



CANADIAN AGRICULTURAL
HUMAN RESOURCE COUNCIL

CONSEIL CANADIEN POUR LES
RESSOURCES HUMAINES EN AGRICULTURE



Labour Market Information

Focus on Small Farms in Canada
Executive Summary
2011

For copies of this publication or information, please contact:

Canadian Agricultural Human Resource Council
202-1283 Algoma Rd., Ottawa, ON K1B 3W7
Tel: 613-745-7457
Toll free: 1-866-430-7457
Fax: 613-745-0119

www.cahrc-ccrha.ca

info@cahrc-ccrha.ca

This document may be downloaded from **www.cahrc-ccrha.ca**

All rights reserved.

© 2011 CAHRC

ACKNOWLEDGEMENTS

The Canadian Agricultural Human Resource Council (CAHRC) acknowledges the volunteer support and guidance of the Advisory Group, which is composed of the following members:

INDUSTRY MEMBERS:

- ▶ Lloyd Dyck, Nova Scotia Federation of Agriculture
- ▶ Christopher McCarthy, Labour Market Coordinator, Newfoundland and Labrador Federation of Agriculture
- ▶ Ivan Hale, Executive Director, Quebec Farmers' Association
- ▶ Tom Henry, Farmer and Editor, Small Farm Canada
- ▶ Christine Koch, British Columbia Agriculture Council
- ▶ Marnie Kostur, PARC-Parkland Agricultural Resource Co-op
- ▶ Ray D. Bollman, Chief, Statistics Canada Research and Rural Data Section

OBSERVERS:

- ▶ Cristina Popovici, Agriculture and Agri-Food Canada
- ▶ Asha Creft, Agriculture and Agri-Food Canada
- ▶ Gen LeBlanc, Human Resources and Skills Development Canada
- ▶ Shelly Binch, Human Resources and Skills Development Canada

CAHRC gratefully appreciates the time, expertise and vision of the members. Without their co-operation, this report could not have been completed.

The Council wishes to express its sincere appreciation to the associations, producers and all others who contributed directly, or indirectly, to this publication.

The opinions and interpretations in this publication are those of the author and do not necessarily reflect those of the Government of Canada.

Executive Summary

In 2006, the Canadian Agricultural Human Resource Council (CAHRC) was set up to address human resources issues that agricultural operations face across Canada. The vision of the Council is a qualified and motivated workforce that is sufficient to sustain profitable agriculture in Canada. CAHRC represents farming in all its forms: raising traditional and non-traditional livestock; producing, cultivating, growing, harvesting or collecting conventional and non-conventional agriculture commodities; and any practices performed as an integral part of an agricultural operation.

This report is based on information from a review of existing data and literature, and a survey of 524 census farms with annual gross receipts less than \$100,000.

The objective of this project was to conduct a labour market study of small farm operations (defined as farm operations with annual gross receipts less than \$100,000) with the purpose of identifying key human resource issues they might be facing.

This work is a companion piece to previous work published in the 2009 report *Labour Market Information on Recruitment and Retention in Primary Agriculture* which focused on the labour needs of farms with gross receipts of \$100,000 or more. Through these two analyses, CAHRC will be able

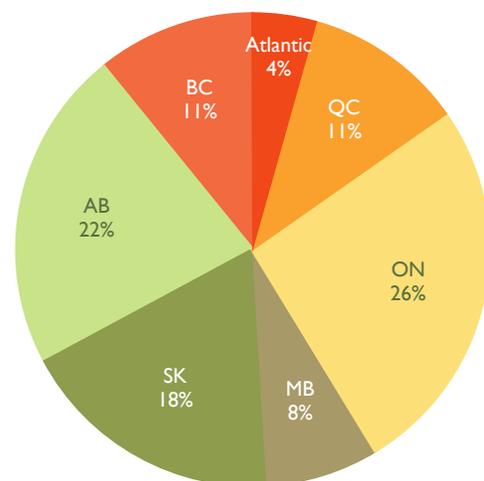
to consider future programs and activities in the context of the primary agriculture industry as a whole.

SMALL FARMS IN CANADA

Farm operations in Canada are diverse, ranging in size from small lifestyle farms to very large multi-million dollar operations. Two-thirds of census farms in Canada are small farms, whether they are small by choice, or whether they are just starting out and have plans to grow. Over a quarter of the small farms are located in Ontario, 22 per cent are in Alberta, and 18 per cent are in Saskatchewan.

Per cent Distribution of Census Farms with Gross Receipts less than \$100,000 by Province

2006 Census of Agriculture

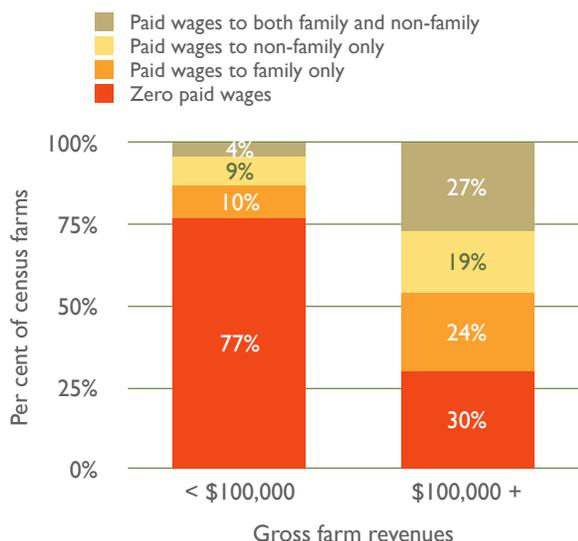


EMPLOYMENT ON SMALL FARMS

Many people imagine small farms are run by owners and family members, and in fact, the majority are. However, the latest Census of Agriculture (2006) reported 23 per cent of small farms in Canada paid some wages—whether to family members only, non-family members only, or both. In fact, four per cent of the \$2.3 billion in total wages paid to non-family members, or \$91.9 million, was paid by small farms. Similarly, small farms accounted for almost 6 per cent of the total 4.7 million year-round weeks of paid work on Canadian census farms.

Per cent of Census Farms Reporting Paid Labour

2006 Census of Agriculture

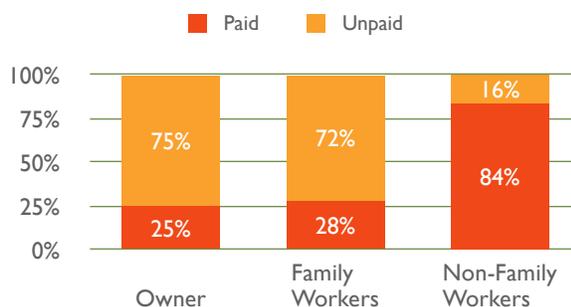


As mentioned previously, this project included a survey of 524 small farm operators with the purpose of identifying key issues around recruitment, retention and labour requirements. By limiting this primary research to small farms, CAHRC was able to compare and contrast the human resource needs of small farms with those of larger farms. Overall, this research indicated that the labour needs of small farms are in fact quite similar to the needs of larger farms in the previous research.

The results of the CAHRC Small Farm Survey indicated that one-quarter of farm owners were paid a wage for work done on their farm in 2009; 30 per cent of family workers were paid a wage; and almost 85 per cent of non-family workers were paid workers.

Per cent of Paid Workers by Type of Worker

2010 CAHRC Small Farm Survey



Family workers make a significant contribution to paid and unpaid labour on farms in Canada. The workforce represented by the CAHRC Small Farm Survey respondents was approximately one-third owner/operators, one-third family workers, and one-third non-family workers.

Respondents gave anecdotal descriptions of some of the non-family work arrangements they made. Some representative comments included:

- ▶ “A neighbour helping out when we need an extra hand in haying season or moving cattle.”
- ▶ “Any friend who comes by and I ask them to give me a hand.”
- ▶ “I have numerous volunteers who supported the paid staff at the farm—some on a weekly basis, others occasional.”
- ▶ “Most work is done by family members with sporadic help from WWOOFer’s¹ and seasonal help from workers to plant and help. At planting time that was several people for a few days. At harvest time it is a few days when necessary.”
- ▶ “Workers are all interns working 3.5 days / week (stipend pay).”

¹ Willing Workers on Organic Farms. WWOOF Canada is part of an international network to learn about organic farming across Canada, where volunteers exchange work for lodging, meals and an interesting learning experience.

Workers Employed by Type of Worker (2010 CAHRC Small Farm Survey)

TYPE OF WORKER	NUMBER OF WORKERS	PER CENT OF TOTAL
Owner/operator	693	34%
Family workers	612	30%
Non-family workers	592	29%
Other	110	5%
Temporary Foreign Workers	59	3%
Total	2,066	100%

VACANCIES IN THE WORKFORCE

Vacancies in the workforce are an ongoing challenge in agriculture, as they are in other industries. The CAHRC Small Farm Survey revealed a vacancy rate of 10 per cent (197 vacant positions compared to a total reported 2009 workforce of 2,066 workers, including owner/operators). Vacancies are most acute in seasonal work, with 27 per cent of the demand for seasonal workers on small farms unfilled in 2009.

In comparison, the 2009 research published in the *Labour Market Information on Recruitment and Retention in Primary Agriculture* report found a weighted average vacancy rate of nine per cent for farms with gross receipts over \$100,000. While the questions asked were not identical, this data indicates that vacancy rates are quite similar on farms across the country, regardless of gross farm revenues.

LOOKING TO THE FUTURE

A forecast of the demand for workers specifically on small farms was developed as part of this project.²

Looking to the future, small farm operators expect their labour requirements to increase overall, and in particular, their need for paid workers. From 2009 to 2014, 35 per cent of

respondents expected their need for workers to increase, while nine per cent expected a decrease and 54 per cent expected no change.

Expected Change in Need for Workers, 2009-2014 (2010 CAHRC Small Farm Survey)

EXPECTED CHANGE, 2009-2014	# OF RESPONDENTS	PER CENT OF TOTAL
Increase	182	35%
Decrease	49	9%
Stay the same	285	54%
No response	8	2%
Total	524	100%

The forecast of demand for workers built for this project indicates that the current labour shortages on small farms are expected to continue. For this part of the project, labour is calculated as weeks of work in order to capture the importance (prevalence) of part-time and seasonal work.

The expected need for paid year-round workers is a net increase of 1,656 weeks of work, which is a 24 per cent increase over the number of weeks of work reported for 2009. For seasonal workers, the expected net increase in weeks of work compared to 4,013 weeks of seasonal paid work in 2009 represents a 65 per cent increase in the need for seasonal weeks of work.

RECRUITMENT AND RETENTION

Respondents to the CAHRC Small Farm Survey were asked a series of questions about their recruitment and retention practices, and the success of their experiences.

Overall, 29 per cent reported they were unable to recruit all of the workers they required in 2009, and they were asked why they had struggled with recruitment. Finding trained staff, or training new staff, was a problem, various regulatory barriers were mentioned, and some farms had transportation issues due to their

²The Small Farm Survey gathered information regarding the number of workers that are providing effort towards operating a farm in ways that very likely are not being captured in the official statistics. Using the results of the Small Farm Survey, forecasts of small farm employment have been developed by using scaled survey estimates of total farm and small farm employment.

location. As with most employer surveys, regardless of the industry, there were comments about lack of work ethic, or high wage requirements. The unpredictable and sporadic nature of harvest work unique to agriculture was a barrier to finding workers.

The consequences of not being able to find workers can be significant. Respondents said:

- ▶ “Some areas of the farm that really needed attention had to be let go, plowed under or we could not finish new pastures or buildings.”
- ▶ “I sometimes had to wait until someone was available to help on the farm. Waiting makes it hard when the harvest is dependent on people.”
- ▶ “We advertised for a vegetable worker position this winter and had a lot of applicants. We were offering more than minimum wage and housing. We did not hire anybody because we could not find a suitable candidate. Labour is going to make or break my farm and we will be looking at more drastic options if we hope to succeed in the long term.”

In a seasonal industry, having seasonal workers return the following year is an important part of retention, as is long-term retention of year-round workers. Some CAHRC Small Farm Survey respondents indicated the question of retention

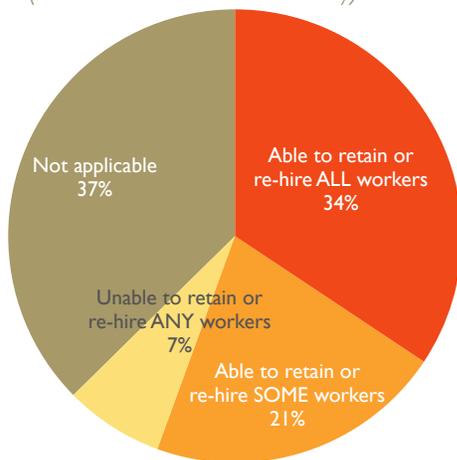
was not applicable; however, of those who wanted to retain workers, over half were able to retain or re-hire all of their workers. Thirty-two per cent were able to retain or re-hire some of their workers, and 16 per cent were not able to retain or re-hire any of their workers.

Harvest workers were the most difficult workers to retain, followed by general farm workers.

In *Labour Market Information on Recruitment and Retention in Primary Agriculture*, respondents were asked to what extent staff turnover had been an issue.³ Twenty-two per cent said employee turnover was a very significant issue, 36 per cent said employee turnover was somewhat of an issue and 41 per cent did not feel it was an issue at all.

The top three recruitment methods in both studies were increased wages, on-site training and flexible work hours. Two-thirds of agricultural employers surveyed with gross receipts over \$100,000 had taken steps to attract and retain workers, as compared to 80 per cent in the CAHRC Small Farm Survey.

Per cent of Respondents Able to Retain or Re-hire Workers (2010 CAHRC Small Farm Survey)



CONCLUSIONS

- ▶ Two-thirds (66 per cent) of all census farms in Canada are small farms.
- ▶ Small farms do hire paid labour, however not to the extent that large farms do.
- ▶ Family members make a significant contribution to on-farm work on small farms in Canada (approximately one third of the work done on small farms in Canada is performed by family members, including owner/operators, both paid and unpaid.)
- ▶ While there is significant effort in terms of weeks of on-farm work which is not being paid a wage or salary, not all work on small farms is unpaid. Sixty-six per cent of seasonal work is paid. Eighty-seven per cent of weeks worked by non-family workers is paid work.

³ The primary research was conducted in 2008 and the question asked about turnover in the "past two years."

- ▶ Both small farms and large farms have a current need for labour and anticipate future demand for labour: Operators of small farms are not finding all the labour they need. Thirty-five per cent of survey respondents indicated their labour force needs would increase from 2009 to 2014.
- ▶ There is an appetite for information on human resource management among small farm operators.
- ▶ Agriculture competes with other industries for labour: The traditional source of labour in the agriculture industry (families) is changing and becoming less available as a result of general societal trends.
- ▶ Official agricultural workforce statistics may not accurately depict the true scope of work done on small farms. Further, there is limited accurate data on the true size of Canada's agricultural workforce.
- ▶ There is a desire for coordination to assist with recruitment of workers to the farm. There is interest in the development of a national agriculture labour pool, in addition to formal work sharing arrangements among farms with compatible labour needs to assist with recruitment of part-time or seasonal workers in particular.

RECOMMENDATIONS

- ▶ Improve data collection from the agriculture sector:
 - Investigate creating an online forum to gather data from farmers about their human resource needs and labour shortages on a regular basis.
 - Both small and large farms indicate a need for labour: Future research should include small and large farms as both have similar issues in recruiting and retaining farm workers.
 - Share the information in this report with agricultural associations to increase awareness.
 - Continue with periodic independent surveys of farms, comparable to previous work, in

order to establish a consistent set of data that can be used to examine changes over time.

- ▶ Take action to increase the supply of workers.
 - Promote agricultural work and careers beyond the farm community
 - Increase understanding of available programs and services.
 - Explore partnership opportunities.
- ▶ To enhance the human resource practices in the sector, CAHRC should:
 - Create an employer toolkit (fact sheets, materials, templates, etc.) to package the human resource information specific to agriculture. Example: templates of job descriptions, fact sheets etc.
 - Create online resources and links to existing Best Practice information.
 - Increase awareness of traditionally under-employed groups and provide ideas on recruitment and retention (Older workers, youth, persons with disabilities, immigrants, Aboriginal peoples and women are classically referred to as 'under-employed'.)
 - Share information with agricultural associations and industry leaders through conferences and trade shows to increase awareness of the importance of human resource management and available resources.

