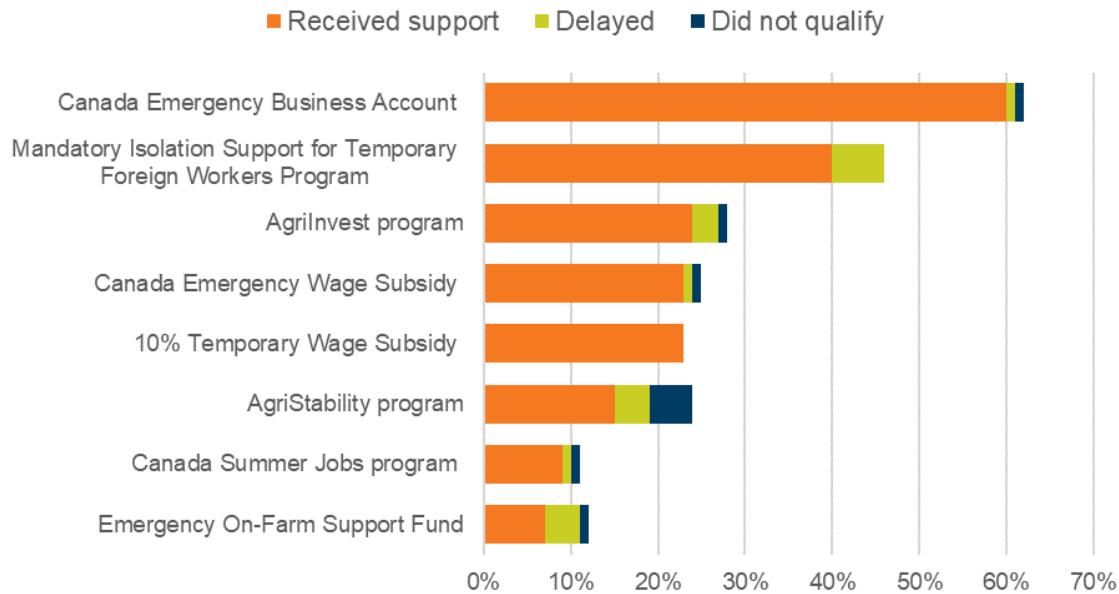
¹⁵ CEBA is a \$55 billion program that provides interest-free loans of up to \$60,000 to small businesses and not-for-profits.

¹⁶ The MISTFWP is a one-time \$84.4 million program which gives farm operators up to \$1,500 per TFW to help cover the isolation costs.

How effective were government supports?

- Overall, government support was effective considering that most surveyed employers who applied were able to receive support and those who received support found it valuable. (See Chart 12 and Chart 13.) For example, almost all (95%) employers who applied for CEBA received support and 86% of employers who received support found it valuable or very valuable.
- Similarly, 86% of employers who applied to the MISTFWP received funding and 96% of employers who received support found it valuable or very valuable. However, during the interviews, farm operators criticized the MISTFWP due to the length of time it took to receive funding and because it was insufficient to cover the cost of a two-week quarantine, especially if TFWs had to be boarded in hotels.
- The AgriStability program – a business risk management programs under the Canadian Agricultural Partnership – saw the largest share of employers apply but not qualify. One in five employers who applied to the program did not qualify. During the interviews, several farm operators discussed how it was hard to qualify for support from this program based on the lost sales requirements.

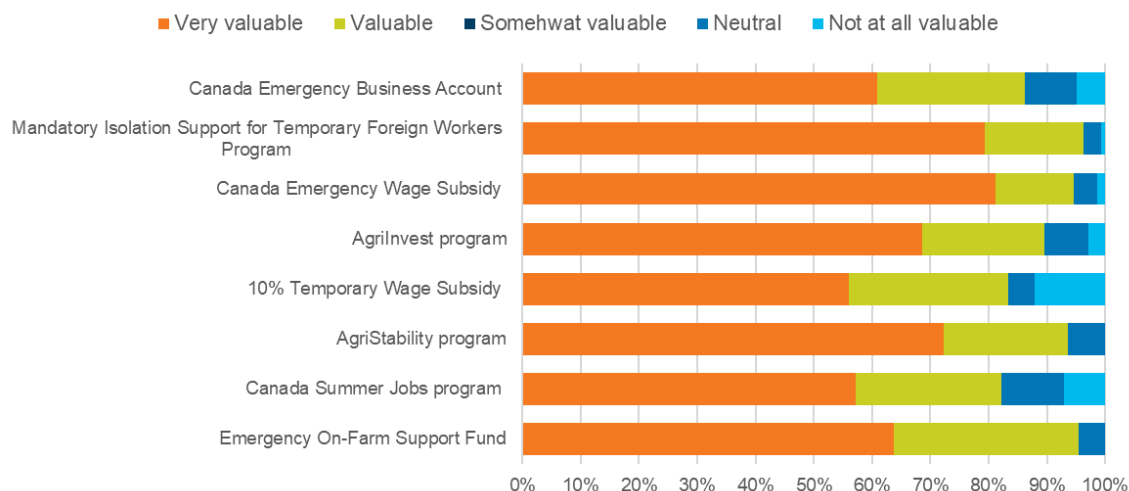
Chart 12: Employers generally able to receive the government support they applied for (share of employers who applied for federal or provincial funding and/or support during COVID-19)



(n=347)

Source: CAHRC COVID-19 Employer Survey.

Chart 13: Most used government supports were found to be valuable
(share of employers who received support)



(n=347)

Source: CAHRC COVID-19 Employer Survey.

“I think that the \$1500 quarantine allotment that was given to employers helped, but it certainly did not cover the costs ... a number of employers had to put up employees in hotels, for example, or motels, whatever was available in their local community. That component I don't think was sufficient.”

~Rod Scarlett, Executive Director of the Canadian Honey Council

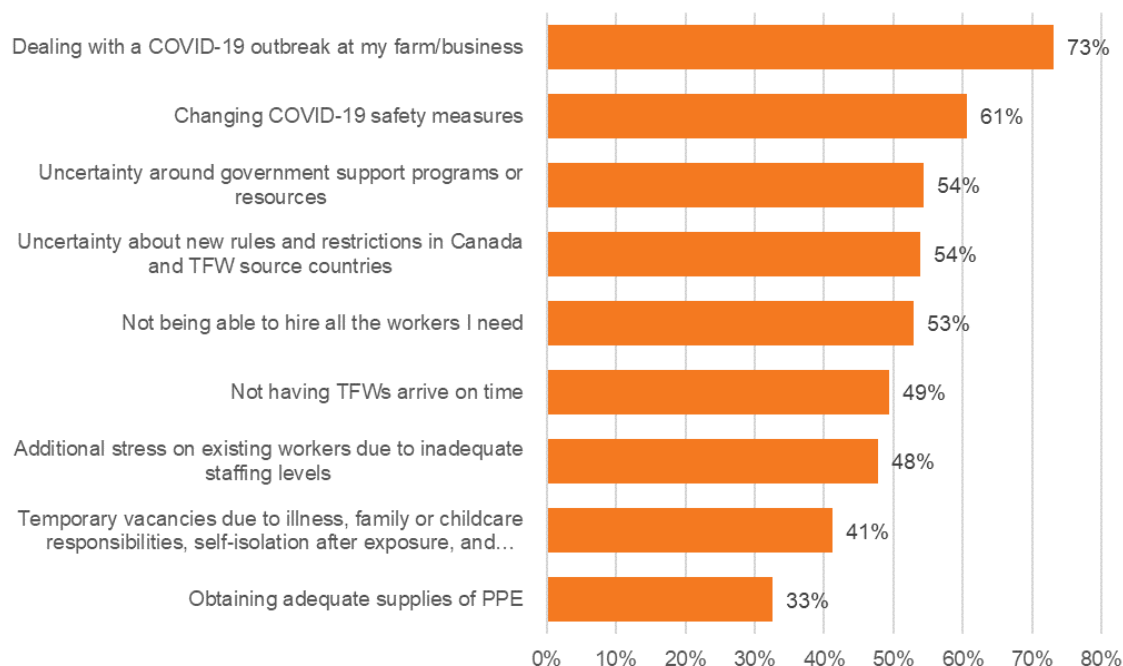
Expectations for the future

What are employers thinking about as they consider dealing with COVID-19 over the next year?

COVID-19 outbreaks at farms

- Until a vaccine is widely available, COVID-19 outbreaks will continue to threaten agriculture operations. In turn, 73% of surveyed employers are concerned about dealing with an outbreak at their business. (See Chart 14.)
- Larger operations are more concerned about COVID-19 outbreaks – with 84% of operators with gross revenues \$2 million and over concerned about dealing with a COVID-19 outbreak, compared to 58% of operators with gross revenues less than \$500,000.
- Based on discussions with stakeholders, farm operators would benefit from more advice and support geared towards dealing with an outbreak, as well as updates on how to best monitor workers and keep them safe.

Chart 14: Employers are most concerned about having a COVID-19 outbreak.
(share of employers)



(n=427)

Source: CAHRC COVID-19 Employer Survey.

Changing COVID-19 safety measures

- Over 60% of surveyed employers are concerned about changing COVID-19 safety measures, making it the second most cited employment concern for employers.
- Larger operations are more concerned about changing COVID-19 safety measures – with 73% of operators with gross revenues \$2 million and over concerned about changing COVID-19 safety measures, compared to 51% of operators with gross revenues less than \$500,000.

Uncertainty around government support

- Over half (54%) of surveyed employers are troubled by uncertainty around government supports and resources.
- Based on survey and interview statements, farm operators would appreciate more clarity on what government supports exist, who is eligible for the supports, and how long the supports will be available.

Finding enough workers

- Over half of surveyed employers (53%) are worried about not being able to hire all the workers they need over the next year.

- Concerns around not finding enough workers were most often cited by employers in apiculture (76%), horticulture (72%), and aquaculture (50%). Outside of these three industries, a comparatively fewer 28% of employers were concerned with not finding enough labour.
- When it comes to finding sufficient workers over the coming year, employers surveyed are most concerned about their ability to bring in TFWs.
 - Nine in ten employers of TFWs (90%) are worried TFWs will not arrive on time, amid evolving rules and restrictions in Canada and TFW source countries.
 - During interviews, farm operators and other industry stakeholders expressed concern about testing requirements as they can be challenging to get in many of the home countries of TFWs and may cause further delays.
 - Many farm operators and other industry stakeholder also expressed concern about quarantine requirements because they cause delays and increase costs.

“Plus, now we have the requirement that they [TFWs] have to test negative three days before they get on a flight and not all of our workers are coming from places where they have access to that. So, it's a logistical nightmare ... that's one pressure that COVID is specifically related to.”
 ~ Susan McBride Friesen, Vice President of Human Resources at Highline Mushrooms

In which areas would support be most helpful to deal with the impact of COVID-19 over the next year?

Applying for and employing TFWs

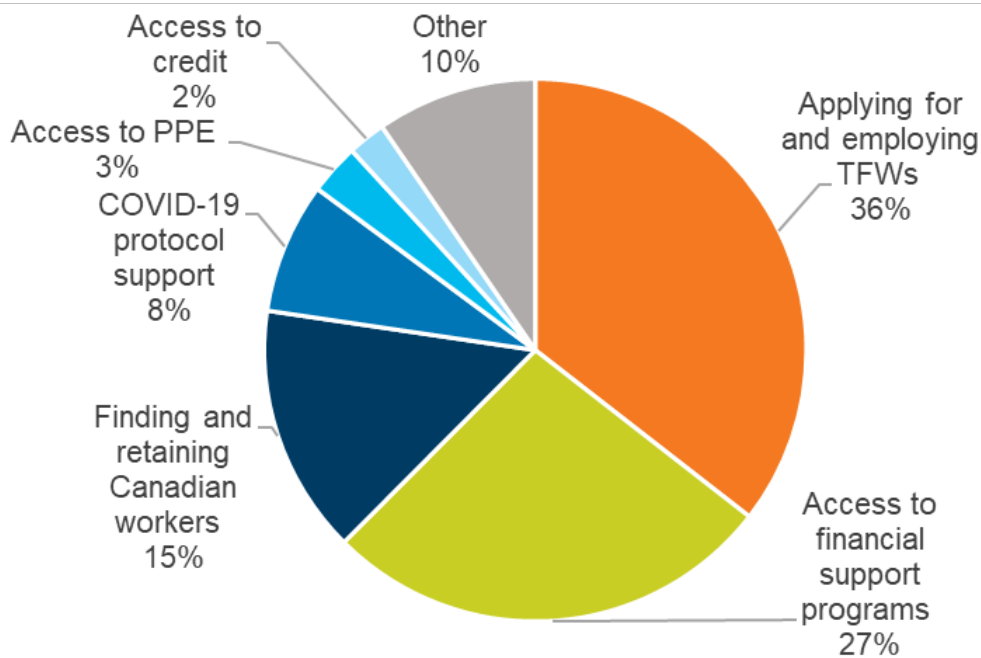
- The results of our research highlight how agriculture’s labour challenges during COVID-19 have centered around TFWs.
- Employers do not expect challenges around bringing in and accommodating TFWs to subside over the near future, especially considering stricter travel restrictions and rules around testing.
- Against this backdrop, over half of all surveyed employers (52%) would benefit from help applying for and employing TFWs.
- Moreover, one third of employers identified help applying for and employing TFWs as their most needed area for support. (See Chart 15.) This makes it the top cited area of support, ahead of access to financial support programs, and finding and retaining Canadian workers.
- Based on discussion with industry stakeholders, several key areas where employers could benefit from support with regards to TFWs were identified:
 - Employers struggle to stay on top of changing COVID-19 regulations and would benefit from improved explanations and warnings about changing regulations.

Specifically, employers are seeking clarity around regulations on testing, housing, and workplace procedures as well as border closures, and flight cancellations.

- Many employers would benefit from increased support in quarantining TFWs, noting that current supports only offset a portion of quarantine-related expenses. Employers are also interested in ways to shorten the quarantine period for TFWs such as through rapid testing upon arrival.
- To reduce the administrative burden many employers have reported facing, they would benefit from increased communication between various government agencies. There may be potential for government agencies to share information to reduce the number of audits and amounts of paperwork required from employers.

Chart 15: Help applying for and employing TFWs is the top priority.

(most important area of support for dealing with the impact of COVID-19 over the next year, share of employers)



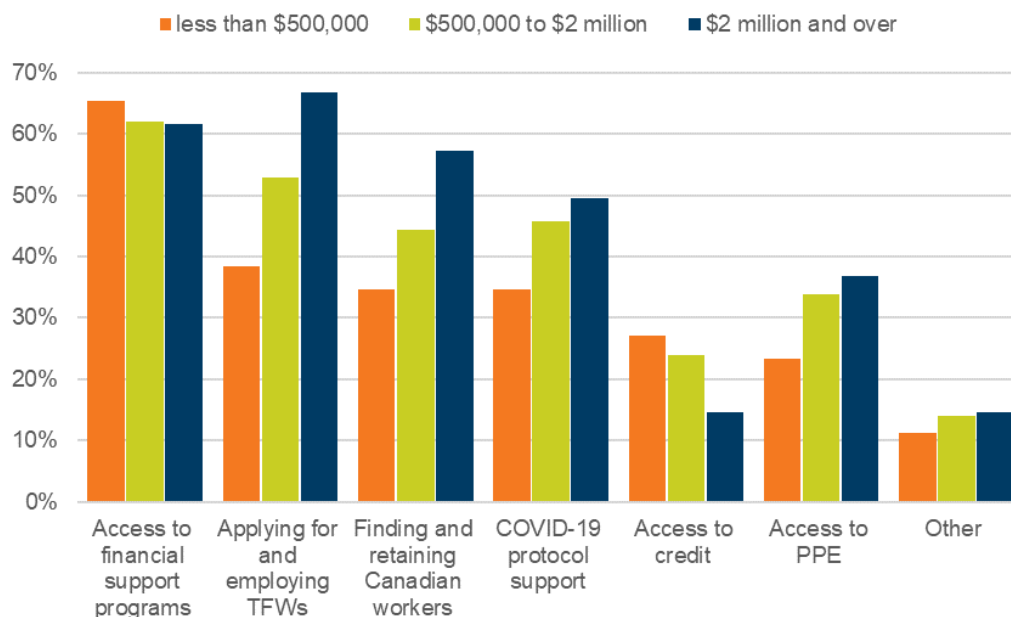
(n=397)

Source: CAHRC COVID-19 Employer Survey.

Access to financial supports

- Employers expect that they will continue to need financial supports to deal with the impacts of COVID-19.
- Over 60% of employers reported that access to financial support programs would be helpful to deal with the impacts of COVID-19 over the next year, while over one quarter of employers (27%) identified it as their most needed area for support. (See Chart 15.)
- Two in five employers in animal production (40%) identified access to financial supports as a priority, as compared to 20% of employers in crop production. Among animal producers who would benefit from financial supports, 71% were concerned about the negative impact that COVID-19 will have on their sales over the coming year.
- Employers in small businesses (less than \$100,000 in gross revenues) were the most likely to cite access to financial support programs as the most important area in need of support over the next year. (See Chart 16.)

Chart 16: Supports needed vary by size of agriculture operation.
(share of employers by gross revenue)



(n=392)

Source: CAHRC COVID-19 Employer Survey

Finding and retaining Canadians

- Almost half of surveyed employers (45%) want help finding and retaining Canadian workers, with 15% of employers citing it as their most needed area for support.

- The need to attract and retain Canadians does not appear to be tied to whether an operation employs TFWs. For example, 50% of operations that employ TFWs would benefit from support finding and retaining Canadian workers as well as 39% of operations that do not employ TFWs.
- Based on interviews with industry stakeholders, employers think the following actions would help them attract Canadian workers:
 - Promote jobs in agriculture. Bringing awareness to the variety of job available across agriculture industries and the technology used could help attract younger workers.
 - Improve connectivity, namely through broadband access. Lack of access to amenities available in urban areas deters Canadians from moving to rural locations for work.
 - Provide education for Canadian who have no experience working in agriculture. Training programs can give Canadians the basic knowledge they need to enter the sector.

“At the end of the farming day, they [cattle feeders] still say their number one critical challenge is labour ... It’s something that’s struggled with, day in and day out, and COVID hasn’t made the situation, any better. It’s simply amplified all of the issues around labour on farms.”

~ Casey Vander Ploeg, Vice President of the National Cattle Feeders’ Association

Appendix A: Survey sample overview

The CAHRC COVID-19 employer survey was in the field for eight weeks, from November 16th, 2020 and January 11th, 2021. In total, 453 farm operators across Canada completed the survey. The following tables provide the number of survey responses by province, commodity, business size, and TFW employment.

Table 1: Survey sample by province

| Province | Number of survey responses |
|---------------------------|----------------------------|
| Alberta | 73 |
| British Columbia | 103 |
| Manitoba | 23 |
| Newfoundland and Labrador | 8 |
| New Brunswick | 25 |
| Nova Scotia | 28 |
| Nunavut | 0 |
| Northwest Territories | 0 |
| Ontario | 82 |
| Prince Edward Island | 12 |
| Quebec | 73 |
| Saskatchewan | 24 |
| Yukon | 0 |
| Canada | 453 |

Table 2: Survey sample by commodity

| Commodity | Number of survey responses |
|---|----------------------------|
| Cattle (Beef) | 36 |
| Cattle (Dairy) | 37 |
| Sheep, goats or lambs | 2 |
| Poultry and eggs | 12 |
| Swine | 28 |
| Aquaculture | 13 |
| Apiculture (including honey and beeswax production) | 31 |
| Animal support services (e.g., AI services, farrier, farm management services) | 0 |
| Other animal | 4 |
| Total animal | 163 |
| Field crops (including hay, seed, cereals, pulses, grains and oilseed, forages and fibre) | 61 |
| Field fruit and vegetables (including melons or potatoes) | 98 |

| | |
|--|------------|
| Tree fruit or vines (includes grapes, cherries, blueberries, and nuts) | 64 |
| Greenhouse fruits and vegetables | 13 |
| Nursery, floriculture and ornamentals (includes turf) | 40 |
| Mushrooms | 3 |
| Crop support services (e.g., custom harvesting, pruning, farm management advice) | 1 |
| Other crops | 5 |
| Total crop | 288 |

Table 3: Survey sample by business size (gross revenues)

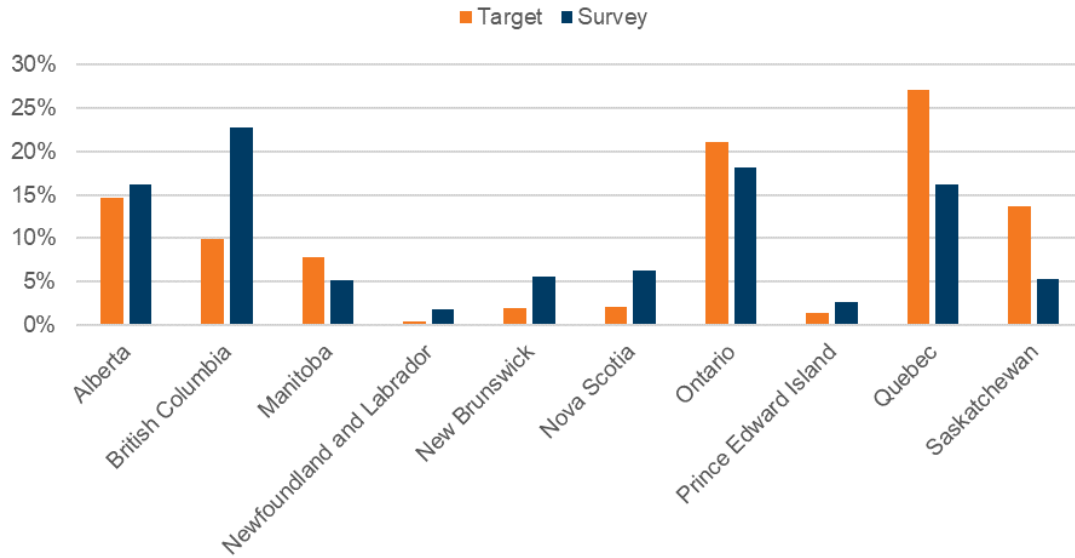
| Business size | Number of survey responses |
|----------------------------|-----------------------------------|
| Less than \$99,999 | 49 |
| \$100,000 to \$249,999 | 50 |
| \$250,000 to \$499,999 | 59 |
| \$500,000 to \$999,999 | 79 |
| \$1,000,000 to \$1,999,999 | 77 |
| \$2,000,000 to \$4,999,999 | 66 |
| \$5,000,000 and over | 66 |
| Total | 446 |

Table 4: Survey sample by TFW employment

| TFW employment | Number of survey responses |
|-----------------------|-----------------------------------|
| Do employ TFWs | 229 |
| Do not employ TFWs | 202 |
| Total | 431 |

The goal was to receive 800 survey responses with specific targets set for the number of responses received by province and commodity. These targets were based on the number of agriculture businesses with employees (from Statistics Canada) by province and commodity. Chart A1 and Chart A2 illustrate how the shares of survey responses compare to our targets. Overall, BC was the most overrepresented province and Quebec was the most underrepresented. For commodities, field fruit and vegetables was the most overrepresented and field crops was the most underrepresented.

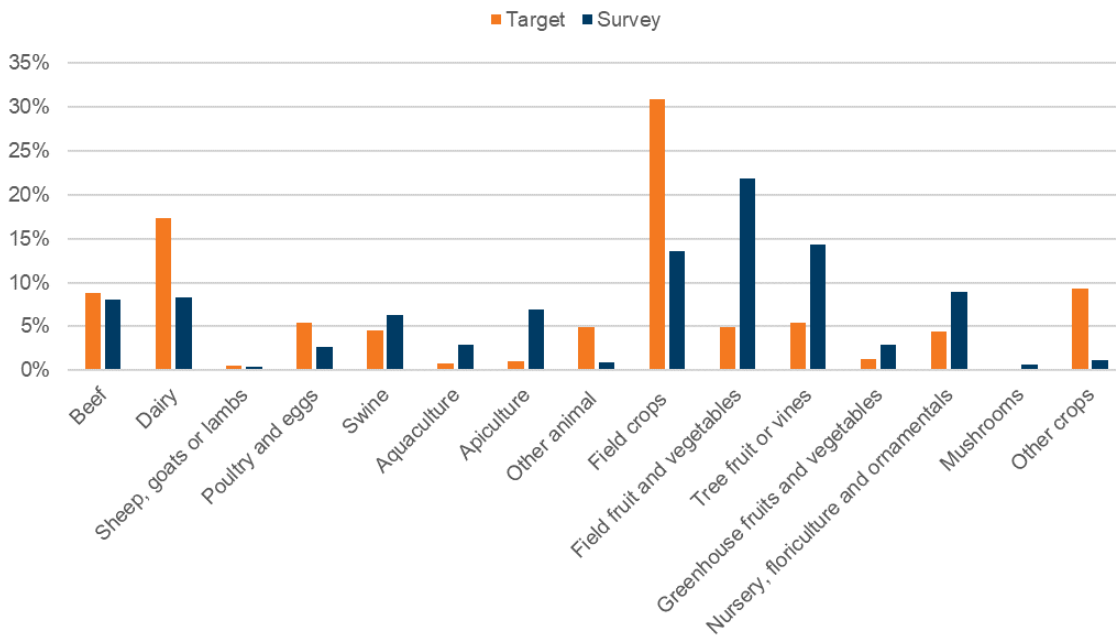
Chart A1: Distribution of survey responses across provinces
(percentage of responses for target and survey)



(n=453)

Source: Statistics Canada (Table: 33-10-0267-01) and CAHRC COVID-19 Employer Survey.

Chart A2: Distribution of survey responses across commodities
(percentage of responses for target and survey)



(n=453)

Source: Statistics Canada (Table: 33-10-0267-01) and CAHRC COVID-19 Employer Survey.

About this Report

This report represents an investigation into the effects of the COVID-19 pandemic on the agriculture workforce in 2020-2021. The purpose was to understand the effects of the pandemic on its workforce and begin to map the steps to recovery for the Canadian economy in the future.

The Conference Board of Canada, commissioned by CAHRC, conducted the research and included the following Canada-wide consultation activities:

- A large-scale survey of 453 employers
- Twenty interviews with key industry stakeholders
- A virtual AgriWorkforce Roundtable with 112 participants to review and validate the initial findings.

This data was used to produce the following reports:

For more information on the research, and to access additional commodity-specific, national, and provincial reports, please visit the CAHRC website at www.AgriLMI.ca.

About CAHRC

The Canadian Agricultural Human Resources Council (CAHRC) is a national, non-profit organization focused on addressing human resource issues faced by agricultural businesses across Canada. CAHRC conducts industry research and develops products and services designed to help agricultural employers attract, retain, and develop the workforce they need to succeed.

For more information about the Council and its products and services for Canada's agriculture sector, please visit www.cahrc-ccrha.ca.

Acknowledgements

The Canadian Agricultural Human Resource Council (CAHRC) acknowledges the support and guidance of volunteers, the Advisory Group, the Provincial LMI Panel, and the Strategic Steering Committee.

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Published March 2021

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