



ONTARIO

Agriculture labour market information and forecast 2023-2030



Key Findings

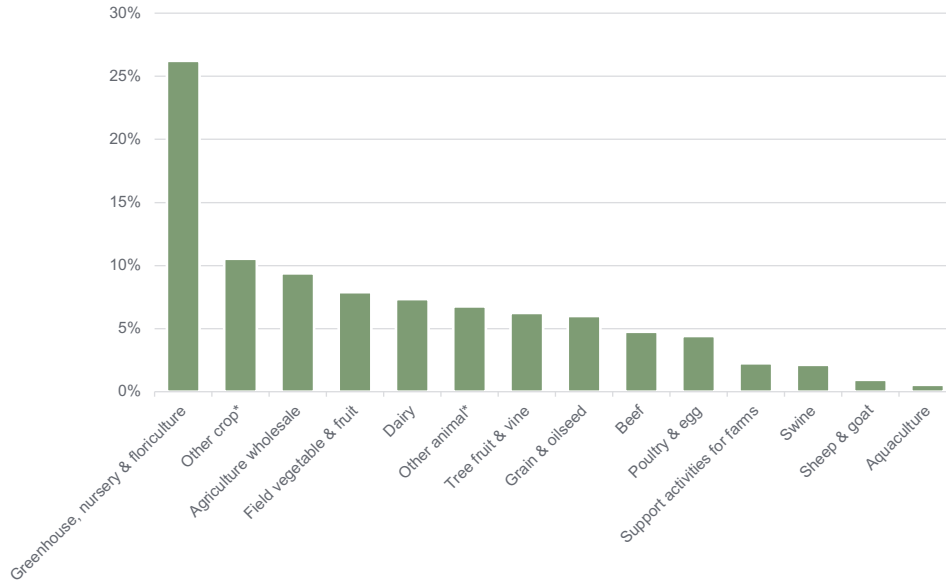
- Ontario boasts the largest agriculture sector in Canada, employing almost 30 per cent of the sector's domestic workers at peak season in 2022.¹
- While the province continues to rely on foreign workers, agriculture employers are still unable to meet all their labour needs, which resulted in almost 8,700 job vacancies in 2022.²
- The supply of domestic workers is declining, with nearly 30 per cent of the current domestic workforce expected to retire between 2023 and 2030.
- As a result, the peak domestic labour gap³ is projected to increase 15 per cent over the next 8 years, leaving 40,600 positions unfilled domestically by 2030.
- Attracting and training more immigrants would provide a potential source of employment for the sector.

Current Workforce

- Ontario employed 102,160 domestic workers at peak season in 2022, equating to 29 per cent of the domestic workforce in agriculture.⁴
- The greenhouse and nursery industry is the fastest growing with peak domestic employment reaching almost 20,200 in 2022. This is up from 12,100 in 2017 and now accounts for over 25 per cent of employment in the province (Chart 1). This growth is driven by the increased production of cannabis and greenhouse fruits and vegetables.
- Ontario employed over 29,700 foreign workers in 2022, making up 23 per cent of the sector's workforce. This is the second highest concentration of foreign workers, coming in just below British Columbia at 25 per cent.⁵ More than half of foreign workers employed in Ontario work in the greenhouse and nursery industry.
- Despite the prevalence of foreign workers, the sector still had almost 8,700 positions that went unfilled at peak season in 2022.⁶
- The estimated vacancy rate for the province was 8 per cent, slightly above the 7.4 per cent average for agriculture across Canada.⁷

¹Statistics Canada, Table: 32-10-0218-01; The Conference Board of Canada. | ²Foreign workers include workers brought in through the Temporary Foreign Worker Program or Seasonal Agricultural Worker Program. Does not include immigrants or permanent residents. | ³Domestic labour gap is the difference between the total number of workers required and the number of domestic workers employed which equals foreign worker employment plus the number of vacancies. Estimated at peak to reflect maximum demand during seasonal peaks in agriculture. | ⁴Statistics Canada, The Conference Board of Canada. | ⁵Statistics Canada, Table: 32-10-0218-01. | ⁶The Conference Board of Canada Model of Occupations, Skills and Technology. | ⁷Statistics Canada; The Conference Board of Canada.

Chart 1: The greenhouse and nursery industry employs over 25% of the agriculture workforce in Ontario.
 Share of employment (domestic and foreign workers) at peak, 2022, Ontario.



Source: Statistics Canada; The Conference Board of Canada.

*Other crop is primarily mixed crop farming and hay farming. Other animal is primarily mixed livestock farming and horse and other equine production.

Employer Survey Insights

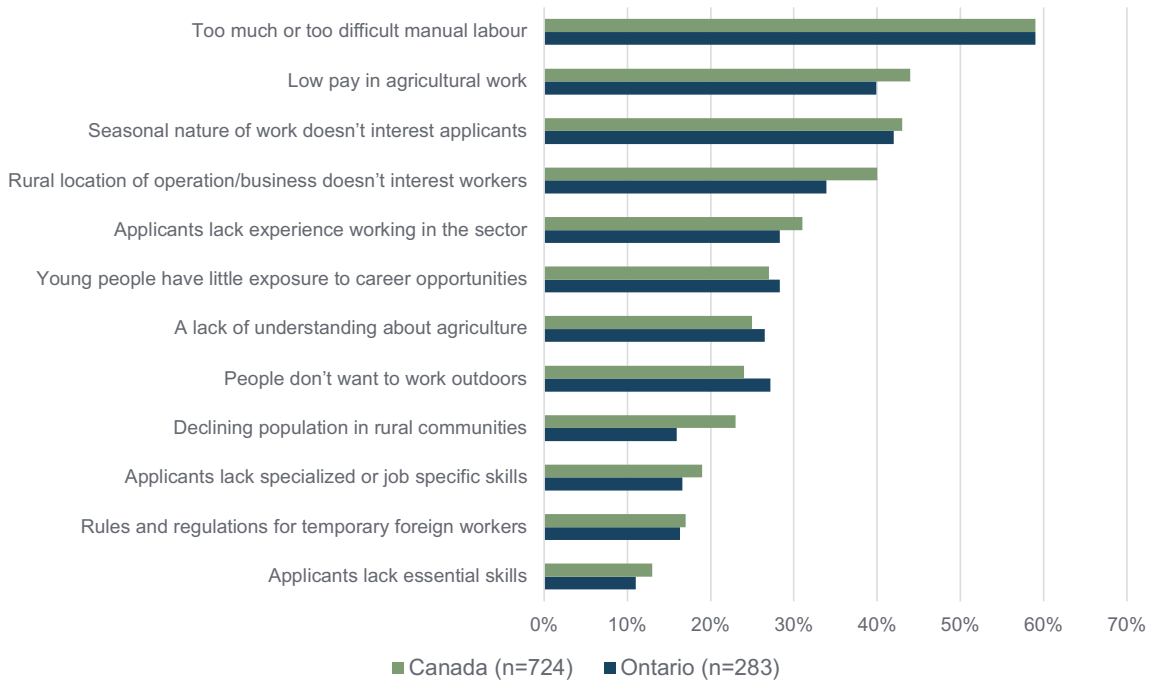
- Almost half (48 per cent) of Ontario agriculture employers were unable to find all the workers required in 2022.⁸
- More than one-third (37 per cent) of employers in Ontario received no domestic applicants for their job postings and 29 per cent received only one or two.⁹
- As a result of job vacancies, 36 per cent of employers said they delayed or cancelled expansion plans, 55 per cent reported lost sales, and 90 per cent reported that these vacancies caused excessive stress for owners and staff.¹⁰
- Close to two-thirds of employers (59 per cent) in the province cite difficult manual labour as the main cause of their struggle to find workers, and 42 per cent reported that the seasonal nature of the work was also a key impediment (Chart 2).¹¹
- Over 28 per cent of employers stated that they struggle to find candidates with the specific work experience required for their positions. This issue is exacerbated by the shrinking pool of experienced workers in the sector.¹²
- Ontario’s agriculture sector had a voluntary turnover rate of 14 per cent in 2022, well above the estimated 7.7 per cent turnover rate for all sectors in Canada.¹³

⁸ Canadian Agricultural Human Resource Council Employer Survey 2023 (n=130). | ⁹ Canadian Agricultural Human Resource Council Employer Survey 2023 (n=301). | ¹⁰ Canadian Agricultural Human Resource Council Employer Survey 2023 (n=121). | ¹¹ Canadian Agricultural Human Resource Council Employer Survey 2023 (n=283). | ¹² Canadian Agricultural Human Resource Council Employer Survey 2023 (n=283). | ¹³ The voluntary turnover rate is the number of voluntary departures as a share of the total number of workers in a year. Voluntary departures are comprised of workers who quit, including seasonal workers who leave before contract completion. Turnover rate was calculated by industry and then weighted based on the industry share by province. Canadian Agricultural Human Resource Council Employer Survey 2023; The Conference Board of Canada.

Chart 2: Manual labour and seasonal nature of agriculture work impedes recruitment.

Share of employers.

Q: What are the top five factors that make recruitment of workers at your agricultural operation more difficult?



Source: Canadian Agricultural Human Resource Council Employer Survey 2023.

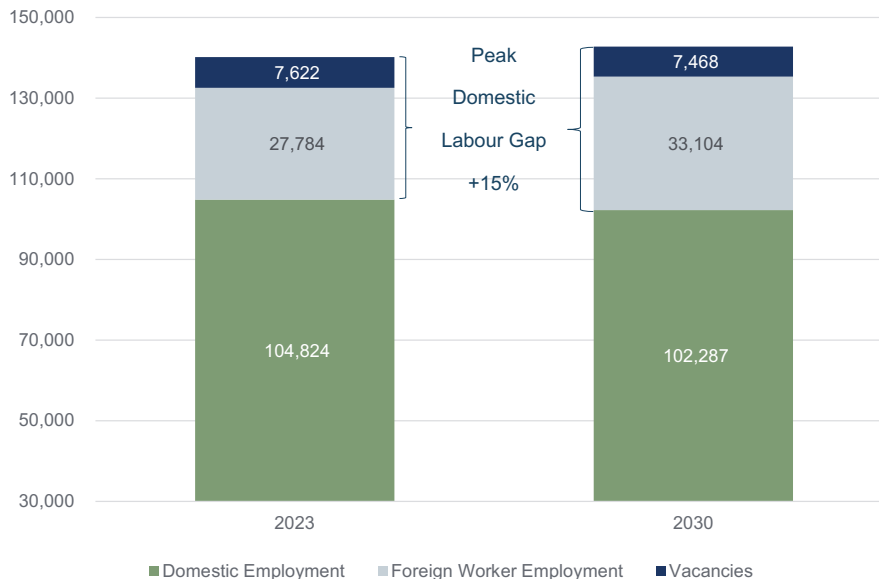


Labour Market Forecast

- Total labour demand is expected to remain flat over the next 8 years, increasing by only 1 per cent between 2023 and 2030, and reaching 142,900 workers in peak season.
- The sector saw a 13 per cent decline in domestic employment between 2019 and 2021, due in part to the effects of COVID-19. The sector is not expected to return to the level of employment seen in 2019 (108,000), with peak domestic employment projected to reach only 104,500 in 2023.
- Going forward, the declining supply of domestic workers will result in a modest 2 per cent decline in domestic employment over the forecast period, reaching 102,300 in 2030.
- The sector is expected to see 29 per cent (23,700 workers) of its current domestic workforce retire between 2023 and 2030. Over this period, approximately 5,500 immigrants and 15,800 school leavers are projected to enter the sector in Ontario.¹⁴
- The peak domestic labour gap is expected to increase by 15 per cent over the next 8 years, leaving 40,600 positions unfilled domestically in 2030 (Chart 3).
- The level of vacancies is expected to decrease from the peak seen in 2022 due to cooler labour market conditions. Still, a concerning 7,500 vacancies are expected to remain by 2030 even with the increase in foreign workers.
- Thirty-two per cent of these vacancies will be for livestock and harvesting labourers, 28 per cent for greenhouse and nursery labourers, and 21 per cent for specialized livestock workers and farm machinery operators.

Chart 3: The peak domestic labour gap grows over the forecast period.

Number of workers required at peak season in Ontario, forecast.



Source: The Conference Board of Canada's Model of Occupations, Skills and Technology.

Foreign workers include workers brought in through the Temporary Foreign Worker Program or Seasonal Agricultural Worker Program. Does not include immigrants or permanent residents. The peak number of foreign workers is less than the cumulative total employed over the year since not all workers will be employed simultaneously.

¹⁴ School leavers is the number of workers finishing school (at all levels of education) and entering the workforce.



Building the Future Workforce

- Ontario is expected to post slightly above average population growth over the next 8 years but suffer a notable decrease (-6 per cent) in the 15-24 age group. Given this trend, retaining the current workforce by minimizing voluntary turnover will be key for the agriculture sector as attracting new, young workers might prove to be a challenge.
- The expected large flow of working-age immigrants coming to Ontario every year of the forecast period could provide a reliable and steady source of new workers, if training programs are implemented and immigrants can be incentivized to move into rural areas.

Agriculture Sector Definition

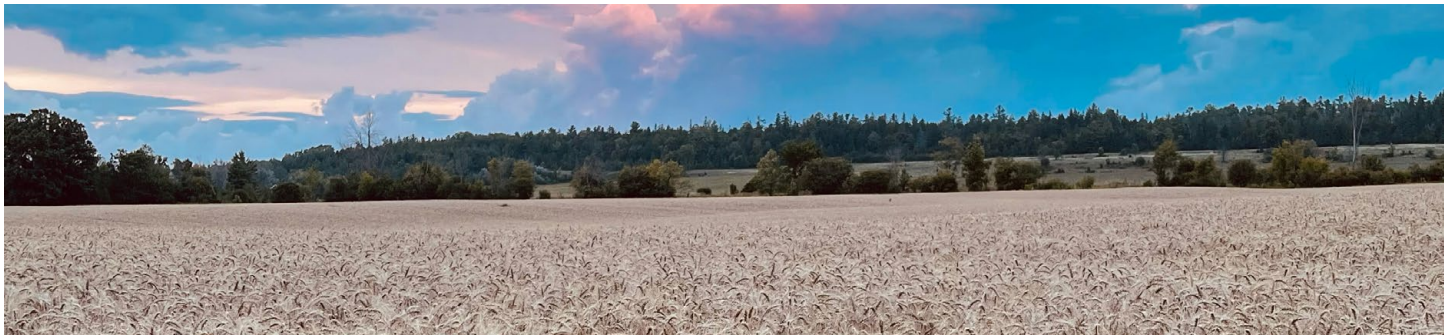
CAHRC's definition of agriculture includes crop and animal production (NAICS 1111, 1112, 1113, 1114, 1119, 1121, 1122, 1123, 1124, 1125, and 1129), support services (NAICS 1151 and 1152) and agriculture wholesale industries (NAICS 4111 and 4183).

About This Factsheet

The data cited in this factsheet is based a Labour Market Information (LMI) study that took place between March and September 2023. This study involved modelling labour demand and supply by province, commodity and occupation; conducting a survey of more than 1,400 sector stakeholders; conducting five regional focus groups; and validating the results through webinars as well as an advisory group presentation. For more information about agriculture LMI, please see www.cahrc-ccrha.ca/programs/agri-lmi.

The study was initiated by the Canadian Agricultural Human Resource 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.

This research was conducted by The Conference Board of Canada, our country's foremost independent organization for applied research. Through the use of sophisticated data modelling, best-in-class forecasting, and multi-method research approaches, they deliver research to help leaders take action.



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PUBLISHED FEBRUARY 2024

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Funded by the Government
of Canada's Sectoral Workforce
Solutions Program



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