



CANADIAN AGRICULTURAL
HUMAN RESOURCE COUNCIL

LABOUR MARKET INFORMATION **on recruitment and retention** **in primary agriculture**



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Canada's Sector Council Program

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EXECUTIVE SUMMARY

The Canadian Agricultural Human Resource Council (CAHRC) was created to address human resource issues facing primary agriculture across Canada. CAHRC works with industry leaders, governments, and education stakeholders to research, develop and communicate solutions to the challenges in agriculture employment and skills development.

This report examines the degree to which labour shortages are an issue for primary agriculture – by geographic region, commodity grouping, and major occupation type – and the factors impeding on-farm employee recruitment and retention. In addition, the report projects five-year agriculture labour demands and recommends actions to address the issues and challenges identified in the study. The information was based on responses from more than 550 employer surveys, 50 key industry stakeholder interviews, an extensive review of labour market information from official data sources and thirteen farm profile studies. The project began in May 2007 and was completed in May 2009.

Canada's agricultural sector employs a large number of workers

Based on the Statistics Canada Labour Force Survey (LFS), on-farm agriculture employed an estimated 336,200 people, in 2008, across all farm sizes. Approximately 244,500 of these individuals were employed by operations with receipts of more than \$100,000.

The sector's high vacancy rate and growing use of foreign worker programs suggest that Canadian producers are facing human resource challenges

The sector's vacancy is approximately 9%, with more than three in four employers surveyed reporting at least one vacant position within their operation. This translates into more than 25,000 job vacancies for non-seasonal positions across the entire sector.

Furthermore, employers reported a 20% vacancy rate for seasonal positions or an estimated 16,560 vacant positions. In response to the high vacancy rate, there has been a steady increase in the use of temporary foreign workers.

Employers in primary agriculture indicate that they will need a considerable number of workers over the next two to five years

Over the next five years, employers expect that they will need more employees due to retirement, attrition and expansion. Survey responses indicate that by 2013 approximately 50,900 non-seasonal positions, and an additional 38,800 seasonal positions, will need to be filled. While approximately half of these are general farm worker positions, there will be a considerable need to fill a variety of technical, trade and supervisory positions. The non-seasonal workforce is expected to require approximately 2,800 technical/specialist workers, 8,600 machinery/equipment operators and 4,100 supervisors/managers.

Employment requirements will differ based on region, commodity type and major occupational group

Survey results suggest that employment requirements will differ across regions, commodity types or major occupational groups. For example, over the next five years:

- The mechanics/machinery operator occupation is expected to grow by 39%;
- Employment needs are expected to increase by 15% across all regions; and
- Employers in the horticulture sector expect that they will need up to 52% more employees. This sector has the highest vacancy rate (28% of positions were vacant at the time of the survey).

The sector has not sufficiently developed its human resource capacity

While research confirmed that almost all farm establishments have or will have a need for more workers, it also identified significant gaps in the sector's human resource capacity. For example, only 25% of employers have a human resource plan and a third are not undertaking any specific activities to recruit or retain workers.

Farm profiles completed with a sample of agricultural employers show that while some have embraced new and innovative human resource practices, there are still challenges recruiting and retaining workers on the farm. Some employers rely on the use of the Seasonal Agricultural Worker Program (SAWP) to meet some of their employment needs.

Research identified three broad strategy areas to be addressed

This study identified three broad issues that need to be addressed:

1. Increased labour market research is needed to better understand the labour market dynamics affecting the sector;
2. Recruitment strategies are needed to help fill existing vacancies and to meet future labour demands;
3. Primary agriculture needs human resource tools to help employers manage and retain their workforce.



SECTION 1.0 Introduction and Background

1.1 Introduction and Background

New technologies and the changing demands of consumers have significantly changed the agriculture sector. Food safety, plant health, and environmental regulations have evolved. Production methods and equipment use more advanced technology. Agriculture businesses need to keep up with the trends – attracting and retaining skilled labour and providing workers with access to training programs – so they can remain competitive and continue to thrive in today’s global markets.

There is widespread recognition that traditional Canadian sources of agricultural labour are proving inadequate, and will continue to decrease over time. The agriculture sector identified the need for a complete picture of the complexity and scope of labour shortages within its industry, including the availability of seasonal and harvest workers.

In 2005, the Council’s founding Steering Committee commissioned an environmental scan. This scan indicated that, in virtually all of the studies reviewed addressing human resource challenges, it is difficult to access and maintain employees in agriculture (George Morris Centre, 2005). A consistent finding was that the problem is worse in horticulture than in other segments of agriculture. Some studies have suggested that the difficulty in attracting people results from the wages paid in agriculture relative to other forms of employment (Ageco Consultants, 2002, 2003, Formation Pro FP, 2003, Work Research Foundation, 2001). Others have focused on the role of employment insurance and social assistance as impediments to employers in securing part-time and seasonal workers. (Ernst and Young Management Consultants, 1992, Duffy, 1999, Gardiner Pinfold Consulting Economists, 2003). Finally, several of the studies reviewed found that agriculture was simply not a sought-after career as perceived among potential employees (Bourne, 2004, OATI Learning Group, 2004).

While the lack of availability of a suitably trained workforce was a consistent finding of this research, the study also demonstrated that there was a lack of information, both regionally and by commodity, of the recruitment and retention issues facing primary agriculture.

1.2 Project Objectives

CAHRC implemented the Labour Market Information Research on Recruitment and Retention Project to achieve several objectives. The primary objective was to develop a comprehensive analytical report including a gap analysis and needs assessment of labour requirements on a regional and commodity basis. CAHRC’s scope is the primary agriculture sector and, as a result, estimates and statistics in this report refer to primary agriculture and do not include further processing, research, farm input supply industries or service businesses sometimes included as part of the agricultural sector.

This report studies the nature and scope of the various human resource challenges within the agricultural sector, and calculates five-year projections of labour needs. It outlines the challenges and deterrents that employers face in recruiting and retaining workers in the agricultural sector, and explores elements that can assist in attracting and retaining labour to the sector.

This project is the starting point in a series of initiatives to address the longer term outcomes of increasing recruitment and retention of the work force. This report provides information on labour requirements on a regional and commodity basis, and provides an opportunity for industry and the various levels of government to search for effective solutions to the labour shortage in agriculture.

1.3 Research Methodology

This project involved the identification and review of publicly available statistics and documents of relevance to the project to identify existing research findings and information that could be used to help address the issues. The consultant accessed a variety of statistical data sources, including the 2006 Census of Canada, the 2001 and 2006 Censuses of Agriculture, data provided by the Province of Quebec, and information on the Seasonal Agricultural Worker Program (SAWP), available from Human Resources Skills Development Canada, as well as farm labour organizations.

In addition to the statistical data, fifty key informant interviews were conducted with farmers, representatives from producer and industry associations, government, education and training providers, as well as other stakeholders. The large majority of those interviewed had six or more years experience with the agricultural sector. These interviews provided insight on issues of recruitment and retention in agriculture and provided assistance in identifying available data and documentation that would not otherwise be obtained.

In order to supplement the official statistical data, and key informant insights, a survey was conducted with 552 employers from farm businesses with receipts of \$100,000 or more. Surveys were completed with employers in primary agriculture from across Canada, with good representation by commodity and region. Survey data was used to develop the labour-demand model and to project the needs of the industry.

Based on the statistical information provided by individual employers on their employees and information obtained regarding the current and expected number of entrants to the industry, 2 and 5-year labour demand forecasts were developed.

In order to explore in more detail some of the current practices used by agricultural employers, CAHRC also arranged for employers of thirteen agricultural operations to be interviewed about their recruitment and retention strategies. The resulting farm profiles provide additional context to the statistics gathered and provide real life examples of recruitment and retention strategies that employers are using on the farm.

The following chart outlines the research approach for the project, including primary and secondary data sources, to address each of the research issues and questions.

Research Issues/Questions	Data Sources / Methods
<ul style="list-style-type: none"> Labour shortages/needs by region and by commodity 	Development of a labour demand model using: <ul style="list-style-type: none"> document and statistical review findings survey of employers
<ul style="list-style-type: none"> Recruitment and retention challenges in the agricultural sector, deterrents to securing adequate labour pool 	<ul style="list-style-type: none"> survey of employers document and statistical review findings key informant interviews
<ul style="list-style-type: none"> Identification of elements that assist in securing adequate labour pool 	<ul style="list-style-type: none"> farm profiles of effective practices key informant interviews survey of employers
<ul style="list-style-type: none"> Analysis and identification of potential non-traditional sources of labour 	<ul style="list-style-type: none"> document review key informant interviews farm profiles of effective practices

The preliminary information collected for this project was presented during a National LMI Forum on February 2, 2009. One hundred participants from industry, agricultural associations and government gathered in Ottawa for a presentation of the research findings. Following the presentation, participants brainstormed in working groups on the kinds of tools and resources that may help farmers with their recruitment and retention efforts.

SECTION 2.0 Agricultural Employment on Farms in Canada

Developing an estimate of Canada's agricultural workforce is not a straightforward exercise. There are several sources of official data from which to draw the figures. Our challenge was to determine the best estimate of agricultural employment, by region and by commodity, including full-time and seasonal workers.

Estimates of agricultural employment vary, depending on the data source. For the purposes of this research, three different data sources were accessed to establish employment in the sector, with supplemental information being provided by the Quebec Census. The main data sources included: the 2006 Census of Canada, the 2006 Census of Agriculture, and the Labour Force Survey.

The attributes and details of each source are detailed at the beginning of this section and their challenges and limitations as they relate to this research are summarized in Table 2-3.

2.1 Census of Canada

The national census is conducted every five years (the last census was on May 16, 2006, the next census is scheduled for 2011) by Statistics Canada (Statistics Canada, 2009). In terms of employment, several questions are asked in the long form (given to 20% of households) to determine the sector in which the individual was employed during both the census year (2006) and the previous year (2005). As the census also asks individuals to comment on their main job held in 2005, it is difficult to ascertain whether or not seasonal farm workers would consider their farm work their main job. Additionally, as individuals self-report their employment, there may be interpretation issues as to whether or not their employment was in the agriculture sector or other related sectors (e.g., support to agriculture or food processing).

Analysis of 2006 Census information indicates that the agricultural sector employed 345,020 individuals in 2006 (Statistics Canada, 2006a).

While the Census data provides information as to agricultural employment, the data is released two years after the survey year, (typically a two year time frame from the completion of the census until the release of the results) and relies on the individual's (rather than the employer's) recollection of the job or sector in which they were employed.

A challenge with the 2006 Census is the relatively low number of non-permanent Canadian workers who are identified as working in the sector. For example, in 2006, the number of external migrants working in the agricultural sector was listed as 2,945; however, data from the SAWP suggests that there may have been almost 24,000 temporary foreign worker positions on labour market opinion issued under the SAWP program in 2006 (HRSDC, 2009). The discrepancy between the two data sources may reflect the difficulty in conducting a census with foreign workers – they typically live on the farm, have limited knowledge of English/French, and although they are meant to be included in the census, they might not be specifically enumerated as part of the census.

2.2 2006 Census of Agriculture

The Census of Agriculture, conducted by Statistics Canada also estimates agricultural employment (Statistics Canada, 2008a). The Census of Agriculture follows the same pattern as the general population census in that it is conducted every five years (2001, 2006), yet while the Census of Agriculture asks for detailed information pertaining to farm operations, very little data is collected about the number of workers who were employed on the farm. The survey does address the labour force characteristics of farm operators (e.g., age, worked full-time or part-time on the farm, education level), but only asks operators to report the total number of weeks or hours worked by all farm labour (including operators) for the previous year. In this context, it was not feasible to use the Census of Agriculture to estimate total Canadian agricultural employment for this project.

The Census of Agriculture does provide useful information as to the number of farms whose operators work in another occupation as their full-time occupation. This is useful to help to determine the number of farms that would be characterized as a part-time venture for the principal operator. For example, based on the 2006 Census of Agriculture, approximately 39% of farm operators indicated that they worked at least 20 hours or more per week at a job or business not involved with their agricultural operation. (Statistics Canada, 2006b) This information is used later in the report to estimate employment on Canadian farms with \$100,000 or more in farm receipts.

2.3 Statistics Canada – Labour Force Survey (LFS)

The Labour Force Survey (LFS), conducted by Statistics Canada on a monthly basis, is the standard measure used by most sectors and governments to report employment by industry. The LFS is a monthly survey of 54,000 households, and each household is tracked for a six-month period. The survey is conducted primarily via telephone, although there is a provision to complete some interviews in person. There are also provisions regarding language beyond English and French.

While the LFS does not exclude non-permanent residents (i.e., temporary foreign workers) the household/telephone-based methodology would suggest that the LFS may not accurately measure such workers. Furthermore, given the seasonal nature of harvesting, the high mobility of seasonal and harvest workers could further result in the LFS underestimating actual agricultural employment. (Marshall, 1999)

There is concern that the LFS estimates may be low, as the sector employs an increasing number of seasonal workers – some of whom may have no fixed address, making it difficult to participate in the LFS. Although such workers are not excluded from the LFS, there may be challenges in contacting these individuals and, as such, they may be under-represented in Canada's national employment survey. Notwithstanding the challenges associated with the LFS and agriculture, it provides a valid and ongoing indication of trends in agricultural employment.

The increasing use of SAWP workers, suggests that the LFS may not be providing a true picture of total agricultural employment. The LFS provides data on a timelier basis than that of the census, and provides an estimate of the number of employed workers, not available from the Census of Agriculture.

The LFS does not provide data on agricultural employment by type of farm or commodity type, but does classify the employment as being crop production, animal production, mixed farming or support activities to agriculture, based on the North American Industry Classification System (NAICS)¹. The LFS also provides a breakdown of whether the respondent is an employee or whether they would be classified under the term 'self-employed and unpaid family members'. For these reasons, the LFS has been used to develop provincial estimates of total agricultural employment.

According to LFS data, and detailed in Table 2-1 below, employment in primary agriculture in Canada has declined after a high level of 457,000 individuals in 1987. It has levelled off in the past few years after having dropped by almost 100,000 people from 1998 to 2001. (Statistics Canada, 2008b)

The LFS estimate of 336,200 people working in the agricultural sector includes workers on farms of all sizes, and includes self-employed operators, paid employment, and unpaid family members. As the focus of this study is on farms with \$100,000 or more in farm receipts, it will be necessary to adjust this total to remove estimated employment on operations with less than \$100,000 in farm receipts.

TABLE 2-1
Agricultural Labour Force Estimate in Canada
1987 – 2008 (000s)

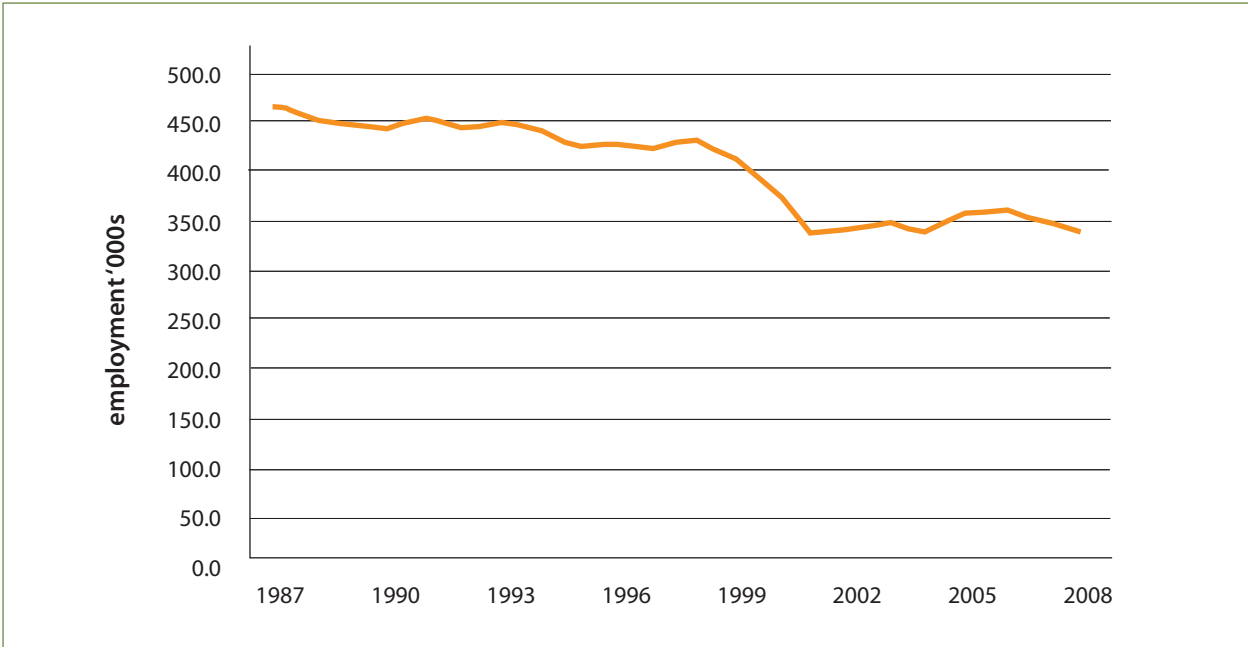


Table 2-1: Agriculture employees - all classes for NAICs 110, 111, 112 in (000s). **Source:** Adapted from: Statistics Canada Labour Force Estimates for employment in Canada and the provinces in the agriculture industry by class of workers, 1987-2008, annual averages in thousands

¹ NAICS – North American Industry Classification System is an industry classification system developed by the statistical agencies of Canada, Mexico and the United States. Created against the background of the North American Free Trade Agreement, it is designed to provide common definitions of the industrial structure of the three countries and a common statistical framework to facilitate the analysis of the three economies. <http://www.statcan.gc.ca/subjects-sujets/standard-norme/naics-scian/2002/naics-scian02l-eng.htm>

2.4 Seasonal Agricultural Worker Program (SAWP)

Every year, Canadian employers hire thousands of foreign workers to help address skill and labour shortages.

The SAWP is one program that allows the organized entry of foreign workers to work in agricultural labourer occupations in Canada. The SAWP was developed by the Government of Canada in co-operation with agricultural producers and a number of foreign countries including Mexico and several Commonwealth Caribbean countries. (Service Canada, 2008)

The SAWP currently operates in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia and Prince Edward Island and meets the needs of specific agricultural commodity sectors.

Under the program, producers can hire workers from Mexico, Anguilla, Antigua and Barbuda, Barbados, Dominica, Grenada, Jamaica, Montserrat, St. Kitts-Nevis, St. Lucia, St. Vincent, and Trinidad and Tobago.

In some regions, non-profit organizations have been formed to hire seasonal agricultural workers when applying for a Labour Market Opinion through HRSDC/Service Canada (SC):

- Foreign Agricultural Resource Management Services (FARMS) in Ontario;
- Fondation des entreprises en recrutement de la main-d'oeuvre agricole étrangère (FERME) in Québec;
- Western Agriculture Labour Initiative (WALI) in British Columbia.

While the SAWP has been in existence since 1966, data shows a considerable increase in the number of workers entering Canada during the past three years. Although workers entering Canada and working through the SAWP should be included in the LFS, there is concern that due to language or communication or other sampling issues, few SAWP workers are actually included in the LFS.

Table 2-2 provides estimates of the number of workers entering Canada under the SAWP from 2006.

TABLE 2-2
SAWP Employment by Region (estimated) 2006-2008

	Atlantic	Quebec	Ontario	Prairies	BC	Canada
2006	391	3,191	17,786	790	1,253	23,411
2007	532	3,202	18,035	995	2,200	24,964
2008	735	3,693	17,924	1,050	2,955	26,357

Data refers to number of vacancies filled through either arrivals or transfers. The same worker could be an arrival and a transfer. Source: Foreign Agricultural Resource Management Services (FARMS) Ontario; Fondation des Entreprises en Recrutement de la main-d'oeuvre Agricole Étrangère, Quebec; CR Farms, Prairies; Western Agriculture Labour Initiative, BC

2.5 Other Special Studies / Surveys

In addition to the Census of Population and Census of Agriculture national data sources, there have been other sector / provincial studies done in respect to agricultural employment. These include studies completed by industry associations, sector councils, and provincial surveys and census. However, these studies tend to be done on an ad hoc basis and have varying levels of statistical reliability. These studies also use a different methodological approach as compared to the LFS.

Although most provinces do not conduct their own agricultural human resource surveys, the province of Quebec completed a census of farm operators in 2003. (Ministère de l'agriculture, 2003a, 2003b) Data collected in this study indicated that the farm workforce (including both paid and unpaid workers) in Quebec was 127,960 in 2003 – considerably higher than the Statistics Canada LFS estimate of 57,000 for the same year (Statistics Canada, 2008b). In contrast to the Statistics Canada LFS, the Quebec survey included numerous categories of workers in the estimate, many of who would not be included under Statistics Canada guidelines. A breakdown of the 127,960 workers estimated in the Quebec survey concludes that:

- 44,822 were primary farm operators;
- 9,698 were spouses;
- 20,034 were children (aged 14 years of age or older);
- 18,036 were paid workers who worked less than 5 weeks;
- 35,370 were paid workers who worked 5 weeks or more in 2003. (Ministère de l'agriculture, 2003a, 2003b)

This information highlights the contribution of family members to on-farm work in Quebec as well as the significant number of workers who worked for fewer than 5 weeks. As family size declines, and as family members migrate to urban centres, the challenges of finding on-farm labour will increase.

The survey methodology could include some 'double counting', as paid workers who worked on multiple farms could be counted twice by different employers. While this data is interesting and provides good detail, it should be noted that the Quebec government uses the LFS as its official estimate of agricultural employment.

The results of the research suggest that there are challenges to accurately measuring the number of people employed in the Canadian on-farm agriculture sector. The difficulty in measuring subsectors of the industry by commodity, occupation, geographical region and based on farm size as measured by revenue further complicates this process.

While different sources of data exist, they range considerably in their estimates, and their methodologies. Additionally, as the sector is characterized by a large seasonal and harvest workforce, there is a possibility that such workers may not be included in data collection.

As detailed in Table 2-3, each data source has its own strengths and limitations. The lack of consistent data also highlights the need for a better approach to estimating and tracking Canada's agricultural employment.

TABLE 2-3

Data Sources Providing Information on Canada’s Agricultural Employment

Source	Estimate of Agricultural Employment	Strengths	Limitations
2006 Census of Canada	345,020	<ul style="list-style-type: none"> Based on 20% of Canada’s total population 	<ul style="list-style-type: none"> Employment in May 2006 only one point in time Self-reported by individuals Hours of work are reported for the week prior to Census Day Non-permanent residents may be underestimated Data available every five years Does not provide estimate of primary agriculture only
2006 Census of Agriculture	n/a	<ul style="list-style-type: none"> Completed by every farm in Canada Possible to cross – classify labour data with farm characteristics 	<ul style="list-style-type: none"> Provides information only about the total number of paid hours and total compensation paid Self-reported by individuals No data about the number of workers employed Available every five years
2008 Labour Force Survey (LFS)	327,000	<ul style="list-style-type: none"> Completed with an interviewer in person or by telephone Monthly survey data is available on an on-going basis Includes permanent and non-residents 	<ul style="list-style-type: none"> Counts only the main job Sample size is 54,000 households Household/telephone-based methodology would make it difficult to enumerate temporary foreign workers

Given the strengths and limitations of existing employment data, it is appropriate for CAHRC to seek out an improved employment estimation methodology in the future. This could include:

- modification of the 2006 Census of Agriculture to capture additional information with respect to employment;
- working with Statistics Canada to undertake a study of Canada’s agricultural employment needs.

SECTION 3.0 Distribution of Agricultural Employment in Canada

3.1 Distribution of Agricultural Employment by Major Commodity Group

An objective of this research was to determine an estimate of agricultural employment by commodity. While the LFS presents information about employment in the agricultural sector it does not provide employment estimates at the commodity level sought in this study. It does however, subdivide data by the NAICS for Total Agriculture; Crop Production (NAICS 111), Animal Production (NAICS 112), Mixed Farming (NAICS 110) and Support Activities for Agriculture (NAICS 1151 and 1152) (Statistics Canada, 2008a).

For the purposes of this study, six major commodity groupings were identified by CAHRC:

- Livestock and Poultry (beef and dairy cattle, poultry and eggs, swine, and other animals including sheep, goats, bison, elk, alpaca, horses, rabbits, deer, fox and mink);
- Crops (grains, cereals, oilseeds, pulses, pastures, forages, fibre and seed production);
- Berries, Vegetables, Tree Fruit and Vine (field fruit and vegetables, melons, potato, tree fruit and vine);
- Greenhouse, Nursery Landscape and Floriculture;
- Aquaculture; and
- Other and Non-traditional (herbs and spices, maple, sod, bees, tobacco, hemp, non-timber forest products).

In order to estimate employment by commodity group, wage data as a proportion of total expenses was used. Statistics Canada data confirms that the extent to which labour comprises a major expense varies by farm operation, as the production of some commodities are more labour-intensive than others. For greenhouse, nursery landscape and floriculture operations, the average labour costs represent almost one-third of total operating expenses. In contrast, among livestock and poultry producers, wage costs represent 4% - 11% of total operating expenses. (Statistics Canada, 2007)

Based on the total wages and salaries paid in each commodity group, it was possible to estimate the total employment by major commodity group. Again, it should be emphasized that this methodology is not without limitations, as it:

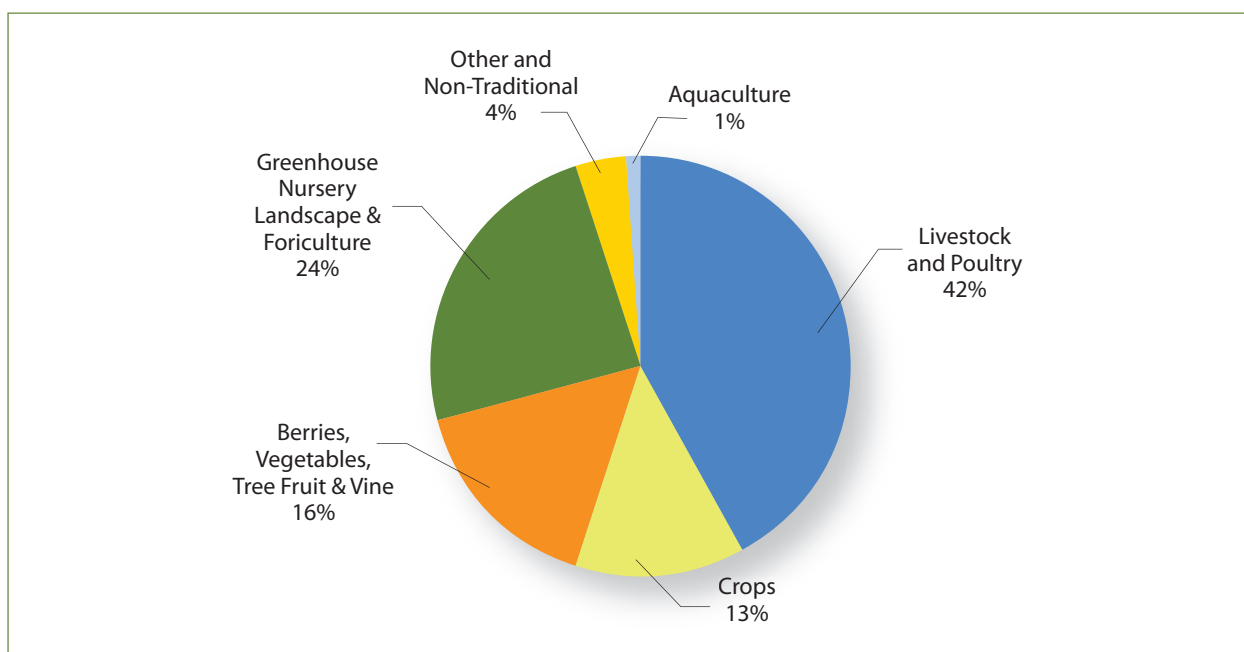
- Includes wages/compensation paid to owners/operators of incorporated farms (if they had a salary);

- Assumes that the average wage by commodity group was equivalent (a worker in the fruit sector would make equivalent wages as a worker in the livestock and poultry sector);
- Excludes sole proprietorship operations whose owners file their tax returns as individuals as their tax returns will not show owners' wages.

In the absence of other data, total compensation paid in each commodity group was used as a proxy to allocate LFS agricultural employment by commodity group. For example, of the \$4.0 billion paid in wages/salaries by agricultural operators, wage compensation paid by livestock and poultry producers was \$1.67 billion, which represented just under 42% of total wage compensation for Canada's agricultural sector (Statistics Canada, 2006c). Assuming equivalent average wages by sector, it is then also assumed that the livestock and poultry sector accounted for 42% of total agriculture employment. Table 3-1 below shows the estimated agricultural employment by commodity on farms of all sizes.

TABLE 3-1

Estimated Agricultural Employment by Major Commodity Group All Farm Sizes



Adapted from: Wages/salaries paid by commodity type and Statistics Canada Table 5.1, and Table 5-2 Cat. 21-208-X. Aquaculture data computed from wages and salaries paid in the sector.

3.2 Estimating Number of Workers on Farms with \$100,000 or more in Receipts

A key element of this study was to identify labour market requirements among agricultural operations. It is recognized that farms in Canada vary in size and in their labour needs. Not all farms have a requirement for paid labour and may be able to be successful by relying on the labour of owner/operators, family members or by using custom operators.

CAHRC made the assumption that farms with more than \$100,000 in farm receipts would be more likely to have paid employees than those farms with less than \$100,000 in farm receipts. For this reason this study only surveyed farm businesses with more than \$100,000 in farm receipts.

To obtain insight as to the human resource requirements for this segment, an employer survey was undertaken. The survey included questions related to the human resource needs on the farm, as well as current recruitment and retention practices. This section addresses issues related to current and future human resource requirements, while recruitment/retention issues are addressed later in the report.

As the study was designed to focus on those farms with paid workers or those operations that would likely employ one or more workers, it was necessary to develop an estimate of the total employment for the farm sector that includes only those operations with farm receipts of \$100,000 or more.

Data from the Census of Agriculture indicates that not all farm operators worked full-time on their farm. In fact, approximately 39% of farm operators indicated that their primary job was not on their farm (Statistics Canada, 2006b). In order to calculate employment numbers for farms with more than \$100,000 in receipts, the following adjustments were made to the 2008 LFS employment numbers:

Calculating the employment on farms with more than \$100,000 in farm receipts:

Total 2008 Agricultural Employment (LFS-estimated)	336,200
Total # of Farms (all sizes) from the 2006 Census of Agriculture:	229,373
# of farms with less than \$100,000 in receipts:	150,469
# of farms with more than \$100,000 in receipts:	78,904

If 39% of all farm operators indicated that their primary job is off the farm; and 61% of farm operators indicated their primary job is on the farm, then to calculate total farm employment on small farms we can multiply $150,469 \times .61 = 91,786$.

Total estimated employment on farms with less than \$100,00 in receipts: 91,786 (assumes that the owner operator is the only employee on farms with less than \$100,000 in farm receipts).

Total estimated employment on farms with \$100,000 in receipts can be calculated by subtracting 91,786 from 336,200 = 244,500.

3.3 Total Employment Estimate on Farms with more than \$100,000 in Receipts, by Region

This employment estimate of 244,500 was then distributed regionally on the basis of employment expenses, as well as the share of the total number of farms (\$100,000+ in receipts) in Canada. See Table 3-2 on the next page.

It should be noted that the payroll data reported by Statistics Canada excludes wages/salaries paid to the farm operator for unincorporated farms (Statistics Canada, 2006d). As noted previously, in the absence of accurate data as to actual employment by farm size, estimating farm employment using the average of the share of the number of farms and share of total (non-operator) payroll seemed prudent.

TABLE 3-2

**Estimated Distribution of Agricultural Employment
on Farms with \$100,000+ in receipts (2008)**

Region	Share of total farms (all sizes)	Share of farms with \$100,000+ in receipts	Share of \$100,000+ payroll (excluding operator salaries)	Average share (B+C÷2)	Estimated total employment (all farms) 2008 LFS	Estimated Employment (\$100,000+ farms) (D x 336,200)
	A	B	C	D	E	F
Canada	100%	100%	100%	100%	336,200	244,500
Atlantic	3%	3%	6.4%	4.7%	16,100	11,500
Quebec	12%	17%	18.7%	17.9%	70,600	43,800
Ontario	24%	23%	34.8%	28.9%	81,200	70,650
Prairies	51%	53%	27.1%	39.9%	131,600	97,550
BC	8%	4%	13.2%	8.6%	36,800	21,000

Table 3.2: Note: Totals may not add to 100% due to rounding.
Source: 2006 Census of Agriculture (farm size), Statistics Canada Cat. 21-208-X, Tables 4, 6, 8-1 for share of payroll.
Note payroll share excludes wages/salaries paid to the operator.

3.4 Estimating Labour Gap of Non-Seasonal Employees on Farms with \$100,000 or more in Farm Receipts

As part of the research project, data sources were examined to identify the extent to which other labour market information (LMI) existed with respect to Canada’s agricultural sector. As part of this study, the following observations can be made:

- with the exception of Alberta, (which completes its own salary and vacancy survey), no data exists as to job vacancies for the sector or for key occupational groups;
- little data exists as to current and future workforce demand (some provincial data can be found on Job Futures, <http://www.jobfutures.ca/>, but the descriptions of future labour force requirements are vague); and
- data is not available by size of farm measured by number of employees, or by commodity type.

The lack of public data supports the need for specific labour market studies by CAHRC and other agencies.

SECTION 4.0 Estimating Current and Future Labour Market Requirements

An employer survey was used to obtain information as to current labour market requirements – including job vacancies and labour requirements over the next two (to 2010) to five (to 2013) years. The initial employer survey was conducted from April to August 2008. The survey was a ‘mixed mode’ survey, which allowed employers to choose the method in which to complete it - by mail, telephone or fax, or online. The survey was distributed using commercial directories (InfoCanada), as well as through producer organizations to their producers. CAHRC placed advertisements in farm media offering the online link, including a phone number to call to be included in the survey.

The initial survey yielded 481 completions. The relatively low number of completions from Quebec resulted in an extension of the survey to allow for greater participation from Quebec employers. As a result of the survey extension (until mid-November 2008), an additional 71 completions were obtained from Quebec employers, resulting in a total of 552 completed surveys.

The format of this survey is such that the data cannot be considered statistically valid. There was no sample size - (CAHRC did not start with a sample of employers), and CAHRC was not able to ensure that a representative sample of employers completed the survey. CAHRC however can use this data as a snapshot of a point in time, as it provides information directly from employers who responded to the survey.

4.1 Survey Demographics

As detailed in Table 4-1, the employer survey was generally representative of Canada’s agriculture community for farms with \$100,000 or more in receipts. For example:

- in comparing the distribution of employer responses on the basis of region, there was generally a close fit between survey responses and the distribution of farms with \$100,000+ in receipts, as well as employment on such farms;
- the distribution of responses by commodity group closely mirrored estimated employment by commodity group.

TABLE 4-1

Employer Survey Demographics

	Number	% of total	Estimated farms with \$100,000+ in Receipts	
			% of farms in Table 3-2 (Column B)	% share of employment as estimated in Table 3-2 (Column D)
Total	552	100%		
Region				
Atlantic	60	11%	3%	5%
Quebec	94	17%	17%	18%
Ontario	109	20%	23%	29%
Prairies	216	39%	53%	40%
British Columbia	66	12%	4%	9%
Unknown	7	1%	n/a	n/a
Commodity Grouping				
	Number	% of total		% share of employment as estimated in Table 3-1
Livestock & Poultry	183	33%	n/a	42%
Crops	76	14%	n/a	13%
Berries, Vegetables, Tree Fruit and Vine	74	13%	n/a	16%
Greenhouse, Nursery Landscape & Floriculture	124	23%	n/a	24%
Aquaculture	14	3%	n/a	1%
Other & Non-Traditional	42	8%	n/a	4%
Unknown/unidentified	39	7%	n/a	n/a
With Employees				
Have 1 or more employees	548	99%		
No employees	4	1%		
Employ F/T workers	440	80%		
Employ P/T workers	388	70%		
Employ seasonal/harvest workers	371	67%		

As highlighted in the above table, the proportion of surveys completed corresponds to the share of agricultural employment by region and by commodity calculated in Table 3-2. The surveys completed by Quebec employers (17% of total surveys) compares closely with our estimate of Quebec’s share of farms with \$100,000 or more in farm receipts (17%) and our estimate of Quebec’s share of total employment on farms with \$100,000 or more in receipts (18%).

4.2 Current and Future Labour Requirements

Based on the employer survey, a significant proportion of employers expect to hire a number of part-time and/or full-time employees over the next two to five years.

As highlighted in Table 4-2, among those employers who already had one or more employees, more than one-third indicated that they expected they would need more full and/or part-time employees; while only 6% expected their need for employees would decline over the next two years. More than one-half of employers told us that they felt that their labour requirements would remain unchanged, while 3% of employers were unsure as to their future human resource requirements.

TABLE 4-2
Employer Perceptions of Future Employment Requirements for the Next Two Years (Employers who had either F/T or P/T Employees)

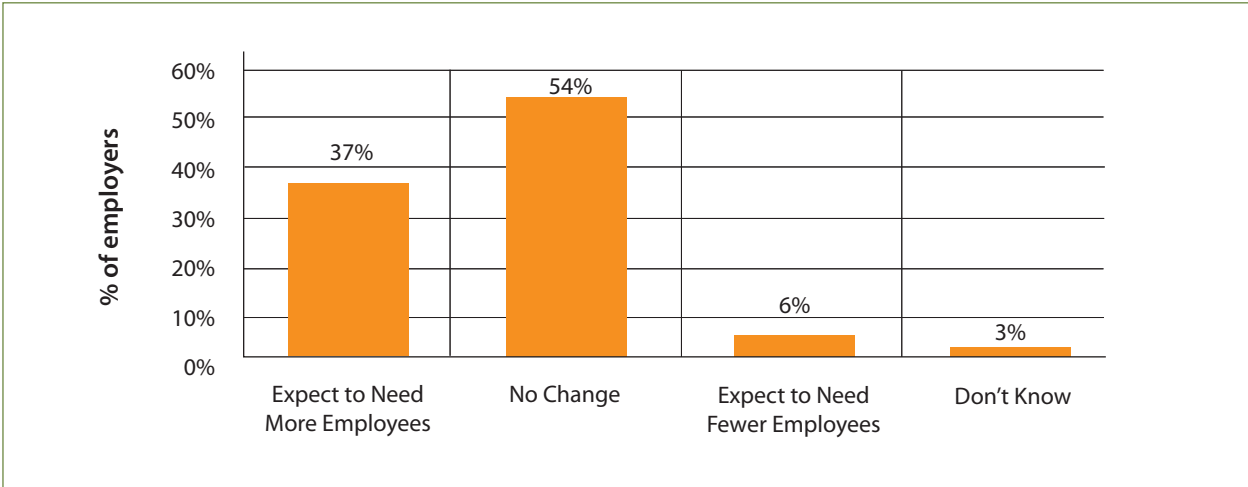


Chart 4-1 n=505
 Source: CAHRC Employer Survey, QA6a

Analysis of the data on a regional and commodity basis reveals the following:

- Almost two thirds of employers who categorized their commodity as being ‘other or non-traditional’ indicated that felt they would need more employees over the next two years; and
- On a regional basis, employers from British Columbia expressed the greatest need for employees in the next two years (51%).

TABLE 4-3

**Expected Employment Requirements as Estimated by Surveyed Employers
(Next Two Years) by Commodity Group and Region**

Commodity/ Region	Sample Size	Expecting to require more employees	No Change/ Unsure	Expecting to require fewer employees
Overall	505	37%	57%	6%
Commodity:				
Livestock and Poultry	178	50 (28%)	117 (66%)	11 (6%)
Crops	73	23 (32%)	4 (56%)	9 (12%)
Berries, Vegetables, Tree Fruit & Vine	69	29 (42%)	36 (52%)	4 (6%)
Greenhouse, Nursery Landscape and Floriculture	109	49 (45%)	55 (50%)	5 (5%)
Aquaculture	13	5 (39%)	7 (54%)	1 (8%)
Other & Non-Traditional	37	24 (65%)	12 (32%)	1 (3%)
Region:				
Atlantic	53	23 (43%)	28 (53%)	2 (4%)
Quebec	83	17 (21%)	58 (70%)	7 (8%)
Ontario	105	34 (32%)	62 (59%)	9 (9%)
Prairies	201	78 (39%)	111 (55%)	12 (6%)
British Columbia	63	32 (51%)	28 (45%)	3 (5%)

Source: CAHRC Employer Survey, QA6a
Note: Totals may not add to 100% due to rounding

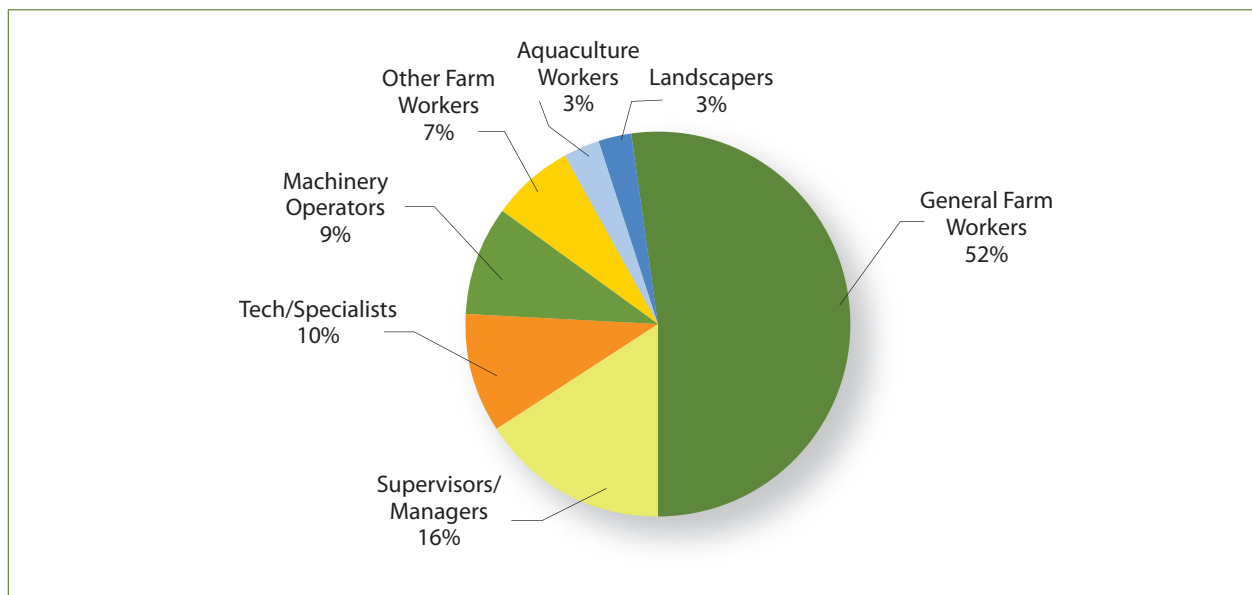
4.3 Employment by Major Occupational Groups – Non-Seasonal Positions

Employers surveyed as part of this study collectively employed more than 12,300 workers. CAHRC provided a listing of occupations (see below) from which to designate workers by occupation. The occupations were drawn from the National Occupational Classification:

- Science Professionals;
- Agricultural Consultants and Specialists;
- Technicians and Engineers;
- Professional/Technical Animal Health Workers – formally trained;
- Machinery Mechanics and Operators;
- Supervisors and Managers;
- Landscapers;
- Aquaculture Workers;
- General Farm Workers;
- Other.

Table 4-4 indicates the distribution of occupations from the employer survey. The majority of the workers currently employed on the surveyed farms were described as general farm workers², as approximately one-half of the total workforce consisted of such workers. Other major employment occupations included supervisors and managers (16%) and technical/specialist staff (10%).

TABLE 4-4
Employment by Major Occupational Group (Non-Seasonal)
Employer Survey



n=505, QA6b
 Note: Totals may not add to 100% due to rounding.

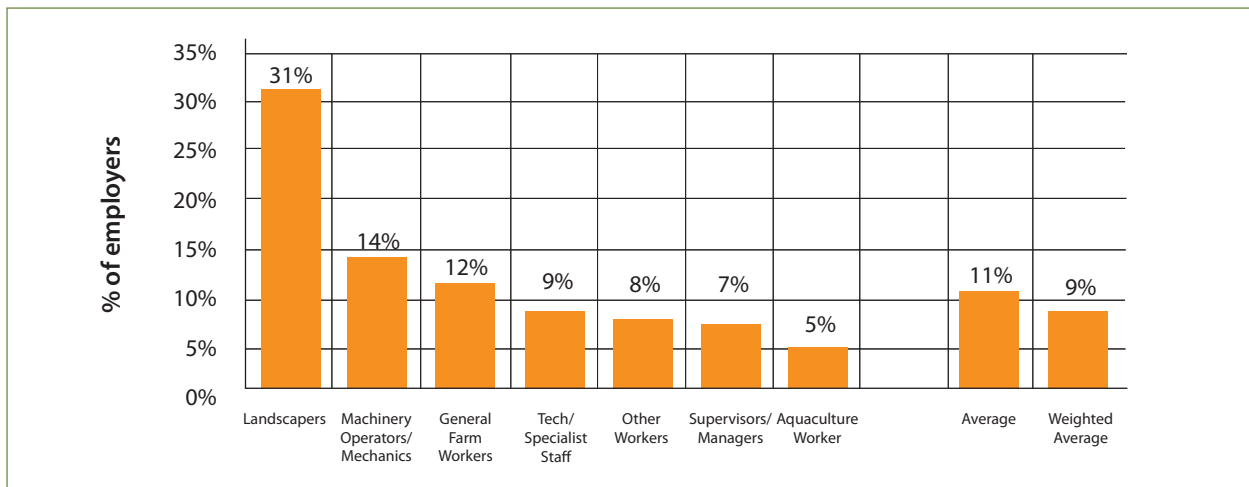
² Note: this estimate excludes temporary foreign workers and seasonal workers.

4.4 Current Unfilled Positions by Occupation and by Region – Non-Seasonal Workers

The results of the survey suggest that almost all farm operations with full or part-time employees had one or more unfilled positions. As detailed in Table 4-5 below, the proportion of unfilled positions to total positions (employed plus unfilled positions) ranged from a low of 5% among aquaculture workers to a high of 31% among landscapers. Because the survey oversampled in BC and Atlantic Canada, it was necessary to adjust the final results to reflect their actual share of employment. Overall, across all occupations, it was estimated that the current (2008) vacancy rate was 11%, although when weighted by region, the vacancy rate declines to 9%.

TABLE 4-5

2008 Vacancy Rates by Major Occupation % Unfilled as a Proportion of Current Employment plus Unfilled Positions (2008) Non-Seasonal Positions



n=525

Source: Employer Survey, Computed from QA6b

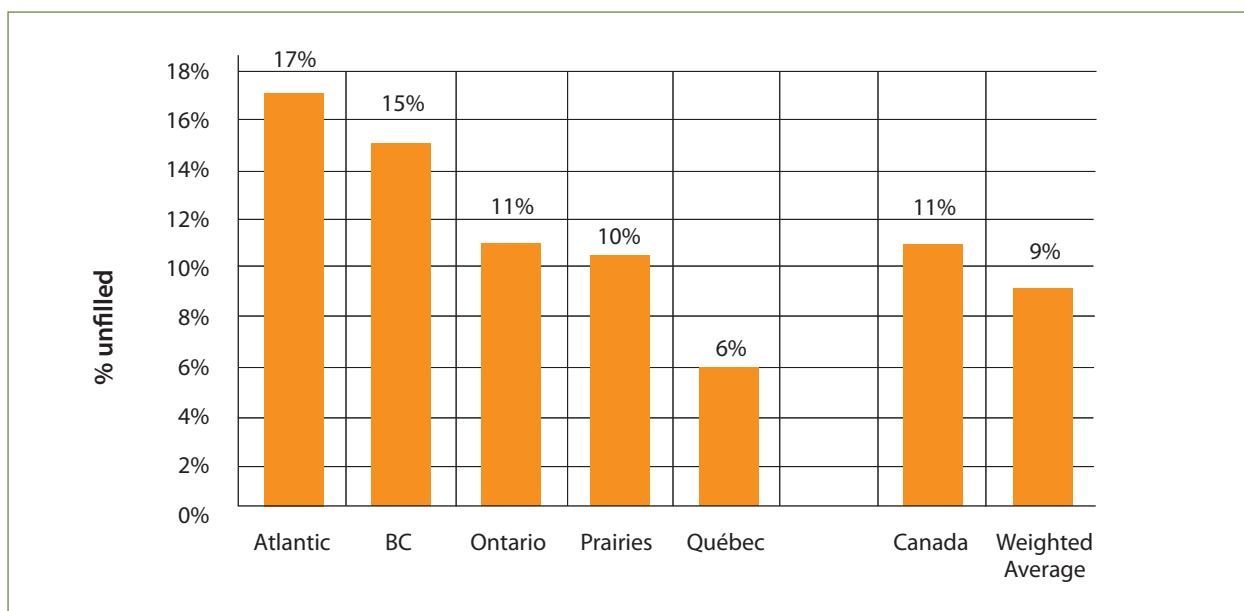
It is difficult to interpret some of these results by occupation because we cannot assume that occupations are common to only one commodity grouping. For example, while it may be safe to assume that aquaculture workers are only employed in operations in the aquaculture commodity grouping, machinery operators and mechanics might be employed in any of the commodity groups.

The results for the landscaper occupation vacancies should be interpreted with caution, as only 49 of the 552 employers reported that they had landscaping vacancies in their operations and only 16 businesses identified themselves as landscaping businesses. Among the 49 who hired landscapers, there was a 31% vacancy rate (i.e. one in three jobs was vacant at the time of the survey). Similarly, aquaculture worker numbers should be interpreted with caution due to the small survey numbers.

In terms of the number of vacant positions, the largest number was in the general farm worker category. Among survey respondents, there were 1,553 vacant positions at the time of the survey. Of these vacant positions, 841 (54%) were for general farm workers.

At the regional level, employers in Atlantic Canada reported the highest proportion of vacant positions, as employers surveyed noted, on average, that approximately 17% of available non-seasonal positions were vacant. Similarly, a significant proportion of positions in British Columbia (15%) were also vacant. In contrast, 6% of positions in Quebec were reported to be vacant at the time of the survey.

TABLE 4-6
Vacancy Rates by Region % Unfilled as a Proportion of Current Employment plus Unfilled Positions (2008) Non-Seasonal Positions



n=525
 Source: Employer Survey, Computed from QA6b

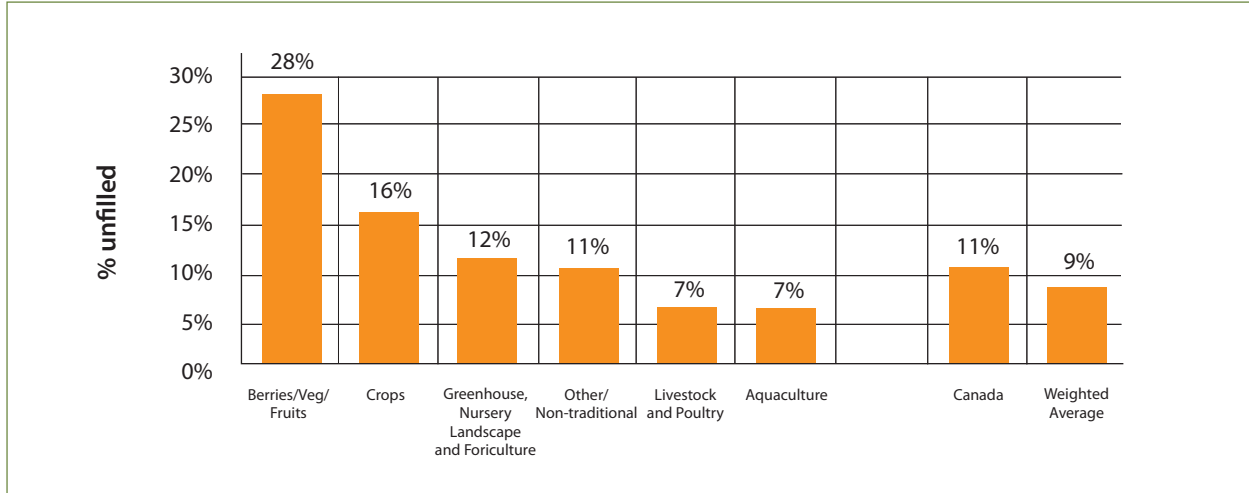
4.5 Vacancy Rates by Region and National Vacancy Rate

Upon examination of the estimated number of vacancies, it should be emphasized that, due to the size of the sector in Ontario and the Prairies, the absolute number of unfilled positions in these regions, among surveyed employers, was much higher than that of the Atlantic region or BC.

There was a considerable range in vacancy rates across the six major commodity groups. For example, as highlighted in Table 4-7, the vacancy rate ranged from a low of 7% among employers in the aquaculture commodity to a high of 28% among employers growing berries, vegetables tree fruit & vines.

TABLE 4-7

Vacancy Rates by Major Commodity Group % Unfilled as a Proportion of Current Employment plus Unfilled Positions (2008) Non-Seasonal Positions



n=505
Source: Employer Survey, Computed from QA6b

When weighted by regional employment, the national vacancy rate is estimated to be 9% among farm operations with \$100,000 or more in farm receipts. It should be noted that this vacancy rate for Canada’s agricultural sector is high relative to other sectors. While the last national survey on vacancy rates in the national economy was completed by Statistics Canada in 1999, the 2.7% vacancy rate computed at that time suggests that Canada’s agricultural sector is facing a considerably more challenging labour market. (Statistics Canada, 2001a)

Other studies also suggest that Canada’s agricultural vacancy rate is high relative to other sectors of the economy. The Canadian Federation of Independent Business published a study in 2002, which suggested that, among Canadian small businesses, the vacancy rate was 4.5% (Mallett, 2002). Comparatively, the Electricity Sector Council has reported a 3% vacancy rate (Electricity Sector Council, 2008). Another indication of the difficulty in filling on-farm agricultural positions is the increase in the numbers workers under the SAWP. As part of the application process, farmers must demonstrate that they have attempted to fill positions with Canadian workers. They also require a labour market opinion from the SAWP. The following table shows the number of temporary foreign worker positions on labour market opinion confirmation issued under the program during each season.

TABLE 4-8**Temporary Foreign Worker Program – Labour Market Opinion Statistics
2005-2008**

Region	2005	2006	2007	2008
Atlantic	293	405	593	765
Quebec	<i>3,611</i>	2,961	3,851	3,450
Ontario	<i>18,227</i>	17,89	19,012	18,442
Prairies	730	870	1,083	1,389
British Columbia	674	1,569	2,481	4,045
Canada – Total	23,535	23,696	27,020	28,091

Annual number of temporary foreign worker positions on labour market opinion confirmations issued under the Seasonal Agricultural Worker program, by location of employment (HRSDC, 2009). The numbers in *italics* are estimates.

4.6 Future Employment Requirements – Non-Seasonal Workforce

Employers who completed the survey were asked to provide information as to their perception of workforce requirements over the next two (to 2010) and five (to 2013) years for both full-time and part-time positions. Based on their current employment levels, employers collectively indicated that they anticipated a growth of more than 10% in employment needs over the next two years, and a 20% increase over the next five years. Detailed in Table 4-9 is the current vacancy rate and the estimated increase in the workforce by major occupation, region and commodity type.

TABLE 4-9

**Projected Labour Market Requirements by Selected Commodity Grouping
Next Two and Next Five Years Non-Seasonal Positions**

Occupation/Commodity/Region		Respondents (# of employers with employees)	Current vacancy rate (2008)	Expected growth in number of employees (% increase above current 2008 employment)	
				Next 2 years (2010)	Next 5 years (2013)
Overall Average (unweighted data)		407	11%	11%	21%
Overall Average (weighted by region)		n/a	9%	10%	20%
Occupation	Tech/Specialists	184	9%	11%	12%
	Machinery/Mech Operators	246	14%	13%	39%
	Supervisors/Managers	332	7%	5%	11%
	Landscapers	49	31%	62%	95%
	Aquaculture Workers	13	5%	5%	8%
	General Farm Workers	385	12%	10%	20%
	Other Workers	75	8%	10%	17%
Region	Atlantic	49	17%	17%	28%
	Quebec	74	6%	3%	16%
	Ontario	103	11%	8%	21%
	Prairies	200	10%	14%	23%
	British Columbia	64	15%	11%	20%
Commodity	Livestock & Poultry	176	7%	3%	9%
	Crops	70	16%	12%	10%
	Berries, Vegetables, Tree Fruit & Vine	64	28%	34%	52%
	Greenhouse, Nursery Landscape & Floriculture	108	12%	18%	38%
	Aquaculture	13	7%	6%	9%
	Other & Non-Traditional	37	11%	12%	22%

Source: Employer Survey, QA6b

4.7 Estimating the Labour Gap – (Non-Seasonal Employees)

Using the employer survey data, and based on the estimated 244,500 people employed on farms with more than \$100,000 in farm receipts from the calculation in section 3.3, we can project that the current labour shortage is in excess of 25,500 workers across Canada. As detailed in Table 4-10, based on employer estimates of future labour requirements, regional employment requirements are estimated for the next two to five years. It is estimated that the sector currently requires approximately 25,590 workers now to fill existing vacancies, and would need to find up to 50,925 additional workers to meet employer labour requirements over the next five years.

These workers would be required to meet the needs due to retirement, attrition and/or production expansion. As most of the employer surveys were completed in the spring/summer of 2008, the responses may not fully reflect the deterioration of the Canadian (and world) economy experienced since the fall of 2008.

TABLE 4-10

Estimated Labour Gap – Farms with \$100,000+ in Receipts Non-Seasonal Workforce by Region

Region	A Current Workforce (2008)	C Current Estimated Vacancies	D Workforce Requirements 2010	Workforce Requirements 2013	Total Requirements 2008-2013
Canada ⁽¹⁾	244,500	25,590	269,045	295,425	+50,925
Atlantic	11,500	1,950	13,450	14,675	+3,175
Quebec	43,800	2,440	44,960	50,580	+6,780
Ontario	70,650	8,080	76,350	85,250	+14,600
Prairies	97,550	9,950	110,945	119,720	+22,170
BC	21,000	3,200	23,340	25,200	+4,200

Note: Employment requirements for farms with \$100,000+ in receipts

Source: Employer Survey, QA6b, R.A. Malatest & Associates Estimate

⁽¹⁾ Sum of regional requirements

Due to limited information as to farm size by commodity type, it was not possible to compute an estimate of labour demand by commodity grouping.

Based on survey responses, it is possible to develop a rough approximation of the current vacancies and potential labour requirements for major occupations. It should be emphasized however, that the data is based solely on the responses provided by the approximately 550 employers who participated in the survey and provided data by occupation, and has not been compared to other data sources, including the LFS and/or 2006 Census data, as such sources do not differentiate employment on the basis of farm size.

As highlighted in Table 4-11, there are significant labour requirements across all major occupational groups, although the largest gap (in terms of current unfilled vacancies) is for general farm workers (14,075 vacant positions) and for mechanics/machinery operators (3,020 unfilled positions).

TABLE 4-11
Estimated Labour Gap – Farms with \$100,000+ in Receipts
Non-Seasonal Workforce By Major Occupational Group

Group	Current Workforce (est)	Current Estimated Vacancies	Workforce Requirements 2010	Workforce Requirements 2013	Total Requirements 2008-2013
Canada	244,500	25,590	269,045	295,425	+50,925
Tech/ Specialists	24,270	2,225	26,715	27,070	+2,800
Machinery/ Mechanics Operators	22,220	3,020	25,370	30,810	+8,590
Supervisors/ Managers	38,320	2,700	39,900	42,415	+4,095
Landscapers	6,660	1,990	10,740	12,950	+6,290
Aquaculture Workers	7,810	360	8,165	8,435	+625
General Farm Workers	128,885	14,075	140,340	154,675	+25,780
Other Workers	16,335	1,220	17,815	19,070	+2,735

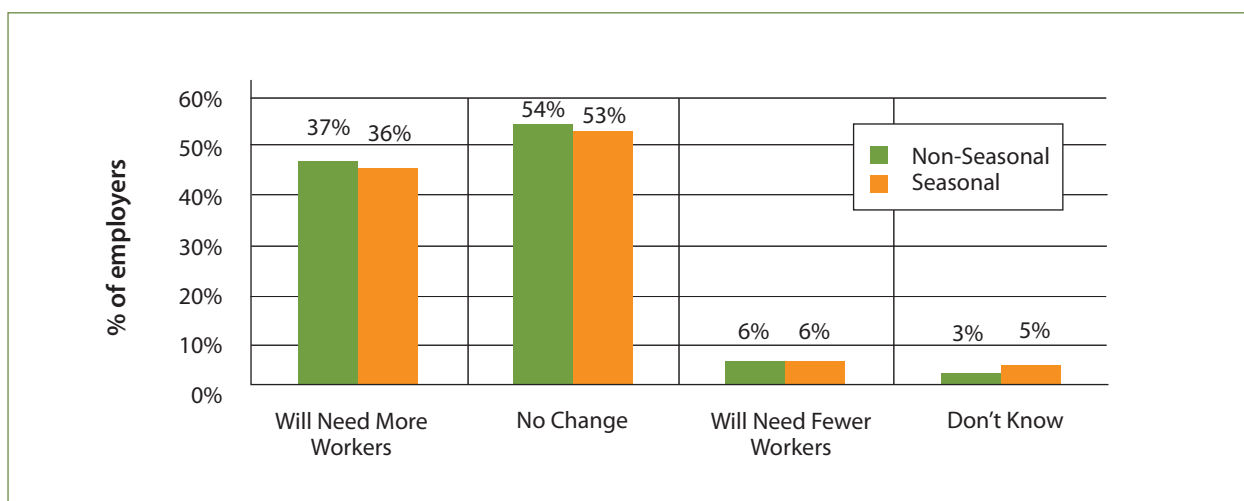
Note: Occupational distribution based on Employer responses.
 Data may or may not align with other occupational data sources, including LFS and/or 2006 Census, due to focus on large farms only.

4.8 Estimating Employment Requirements – Seasonal Employees

As was the case with non-seasonal worker requirements, employers were also asked to provide information with respect to the number of seasonal or harvest workers that they require. Analysis of the data indicates that:

- Whereas more than 90% of employers provided information as to their employment needs for non-seasonal workers, the proportion of employers who provided information as to the needs of seasonal or harvest workers was markedly lower (70% of employers provided information on employment needs with respect to seasonal workers); and
- As highlighted in Table 4-12, among employers who would comment on seasonal workforce requirements, employment projections for seasonal workers generally mirrored the expectations of the non-seasonal workforce.

TABLE 4-12
Employer Perspectives on Workforce Requirements
Over the Next Two Years



n=505 for Non-Seasonal Worker Respondents, 386 for Seasonal Worker Requirements
Source: Employer Survey, QA6a, QA7a

Similar to the employment requirements for the non-seasonal workforce, it was possible to estimate the employment requirements for seasonal workers on farms with \$100,000+ in farm receipts. It should be emphasized that, due to the limited number of employer responses about the seasonal workforce, regional estimates of the seasonal workforce requirements should be interpreted with caution. In addition, estimates for 2010 and 2013 have been based on a very limited number of employers who provided information for future requirements of the seasonal workforce.

TABLE 4-13

Estimated Labour Gap Seasonal Workforce

Region	Estimated Seasonal Workforce ⁽¹⁾	Seasonal Vacancy Rate	Current Estimated Vacancies	Workforce Requirements 2010	Workforce Requirements 2013	Total Requirements 2008-2013
Canada ⁽²⁾	81,940	17%	16,560	107,615	120,795	+38,855
Atlantic	6,050	32%	1,920	7,610	7,720	+1,670
Quebec	14,955	15%	2,205	19,150	23,950	+8,995
Ontario	29,080	12%	3,585	32,985	37,220	+8,145
Prairies	21,275	22%	4,600	29,740	33,180	+11,900
BC	10,580	40%	4,250	18,140	18,720	+8,140

⁽¹⁾ Based on the proportion of seasonal to non-seasonal workers indicated on the survey. It should be noted that positions would not be full-time full year positions.

⁽²⁾ Based on the sum of requirements for each region.

Source: Employer Survey, QA7b

n=386 employers (Note: Not all employers provided data as to future requirements)

It should be noted that the approximately 27,000 temporary foreign workers who enter Canada each year fill only a portion of Canada's seasonal workforce requirements. While it is unclear from the survey as to whether or not employers reported temporary foreign worker positions as 'unfilled seasonal positions', it is clear from the survey that Canadian farmers face considerable pressures in terms of filling existing and future seasonal positions.

Calculations to combine the data for seasonal and non-seasonal employment gaps were completed to provide an estimate of the overall magnitude of the labour market demand requirements of the Canadian on-farm sector. As highlighted in Table 4-14, over the next five years, it is estimated that the primary agricultural sector will require almost 90,000 workers – 50,925 to fill non-seasonal positions and 38,855 to fill seasonal positions.

TABLE 4-14

Workforce Requirements – Non-Seasonal and Seasonal Positions

Workforce	Atlantic	Quebec	Ontario	Prairies	BC	Canada ⁽¹⁾
Current Workforce (2008)						
Non-Seasonal	11,500	43,800	70,650	97,550	21,000	244,500
Seasonal	6,050	14,955	29,080	21,275	10,580	81,940
Total	17,550	58,755	99,730	121,025	31,580	326,440
Current estimated vacancies						
Non-Seasonal	1,950	2,440	8,080	9,950	3,200	25,590
Seasonal	1,920	2,205	3,585	4,600	4,250	16,560
Total	3,870	4,645	11,635	14,550	7,450	42,150
Workforce requirements (2010)						
Non-Seasonal	13,450	44,960	76,350	110,945	23,340	269,045
Seasonal	7,610	19,150	32,985	29,740	18,140	107,615
Total	21,060	64,110	109,335	140,685	41,480	376,660
Workforce requirements (2013)						
Non-Seasonal	14,675	50,580	85,250	119,720	25,200	295,425
Seasonal	7,720	23,950	37,220	33,180	18,720	120,795
Total	23,395	74,530	122,470	152,900	43,920	416,220
Total Requirements (2008-2013)						
Non-Seasonal	3,175	6,780	14,600	22,170	4,200	50,925
Seasonal	1,670	8,995	8,145	11,900	8,140	38,855
Total	+4,845	+15,775	+22,745	+34,070	+12,340	+89,780

Note: Sum of regions may not equal Canada total due to rounding

4.9 Agricultural Labour Requirements – Survey Summary

In summary, ***almost all employers who completed the survey reported a vacancy in one or more positions.*** Eighty percent of employers surveyed noted that they had one or more vacancies for positions. These positions related to either a seasonal (20% vacancy rate) or a non-seasonal (9% vacancy rate on a regionally-weighted basis) position.

Extrapolating the survey results to the farms with more than \$100,000 in farm receipts, it is estimated that there are currently more than 25,500 vacant positions for non-seasonal workers and a further 16,560 vacant positions for seasonal workers.

Employers anticipate a significant increase in the number of workers required over the next two to five years

Almost 40% of employers surveyed felt that they would need more workers on their farms in the next two years. In contrast, only 6% of employers felt that they would be employing fewer workers. On a weighted basis, it is expected that employers will need an additional 10% of employees by 2010, and expect their workforce to expand by 20% over the next five years.

There were differences on the basis of region, commodity type and major occupational group

The results of the survey suggest that employment requirements will not be uniform across regions, commodity types or major occupational groups. For example, over the next five years, employers of landscapers cited a considerable increase in future labour requirements. Similarly, employers also noted that they would require considerably more mechanics/machinery operators.

At the regional level, employers across all regions, expect to increase their total employment by more than 15% during the next five years.

At the commodity level, employers engaged in berries, vegetables and tree fruit and vine production are likely to experience considerable labour force “stresses”. The sector had the highest vacancy rate of any sector (28% of positions were vacant at the time of the survey), and employers told us they expect that they will need a significant number (an increase of 52%) of additional employees over the next five years.

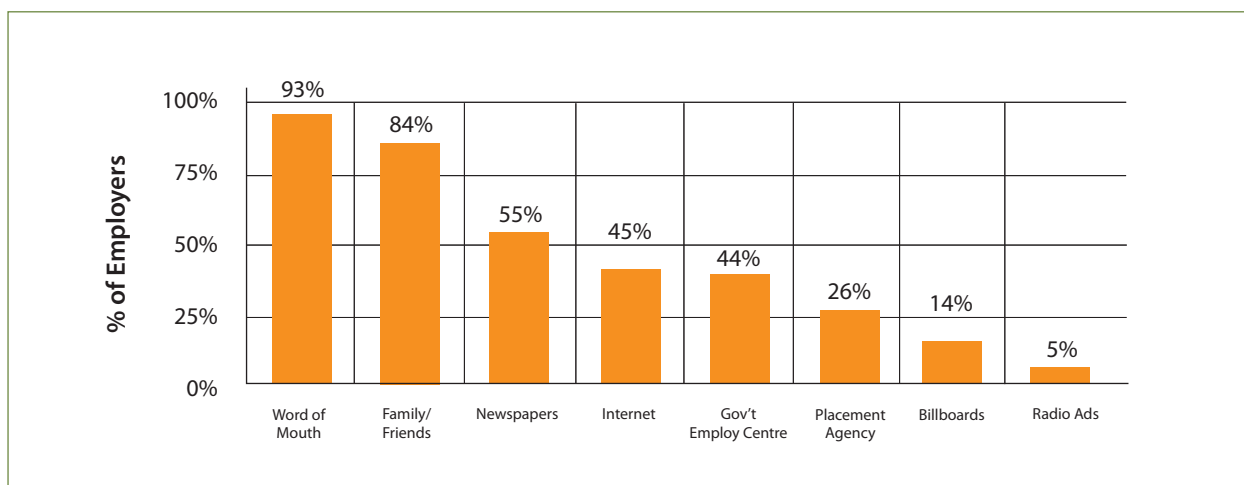
SECTION 5.0 Recruiting

An objective of this study was to identify current human resource practices used in primary agriculture – including challenges and practices related to attraction, recruitment and retention. Several ‘lines of evidence’ were used to describe human resource practices in the Canadian agricultural sector. In addition to data and information collected through the employer survey, additional insight, as to human resource issues, was obtained through interviews with key informants and industry stakeholders, as well as through the completion of thirteen farm profiles with agricultural producers. Data in this section describes recruitment issues facing the Canadian agricultural sector and uses information gathered by R.A. Malatest & Associates and Griffiths Sheppard Consulting Group Inc. who carried out the farm profile interviews.

5.1 Current Recruitment Practices

Employers who were surveyed provided information on the type of recruitment practices they used. Table 5-1 shows the methods used to recruit employees by surveyed employers. Most employers used ‘word of mouth’ along with family and friends as a means to finding new employees. Just over one-half of employers advertise in newspapers and less than one-half use the Internet or a government employment centre. Most used an average of four methods to recruit employees. On average, Quebec employers used more recruitment methods than did employers from other provinces.

TABLE 5-1
Methods Used to Recruit Employees



n=481
Source: Employer Survey, QB1

Although employers appear to use several recruitment methods, not all are necessarily successful. Employers surveyed feel they have the most success finding employees through the two top methods they use – ‘word of mouth’ and ‘family or friends’. Of those who use temporary foreign workers, a large proportion, 80%, believes it is also somewhat or very successful. Although the Internet is becoming a common medium for job seekers and employers, only 45% of the employers we surveyed used the Internet to find employees.

This data is comparable to the farm profile responses. Of the 13 operations interviewed, eleven operations mentioned that they used ‘word of mouth’ as a means to recruit new workers.

“Recruiting is often ‘word of mouth,’ and many new people are encouraged to apply for work at Highland Feeders by friends that are already on staff.”

Highland Feeders, Vegreville, AB – CAHRC farm profile

Results from key informant interviews and farm profiles, underline that Canadian employers in primary agriculture are facing considerable challenges recruiting workers to the sector. General recruitment challenges voiced by research participants have been summarized below.

General difficulty finding and retaining Canadian employees

Employers from the survey and those interviewed as part of the farm profiles noted that they face considerable competitive pressures from other primary industries, including forestry, mining, and oil and gas. In addition, employers located in largely rural areas indicated that, with the declines in rural population, their potential labour pool was also smaller. Key informant interviews also supported this sentiment.

Increased use of temporary foreign worker programs

Statistics from FARMS, FERME and WALL indicate that there is an increasing number of applications to temporary foreign worker programs to access farm labour. Of the operations described in the farm profiles, four employed migrant labour. One participant at the CAHRC National Labour Market Information (LMI) Forum also mentioned that there was demand from foreign workers beyond the current temporary foreign worker programs.

Lack of a sector ‘strategy’ to attract youth/other individuals to the sector

In contrast to communications and marketing strategies that are attracting youth to other sectors – such as construction, retail, tourism, etc. – many stakeholders noted that the agricultural sector has not effectively marketed itself to youth and/or other potential entrants. The National LMI Forum underscored this finding. Participants at the Forum advocated new and increased marketing and communications activities to promote the benefits of working on the farm.

“Our efforts are not coordinated ...however CAHRC could and should be the logical organization to coordinate a national marketing campaign – for branding and attracting urban populations.”

– CAHRC National LMI Forum feedback

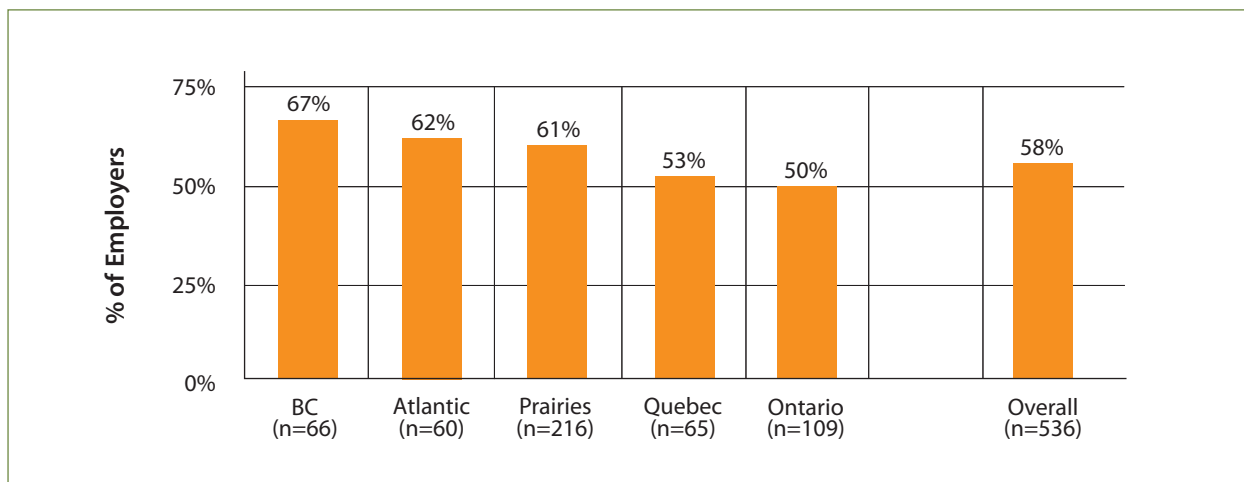
Limited ability to utilize immigration to fill job openings

Several key informants noted that while the temporary foreign worker programs filled an important role in terms of meeting employer needs for low or semi-skilled seasonal or harvest workers, the agricultural sector was not attracting appropriate individuals from the pool of potential immigrants. Stakeholders felt that the current immigration point system (which allocates considerable points for official language ability and level of education) was not conducive to attracting or facilitating the entry of workers who had the skills and experience required for work in agricultural occupations. Participants at the National LMI Forum also mentioned the development of a tool to assist in attracting immigrants to agriculture, such as an immigration checklist to assist potential immigrants and employers.

5.2 Difficulties in Hiring

Approximately 60% of survey respondents reported having difficulty hiring new workers. Employers from British Columbia, Atlantic Canada and the Prairies reported having the most difficulty.

TABLE 5-2
Difficulties in Hiring Employees by Region

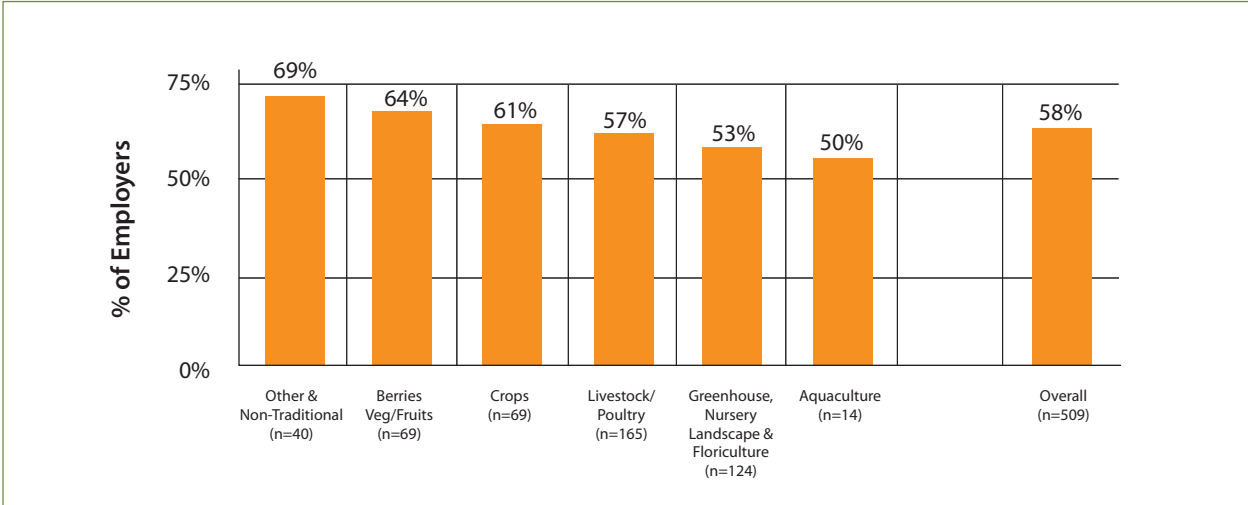


n=536
Source: Employer Survey, QB2

Although employers from all commodity groups reported having problems hiring employees to fill their vacant positions, those who identified themselves as being from non-traditional commodities seemed to have the most difficulty. Those in berries, vegetables, tree fruit and vine; crops, as well as in livestock and poultry also experienced difficulties.

A large majority of key informants indicated that they felt there was a shortage of labour on the farm for both unskilled and skilled workers. Unskilled labour shortages were cited generally as warehouse workers, packers and seasonal workers.

TABLE 5-3
Difficulties Recruiting Employees by Commodity Group



n=509
Source: Employer Survey, QB2

Relative to other sectors of the Canadian economy, agricultural employers were more vocal about their hiring difficulties. In comparison to similar sector studies in which employers were asked to indicate the extent of hiring difficulties, a higher proportion of agricultural employers indicated that they were experiencing hiring difficulties (58%), than was the case among employers in the Environmental Sector, (48%) (ECO Canada, 2004).

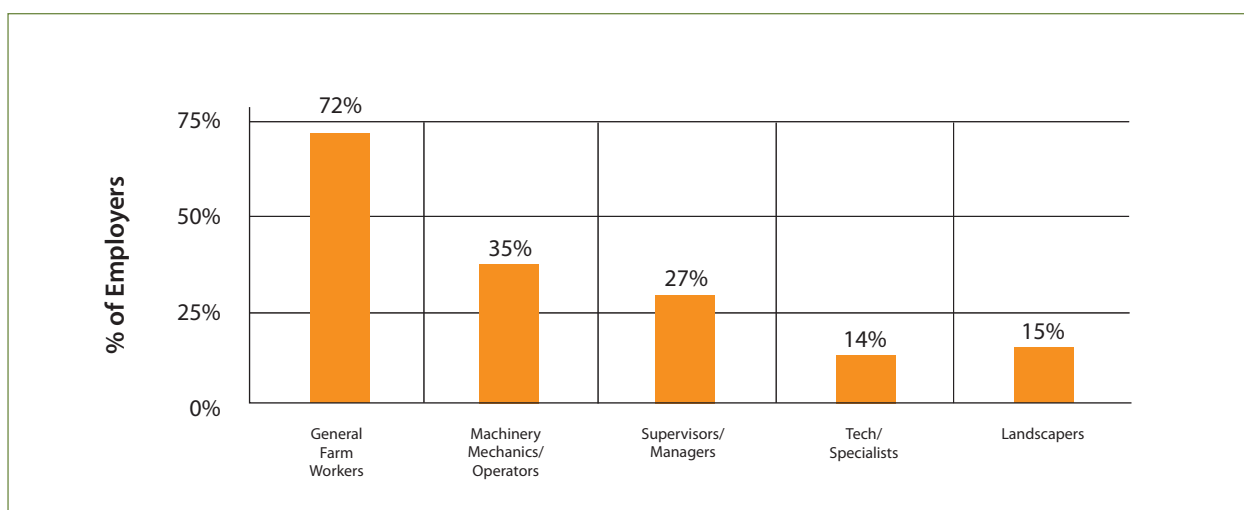
5.3 Positions That Are Difficult to Fill - By Occupation

Skilled labour shortages were most frequently cited for the following occupations:

- Supervisors, farm managers;
- Commodity-specific research specialists (plant breeders, microbiologists, health and safety specialists);
- Machinery operator and equipment operator.

Of those employers who reported having difficulty recruiting new employees, over three-quarters had problems filling general farm worker positions. Approximately one-third of survey participants indicated that machinery/mechanic and operator positions were difficult to fill.

TABLE 5-4
Positions that are Difficult to Fill by Occupational Category



n=303
Source: Employer Survey, QB2b. Only those employers who reported having difficulty in recruiting new employees.

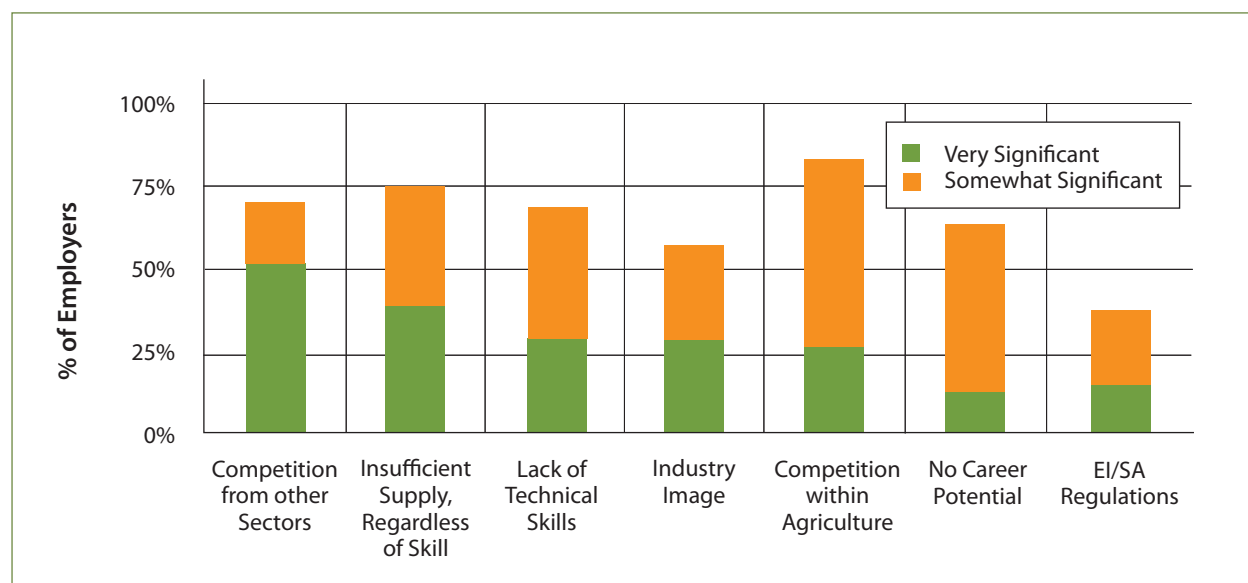
5.4 Barriers to Hiring

Employers stated they face significant barriers in recruiting employees with most feeling that they compete for employees with employers in other sectors. Two-thirds of the crop producers and over one-half of the livestock and poultry producers surveyed identified this as a very significant barrier to hiring employees.

Almost three-quarters of the key informants interviewed felt that there was an insufficient supply of workers, regardless of skills, and that this was a very significant issue. Another significant barrier identified by over three-quarters of the key informants was that other sectors (mining, construction, other) compete for employees that would be well suited for agriculture jobs.

Farm profile participants also mentioned that they felt competition from other sectors of the economy in their search for employees. Competition from the oil and gas sector and mining were cited by four employers as a recruiting and retention challenge.

TABLE 5-5
Barriers to Hiring Employees



n=535 Source: Employer Survey, QB3
EI = Employment Insurance; SA = Social Assistance

Barriers to hiring varied to some extent by region. For example, 59% of employers on the Prairies felt that a very significant hiring barrier was competition for workers from other sectors, as compared to only 43% of employers in Quebec. In addition, over one-third of employers on the Prairies also felt that a very significant barrier was competition for workers within the agricultural sector, while only 12% of Atlantic employers reported this as a significant barrier.

However, approximately 42% of Atlantic employers felt that Employment Insurance (EI) or Social Assistance (SA) regulations were a significant barrier, as compared to only 13% of Prairie employers. Stakeholders in Atlantic Canada felt that EI/SA rules were seen to ‘penalize’ seasonal or part-time workers, as the current regulations provided little incentive for EI claimants to seek seasonal work. Approximately one-quarter of BC and the Prairie employers felt that immigration rules were a significant barrier. Employment Insurance and Social Assistance issues were also raised at the National LMI Forum in Ottawa. Participants from Atlantic Canada expressed their concerns about human resource regulations and policies that they feel impede or restrict farmers’ ability to access domestic workers.

SECTION 6.0 Retention

In addition to difficulties cited regarding the hiring of new employees, the research also focused on challenges in terms of retaining employees. As part of this study, information was gathered through the employer survey, key informant interviews, as well as through farm profile interviews about retention issues in the Canadian agricultural sector.

6.1 Human Resource Planning

What is a human resource plan?

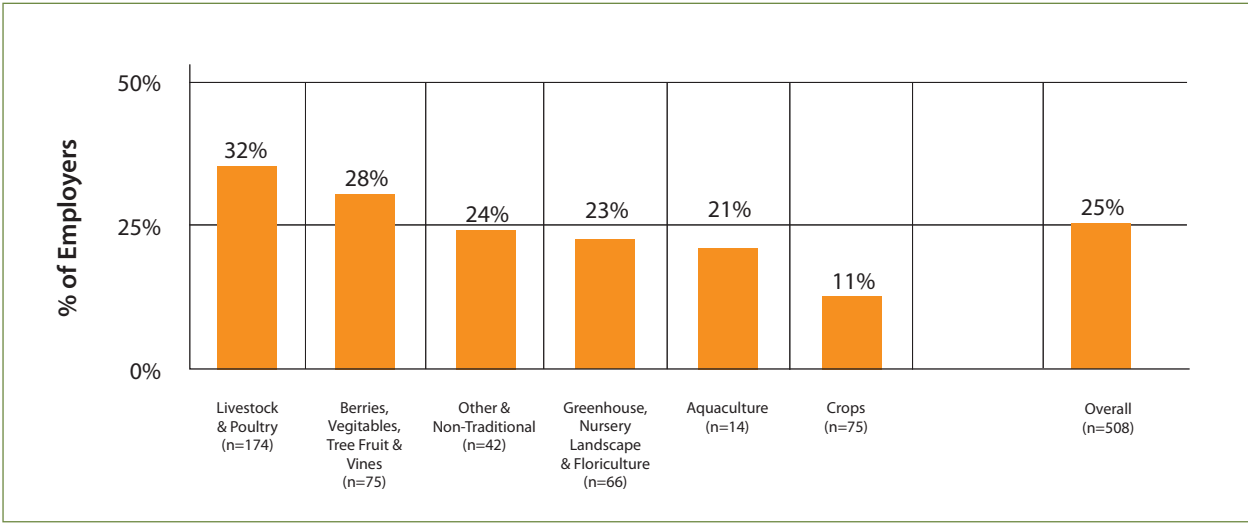
Three-quarters of those with a human resource plan or formal human resource planning process reported conducting activities. These include the development of an action plan based on budget and growth, having processes and policies, training programs, and employee retention processes that included offering of health and benefits packages, and internal training and certification.

Given the challenges recruiting and retaining employees, it becomes important for agricultural employers to engage in human resource planning. However, only one in four employers surveyed reported that they had a human resource plan. The number of employers reporting that they use human resource planning was fairly constant on a regional level. One-quarter of those who reported having an HR plan reported had either a human resources department or held regular HR meetings.

The findings from the employer survey are consistent with the information gathered in the farm profiles. As part of the farm profiles, research staff visited 13 operations to become better acquainted with the human resource activities carried out by the farm businesses. Three of the 13 operations had a human resource manager, and made use of a formal human resource plan as part of their business. Interestingly these operations were firms with more than 50 employees. Although the findings from the farm profiles are anecdotal and do not form the basis of a statistical review, initial indications are that operations with more employees are more likely to draft and implement human resource plans. In one instance, the business had developed key human resource metrics (e.g. turnover rates, succession plans, human resource strategies) as part of their plan. In other organizations, human resource planning consisted primarily of the development of hiring protocols, preparation of job descriptions, and other human resource policies (vacation, leave, etc.).

From the employer survey, businesses with a human resource plan varied from a high of 32% for livestock and poultry producers, to a low of 11% for crop producers. (Table 6-1) The survey questions do not provide details as to why this would be the case. Cropping operations may tend to be more automated and require fewer employees, and therefore have less need for hired labour.

TABLE 6-1
Human Resource Planning by Commodity Group

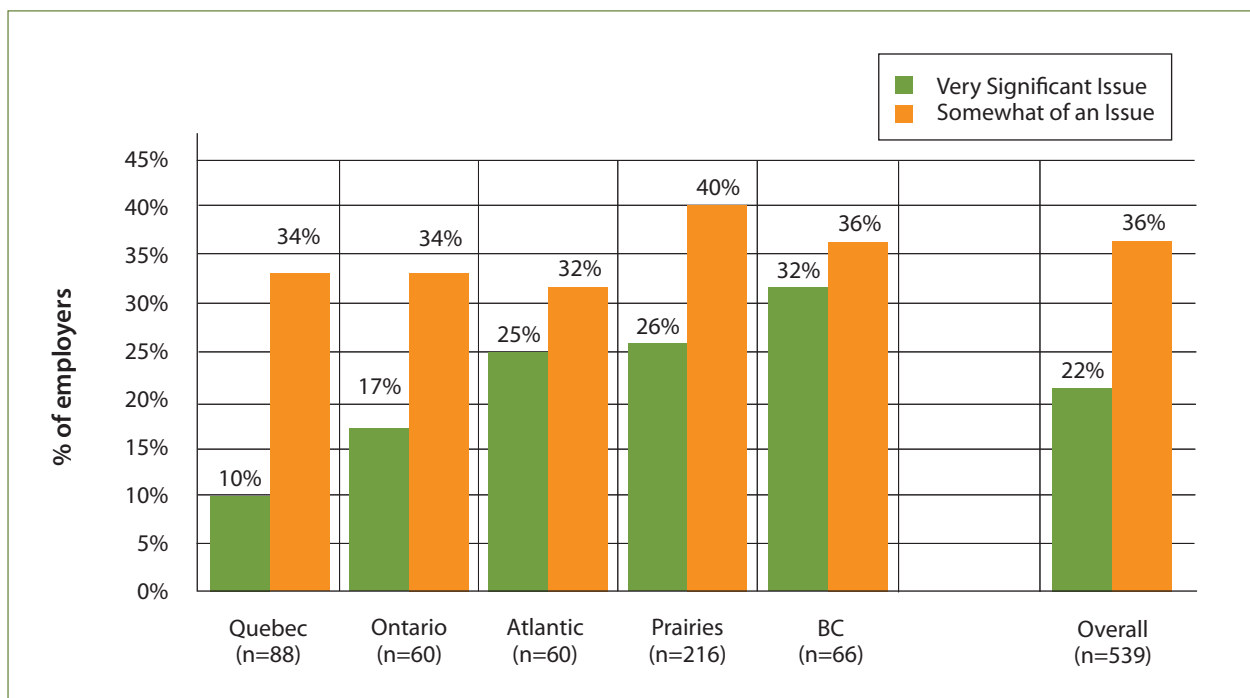


Source: Employer Survey, QC1

6.2 Employee Turnover

Employers were asked to what extent staff turnover has been an issue in the past two years. On average, 22% identified employee turnover as a very significant issue, and another 36% on average reported it as somewhat of an issue. Forty-one percent of those surveyed did not feel employee turnover was an issue at all. As depicted in Table 6-2 and Table 6-3, there is regional variation and differences among commodity groups on this issue.

TABLE 6-2
Employer Perceptions as to the Issue of Employee Turnover by Region

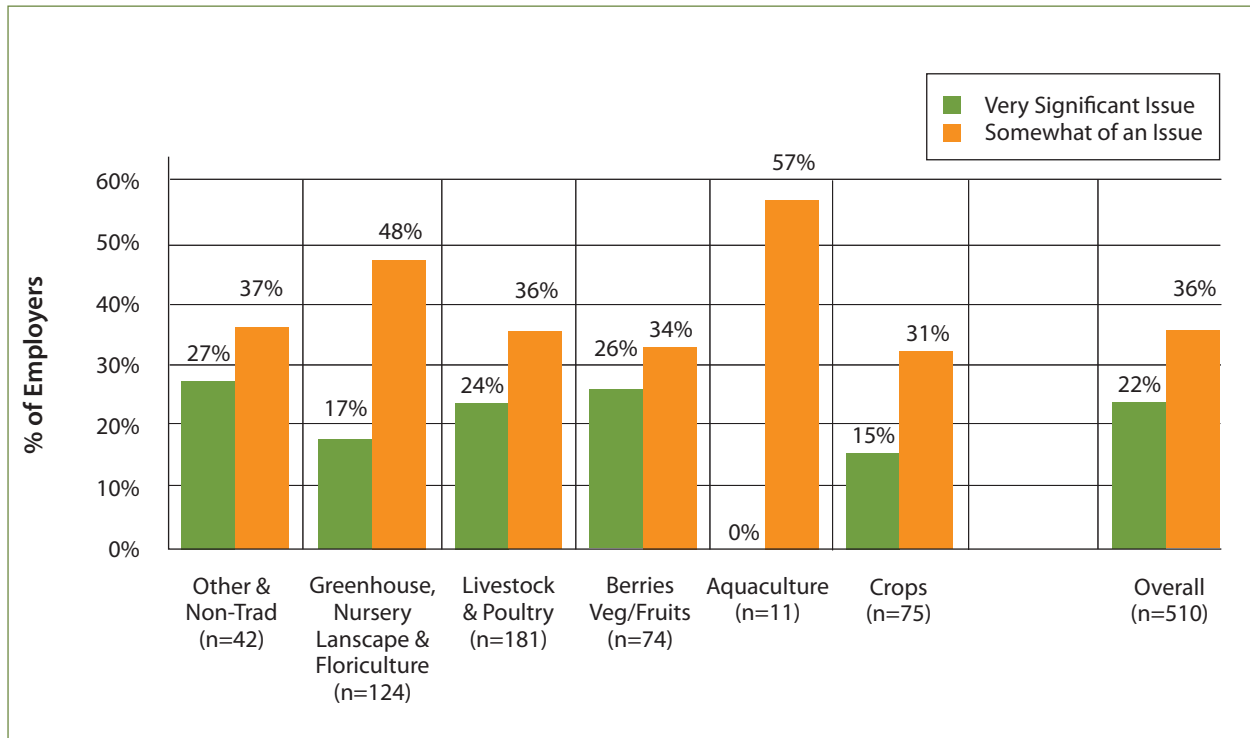


n=539
Source: Employer Survey, QC2

Quebec employers may feel that turnover is less of an issue relative to employers located in other regions reflecting the considerable agricultural infrastructure and supports available to Quebec agricultural operators. Key informants noted that the province of Quebec had more extensive supports to assist employers in terms of finding qualified labour and/or providing training for both employees and employers alike.

TABLE 6-3

Employer Perceptions as to the Issue of Employee Turnover by Commodity Group

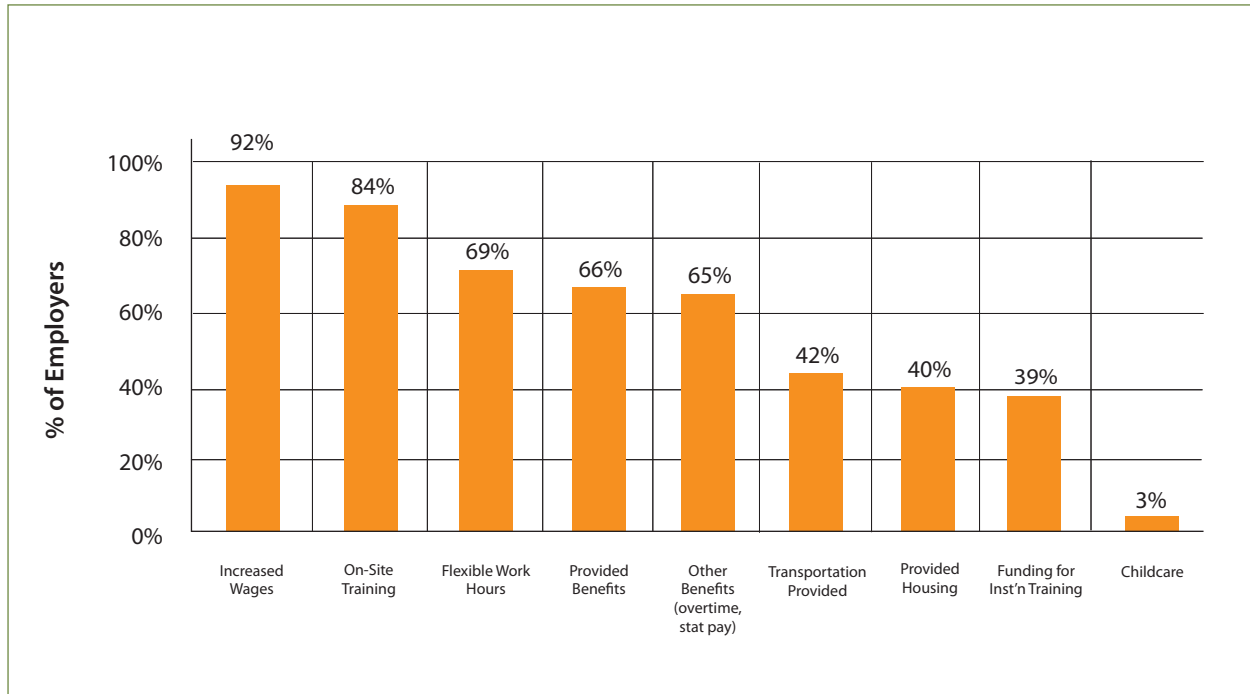


n=510
Source: Employer Survey, QC2

6.3 Attraction and Retention Strategies

Two thirds of agricultural employers surveyed have taken steps to attract and retain workers. See Table 6-4. Such steps have included paying increased wages, providing on-site training, providing benefits and other compensation (such as paying for overtime, statutory holidays and providing holiday pay).

TABLE 6-4
Steps Taken to Attract and Retain Employees



n=355 Source: Employer Survey, QC3a
 Note: Totals do not add to 100% due to multiple response..

Although most employers in all commodity groups told us that they had increased wages and provided on-site training as a means to attract and retain workers, there were some differences noted. For example, more employers in livestock and poultry commodities indicated that they provided employee benefits (e.g., health insurance, paid vacation, paid sick leave, etc.), housing and institutional training than did employers in most other commodity groups.

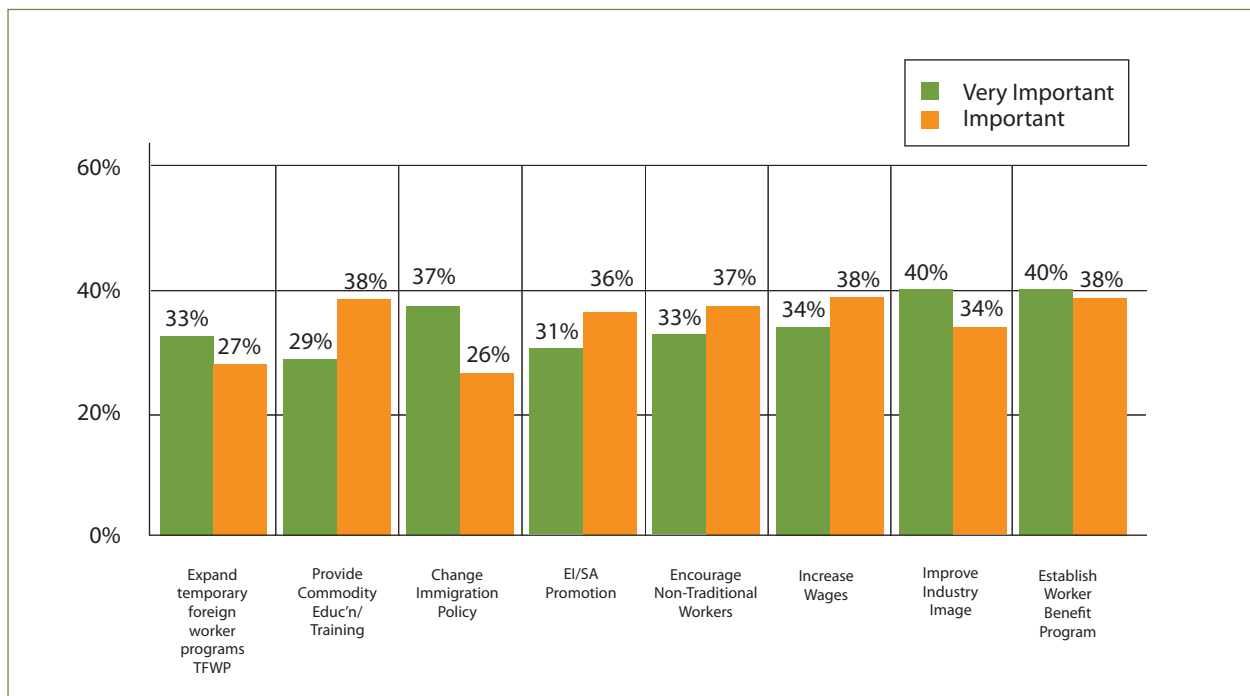
Employers in BC and on the Prairies were more likely to provide housing than employers in other regions. More employers on the Prairies provided benefits (e.g. health insurance, paid vacation, paid sick leave, etc.), and slightly more employers in the Prairie region implemented flexible working hours than was the case in other provinces.

SECTION 7.0 Recommended Strategies for Recruitment and Retention

The following section identifies potential strategies in addressing labour market challenges in Canada’s agricultural sector. These strategies reflect the insight provided by employers who participated in the survey, key informants and other stakeholders, as well as information collected as part of the farm profiles and the National LMI Forum.

7.1 Human Resource Practices

TABLE 7-1
Employer Support for Proposed Human Resource Development Strategies



EI/SA: employment insurance and social assistance
 n=481
 Employer Survey, QE1
 Note: Totals do not add to 100% due to multiple response

Employers were asked to rate the importance of several possible initiatives that could enhance the overall state of human resources in the agricultural sector. Analysis of employer responses suggested that there is a high level of support for the following:

- Encouraging employers/industry to increase wages paid to workers;
- Improving the industry image through marketing and advertising
- Establishing a worker benefit program for the sector (health plan, other benefits) for small and medium-sized farms and businesses.

For example, more than three-quarters of employers surveyed felt that having an established worker benefit program would be a somewhat or very important strategy in attracting and retaining employees in the sector. Similar numbers supported improving the image of the industry and increasing wages. Creating a national campaign to boost the image of agriculture was also a common theme from the National LMI Forum.

*“A positive image for agriculture is at the core of everything we do” said one participant.
“Get some positive images and messages out there.”*

– CAHRC National LMI Forum feedback

Similar comments were captured from the round table discussion groups where participants were asked to consider action items that could be implemented to address recruitment and retention challenges in agriculture:

- Need to improve the image;
- Develop a branding image;
- Develop and implement a national marketing campaign;
- Image, Image, Image – Modern high-tech image.

As highlighted in Table 7-1, the majority of employers were supportive of expanding the Temporary Foreign Worker Program and changing immigration policies to support the entry of agricultural workers.

7.2 Sector Attraction and Training

Key informant interviews revealed that 86% believe that development of management training courses or programs that focus on solutions to the human resource challenges in the agricultural sector are a somewhat or very significant priority. When asked about the best strategies for enhancing the awareness and interest of potential workers to consider employment or careers in farming, stakeholders cite promotion through educational institutions most often. The importance of linking with educational institutions was also cited by participants at the National LMI Forum. Promoting agriculture in the school system is seen as important. However as education is a provincial responsibility, promotion at a national level would be difficult. When asked what kind of government involvement is required to support the sector in employment recruitment and retention, stakeholders responded that funding should be provided to agricultural training programs at both the provincial and federal levels.

Relative to employers, key informants interviewed were more vocal in their support for proposed human resource action items. While both groups were not asked to comment on the same issues, it is interesting to note that the level of support voiced by stakeholders on selected issues is similar.

TABLE 7-2

Stakeholder and Employer Support for Selected Human Resource Action Items

Issue	Stakeholders			Employers		
	Somewhat Important	Very Important	Combined	Somewhat Important	Very Important	Combined
Developing marketing/ promotional campaign	44%	50%	94%	34%	40%	74%
Establishing sector benefit program	46%	42%	88%	38%	40%	78%
Develop HR management training programs	30%	56%	86%	n/a	n/a	n/a
Strategy to target non-traditional workers	32%	52%	84%	37%	33%	70%

7.3 Sector Proponents and Government Support

Sector stakeholders expressed particular interest in agricultural organizations promoting awareness of the sector and acting as an advocate for the sector’s wants and needs to government bodies. Proponents for the sector should act as ‘go-betweens’ to effectively communicate government decisions, activities, and programs to sector stakeholders, as well as advise government decision-makers about the needs of the sector.

Key informants agreed that expectations of provincial and federal governments are similar with regard to the role of the government in human resources issues. Primarily, stakeholders are interested in seeing more funding provided for agricultural programs involving training, lending and start-ups. At the provincial level, stakeholders would like the government to place more emphasis on promoting the agricultural sector through education, career sites, employment offices, etc. At the federal level, these same individuals have expressed an ardent interest in the creation of legislation around temporary foreign worker programs that might allow for greater support of the agricultural sector through foreign worker accessibility.

SECTION 8.0 Recommendations

This study highlighted three major human resource issues facing the Canadian agricultural sector.

1. There is limited accurate statistical data on the size and characteristics of Canada's agricultural workforce.

A review of available information suggests that it is difficult to determine the true size and nature of Canada's agricultural workforce. Due to the large seasonal or harvest workforce combined with the increasing use of foreign workers, official statistics currently available may not be providing an accurate picture of agricultural employment.

2. There are considerable current and future demands.

The employer survey confirmed that most operations have numerous vacant positions across all job classifications. The estimated vacancy rate of 9% is nearly double that of other sectors, and implies that there are currently in excess of 25,000 vacant non-seasonal positions and 16,500 vacant seasonal positions across the sector. In addition, due to workforce retirements, attrition and demand growth, it is projected that the sector will need to attract almost 90,000 new workers (including seasonal and non-seasonal projections) by 2013.

3. There is a need for programs and policies that would better meet the sector's human resource needs.

Results of the employer survey, key informant interviews and farm profiles indicate that there is a need to enhance human resources practices in the sector.

The following recommendations are proposed to address these challenges.

Recommendation #1 - Improve Labour Market Information for the Sector

1.1: Improve Data Collection from the Agriculture Sector

The ongoing monitoring of labour trends is needed to proactively address recurrent or emerging labour issues in the sector. The analysis of labour market demand data for this industry reveals discrepancies between the data collected from the LFS, the Census of Agriculture and the 2006 Census. Furthermore, these sources provided little information on seasonal and foreign workers employed in the sector.

Sector-wide employment data collection that supplements the existing sources is needed to adequately identify emerging labour trends.

Current data that accurately depicts specific commodities or occupations in a supply and demand model is incomplete. Supplementary data will need to be collected from individuals and/or employers within the sector.

CAHRC will implement the following items to improve labour market information in primary agriculture:

- Working with the Census of Agriculture to capture more comprehensive data on the state of human resources on Canadian farms. This could include collecting information on the number of non-seasonal/seasonal workers employed, and current vacancies.
- Confirming with Statistics Canada and other government departments what processes are used, if any, to include seasonal and foreign farm workers in the LFS. Since the LFS is the only ongoing data collection mechanism to track employment in the sector, discussions will be held with Statistics Canada to verify that current data collection processes will capture the increasing use of seasonal and foreign workers.

1.2: Advocate for Special Studies to Address Sector Labour Market Information Requirements

Given the shortcomings of current labour market information data sources (e.g. Census, LFS, Census of Agriculture), advocating for a special study of primary agriculture by Statistics Canada or other organizations is recommended. Statistics Canada already does a number of sector studies that capture a range of information including employment dynamics.

The report also recommends that CAHRC adopt a strategy to improve labour market information for the sector. This would involve managing large-scale employer surveys (in partnership with producer organizations) and exploring other avenues to collect reliable labour market information for the sector.

Recommendation #2 - Take Action to Increase the Supply of Workers in Agriculture

As noted throughout the report, the Canadian agricultural sector is facing considerable labour challenges, exemplified by the high vacancy rate, a significant proportion of employers reporting difficulties in hiring workers, and the significant number of workers that will be needed to meet employer demands over the next five years. Several action items have been proposed to address current and future labour demands in the sector.

2.1: Share Information on Vacancy Rates to Support Policies Designed to Increase the Number of Agricultural Workers in Canada

Canada's agricultural sector is often overlooked when examining labour market issues. The relatively high proportion of vacant positions in the sector (9%) suggests that policymakers should support a range of initiatives designed to increase the number of workers in the sector. These policies could include expansion of Canadian educational programs, the maintenance of immigration-based programs and other programs that could increase the pool of workers available to the sector.

2.2: Meet with Citizenship and Immigration Canada to present research findings and discuss implications

While farmers' use of temporary foreign worker programs has increased over the past number of years, these programs are only partially addressing the sector's seasonal workforce needs. A longer-term strategy would include modification of Canada's current immigration policy, which currently attaches considerable weight to knowledge of official languages and education. Modification of immigration criteria to enable individuals with the desire to work in the agricultural sector could enhance long-term supply of skilled workers to the sector.

2.3: Examine the Feasibility of Implementing Changes to Employment Insurance/Social Assistance Regulations

Stakeholders noted that under current Employment Insurance (EI) and Social Assistance (SA) regulations, there was little incentive for individuals receiving EI or SA to accept employment on farms. The disincentives include the limited number of weeks available (seasonal period could be short), the loss of income (EI payments are reduced by the earnings made through work), and the loss of subsidized benefits for individuals on SA. Where possible, changes in EI and SA policies could be considered so that individuals on EI or SA are not penalized for taking short-term employment in the agricultural sector.

2.4: Market the Sector to Students

Students are our future workforce. As such, they need to realize the wide range of opportunities for employment in agriculture for both skilled and unskilled jobs. The benefits of working in agriculture need to be strongly communicated. Today's students use different media that may require innovative methods of attracting them to agricultural jobs. Efforts need to be directed to promoting the benefits of working in agriculture as a career that can lead to self-employment, working in the outdoors and working with new and innovative technologies. There is significant competition from other sectors to attract students; however, this does not preclude marketing to this population.

Teachers, parents and career counsellors can have a significant impact on the future goals of students. By developing a promotional campaign targeted at student groups, more youth may be encouraged to look to agriculture for their future employment.

2.5: Improve the Sector's Image

Generally, jobs in agriculture are not seen as being highly valued and respected in the eyes of the general public. A strategic initiative focused on the improvement of the overall image of the agriculture sector should be developed to encourage recruitment. Information from stakeholder consultations, the employer survey, and CAHRC's LMI Forum revealed that recruitment could be greatly improved through positive promotion of the sector. Sector image may have significant relevance when vying for employees in competing sectors.

Improvement of the sector's image could include the development of promotional materials such as TV commercials, flyers, pamphlets, posters, etc. As more and more consumers focus on their food source, this is an opportunity to promote the importance of the industry and the values of being involved in Canada's agriculture industry.

Recommendation #3 – Enhance Human Resource Practices in the Sector

In addition to initiatives that would improve labour market information and increase the supply of workers in the sector, there is also a need to enhance the human resource management capacity in Canada's agricultural sector. Action items that could help employers address issues related to recruitment and retention include the following:

3.1: Explore the Feasibility of Developing Human Resource Management Training for the Sector

Changes in agricultural production have led to a need for a labour force skilled in new technologies. The demand for more workers in primary agriculture demonstrates the value of establishing human resource related plans and practices.

Few agricultural employers have training in human resources and only 25% of employers surveyed state that they have a human resource plan. As human resource skills are critical for both hiring and retaining employees, training programs should be developed specifically for employers and employees in the sector to address this gap. Agricultural employers must be made aware of the value of human resource professionals and their role in assisting with retention and recruitment.

3.2: Develop Additional HR Tools to Support the Sector

Examples of human resource tools that were recommended:

- A factsheet illustrating how employers can recruit foreign workers can come to Canada to work in the agricultural sector;
- Materials that highlight potential employment opportunities or career paths by region and sector; and
- National sector-wide initiatives that would support recruitment and retention, such as a national benefit program for employers and workers.



SECTION 9.0 Conclusion

This research highlights that labour shortages are an important issue facing the primary agriculture sector, and that farmers expect that their need for workers will increase over the next five years.

The labour gaps and the factors affecting on-farm recruitment and retention vary by geographic region, commodity grouping, and by major occupation type. The information gathered in this report will be used to increase awareness and address shortages in labour supply.

CAHRC has moved forward with recommendations to develop HR tools for the sector and continues to network with government departments, industry, and stakeholder organizations to implement strategies and initiatives to address the issues and challenges identified in the research.

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