



Tracking economic, social, and demographic trends from a Saskatchewan perspective.

Recent Employment Trends in Agriculture

Presentation to:

Saskatchewan Institute of Agrologists

March 30, 2007

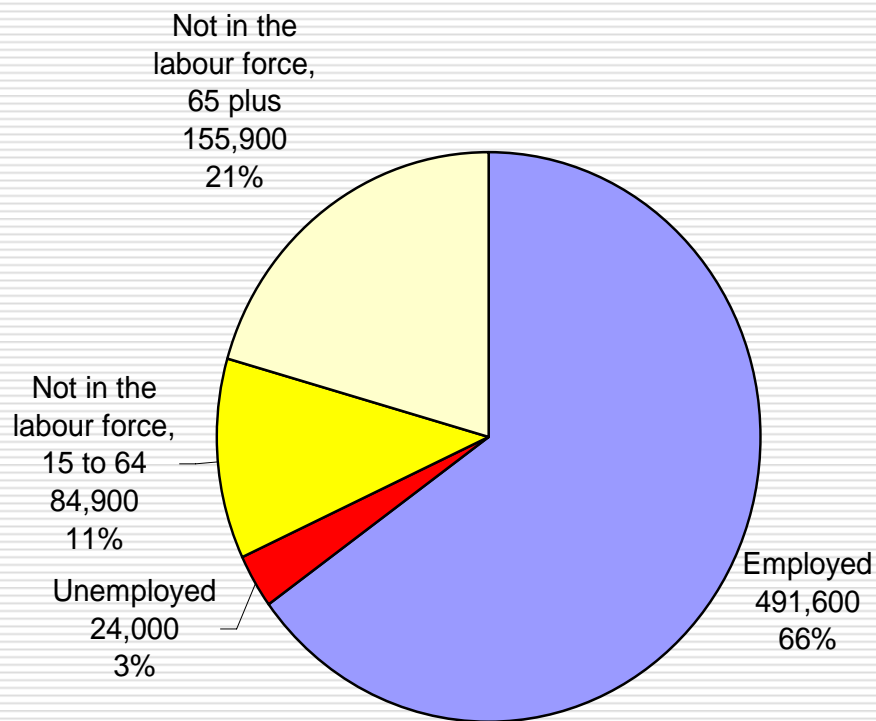
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Notes and Data Sources

- The best information about agriculture and the agricultural labour market is from the census. But the 2006 agricultural labour force numbers are still a year away and the 2001 numbers don't capture recent trends. (The number of farm operators will be released on May 17.)
- Instead, the information in this presentation is from a more up-to-date Statistics Canada source, namely the Labour Force Survey (LFS). The LFS is a monthly telephone survey that provides most of the current information about the labour market in Canada. The sample size in Canada is over 50,000 households with about 4,000 in Saskatchewan. Depending on the number of individuals in the households, this yields a sample size of approximately 7,000 Saskatchewan adults per month. This translates into about 500 "farmers" per month in the survey. All of the data in this presentation are annual averages, that is, the average of twelve monthly "snapshots".
- The main weakness of the LFS from Saskatchewan's point of view is the exclusion of the on-Reserve population from the sample. For agriculture, the main problem is that the LFS only captures information about the "main job" for those who have two or more.
- "Agriculture" is defined quite narrowly and includes only primary agriculture, market gardens, and intensive livestock operations.

The Labour Force Survey

Labour Force Status, Annual Average,
Saskatchewan, 2006 (adult population = 756,400)

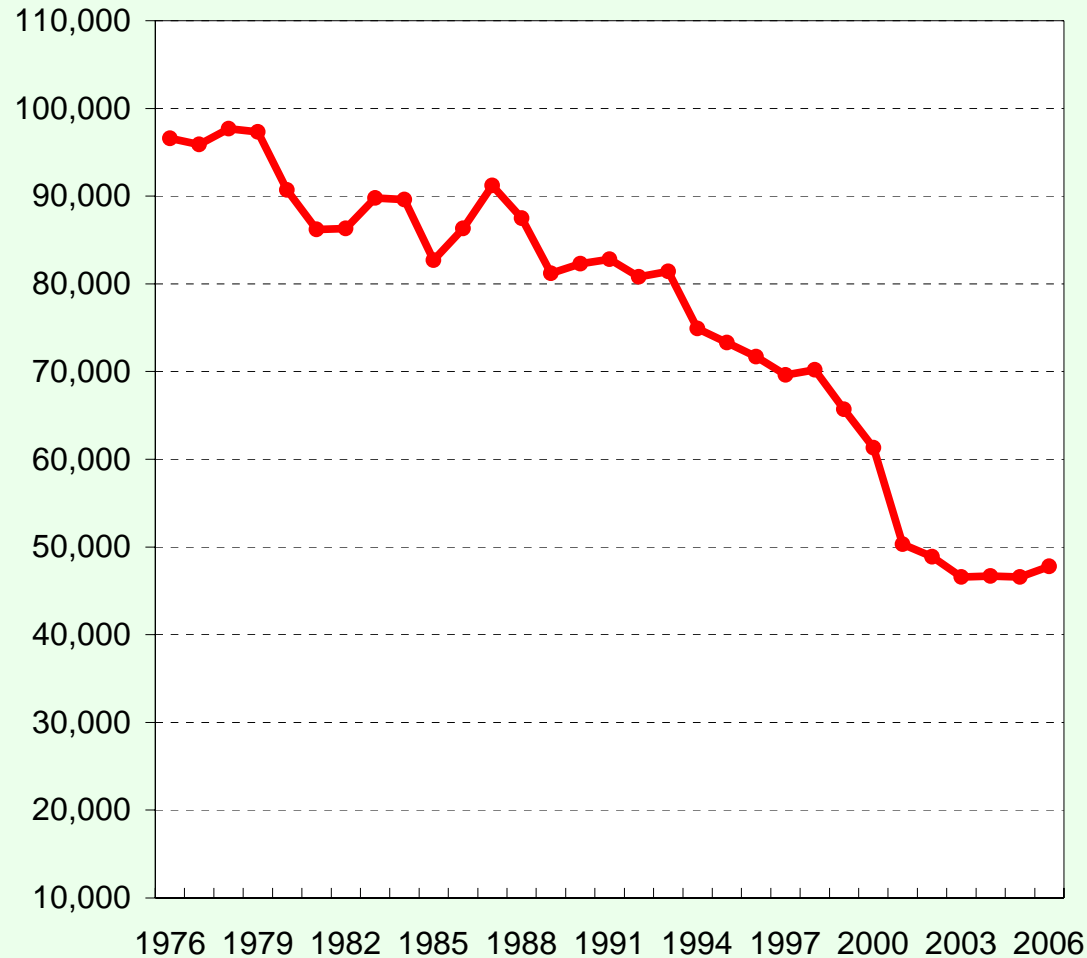


- employment rate is 66%
- participation rate is 69%

- In LFS data, all adults (15 & older) in the province are classified into one of three categories.
 - **Employed** persons are those who are working in a full-time or part-time position, self-employed or paid, or in a family business without pay.
 - **Unemployed** persons are i) available for work, ii) actively seeking employed, iii) not full-time students, and iv) under 65.
 - Everyone else is **not in the labour force**.
- In the balance of this material, we're talking only about the "employed" group.

Long Term Trends

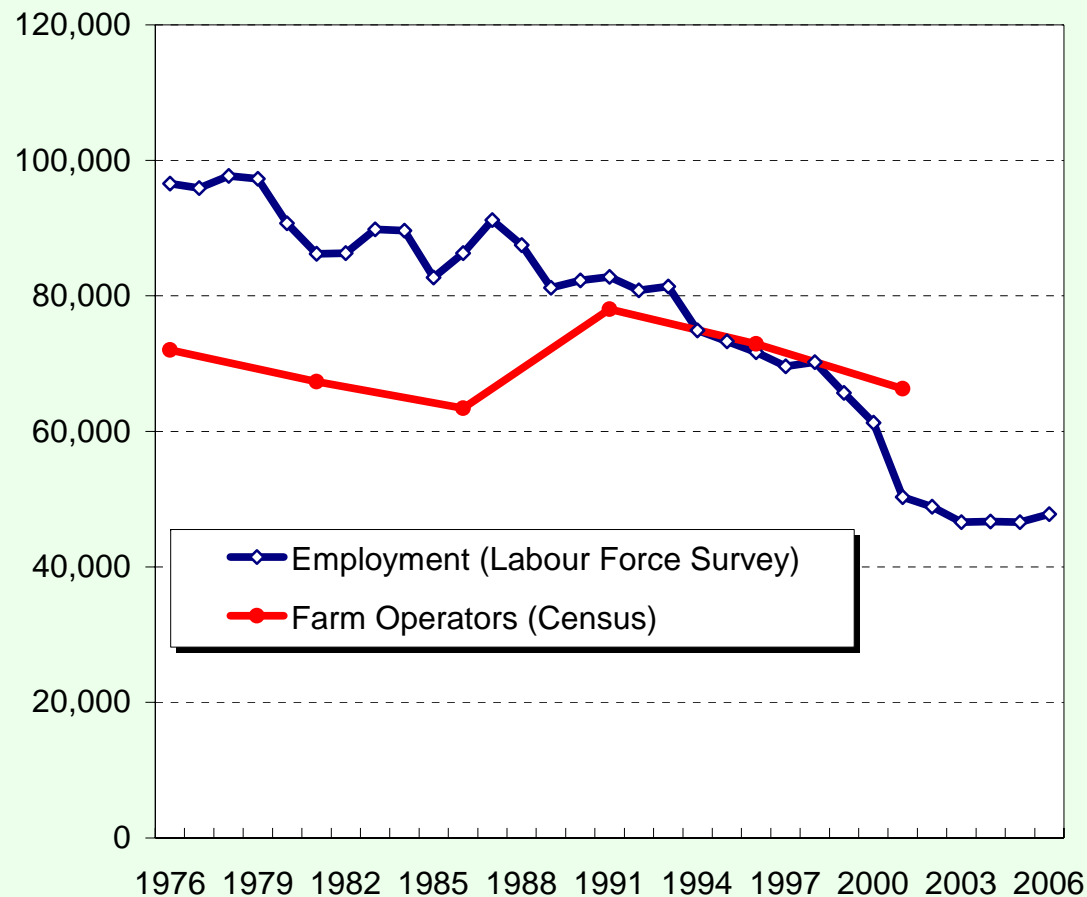
Agricultural Employment in Saskatchewan (main job)



- Agricultural employment has declined from near 100,000 in the mid 1970s to just under 50,000 in the past few years.
- From 1976 to 1997, the annual rate of decline averaged about 1.5% per year or about 1,000 persons per year.
- From 1998 to 2001, there was a huge drop when employment declined by 20,000 over the course of three years. Since then, employment has been relatively constant near 50,000.

Census vs. LFS

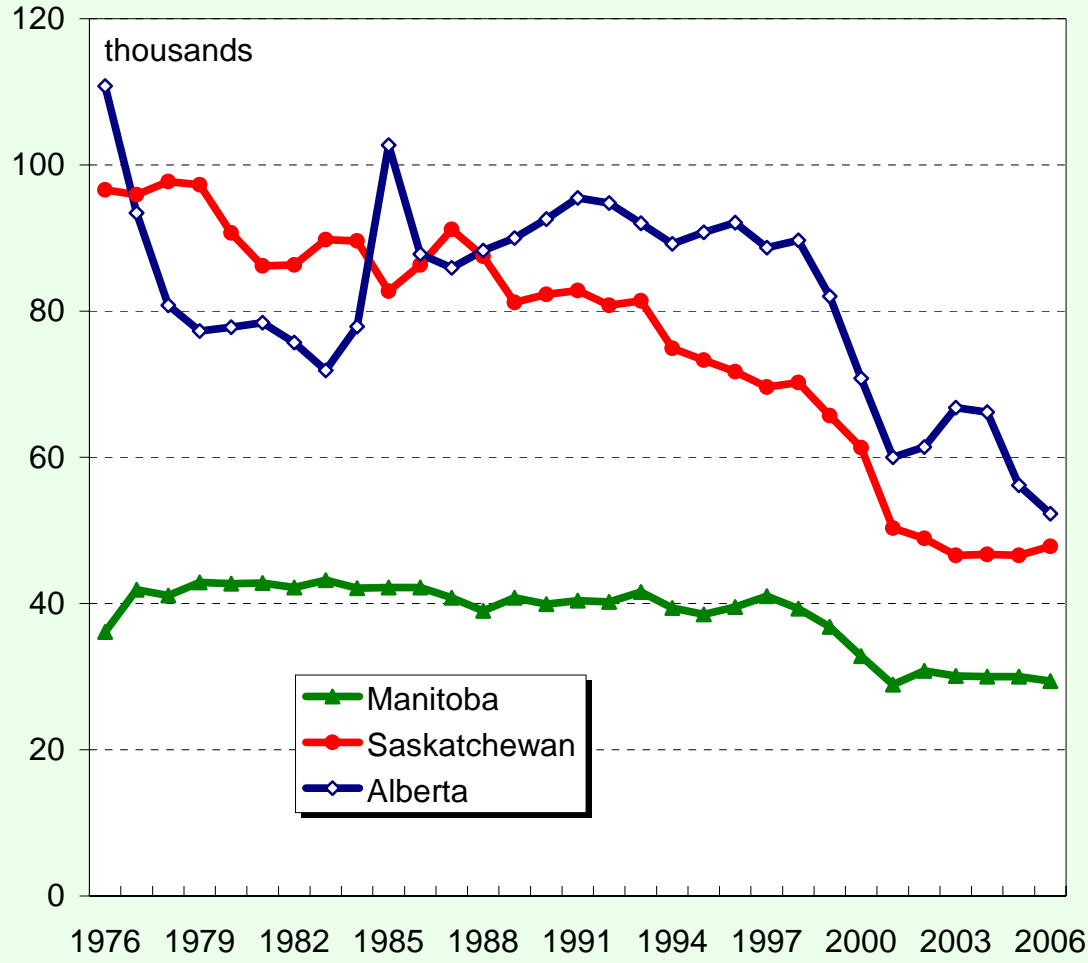
Farm Operators and Agricultural Employment, Saskatchewan



- The drop in the number of farm operations, using the census, is not as significant as the drop in employment.
- In other words, each farm is generating (requires?) less employment than it has in the past.
- The increase in the number of operators from 1986 to 1991 is thought to be the result of a recognition by respondents that many women were actually “farm operators” in their own right.

Interprovincial Comparison

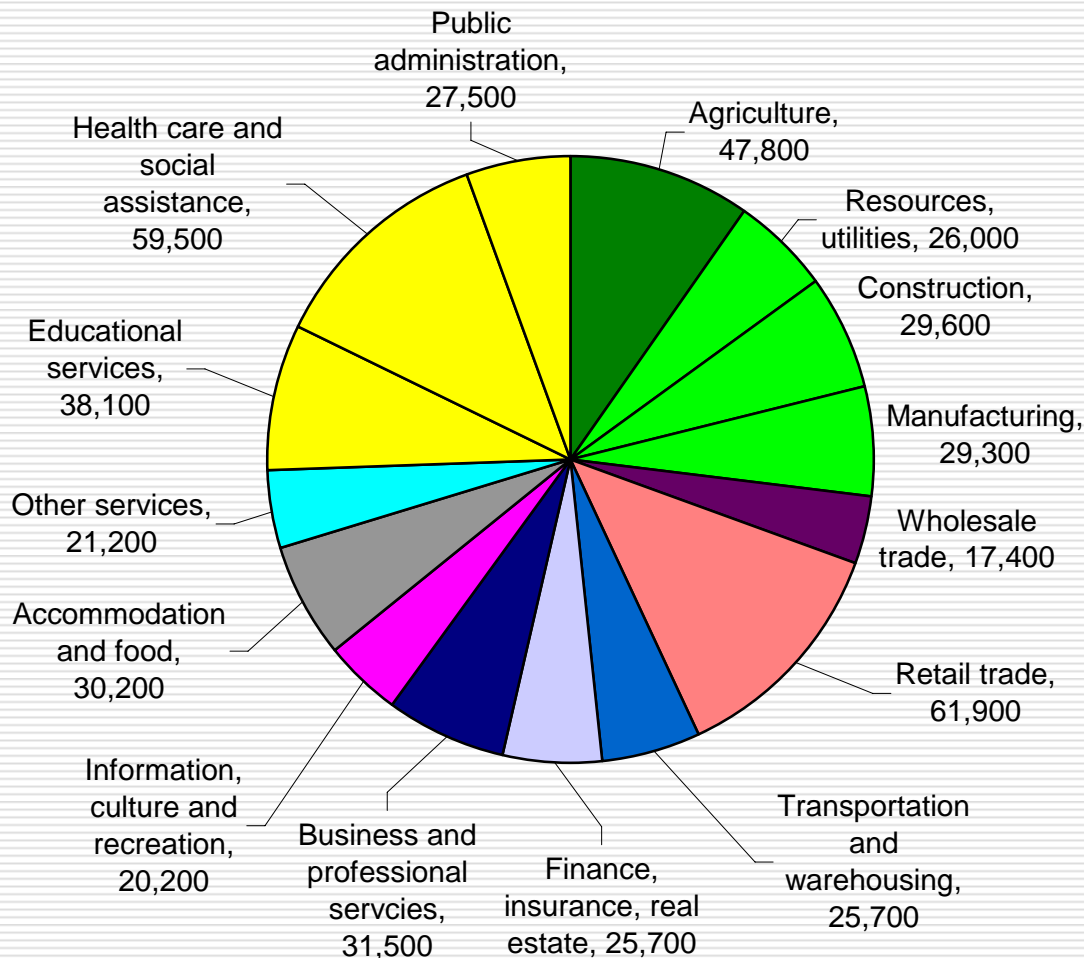
Employment in Agriculture (main job)



- Agricultural employment in Manitoba was effectively constant throughout the twenty-year period from the mid 1970s to the mid 1990s.
- All three prairie provinces experienced the decline from 1998 to 2001. It was most pronounced in Alberta.

Comparison with other Industry Groups

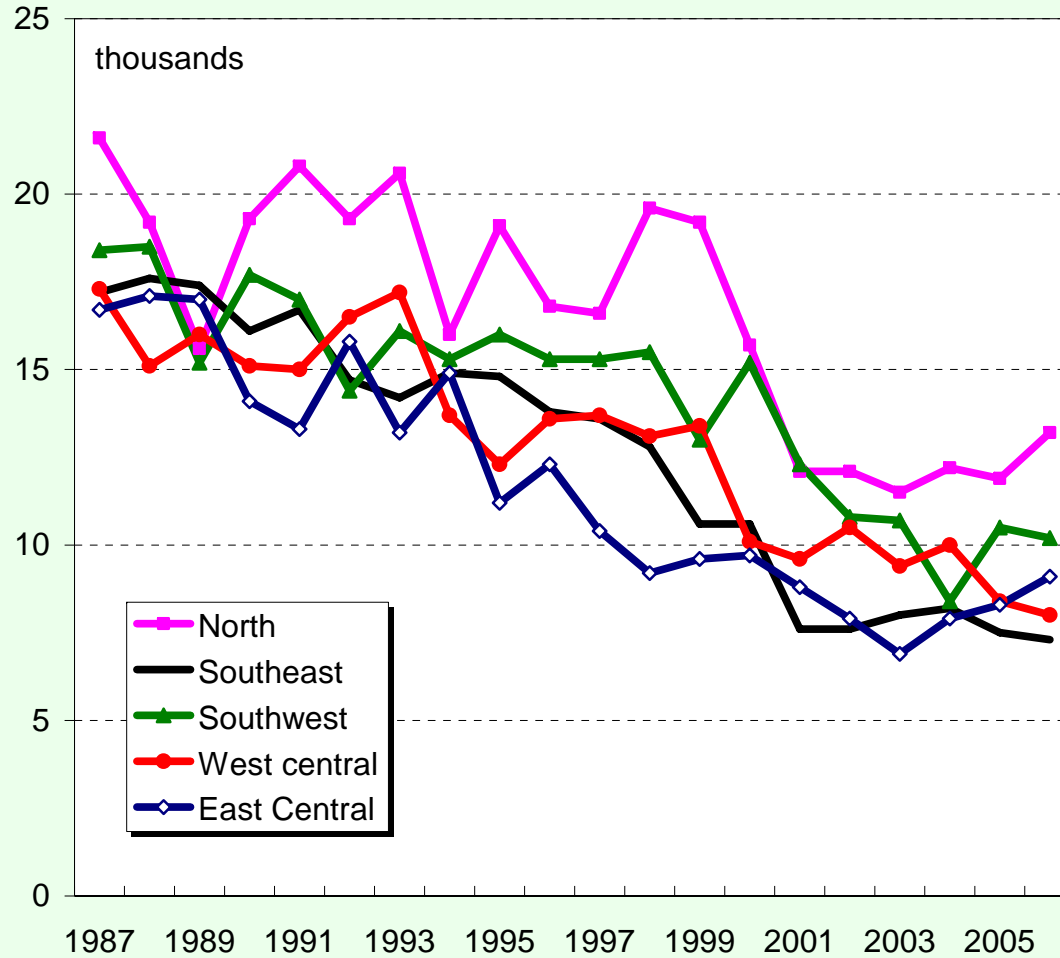
Employment in Saskatchewan (main job), 2006



- As of 2006, agricultural employment represented 10% of employment in Saskatchewan compared with 16% in 1996 and 19% in 1986,
- Employment-wise, agriculture has become smaller than the retail trade and the health care sector (broadly defined).
- When spin off effects into other industries are considered, agriculture-related industries are probably still the largest employer in the province.

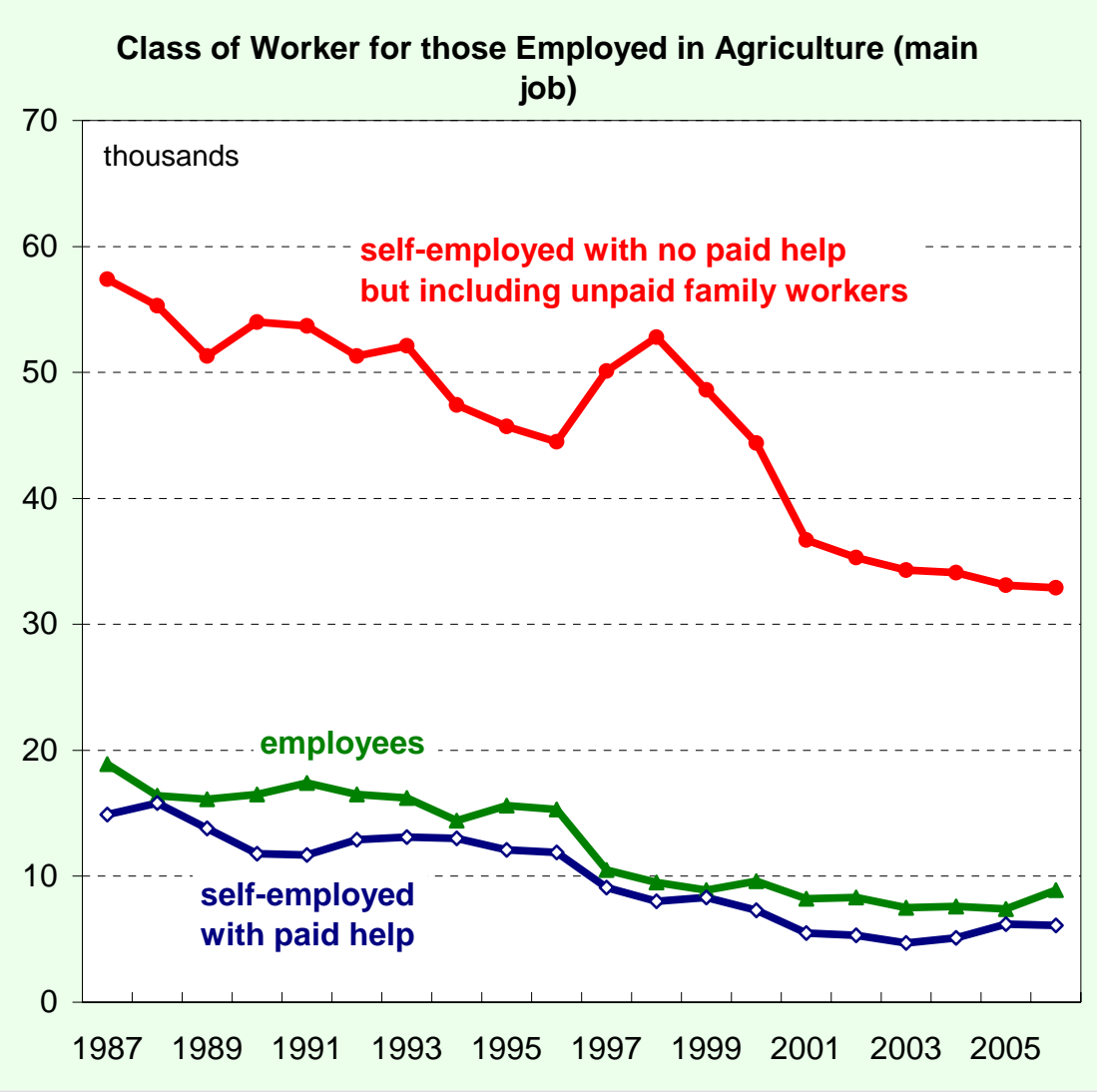
Agricultural Employment by Region

Agricultural Employment (main job) by Region



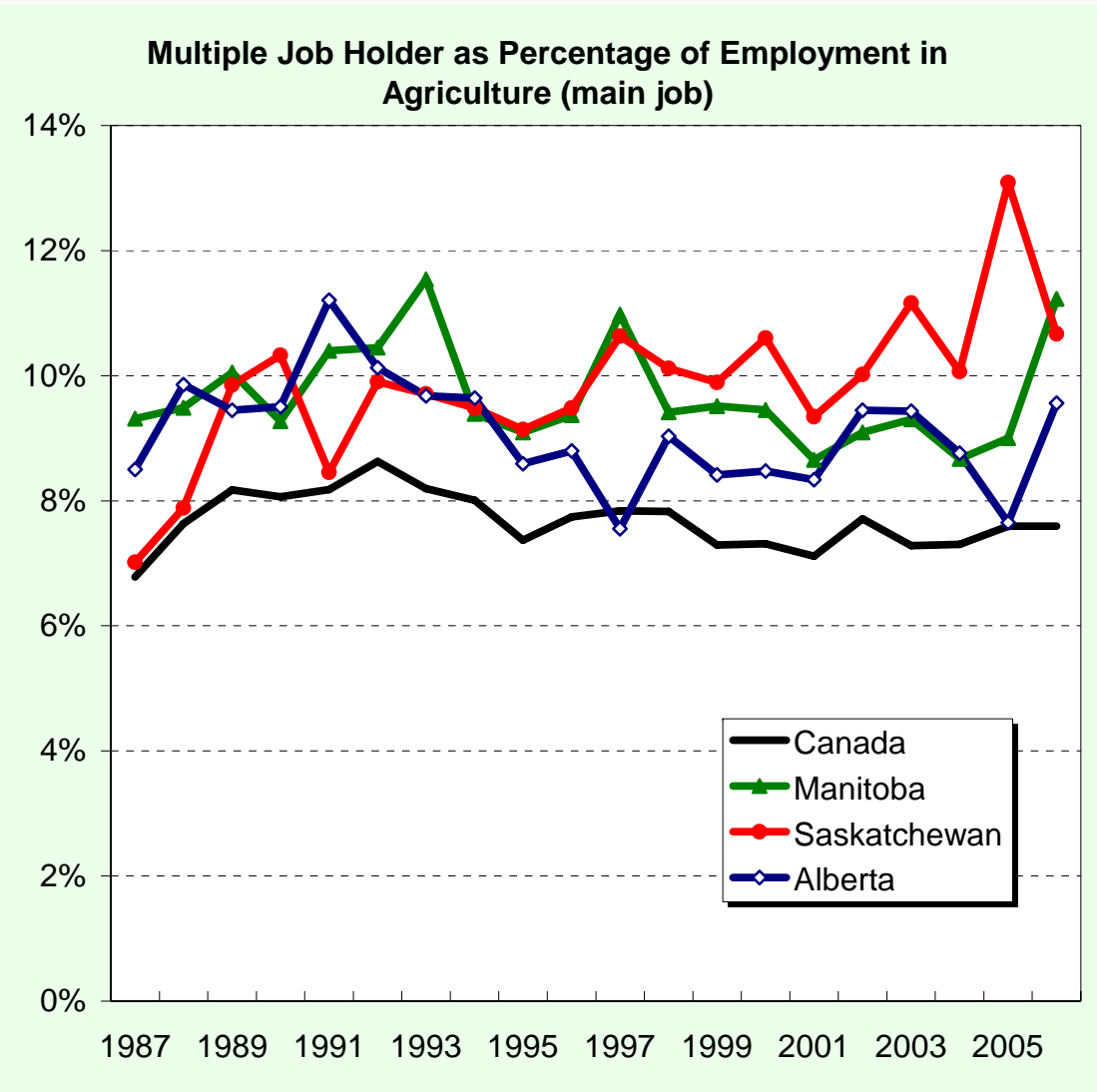
- The trends in employment have been similar across the various regions in the province.
- There is some evidence of a recent upward trend in the East Central (Yorkton/Melville) region.

Class of Worker



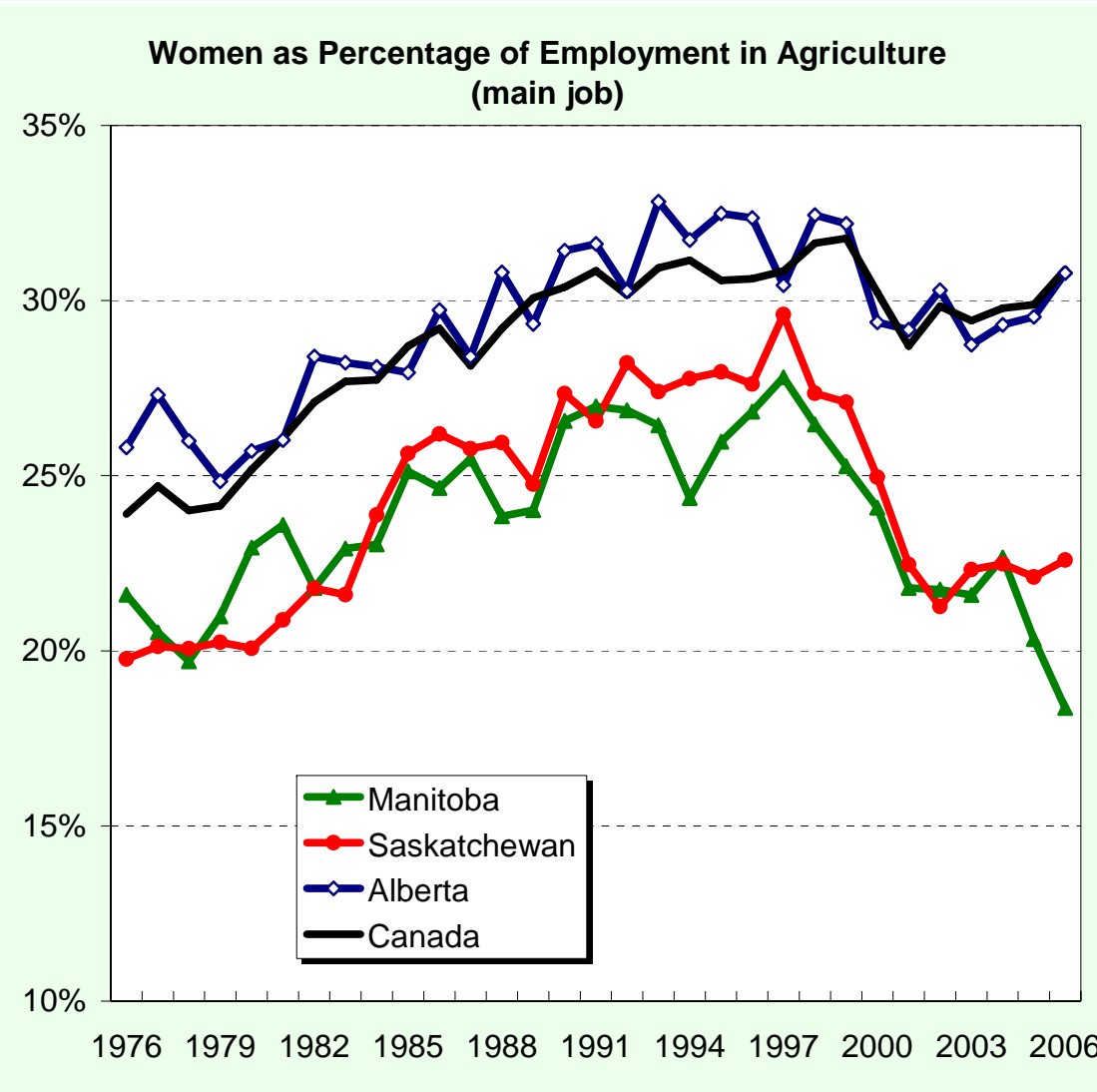
- The typical “family farm” is represented by the group that report they are self-employed and have no paid help although some family members may work without pay.
- There were 33,000 such individuals in 2006, 5,000 of whom were incorporated and 2,000 of whom were unpaid family members.
- The number of employees has been relatively constant near 10,000 over the last decade.

Multiple Job Holders



- The proportion who say they have another job is a little higher in Saskatchewan than in other provinces and has not changed much in the last twenty years.
- (We do not have information about how many people have a "second job" in agriculture.)

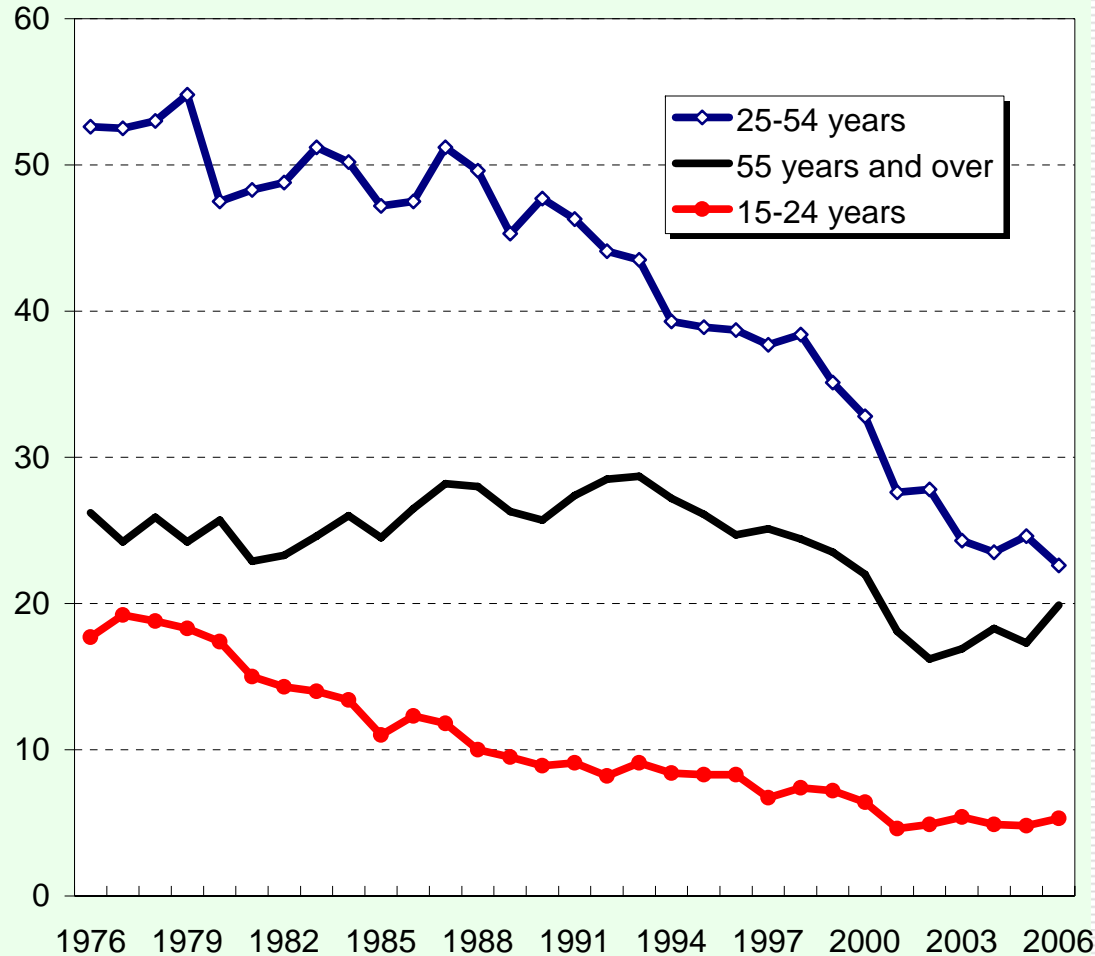
Gender



- After increasing throughout the 1980s and 1990s, there has been a significant drop in the proportion who are women.
- This has not occurred in either Alberta or Canada as a whole but it has in Manitoba.
- Off-farm employment may be the reason for this.

Age Group

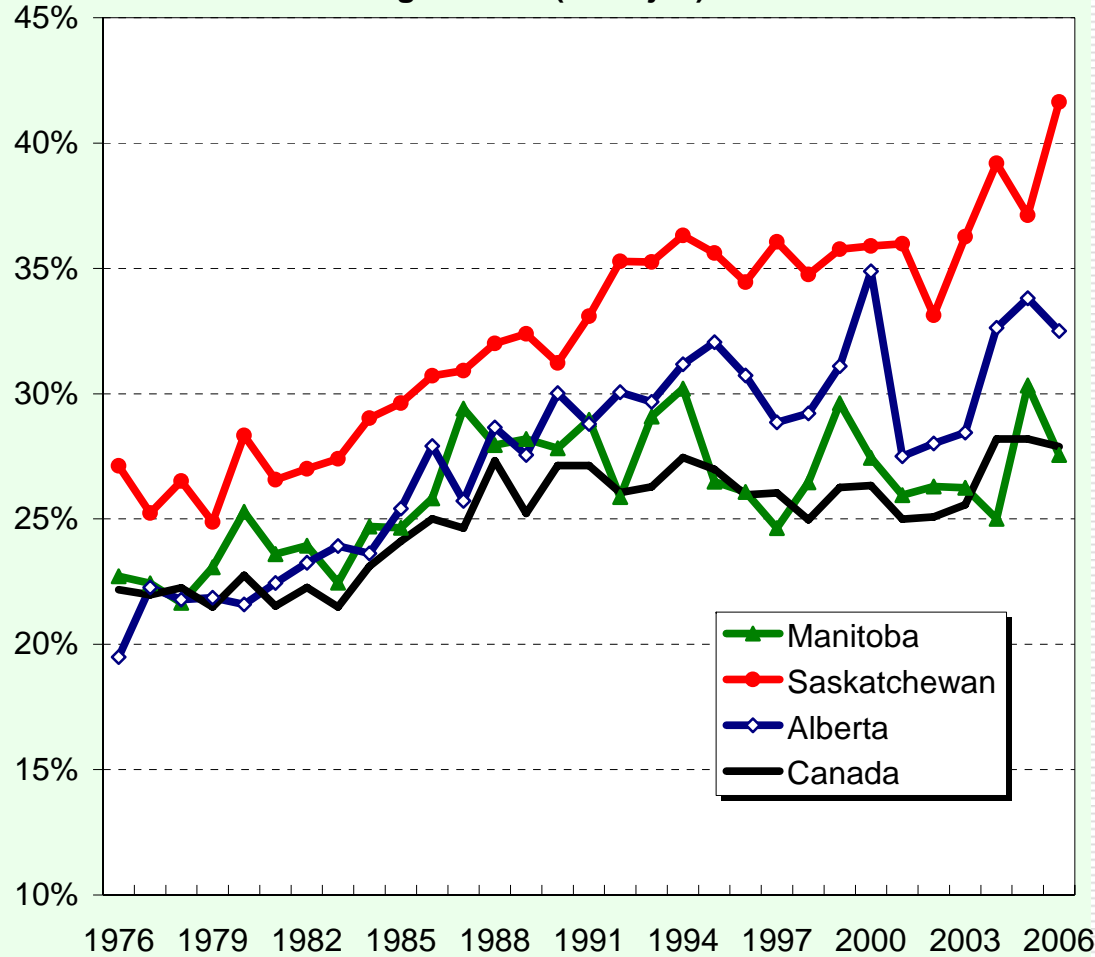
Employment in Agriculture (main job)



- The largest decline over the years has been among those in the primary labour market age group, 25 to 54 years of age.
- The number of older farmers was relatively constant until the drop around the turn of the decade.
- Many of those 15 to 24 years of age will be working on the farm while attending school and may not stay as farmers.

Age Group

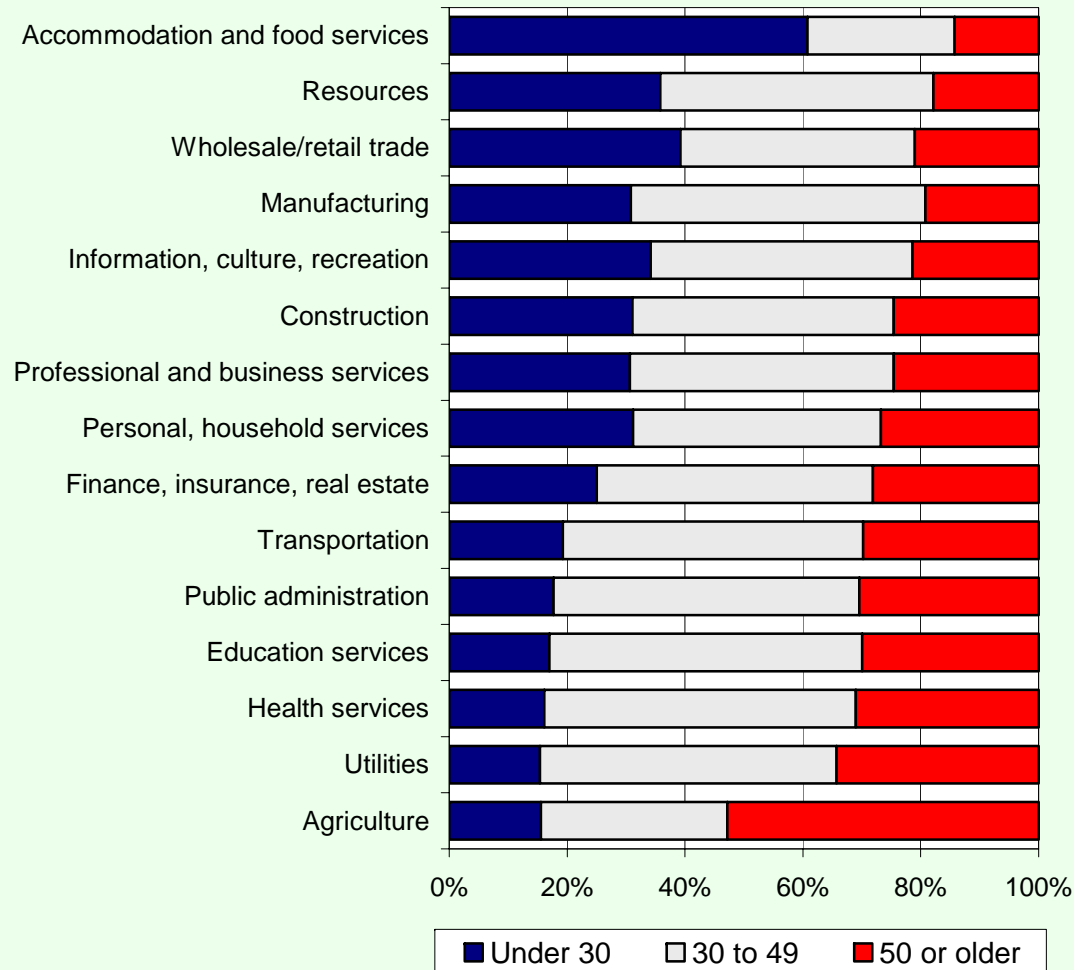
Older Workers (55 plus) as Percentage of Employment in Agriculture (main job)



- The proportion of farmers who are 55 years of age and older is higher in Saskatchewan than in other prairie provinces and growing more quickly.

Age Structure of Employment by Industry Group

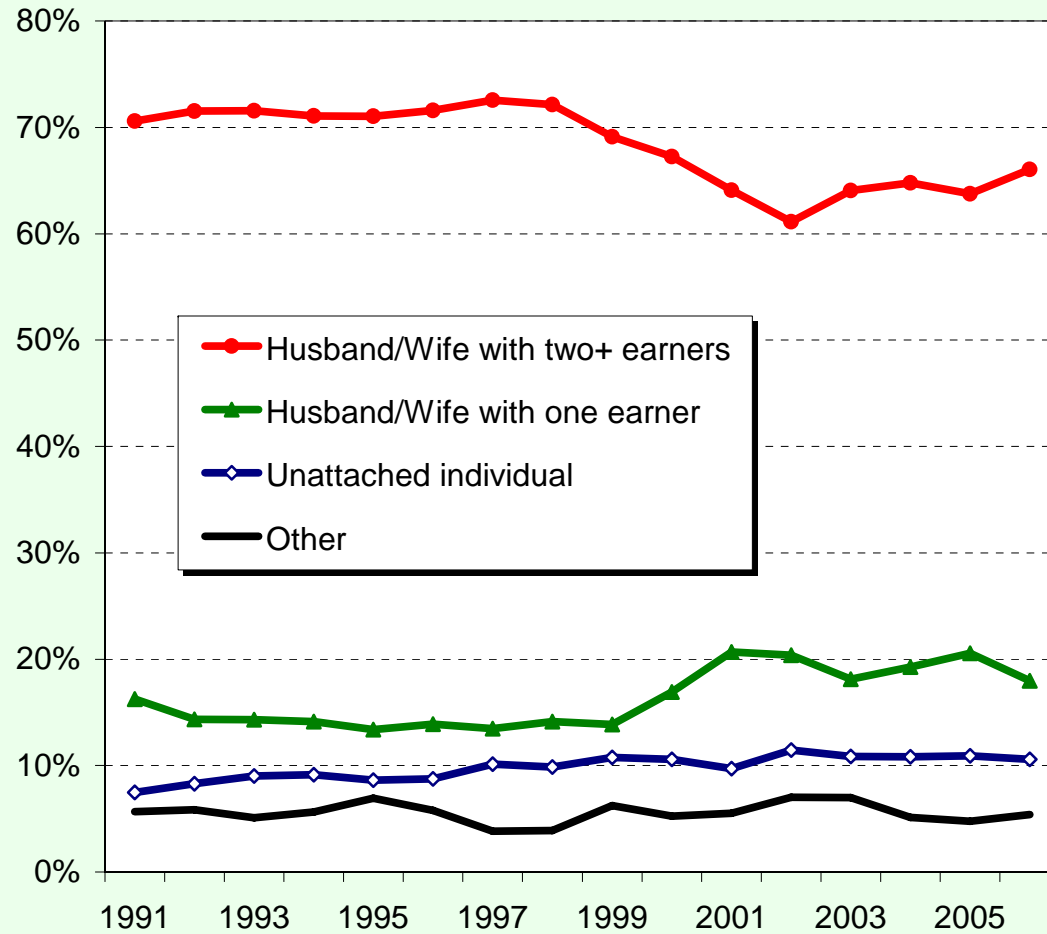
Employment by Age Group, 2006, Saskatchewan



■ The agriculture sector is by far the “oldest” in the province.

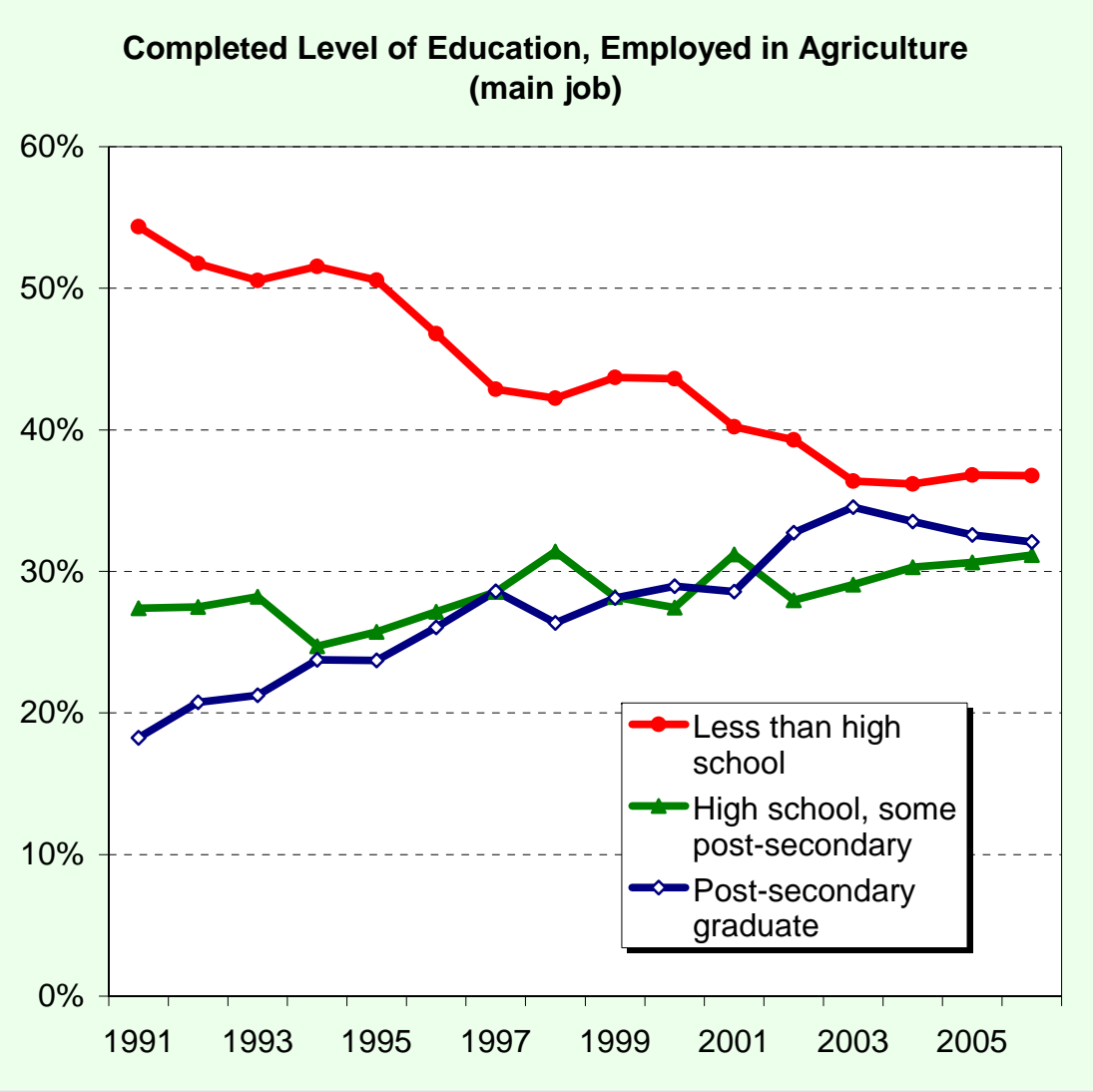
Family Type

Family Type, Employed in Agriculture (main job)



■ After dropping in the late 1990s, the proportion of farmers living in two-income families is increasing again.

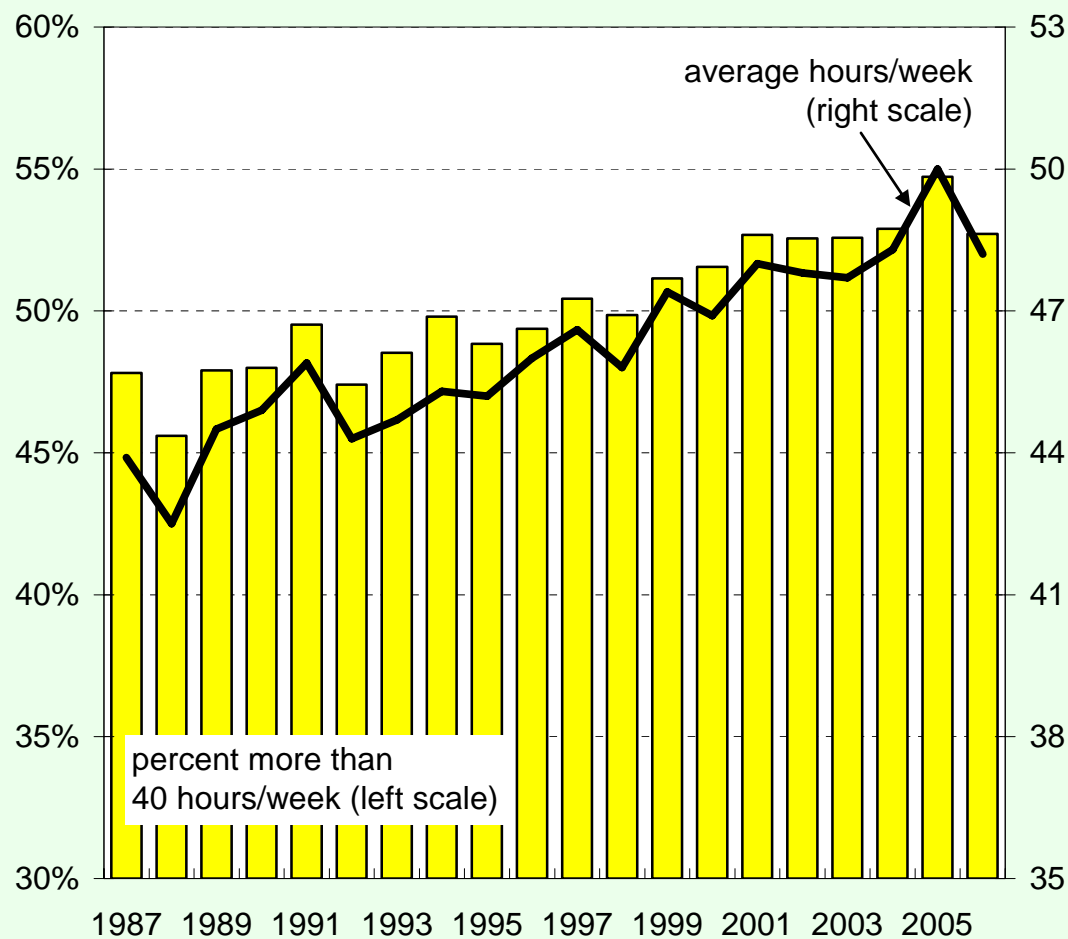
Education Level and Student Status



- An increasing proportion of those working in agriculture have a post-secondary education. In 2006, one third were post-secondary graduates but only 7% had a university degree.
- The proportion with less than grade 12 has dropped from more than 50% early in the 1990s to 37% in 2006.
- In 2006, 5% of those working in agriculture were going to school at the same time.

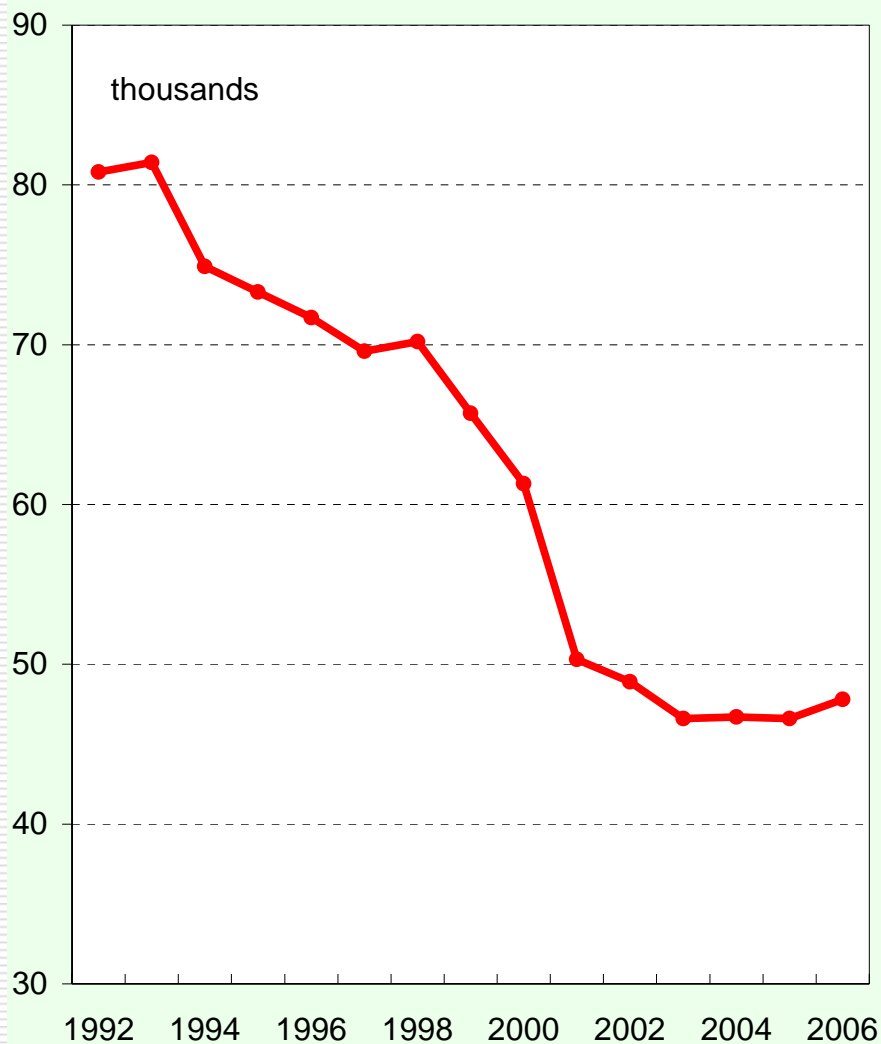
Hours of Work

Usual Hours of Work at Main (agriculture) Job



- An increasing proportion of farmers report working long hours, taken as more than 40 hours/week.
- In 2006, the “usual” hours of work averaged 48/week compared with 46/week in 1996.

Has Employment Bottomed Out?



- There have been other periods in the past when employment stopped falling and in retrospect, this was only temporary. So the recent figures may be another such period and not a trend.
- The consolidation of farms, the driving force for declining employment, hasn't run its course yet. There are nearly 15,000 farmers who are over 55 years of age and many will be retiring soon. So the number of self-employed in agriculture will probably continue to decline.
- Whether or not the intensive livestock operations expand quickly enough to offset this decline will ultimately determine if employment in agriculture continues to decline or stabilizes at or near the current level.

Questions?

