



# Nova Scotia

## *Agricultural Labour Market Forecast to 2025*



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



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Across Canada, the agriculture sector will face unique labour market challenges in the coming years. This report explores the ways in which those challenges will impact the province of Nova Scotia between now and 2025.



## Provincial Overview

With a high reliance on foreign labour and a rapidly widening labour gap, Nova Scotia's agriculture sector faces considerable challenges over the next decade.

Nova Scotia's agricultural workforce has experienced healthy growth over the past decade, averaging gains of 0.8% per year. In 2014, the province of Nova Scotia employed 9,200 people, or roughly 2% of Canada's agricultural workforce. Although it was the fourth-smallest agriculture sector employer in Canada, it had the highest share of agricultural workers of any Atlantic province.

The 'tree fruit and vine'\* industry and the 'dairy' industry are the dominant agricultural employers in the province, accounting for one-third of the province's agricultural workforce.

The province's agriculture sector relies heavily on foreign workers. In 2014, the sector employed 1,400 foreign workers, which represents slightly more than 15% of its total workforce. Only Ontario and British Columbia have a heavier reliance on this labour source.

The province's foreign workers are concentrated in three agriculture industries. Three in five (60%) are employed in the 'tree fruit and vine' industry, slightly more than one in five (21%) are employed in the 'field fruit and vegetable' industry, and slightly less than one in five (19%) are employed in the 'greenhouse, nursery, and floriculture' industry.

The 'tree fruit and vine' industry, the province's largest agricultural employer, is also one of the most labour intensive, with many products needing to be picked and packed by hand. Because of this, the industry faces labour challenges, especially during seasonal peaks.

\* 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'.

### *Nova Scotia's agriculture sector at a glance*

#### **In 2014:**

- 9,200 people employed
- 15% foreign workforce
- 500 jobs left unfilled
- \$15 million in lost sales due to labour shortages

#### **In 2025:**

- 11,300 workers needed
- 29% of the workforce lost to retirement
- 3,500 jobs at risk

In 2014, the province's agriculture sector saw a moderate labour gap, and 500 jobs went unfilled due to a lack of workers. Between now and 2025, an aging agricultural workforce and a declining number of young people in the province will further reduce the number of domestic workers available. At the same time, the province's need for agricultural labour will rise as a result of bright production outlooks for a number of key agricultural industries, including the 'tree fruit and vine' and the 'greenhouse, nursery, and floriculture' industries.

As a result of these demographic and production trends, Nova Scotia's agricultural labour gap is expected to expand to 3,500 workers by 2025, a number equivalent to 31% of the total demand for labour.



## Key Agriculture Industries

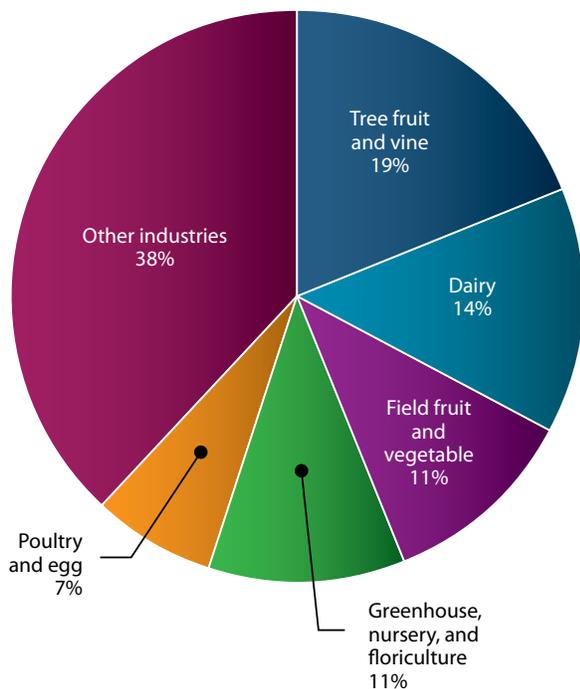
Nova Scotia's agriculture sector is relatively balanced across a number of different industries.

Nova Scotia's commodity mix has changed somewhat over the past decade, with the 'dairy' and the 'greenhouse, nursery, and floriculture' workforces shrinking and the 'field fruit and vegetable' workforce increasing.

The province's agriculture sector isn't dominated by any one industry. The 'tree fruit and vine' industry is the largest employer, accounting for 19% of the province's agricultural workforce. Other important employers include the 'dairy' industry at 14%, the 'field fruit and vegetable' industry at 11%, and 'greenhouse, nursery, and floriculture' industry at 11%.

Nova Scotia does not account for a major share of Canadian agricultural employment in any industry. However, the 'sheep and goat' industry has the largest concentration of workers, with 7% of its workforce located in the province.

### Nova Scotia's Agricultural Employment Profile



## Production Trends

While the demand for labour in Nova Scotia's agriculture sector will be limited somewhat by the 'dairy' industry's stable production outlook, a number of the province's other agriculture industries are expected to see strong production outlooks that will boost the overall labour demand.

Over the next decade, strong production growth of 2.3% per year in the 'tree fruit and vine' industry will increase the demand for labour, even though increased productivity will enable each worker to generate a higher output. Strong production growth in the 'greenhouse, nursery, and floriculture' industry is also expected to contribute to the need for more labour.

Between 2014 and 2025, labour demand is expected to grow by 1.4% per year over the forecast period, which is nearly triple the rate of 0.5% per year for all of Canada.



## Labour Forecast

While the demand for labour will increase in this province, the size of the labour pool will trend in the opposite direction, resulting in a growing labour gap.

Over the past decade, the demand for labour in Nova Scotia's agriculture sector has seen above-average growth, rising by 0.8% per year, compared to a national average of 0.1% per year. From now until 2025, the demand for labour is expected to grow even faster.

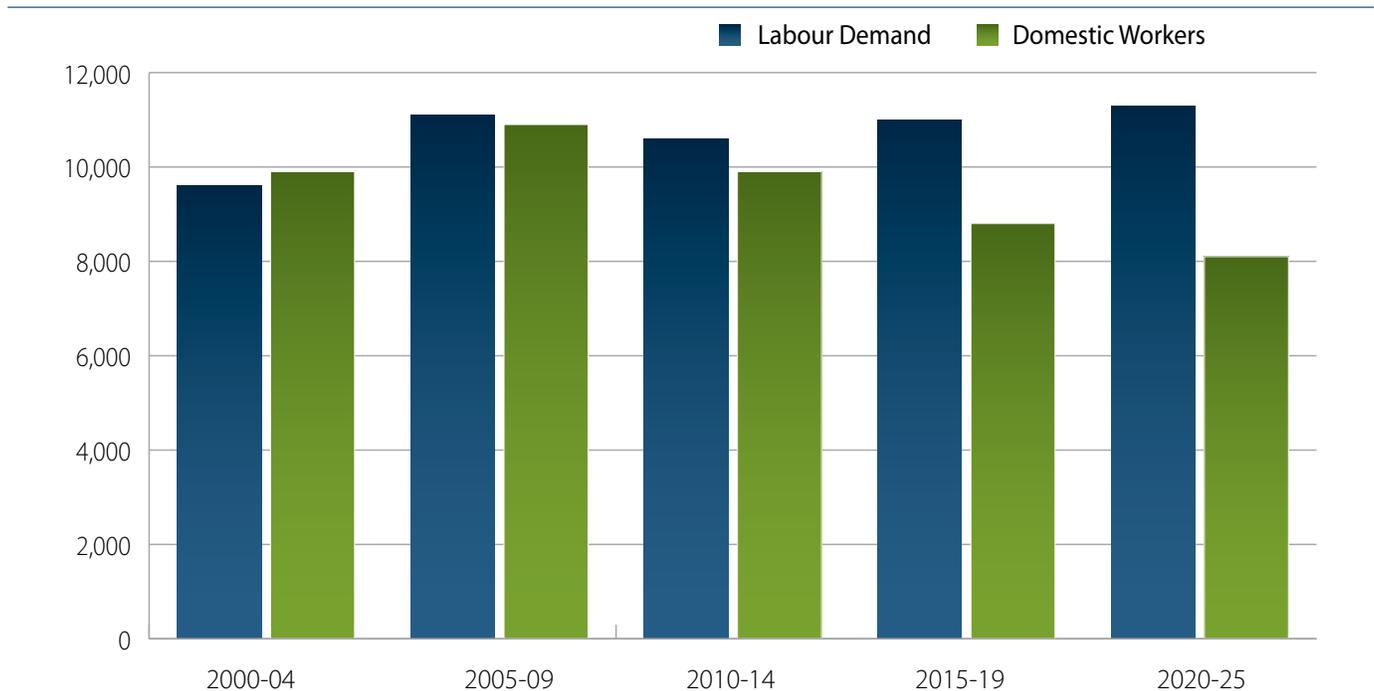
Rising production growth in some of Nova Scotia's key agriculture industries will increase the demand for labour by an average of 1.4% per year from now until 2025. In 2014, the sector required 9,700 workers; by 2025, it will need 11,300.

However, the domestic supply of labour will undergo an equally rapid decline during this time. Due to the effects of retirement and a declining number of young people in the province will result in a reduction by 1.4% per year in the size of the province's agricultural labour pool.

As a result, the gap between the labour requirements of Nova Scotia's agriculture sector and the domestic labour pool is forecast to widen by an average of 1.7% per year. By 2025, 3,500 jobs are expected to be at risk of going unfilled due to a lack of domestic labour.

The labour shortage will hit some industries harder than others. The province's 'tree fruit and vine' industry and its 'field fruit and vegetable' industry will account for the largest portions of the agricultural labour gap: approximately 840 jobs and 800 jobs, respectively, are expected to be at risk by 2025. While the 'greenhouse, nursery, and floriculture' industry will have a smaller total number of jobs at risk, it will see the greatest increase in its labour gap. Between 2014 and 2025, the percentage of jobs at risk will increase from 4% to 15%, reaching approximately 520 jobs by 2025.

### 2000 – 2025: The Labour Gap Widens for Nova Scotia's Agriculture Sector



## Foreign Workers

Nova Scotia's agriculture sector has a high reliance on foreign workers.

With 15% of its total agricultural workforce comprising foreign workers, Nova Scotia has the third highest reliance of any province on this labour source. Only Ontario and British Columbia, at 23% and 17%, respectively, have a higher reliance.

The province's agriculture sector employed approximately 1,400 foreign workers in 2014, all of whom worked in one of three agriculture industries that require labour-intensive hand-picking and packaging, especially during seasonal peaks. The 'tree fruit and vine' industry employed approximately 840 (60%) foreign workers, the field fruit and vegetable industry employed approximately 290 (21%), and the 'greenhouse, nursery, and floriculture' industry employed approximately 270 (19%).

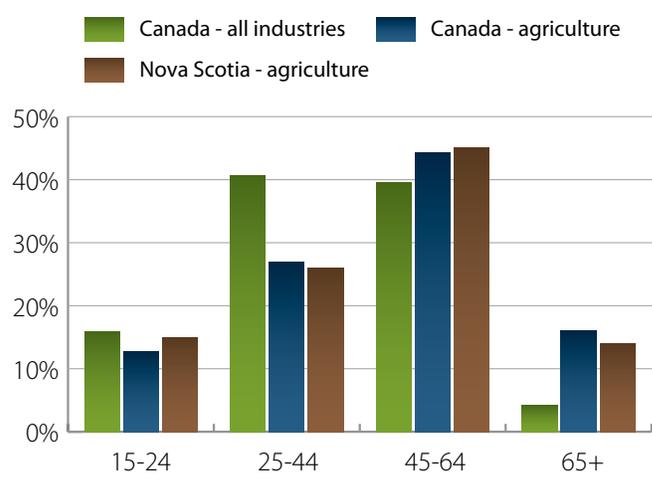


## Demographic Trends

Retirement and a declining number of young people in the province will be the key factors reducing the agricultural labour supply.

The rapid decline by 1.4% per year in Nova Scotia's agricultural labour supply will be driven mainly by the impact of retirement and fewer numbers of young people in the province.

### 2011 Workforce Age Distribution



In 2011, 59% of Nova Scotia's workforce in the agriculture sector was 45 years of age or older. This is on par with the 60% average across the Canadian agriculture sector but significantly higher than the average of 44% across all Canadian industries. By 2025, Nova Scotia is expected to see 29% of its current agricultural workforce retire, which is the third-highest share among the provinces. When surveyed, 50% of agricultural employers said the need to replace retiring workers affected their operations.

At the same time, the province is facing a declining number of young people. Over the next decade, the number of young people entering agriculture in the province will decline by 17%, which is the steepest decline of any province.



## Financial Impact

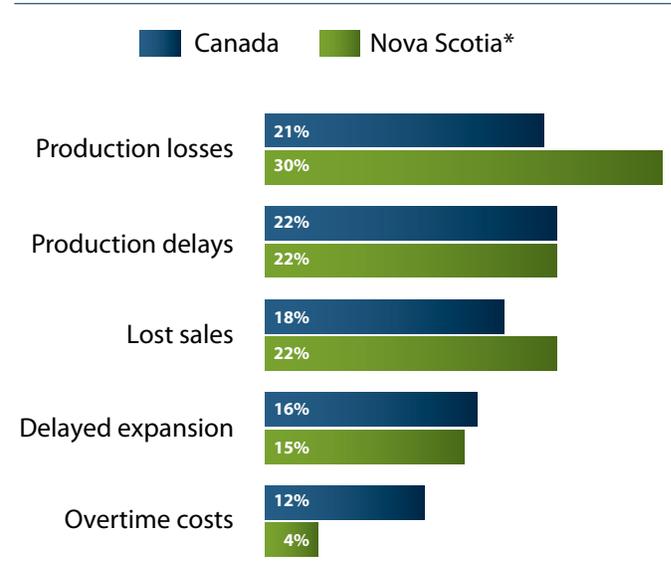
The province's growing agricultural labour shortages can be expected to trigger financial losses in the sector and limit potential growth.

Nova Scotia's agriculture sector was unable to fill 500 jobs in 2014, which is equivalent to 5% of the total workforce needed. While this is lower than the nationwide sector average of 7%, these labour challenges still cost the province \$15 million, or 2.6% of sales.

An inability to find enough workers affected Nova Scotia's agricultural employers in other ways as well. More of the province's employers experienced shortage-related production losses, with 30% citing this as an issue, compared to 21% across Canada. The province's employers were also slightly more affected than the national average by production delays and lost sales. Labour shortages also impeded future growth potential, with 15% of respondents indicating that they delayed or cancelled expansion plans.

On a positive note, only 4% of Nova Scotia's agricultural employers cited overtime costs as an issue, compared to 12% of agricultural employers Canada-wide.

## Percentage of Nova Scotia Producers Impacted by Labour Shortages



\*Based on the responses of 10 producers in Nova Scotia



## Labour Challenges

Nova Scotia's agriculture sector faces a number of challenges in recruiting and retaining enough workers.

The sector's ability to find and retain enough agricultural workers is impeded by rural operations, an inability to find workers with the appropriate skills or experience, and insufficient compensation.

### Recruiting Workers

When it comes to recruiting agricultural workers, Nova Scotia faces challenges similar to the rest of Canada. However, the province's agricultural employers are much more likely to be challenged by the rural location of their operations. Only 10% of respondents reported being close to a population centre of more than 10,000 people, compared to 35% for agricultural operations across Canada. As a result, greater numbers of employers are concerned about rural locations and depopulation. More than one in three employers (37%) suggested that rural operations posed a barrier to recruitment, and 19% indicated that declining populations in rural areas is a concern, which is the highest share among the provinces for this issue.

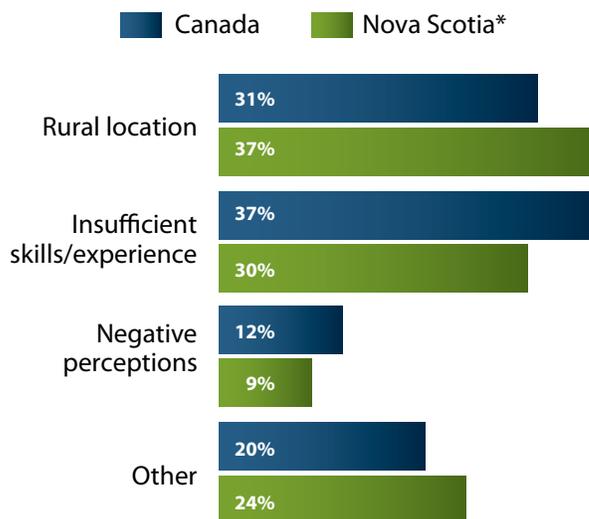
On a positive note, fewer than one in ten agricultural employers in this province (9%) cited negative perceptions of the sector as a recruitment barrier, which is the second-lowest share among the provinces.

### Retaining Workers

Nova Scotia's agriculture sector has an involuntary turnover rate that is nearly twice the national average (13%, compared to 7%). However, its voluntary turnover rate of 6% is the lowest in the country, and less than half of the national average of 18%. The province also benefits from very low seasonal turnover rates.

The province's agricultural employers face similar challenges to other provinces when it comes to retaining workers. Variability in hours is an issue for one in three employers (33%) compared to 36% of agricultural employers nationwide, and only

## Challenges in Recruiting Workers



\*Based on the responses of 31 producers in Nova Scotia

3% of Nova Scotia's employers cite too many working hours as a key retention challenge compared to 10% across Canada. Insufficient compensation has a slightly larger impact on the province's agricultural employers, with 22% citing it as a challenge, compared to 18% nationwide.

The third most common challenge, cited by 19% of the province's agricultural employers, is the physical nature of the work.

### Toughest Positions to Fill

Over the forecast period, Nova Scotia's agriculture sector will have the most trouble filling "managers in agriculture" positions, which include both owner-operators and hired managers, and "general farm workers" positions. Together, these occupations accounted for slightly more than two-thirds of the province's agricultural workforce in 2014. Between now and 2025, they will continue to account for most of the province's labour gap, with approximately 700 "general farm worker" and 1,800 "managers in agriculture" jobs potentially going unfilled due to a lack of workers.

"Harvesting labourers" and "nursery and greenhouse workers" will also be difficult positions to fill, with 300 and 100 jobs potentially going unfilled, respectively.



## Conclusion

With a heavy reliance on foreign workers and a rapidly widening labour gap, Nova Scotia's agriculture sector will face challenges in the years ahead.

Nova Scotia has a high number of jobs that can't be filled by domestic workers, and a heavy reliance on foreign workers. As a result, in 2014, the province had the third-largest labour gap relative to demand among the provinces.

Over the next few years, the effect of a high rate of retirement and a dwindling supply of young people in the province will increase this gap considerably. By 2025, there will not be enough domestic workers to fill the nearly one in three jobs (31%) required for the agriculture sector to reach its production potential.

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

- Declining populations in rural areas make it difficult for employers with operations in rural areas to attract workers. More than one in three employers (37%) cited this as a challenge, compared to an average of 31% across Canada.
- More than one in five employers (22%) suggested that insufficient compensation was a retention challenge, which is one of the highest shares of any province.
- Nova Scotia has an older-than-average agricultural workforce, which will result in a high rate of retirement and a loss of experienced workers.
- At 13%, the province's involuntary turnover rate for agricultural employment is nearly twice the national agricultural average of 7%.



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

- Nova Scotia's agriculture sector has the lowest voluntary turnover rate in the country. The province's voluntary turnover rate is just 6%, compared to 18% across Canada.
- Access to training programs, mentorships, and internships has the potential to create more skilled labour.

Over the forecast period, Nova Scotia will need to find ways to strengthen the domestic labour pool in order to address its fast-growing labour gap, avoid financial losses, and reach its growth potential.



## About This Report

This report features data collected during a three-year research project to examine Canada's labour market situation for primary-production agricultural businesses. The project was led by the Canadian Agricultural Human Resources Council (CAHRC) and was launched in response to the unique workforce challenges faced by the agriculture sector.

The purpose was to assess the current labour market, project supply and demand for agricultural workers from 2015 until 2025, and recommend potential solutions to labour issues.

The Conference Board of Canada, commissioned by CAHRC, constructed an economic model that forecasts agricultural labour demand and supply for each province, for 11 different commodity groups, and for 25 occupational groups.

The economic model was validated through a number of industry consultation activities conducted Canada-wide, including:

- **A large-scale survey** of 813 employers, 132 workers, and 89 industry stakeholders
- **Phone interviews** with 80 industry stakeholders
- **Six focus groups** with 100 participants in total, including employers, workers, and other stakeholders
- **Seven webinars** focused on specific commodity groups, with 100 participants in total

This data was used to produce the following reports:

### Commodity-specific reports and fact sheets

Apiculture ■ Aquaculture ■ Beef ■ Dairy ■ Field Fruit and Vegetable ■ Grain and Oilseed ■ Greenhouse, Nursery, and Floriculture ■ Poultry and Egg ■ Sheep and Goat ■ Swine ■ Tree Fruit and Vine

### Regional reports and fact sheets

National ■ British Columbia ■ Alberta ■ Saskatchewan ■ Manitoba ■ Ontario ■ Quebec ■ New Brunswick ■ Prince Edward Island ■ Nova Scotia ■ Newfoundland and Labrador

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](http://www.AgriLMI.ca).

## About CAHRC

The Canadian Agricultural Human Resources Council (CAHRC) is a national, nonprofit 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](http://www.cahrc-ccrha.ca).





## Acknowledgements:

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