



## Agriculture Forecast to 2029

# How Labour Challenges Will Shape the Future of Agriculture in New Brunswick

After experiencing a decade of declining labour demand and labour surpluses, New Brunswick's agriculture sector today must cope with a shrinking workforce and a labour gap which is widening.

## Provincial Overview

In 2017, the province of New Brunswick had the third-smallest agricultural labour pool in Canada, with 5,200 workers employed in the sector, or just 1.5% of the country's agricultural workforce. Only Prince Edward Island and Newfoundland and Labrador have fewer agricultural workers.

The province's agriculture sector isn't dominated by any one industry. The 'greenhouse, nursery, and floriculture'\* industry is the largest employer, accounting for 18% of the province's agricultural workforce. But other important employers include the 'field fruit and vegetable' industry at 11% of total agricultural employment, the 'dairy' industry at 10%, and the 'poultry and egg' industry at 9%.

Although New Brunswick's share of Canada's agricultural workforce is small, New Brunswick accounts for an outsized number of Canadian 'aquaculture' workers and those employed in the 'sheep and goat' industry.

The province's agriculture sector has a very low reliance on foreign workers: only 4% of its workforce is foreign workers, compared to a sector average of 17% across Canada. By comparison, the neighbouring province of Nova Scotia, which has a very similar product mix, is far more reliant on this labour source with 29% of its workforce being foreign workers.

New Brunswick is one of the few provinces where the agricultural labour market is relatively in balance. Although domestic labour supply slightly exceeded demand in 2017, the province was still unable to fill 268 jobs, a number that is equivalent to 5.1% of the total required workforce.

Because the sales each worker represents is lower relative to other provinces, each vacant job results in fewer lost sales on an industry-wide basis. Nevertheless, these vacancies still cost the sector \$30 million in lost sales in 2018.

\* 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, New Brunswick's agriculture sector employed 5,195 people.

The province was unable to fill **268 jobs**, which cost the industry **\$30 million**, or **4.9%** of sales.

By 2029, the province will have **400** more jobs than the domestic labour force can fill.

Looking ahead to the future, New Brunswick will see its agricultural labour surplus turn into a labour deficit as the available workforce shrinks faster than the sector's demand for workers. As a result, the province is expected to face greater labour shortfalls that will hamper its future profitability and growth.

## Labour Forecast

Although demand for labour will decline in New Brunswick, the available labour pool is projected to shrink even faster, resulting in a small labour gap by the end of the forecast.

A combination of stable production growth in some key agriculture industries and higher productivity in others will reduce the demand for labour in New Brunswick by an average of 0.4% per year between now and 2029. In 2017, the sector required 5,500 workers; by 2029, it will need only 5,200.



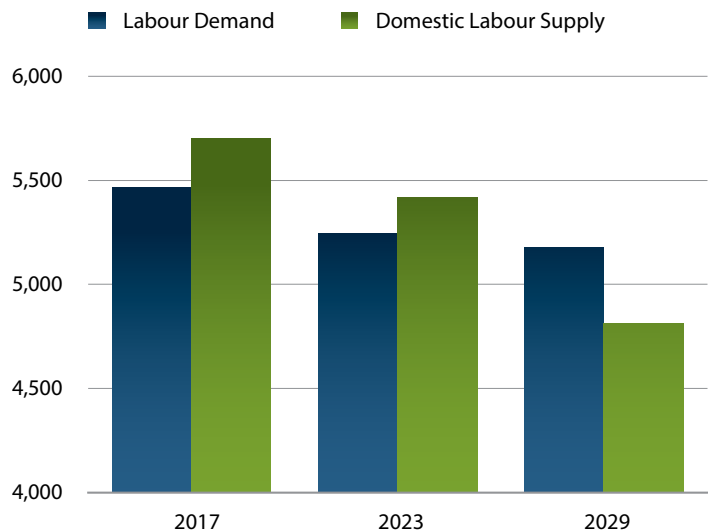
However, the domestic supply of labour will also decline by an average of 1.4% per year. By 2029, there will be 900 fewer domestic workers in the province's agricultural labour pool.

With the supply of available workers contracting more quickly than the sector's demand for labour, the province is expected to see a widening gap between the available workforce and workforce requirements. Since 268 jobs were already unfilled in 2017, this dynamic may result in significantly more vacant positions by 2029.

The labour shortage will hit some industries harder than others. The province's 'greenhouse, nursery, and floriculture' industry currently has one of the largest labour gaps in the sector, and that gap is predicted to widen the fastest of any agriculture industry over the forecast period. The 'dairy' industry, at the other end of the spectrum, will see its labour gap shrink over the same period.

From an occupational perspective, New Brunswick's agriculture sector will have the most trouble filling general farm workers and managers in agriculture positions, which include both owner-operators and hired managers. Indeed, by 2029, there will be 440 general farm worker jobs and 70 managers in agriculture jobs in excess of the available domestic labour pool.

## Labour Surplus to Become Deficit for New Brunswick's Agriculture Sector





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

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- **35%** could not find enough workers
- **62%** of employers who experienced labour shortages lost sales as a result
- **22%** reported zero Canadian job applicants for job postings



## Meeting the Challenge

New Brunswick is one of only three provinces to have a labour surplus within its agriculture sector. However, with the agricultural labour supply shrinking faster than the demand for labour, the province can expect to see a labour gap in the coming years. Given that even with a labour surplus, the sector was unable to fill 268 jobs, the rapidly dwindling labour supply is likely to result in a larger number of unfilled jobs in future.

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

- Declining populations in rural areas make it difficult for employers with operations in rural areas to attract workers.
- Around three in five employers (58%) report that manual nature of the work creates recruitment issues.
- Too many working hours affects retention in this province. Almost half of agricultural employers (46%) cite this as a retention challenge, compared to a national average of just 37%.
- Compensation poses more of a retention issue for this province's agricultural employers.

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

- New Brunswick has below-average voluntary turnover rates (6% compared with the agricultural average of 10%).
- The province has a younger-than-average agricultural workforce, which could help mitigate the effects of retirement on the workforce.
- Access to training programs, mentorships, and internships has the potential to create more skilled labour.
- Finding ways to lessen the physical nature of agricultural work could help make jobs in this sector more attractive relative to other industries.

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

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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