



British Columbia Agricultural Labour Market Forecast to 2025

A significant employer with a bright production outlook, British Columbia's agriculture sector faced a costly labour gap in 2014, and that gap is expected to widen over the next 10 years.

Provincial Overview

In 2014, British Columbia's agriculture sector employed 40,200 people, which is 11% of Canada's agricultural workforce. Nearly half of these workers (48%) are concentrated in the 'tree fruit and vine'* and the 'greenhouse, nursery, and floriculture' industries.

The province is home to very high concentrations of workers in the 'tree fruit and vine' and the 'aquaculture' industries, accounting for 36% and 28% of the total workforce, respectively, for these industries.

British Columbia's agriculture sector has a high reliance on foreign workers: close to 17% of the

* 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'.

province's workforce is foreign. Only Ontario has a higher reliance on foreign labour. Despite this support from foreign labour sources, the province was unable to find enough workers in 2014, and 3,000 jobs went unfilled as a result of labour shortages. Those shortages resulted in production losses and delays, as well as \$70 million in lost sales.

Over the past decade, the labour needs and workforce size of British Columbia's agriculture sector shrank considerably, but both are expected to stabilize somewhat over the forecast period. However, the province's agricultural workforce is older, and retirements will further widen the labour gap between the sector's workforce needs and the number of domestic workers available to fill them. By 2025, an estimated 11,200 jobs could be at risk due to a lack of domestic workers.

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Labour Trends 2004–2014

While the nationwide demand for agricultural labour rose by 0.1% per year between 2004 and 2014, the demand in British Columbia moved in the opposite direction, declining by 1.4% per year during the same period. This decline was the result of two trends: a move towards consolidation among Canadian farms, which resulted in larger farms that supported higher output per worker, and less need for labour in British Columbia's 'grain and oilseed' and its 'field fruit and vegetable' industries. From a peak of 54,000 workers in 2005, the province's agricultural workforce shrank by 13,800 workers to reach its current size.

In part because British Columbia's agriculture sector is largely focused on the 'tree fruit and vine' and the 'greenhouse, nursery, and floriculture' industries, which are seasonal and physically demanding, it has a high reliance on foreign workers to stay productive. In 2014, 6,800 foreign workers were employed by farms in the province, accounting for nearly 17% of its agricultural workforce. More than 9 out of 10 foreign workers in the sector (91%) were employed in the 'tree fruit and vine' and the 'greenhouse, nursery, and floriculture' industries.

Despite this heavy reliance on foreign workers, the province's agriculture sector was still unable to find enough workers, and 3,000 jobs went unfilled as a result of labour shortages. Those shortages resulted in production losses and delays as well as \$70 million in lost sales.



In 2014, labour shortages cost British Columbia's agriculture sector an estimated \$70 million, or 2.4% of sales.

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

- **34%** could not find enough workers
- **25%** experienced production delays
- **25%** experienced production losses

When the province's need for agricultural workers is compared to the number of domestic workers available, it reveals one of the biggest labour gaps in Canada. British Columbia's labour gap in 2014 was equivalent to 9,100 jobs that either had to be filled by foreign workers or left vacant.

Industry Forecast to 2025

Over the next decade, a growing demand for labour and a flat supply of domestic workers will widen British Columbia's labour gap, with the 'greenhouse, nursery, and floriculture' industry hardest hit by labour shortages.

While the demand for workers in British Columbia is expected to grow from 43,300 workers in 2014 to 45,000 in 2025, the supply of domestic workers is predicted to stay flat, averaging 34,000 workers throughout the 10-year forecast period. While strong international immigration is expected to replenish the labour supply, a wave of retirements will result in the loss of more than one in four workers (28%) between now and 2025.

As a result, the gap between the number of workers needed and the domestic workers available will widen by 1.9% per year. This means that over the next decade, the number of jobs that can't be filled with domestic labour will increase from 9,100 in 2014 to 11,200 in 2025. This is an amount equivalent to 25% of the total workforce required to support the sector. In other words, by 2025, one out of four agriculture jobs in this province will need to be filled by foreign workers or remain vacant.



Meeting the Challenge

British Columbia's agriculture sector has one of the largest labour gaps, relative to demand, in Canada. Looking ahead to 2025, that gap is expected to grow until it reaches 25% of the total demand for labour. In other words, one out of four agriculture jobs in the province is at risk.

Although the province has been successful in filling much of this labour gap with foreign workers, this solution makes it highly vulnerable to changes in foreign-worker policies. In addition, as the gap widens, more jobs can be expected to go unfilled, even if continued reliance on foreign workers remains feasible.

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

- A lack of workers with the right skills and experience is an issue for close to one in five (19%) of British Columbia's agricultural employers, compared to 14% of agricultural employers nationwide.
- More than one in five (21%) of British Columbia's agricultural employers cite insufficient compensation as an issue, which is the third-highest share of any province.
- The province's largest agriculture industry employer is the 'tree fruit and vine' industry, which is characterized by seasonal fluctuations and physically demanding work.



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

- Voluntary and involuntary turnover rates are below the national sector average.
- Agricultural operations tend to be located closer to larger cities with bigger labour pools.
- A strong influx of international immigrants will help to offset the effects of retirements.

As the labour gap widens, British Columbia will need to find ways to strengthen the domestic labour pool in order to avoid financial losses due to labour shortages and to manage its reliance on foreign workers in future.

For more information on production trends and labour market challenges for British Columbia's agriculture sector, please refer to the accompanying report available at 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.

The study was initiated by the Canadian Agricultural Human Resources Council (CAHRC), a national, non-profit 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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