



## Field Fruit and Vegetable Industry Forecast to 2025

The 'field fruit and vegetable'\* industry is a significant agricultural employer with substantial labour challenges. Over the next decade, those challenges will intensify as a shrinking pool of domestic workers and an increased reliance on foreign workers will make the industry even more vulnerable to labour policy changes and lost sales due to labour shortages.

### Industry Overview

The 'field fruit and vegetable' industry includes farms that produce potatoes and other root vegetables, melons, sweet corn, tomatoes, peppers, and other vegetables not grown under cover. Jobs in this industry tend to be labour intensive and highly seasonal.

\* 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 2014, the 'field fruit and vegetable' industry employed 21,000 people, or roughly 6% of the total agricultural workforce. The industry is highly seasonal and relies heavily on foreign workers to stay productive. Foreign workers accounted for 33% of the industry's workforce at its seasonal peak. Even with a high percentage of foreign workers, the industry was unable to fill 1,100 jobs.

The majority of the industry's workforce (36%) is located in Ontario, followed by Quebec (15%) and British Columbia (12%).

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The industry was unable to fill 1,100 jobs, which cost it \$240 million.

Over the next decade, the industry's labour needs will increase by 2,400 jobs, while the number of domestic workers will decrease by 1,100.

## Labour Trends 2004–2014

Although the industry has been able to achieve strong productivity gains, it still struggles to find enough workers to meet the market demand for 'field fruit and vegetable' products.

This industry has the largest gap of any agriculture industry between the number of jobs it needs to fill and the number of domestic workers available. In 2014, 34% of industry jobs either went to foreign workers or went unfilled. Over the years, the number of domestic workers has continued to shrink, forcing the industry to rely more heavily each year on foreign workers to fill available jobs. While the industry accounts for 6% of the total agricultural workforce, it accounts for 15% of the foreign workers employed in the sector.

The two jobs that are the hardest to fill in this industry are general farm workers and managers.

## Industry Forecast to 2025

While the industry has been able to boost its output per worker, by 2025 it will still require an additional 2,400 workers to meet potential production targets. At the same time, the domestic labour pool is expected to shrink by 1,100 workers.



**In 2014, labour shortages cost the 'field fruit and vegetable' industry an estimated \$240 million, or 4.1% of sales.**

Our industry survey revealed that:

- **44%** of 'field fruit and vegetable' producers experienced a worker shortage
- **60%** reported lost sales due to lack of workers
- **11%** delayed or cancelled expansion plans due to lack of workers

As a result of the rising demand for labour, the number of jobs that can't be filled by the domestic labour supply will increase by 3,500 over the next decade. By 2025, the number will reach 10,800, which is 45% of the total workforce and the largest proportion of any agricultural commodity.

While foreign workers have helped the industry fill the gap left by a lack of domestic workers, this solution leaves the industry vulnerable to policy changes and other factors that could reduce or eliminate this labour source.



## Meeting the Challenge

While increased productivity will help the 'field fruit and vegetable' industry meet the market demand for product with fewer workers, the demand for labour is still expected to increase by an average of 1% per year. At the same time, the domestic labour supply is expected to decrease by 1,100 workers. As a result, this industry will become even more dependent on the unpredictable availability of foreign labour.

Growing the domestic labour pool will reduce the industry's reliance on foreign labour, but this will involve overcoming unique challenges:

- Producers in this industry have a lower sense of satisfaction with their business, which can impact recruitment and retention.
- Turnover rates are high: the industry has an involuntary turnover rate of 16% and a voluntary turnover rate of 32%, compared to sector averages of seven and 18%, respectively.
- Seasonal fluctuations in labour demand are high, making it harder to fill jobs and attract and retain workers over the long term.
- The industry workforce is considerably older than the sector average, and retirements will impact the available pool of workers.



For more information on production trends and labour market challenges for the 'field fruit and vegetable' industry, please refer to the accompanying report available at [www.AgriLMI.ca](http://www.AgriLMI.ca).

## About This Fact Sheet

The data cited in this fact sheet is based on the results of a three-year study that examined the labour market in Canada's agriculture sector. Information was collected by modelling labour demand and supply by province, commodity, and occupation; conducting a survey of and interviews with more than 1,000 sector stakeholders; and validating the results through focus groups and webinars. 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).

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).

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