



Swine Industry Forecast to 2025

With a growing market demand for pork products and a shrinking supply of domestic workers, the 'swine'* industry faces significant labour challenges that could affect production and sales targets.

Industry Overview

Since 2005, the 'swine' or hog industry, which includes farm operations that primarily raise hogs and pigs, has seen the number of farms shrink by more than half and its workforce shrink by a third.

In 2014, the industry employed 14,000 people, including self-employed, paid labour, and foreign workers. This number is equivalent to just 4% of the total agricultural workforce, making it one of the smaller employers in this sector. The vast majority of jobs are filled by domestic workers, with foreign workers accounting for only 3% of the workforce.

* 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 hog industry was unable to fill 900 jobs, and this labour challenge resulted in lost sales, production losses, and delayed expansion plans. The hog industry labour force is heavily concentrated in Ontario, Quebec, and the Prairies, so the labour issues tend to affect these regions most acutely.

To meet a fast-growing global demand for pork products, the hog industry will need to increase its workforce over the next decade. However, the number of domestic workers is expected to shrink during this time, leaving this industry with a widening labour gap that will affect its ability to maintain production levels and reach its market potential.

In 2014, the hog industry employed 14,000 people.

The industry was unable to fill 900 jobs, which cost the industry \$170 million.

By 2025, the industry will face a widening labour gap, with 3,000 jobs that can't be filled by the available domestic workforce.



Labour Trends 2004–2014

Over the past decade, a weaker market demand for pork products resulted in the number of hog farms in Canada declining by 55%.

Falling production levels also reduced the size of the workforce during this time. While the agriculture sector as a whole saw an increase of 0.1% per year in the demand for labour, the hog industry saw the labour demand decline by 1.8% per year. In 2005, 21,900 workers were employed in the hog industry, a number equivalent to 6% of the total agricultural workforce. By 2014, that number had dropped to 14,000, just 4% of the total agricultural workforce.

The hog industry is heavily concentrated in Ontario and Quebec: together, these provinces account for more than half of the industry's workforce (52%). The Prairies are also a major employer, accounting for 35% of the industry's workers.



In 2014, labour shortages cost the hog industry an estimated \$170 million, or 3.3% of sales.

When pork producers were surveyed about the impact of labour shortages:

- **38%** reported production losses
- **21%** reported lost sales
- **17%** reported delaying or cancelling expansion plans

The industry faces a number of recruitment and retention challenges. Nearly one in five pork producers (19%) say negative industry perceptions affect their ability to recruit workers, and nearly one in four (23%) say the rural location of operations is a retention issue.

Industry Forecast to 2025

While declining market demand for pork products over the past decade has reduced the number of workers needed by the industry, this trend will reverse between now and 2025. Driven by a rising demand for animal protein in emerging markets, the industry is expected to increase production and require a growing workforce to meet output goals. The industry's labour demand is expected to grow by an average of 0.3% per year, reaching 15,400 workers by 2025.

At the same time, the available pool of industry workers is predicted to shrink, which will significantly widen the labour gap from 1,100 workers in 2014, a number equivalent to 7% of the total workforce required, to 3,000 workers by 2025. This means that only 7% of the total workforce need could not be met by the domestic workforce in 2014, while 19% of the workforce demand, or nearly one in five jobs, may not be met by 2025.



Meeting the Challenge

With a bright production outlook and a dwindling domestic labour pool, the hog industry faces significant labour challenges in the years ahead. Having lost \$170 million due to labour shortfalls in 2014, the industry faces far greater losses as the gap widens between the available pool of domestic workers and the number of jobs the industry needs to fill.

Attracting and retaining more domestic workers may pose specific challenges for this industry. Surveyed pork producers report that:

- Negative perceptions about the industry adversely affect hiring efforts.
- Experienced workers are not always located in areas where their skills are needed most.
- There is a lack of workers who possess the skills and experience needed.

Focusing on training opportunities for workers and finding ways to address worker mobility could help to address these challenges.

The 'swine' industry also has strengths that it could leverage:

- It has below-average seasonal fluctuations compared to other agriculture industries.



- It has low turnover rates compared to other agricultural industries
- Producers in this industry have positive perceptions of the industry and its growth prospects

For more information on production trends and labour market challenges for the 'swine' industry, 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, nonprofit organization focused on addressing human resource issues facing 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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