



Manitoba Agricultural Labour Market Forecast to 2025

An important economic force with a bright production outlook, Manitoba's agriculture sector faces a widening labour gap that will threaten its ability to thrive in the coming years.

Provincial Overview

In 2014, Manitoba was the sixth-largest agriculture sector employer, employing 23,900 people, or 6% of Canada's agricultural workforce.

Agriculture is an important part of Manitoba's economy, with 3.5% of the province's workforce directly employed in this sector. Only Prince Edward Island and Saskatchewan have a higher dependence on agriculture.

Manitoba's top three agricultural employers are 'grain and oilseed'*, 'beef', and 'swine'. Manitoba is the third-largest employer of 'grain and oilseed' workers in Canada, with 39% of the province's agricultural workforce employed by this industry. The 'beef' and 'swine' industries

* 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'.

account for another 12% and 10% of the workforce, respectively.

The province's agriculture sector has a very low reliance on foreign workers: only 1.4% of the workforce is foreign, compared to 12% Canada-wide.

Manitoba's agriculture sector has an aging workforce. In 2011, nearly two in three workers (61%) were aged 45 years or older, and by 2025, 30% of the workforce will be lost to retirement.

Despite seeing a decade of steadily weakening labour demand, Manitoba's agriculture sector was still unable to fill 1,800 jobs in 2014, a shortfall that cost the industry \$282 million. This was the highest share of total agricultural sales lost to labour shortages of any province.

Between now and 2025, the need for labour will grow, driven by strong production growth in the

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By 2025, a predicted 4,900 jobs could be at risk due to a lack of domestic labour.



'grain and oilseed', 'beef', and 'swine' industries that collectively account for 61% of the province's agricultural workforce. However, the province's agricultural labour supply is predicted to shrink during this time, widening the labour gap even further and preventing this vital part of Manitoba's economy from reaching its full potential.

Labour Trends 2004–2014

Between 2004 and 2014, the number of farms in the 'beef', 'dairy', and 'swine' industries shrank. As a result, labour demand declined by 2.3% per year in Manitoba's agriculture sector while it grew by 0.1% across Canada.

Despite this decline, the sector still had difficulty finding enough workers. In 2014, Manitoba's agricultural employers were unable to fill 1,800 jobs, which is equivalent to 7% of the total workforce required. While this is a relatively small percentage, these labour challenges resulted in \$282 million in lost sales for the province's agriculture sector.

The province's agricultural producers face a number of challenges in addressing these labour shortages: 38% reported that rural locations were a barrier to recruitment, and 23% reported that variability in hours and seasonality affected worker retention. While the province's involuntary turnover rate for the sector was the lowest in Canada (3% compared to a sector average of 7%), the voluntary turnover rate was above the sector average at 22% compared to 18%.

In 2014, labour shortages cost Manitoba's agriculture sector an estimated \$282 million, or 4.8% of sales.

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

- **55%** could not find enough workers
- **23%** experienced production losses
- **22%** experienced production delays

Industry Forecast to 2025

Over the next 10 years, a growing market demand for 'grain and oilseed', 'beef', and pork products will place greater pressure on the labour force, with the demand for agricultural workers in Manitoba expected to grow by 0.3% per year between now and 2025.

At the same time, the province's supply of domestic workers is expected to decline substantially, falling by an average of 1.2% per year. This is considerably higher than the national average of 0.9%.

With a growing demand for labour and a shrinking labour supply, the province's labour gap will widen. By 2025, the agriculture sector will be unable to fill 4,900 jobs with the available supply of domestic workers, which is equivalent to 18% of the total workforce required. In other words, nearly one in five jobs will be at risk of going unfilled. The vast majority of these jobs (nearly 4,800) will be for "general farm workers" and "managers in agriculture."

The labour gap is expected to hit Manitoba's 'grain and oilseed' industry hardest, with 2,300 jobs (nearly half of the total jobs at risk) predicted to go unfilled in this industry.



Meeting the Challenge

Manitoba's agriculture sector will have to navigate a future in which a strong production outlook and a growing need for labour coincides with a shrinking domestic labour pool. Looking ahead to 2025, 18% of the jobs required to support the sector could be at risk. Given that a gap equivalent to just 7% resulted in lost sales of \$282 million in 2014, this reality could significantly impact the sector's profitability and growth potential.

To address these issues, the province's agriculture sector will need to overcome a number of key challenges:

- It has a lack of workers with the right skills and experience. Finding skilled, experienced workers was a recruitment barrier for 86% of Manitoba's agricultural employers.
- It has difficulty retaining workers. Two-thirds of Manitoba's agricultural employers cited retention as a key factor affecting their operations.
- Many workers are not interested in moving to rural areas or travelling to farms from the city for work, which presents a recruitment barrier for agricultural employers with remote operations.
- In 2011, 61% of Manitoba's agricultural workforce was aged 45 years or older, compared to 44% of Canada's general worker population. By 2025, 30% of these agricultural workers will have retired.

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.



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

- Its involuntary turnover rates are the lowest of any province's agriculture sector.
- It has healthy demographic trends, including a stable number of school graduates to help boost the labour pool.
- Increasing access to training programs and strengthening mentorships and internships could increase the pool of qualified workers.

As the labour gap widens, Manitoba will need to find ways to strengthen the domestic labour pool in order to avoid financial losses and reach its growth potential.

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