



New Brunswick Agricultural Labour Market Forecast to 2025

New Brunswick's agriculture sector faces a shrinking workforce and a widening labour gap in the years to come.

Provincial Overview

In 2014, the province of New Brunswick was the third-smallest agriculture sector employer in Canada, employing 7,500 people, or 2% of Canada's agricultural workforce.

The 'field fruit and vegetable'* industry is the largest agricultural employer in the province, accounting for nearly one in four agricultural workers (22%) in 2014. The next-largest industries were 'tree fruit and vine' at 16% and 'dairy' at 14%.

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

The province currently has a younger-than-average agricultural workforce, but it will still see nearly one in four domestic workers (22%) retire between now and 2025.

* 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'.

While the province saw an agricultural labour surplus in 2014, it was still unable to fill 400 jobs in the sector, which is equivalent to 5% of the total workforce required and cost the sector \$7 million in lost sales. The sector's inability to fill available jobs despite the surplus of labour could be explained by a mismatch between workers' skills and job requirements, or by a lack of workers in areas where jobs were available. Looking ahead to the future, the sector is expected to face labour shortfalls that affect its profitability and growth.

In 2014, New Brunswick's agriculture sector employed 7,500 people.

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By 2025, a predicted 300 jobs could be at risk due to a lack of domestic labour.



Labour Trends and Industry Forecast

The agricultural workforce in New Brunswick has seen considerable change over the past decade. While labour demand among crop producers has risen, this increase has not been enough to offset the impact of a decline in the number of 'dairy' farms. As a result, while Canada's agriculture sector saw its demand for labour grow by an average of 0.1% per year between 2004 and 2014, the labour demand in New Brunswick's agriculture sector decreased by an average of 1.3% per year, resulting in a labour surplus in 2014.

Despite this surplus of workers, the sector was unable to fill 400 jobs, which cost the sector \$7 million, or 1.3% of sales. The sector's inability to fill available jobs despite the surplus of labour could be explained by a mismatch between

In 2014, labour shortages cost New Brunswick's agriculture sector an estimated \$7 million, or 1.3% of sales.

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

- **33%** were unable to find all the workers they needed
- **26%** experienced production delays
- **21%** experienced production losses

workers' skills and job requirements, or by a lack of workers in areas where jobs were available.

Looking to the future, several factors will continue to limit the need for workers in the agriculture sector. New Brunswick's third-largest agricultural employer, the 'dairy' industry, is expected to see increasing productivity that will limit its labour requirements. Additionally, several industries, including 'tree fruit and vine', will see strong growth in productivity, which means that fewer workers will be required to produce the same amount of product.

As a result, the demand for agricultural workers is expected to decrease by 0.5% per year between now and 2025. By comparison, the demand for agricultural workers across Canada is expected to increase by 0.5% per year.

However, the pool of available agricultural labour in the province is anticipated to shrink during the same time period. Driven by a rising number of retirements, the domestic supply of agricultural labour is expected to decline by an average of 1% per year over the next 10 years. With the supply shrinking faster than the demand, a small labour gap will be created, with 300 more jobs available than there are workers to fill them by 2025. Given the sector's difficulties in finding enough workers in 2014, when there was a labour surplus, this gap will likely place a much higher number of jobs at risk of going unfilled.





Meeting the Challenge

New Brunswick is one of only two provinces to have a labour surplus within its agriculture sector. However, with the agricultural labour supply shrinking faster than the demand for labour, the province can expect to see a labour gap in the coming years. Given that even with a labour surplus, the sector was unable to fill 400 jobs, the rapidly dwindling labour supply is likely to result in a larger number of unfilled jobs in future.

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

- New Brunswick's agricultural employers were much more likely to cite negative perceptions about the sector as a barrier to recruitment.
- Declining populations in rural areas make it difficult for employers with operations in rural areas to attract workers.
- More than one in five employers (21%) report that the physical nature of the work creates retention issues.
- Four in five agricultural operations were challenged by a shortage of sufficiently qualified and experienced workers.

The province's agriculture sector also has strengths that it could leverage:

- New Brunswick has very low turnover rates compared to agriculture sectors in other provinces.

- The province has a younger-than-average agricultural workforce, which could help mitigate the effects of retirement on the workforce.
- Access to training programs, mentorships, and internships has the potential to create more skilled labour.
- Finding ways to lessen the physical nature of agricultural work could help make jobs in this sector more attractive relative to other industries.

Over the forecast period, New Brunswick will need to find ways to strengthen the domestic labour pool in order to address its labour gap, avoid financial losses, and reach its growth potential.

For more information on production trends and labour market challenges for New Brunswick'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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