



NEWS RELEASE

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COVID-19 cost Canadian farmers \$2.9B due to labour shortages

Ottawa, ON— New research reveals that Canadian farmers suffered lost earnings of \$2.9 B in 2020, equivalent to 4.2 per cent of the sector's total sales, due to labour shortages as a result of the COVID-19 pandemic.

The newly released research, commissioned by the Canadian Agricultural Human Resource Council (CAHRC), was completed by The Conference Board of Canada through a nation-wide survey and series of interviews of agricultural producers.

“This research emphasizes the importance of understanding how COVID-19 has affected the agriculture workforce.” said Portia MacDonald-Dewhirst, Executive Director of CAHRC. “The agricultural industry has the potential to grow strongly in the coming years, and could, if labour constraints are addressed, lead the Canadian economy to recover, post-pandemic.”

While overall growth in the 2020 agricultural sector saw a gross domestic product (GDP) increase of seven per cent, it masked the sector’s worsening labour shortages.

Last year’s labour shortages attributed to COVID-19 resulted in lost sales of \$2.9 B; two in five employers surveyed were not able to find all the workers that they needed. Of these, 60 per cent experienced production delay and lost sales. One interviewee was forced to abandon his entire line of asparagus production due to labour shortages, resulting in \$700,000 of forgone sales.

“Let this be a call to action,” summarised MacDonald-Dewhirst. “We need to work together as a sector to develop long-term solutions to the critical labour shortages in agriculture. This calls for strategies to attract, educate and retain Canadian workers; streamline the entry of temporary foreign workers and give them a pathway to permanent residency if they want it; and improve the broadband

connectivity to rural Canada to advance the use of technology in agriculture while adding to the quality of life for our rural population.”

The research revealed that fewer Canadians applied for jobs on farms in 2020. Seventy per cent of employers reported fewer Canadian job applicants. Before COVID-19, the rural location, seasonality, wages, and physical requirements of agricultural jobs acted as barriers to recruiting and retaining Canadian workers. During COVID-19, additional pressures of self-isolation, child or family care, quarantine after travel, or recovery from illness added to the decline in Canadian applicants.

In March of 2020, the number of TFWs was down 47 per cent due to COVID-19. Although many TFWs were able to come later in the season, the overall number was still significantly fewer than the previous year. For employers, worker travel restrictions, delays obtaining approvals, and difficulties meeting housing and workplace regulations were key challenges in obtaining TFWs.

Farm employers indicate that dealing with a potential COVID-19 outbreak and understanding changing COVID-19 safety measures are their top concerns for 2021. Farm operators indicate that they would benefit from more advice and support geared towards dealing with outbreaks as well as updates on how to best monitor workers’ health and keep them safe.

The Council has led numerous labour market information projects, which have provided meaningful data and tools to further the needs of the agriculture industry. The full research report *Understanding the Effects of COVID-19 on Canada’s Agriculture Workforce* is available at <https://cahrc-ccrha.ca/programs/agrilmi>.

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The Canadian Agricultural Human Resource Council works with industry leaders, governments and educational stakeholders to research, develop and communicate solutions to the challenges in employment and skills development in primary agriculture. The Council also leads collaborative implementation efforts in support of the national Workforce Action Plan for the agriculture and agri-food sector. For more information visit www.cahrc-ccrha.ca.

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