



Agriculture Forecast to 2029

How Labour Challenges Will Shape the Future of the 'Tree Fruit and Vine' Industry

A significant employer with a heavy reliance on foreign workers, the 'tree fruit and vine'* industry faces a widening labour gap that will increase its vulnerability to policy change unless it can find and retain workers more effectively.

Industry Overview

The 'tree fruit and vine' industry includes farms that produce all types of tree fruits (such as apples and peaches), tree nuts (such as walnuts and hazelnuts), berries (such as strawberries, blueberries, and raspberries), and vineyards.

The industry is a significant agricultural employer, employing 23,900 people and accounting for 7% of the total agricultural workforce in Canada.

'Tree fruit and vine' operations are concentrated primarily in British Columbia and Ontario. More than two-fifths of the industry's workforce (42%) is located in British Columbia, 32% is located in Ontario, and 12% is located in Quebec.

Work in the 'tree fruit and vine' industry is labour intensive, requiring extensive hand-picking and packaging. It's also subject to the most pronounced seasonal pattern of any agricultural industry. As a result, more than one in two workers (51% of the workforce) are foreign workers, which makes this industry the most reliant on foreign workers of any agricultural industry.

Even with a high percentage of foreign workers, the industry was unable to fill 900 jobs in 2017. Those shortages resulted in production losses and delays, as well as \$94 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 'tree fruit and vine' industry employed 23,900 people

The industry was unable to fill **900 jobs**, which cost the industry **\$94 million**, or **9.0%** of sales.

By 2029, the industry will be unable to fill **15,400 jobs** with the available pool of domestic workers.

The industry is predicted to see an increase in the output each worker can produce, which will limit the demand for labour. However, the industry still faces a widening labour gap as the available domestic workforce shrinks by 1,100 workers over the forecast period as a result of retirements.

Labour Forecast

While strong productivity will minimize the 'tree fruit and vine' industry's need for more workers, a shrinking domestic labour force is expected to widen the industry's labour gap over the next 10 years.

The demand for workers in this industry is expected to grow modestly, rising from 24,800 workers in 2017 to 26,500 by 2029. At the same time, the domestic labour force is expected to shrink, with 1,100 fewer workers predicted to



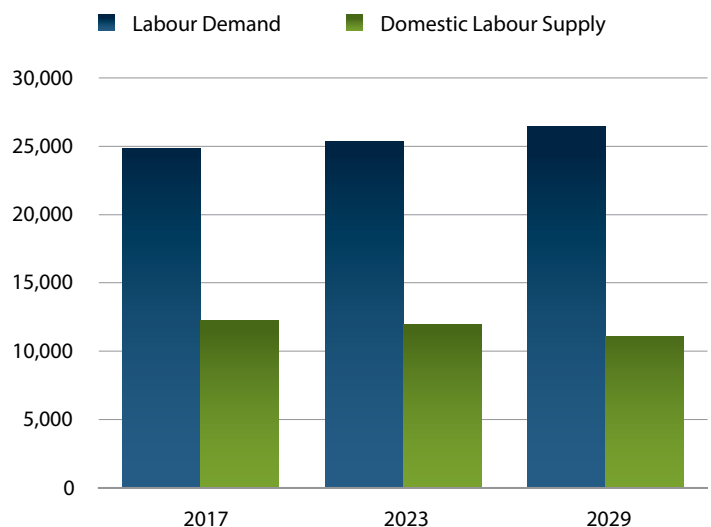
be available by forecast end. The reduction in the labour force will be substantially due to retirements.

As a result, the labour gap will widen from 12,600 to 15,400 jobs that can't be filled by the available pool of domestic workers. This means that by 2029, nearly three in five jobs (58%) will need to be filled by foreign workers or remain unfilled. This is the widest gap of any agricultural industry. While the industry has been generally successful in supplementing the available domestic workforce with foreign workers, this strategy leaves it vulnerable to policy changes that could reduce or eliminate access to this critical labour source.

The 'tree fruit and vine' industry is concentrated in British Columbia and Ontario, so labour challenges are expected to impact these regions most heavily. By 2029, Ontario and British Columbia will have a respective 6,400 and 6,300 more jobs than its domestic workforce can fill.

From an occupational perspective, the 'tree fruit and vine' industry will have the most trouble filling general farm worker, and harvesting labourer, positions. Indeed, by 2029, these two occupations will account for 88% of the jobs that can't be filled by domestic workers. Agricultural service contractors and farm supervisors will account for another 6% of jobs that can't be filled by domestic workers by 2029.

The Labour Gap Widens for the 'Tree Fruit and Vine' Industry



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

- **45%** could not find enough workers;
- **66%** of employers who experienced labour shortages lost sales as a result;
- **35%** reported zero Canadian job applicants for job postings.

Meeting the Challenge

As the agricultural industry most reliant on foreign workers, the 'tree fruit and vine' 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.

To grow its domestic labour force, the industry will need to overcome a number of key challenges, including:

- Tree fruit and vine' employers were much more likely to cite people not wanting to work outdoors, and the physical nature of work, as barriers to recruitment.
- The industry has very high voluntary and involuntary turnover rates, which creates considerable cost and strain for employers.
- Industry operations have the highest seasonal fluctuations of any agriculture industry, which affects workforce stability.
- Labour shortages for this industry are more likely to affect expansion plans, an issue of real concern for an industry facing robust growth.



In terms of meeting these challenges, the industry has several strengths it could leverage:

- It is expected to lose a below-average share of its workforce to retirement over the coming decade.
- Operations tend to be closer to urban areas with large labour pools.
- 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.
- It has the potential to offset high seasonality with banking hours or partnerships with other employers who have different seasonal peaks.

Finding solutions to labour challenges and increasing the pool of available workers will ensure that this vital agriculture industry is better prepared to take advantage of an upcoming decade of growth.

To read the accompanying report, or to access additional provincial, commodity, or national fact sheets and reports, please visit 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.

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