



## Agriculture Forecast to 2029

# How Labour Challenges Will Shape the Future of the 'Greenhouse, Nursery, and Floriculture' Industry

The 'greenhouse, nursery, and floriculture'\* industry is the largest agricultural employer, and the third most reliant on foreign workers. Over the next decade, the industry faces a shrinking pool of domestic workers, a growing need for workers, and heavier financial losses due to labour shortages.

## Industry Overview

The 'greenhouse, nursery, and floriculture' industry includes farms that produce nursery crops and trees, flowers and ornamental plants, or crops of any kind grown under cover (including mushrooms). The industry can be subdivided into two segments, including floriculture and ornamental horticulture operations, and food-crop operations.

In 2017, the 'greenhouse, nursery, and floriculture' industry employed 52,000 people, or roughly 15% of the total agricultural workforce, making it the largest employer in the sector.

The industry's workforce is geographically concentrated, with 48% of the total workforce located in Ontario, 22% located in British Columbia, and 12% located in Quebec.

Jobs in this industry tend to be highly seasonal and labour intensive, with many products requiring hand picking and packaging. As a result, this industry has one of the heaviest reliance on foreign workers of any industry in the agriculture sector, with foreign workers accounting for 40% of the industry's workforce.

Even with a high percentage of foreign workers, the industry was unable to fill 2,800 jobs in 2017. Those shortages resulted in production losses and delays, as well as \$103 million in lost sales.

\* The Labour Market Information data classifies Canada's agriculture sector into 11 commodity areas: 1) 'apiculture'; 2) 'aquaculture'; 3) 'beef'; 4) 'dairy'; 5) 'field fruit and vegetable'; 6) 'grain and oilseed'; 7) 'greenhouse, nursery, and floriculture'; 8) 'poultry and egg'; 9) 'sheep and goat'; 10) 'swine'; and 11) 'tree fruit and vine'.

**In 2017, the 'greenhouse, nursery, and floriculture' industry employed 52,000 people.**

The industry was unable to fill **2,800 jobs**, which cost the industry **\$103 million**, or **5.9%** of sales.

By 2029, the industry will be unable to fill **29,900 jobs** with the available pool of domestic workers.

Strong growth in foreign markets for 'greenhouse, nursery, and floriculture' products will support strong production growth over the next decade. While productivity is predicted to grow steadily during this time, the industry will still need a larger workforce to meet production targets and avoid lost sales. However, the supply of domestic workers is actually projected to shrink during the next decade, which will widen the labour gap and threaten the industry's growth.

**Labour Forecast**

While the market demand for product and the industry's demand for labour will steadily rise, the labour force is predicted to shrink, resulting in a widening labour gap and an increased risk that the industry will miss productivity targets and lose sales.

The number of jobs required to support the industry's production requirements is expected to grow by an average of 0.7% per year between 2018 and 2029. While the industry needed



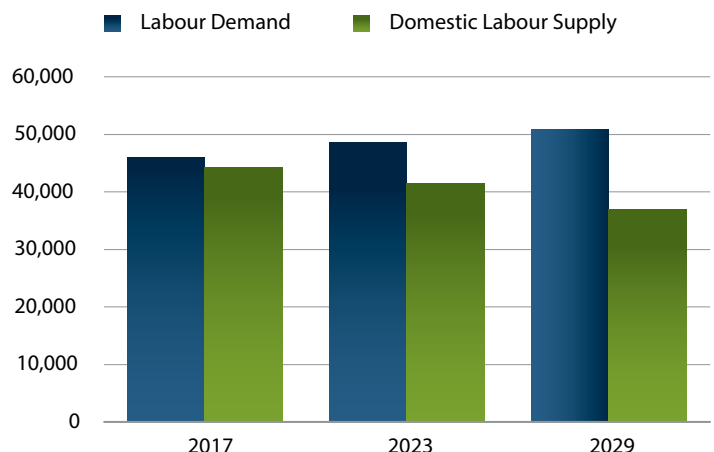
54,800 workers in 2017, the need will grow to 59,500 workers by 2029, which amounts to 4,700 additional jobs to be filled.

Over the same time period, the supply of domestic workers is expected to shrink, with 3,500 fewer Canadian residents available to work in the industry by 2029. As the need for workers grows and the pool of available domestic workers shrinks, the industry's labour gap will widen. In 2017, 21,700 jobs were either filled by foreign workers or left vacant due to labour shortages, and that number will rise to 29,900 jobs in 2029, which is equivalent to 50% of the total workforce needed. As a result, the industry is at risk of missing its production potential and losing sales.

While every region in the 'greenhouse, nursery, and floriculture' industry will face labour shortages, Ontario will be most seriously affected. Between now and 2029, approximately 4,300 additional jobs will become available in Ontario that can't be filled by the available domestic workforce.

From an occupational perspective, the 'greenhouse, nursery, and floriculture' industry will have the most trouble filling general farm worker, and nursery and greenhouse worker positions. Indeed, by 2029, an additional 2,900 jobs for nursery and greenhouse workers and an additional 1,300 jobs for general farm workers either going unfilled or requiring foreign workers to fill them because enough domestic labourers are not available.

**The Labour Gap Widens for the 'Greenhouse, Nursery, and Floriculture' Industry**



## Based on our 2018 survey of the industry's employers:

Our industry survey revealed that:

- **53%** could not find enough workers;
- **72%** of employers who experienced labour shortages lost sales as a result;
- **15%** reported zero Canadian job applicants for job postings.



## Meeting the Challenge

As Canada's largest employer, and as one of the industries most reliant on foreign workers, the 'greenhouse, nursery, and floriculture' industry faces significant challenges in the years ahead. Already impacted by a lack of available labour, the industry faces greater losses as the gap widens between the available pool of domestic workers and the number of jobs the industry needs to fill.

While the industry has had success in filling much of its labour gap with foreign workers, a change in policy could reduce or eliminate the availability of foreign labour and significantly affect the industry's potential growth.

The industry is expected to lose a below-average share of its workforce to retirement over the coming decade. At the same time, operations tend to be located closer to larger cities with larger labour pools. However, it faces significant labour barriers including:

- Greenhouse, nursery, and floriculture' employers were much more likely to cite perceptions of low wages in the industry as a barrier to recruitment, especially those in floriculture and ornamental horticulture.
- Seasonal fluctuations in labour demand and the hard physical labour required on the job can make it harder to attract and retain workers.
- The industry has high voluntary turnover rates, which creates considerable cost and strain for employers.

- Labour shortages will heavily affect specific provinces, especially Ontario.

To meet these labour challenges, the industry has several strengths it could leverage:

- It could provide the right tools and training to support workers in labour-intensive roles.
- It could find ways to offset seasonal fluctuations, such as banking hours or partnering with employers whose seasonal peaks occur at different times of the year.
- Tapping into pools of workers who may only be interested in working part of the year (e.g. retired people) may help to address the sector's need for large numbers of workers for limited periods of time.

Finding solutions to the industry's considerable labour challenges will ensure that it can thrive in the years to come.

To read the accompanying report, or to access additional provincial, commodity, or national fact sheets and reports, please visit [www.AgriLMI.ca](http://www.AgriLMI.ca).



## About This Fact Sheet

The data cited in this fact sheet is based on an update to the Labour Market Information (LMI) study that the Canadian Agricultural Human Resource Council (CAHRC) undertook between 2014 and 2016. Information was collected by modelling labour demand and supply by province, commodity, and occupation; conducting a survey of more than 1,700 sector stakeholders; and validating the results through webinars as well as an advisory group presentation.

The study was initiated by the Canadian Agricultural Human Resources Council (CAHRC), a national, nonprofit organization focused on addressing human resource issues faced by agricultural businesses across Canada. For more information about the Council and its products and services for Canada's agriculture sector, please visit [www.cahrc-ccrha.ca](http://www.cahrc-ccrha.ca).

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