



Sectoral Profile

Agriculture: Farm Crops, Livestock and Aquaculture NAICS 111, 112

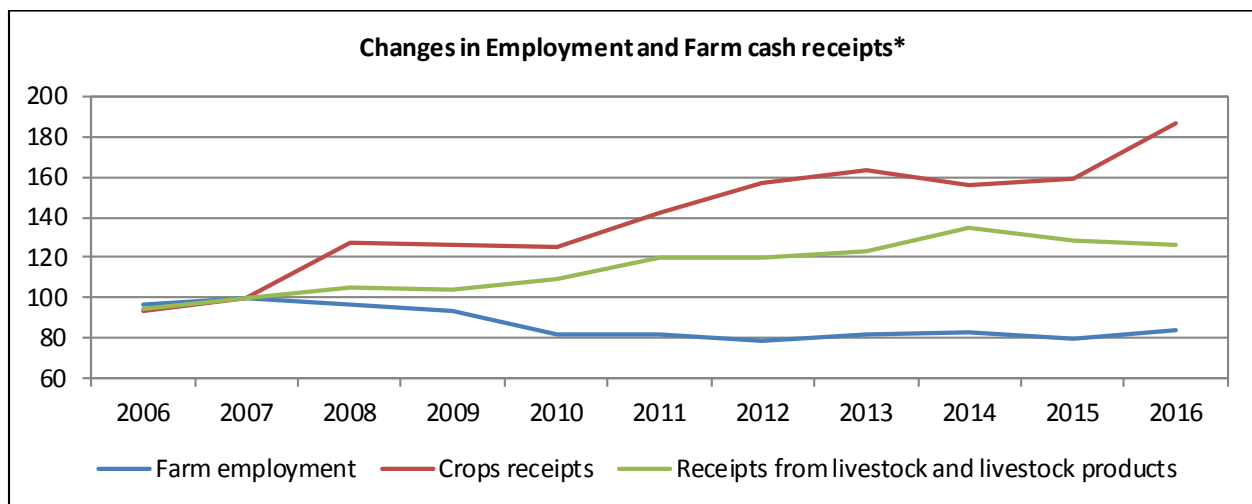
Quebec

2018-2020*



- The 2016 Census shows 28,919 farms in Quebec, about half (56%) of what it was in 1976—although the definition of a farm has changed somewhat since then, the trend is major and very real
- The merging of lands and use of equipment increasing productivity led to a decline in agricultural jobs, but harvested areas and production yield have increased at the same time
- The issues of young and beginning farmers and recruiting workers are persistent

At the time of the 1976 Census, there were 51,587 farms in Quebec; in 2016, there were only 28,919. It is true that the definition of a farm has changed slightly over time, but the trend is major and very real. Agricultural employment also declined, although it has been stable since 2010. After peaking in 1986, the labour force has dropped by almost 30% since then. The most significant causes include the consolidation of lands and the use of equipment to increase productivity.



* Data are expressed as index where year 2007 = 100

Sources: Statistics Canada, Employment – LFS, Farm cash receipts – CANSIM 002-0001

The decline in the number of farms has not led to a loss of farmlands. They have been merged to facilitate operations, maximize earnings, and reduce costs. Moreover, there has been little change in the acreage under crop in the past decade. For some livestock farms, the adoption of new production techniques and the merging of herds have also resulted in scale savings. Despite a massive growth in larger-size farms over the years, the

* This document is the result of analyses performed using information available as at April 5, 2018.

2016 Census of Agriculture shows that the number of very small farms has also grown significantly in Quebec, as a result of the orientation favoured by young and beginning farmers and some established farmers.

The issue regarding young and beginning farmers is regularly brought up by the industry as the high costs of buying and operating a farm can hinder the engagement of youth. Several initiatives, both public and private, facilitate the access to land and allow many youth to start out in this industry. For many years now however, the submitted projects have all been related to a niche product or artisan production. These microbusinesses do not generate many jobs and are often unable to meet business requirements and standards. Thus their growth is impeded or completely stopped.

Perhaps we need to expand our definition regarding young and beginning farmers. In the spring of 2017, the *Ministère de l'Agriculture, des Pêcheries et de l'Alimentation du Québec* (MAPAQ) [Quebec Department of Agriculture, Fisheries and Agriculture] stated that it has seen a rise in the age of succession. The 2016 *Established Aspiring Farmers Census*, which includes young entrepreneurs below the age of 40 in Quebec, shows that 56% of aspiring farmers are between the ages 35 and 39. The same study documented that the vast majority of aspiring farmers stay in school longer to acquire specialized knowledge in agriculture. The start-up of a new business is favoured by over one third of youth; it takes them 3 years to plan their project. Some will purchase a property right from the start to establish themselves, while others will look at other available options like leasing the land and the equipment, join an equipment or labour cooperative, or sign a contract with a production integrator. There are definitely different aspects to being a young and beginning farmer.

The "economic health" of the industry is difficult to assess. Crop farmers and livestock farmers do not face the same issues although, in both cases, operating costs continue to climb, despite the fact that revenues are down some years. The postponement of sowing can put an entire crop at risk. Successive droughts in the American southwest helped boost the revenue of crop farmers while increasing the bill hay and feed for livestock farmers, unless they owned the land and equipment needed to meet their own requirements. The low prices for some products is a challenge for both crop and livestock farmers.

In some cases, it is easier to see the positive impact and outcome. For example, the legalization of cannabis in the second half of 2018 will bring about several investments and many jobs across the industry, from production to marketing. It seems that there are also opportunities to export in international markets.

The coming into effect of the Canada–European Union *Comprehensive Economic and Trade Agreement* is a concern for Quebec cheese producers, since the quota of duty-free imported European cheese will increase over the next five years. Industrial cheeses will be the first ones under pressure, due to the capacity of European factories to operate in a market of over 500 million consumers. We are less apprehensive about artisanal and specialized niche cheeses made in Quebec, which are sought after by consumers especially for their taste and characteristics. The Canadian government announced that it will compensate producers and processors that are affected by the Agreement.

More recently, the supply management in Canada was criticized. This system manages the quantity of dairy products, table eggs, and poultry available in the domestic market in such a way that supply follows demand forecasts. Supply management facilitates investments thanks to stability in volumes and prices. Moreover, quality is less likely to be compromised due to profitability issues. Supply managed goods are perishable and production cannot be adjusted as quickly as in other industries.

As part of its commitment to the *World Trade Organization*, Canada imposes tariff quotas on the imports of agricultural products: low entry fee if their volumes are below a certain level, and a high entry fee if that volume level is exceeded. However, supply managed products are subject to the highest tariffs and the quotas are very small; thus thresholds are easily exceeded.

Quebec and Ontario are the main producers of supply managed commodities, and they would be especially affected in the event of changes to the supply management system. A significant proportion of production in the Montérégie, Chaudière-Appalaches and Centre-du-Québec regions is subject to supply management. The Lanaudière (chickens) and Bas-Saint-Laurent regions also have specific productions (milk).

Taking into account all the forces at play, we are forecasting a relative stability for agricultural employment for the 2018-2020 period.

Sectoral Dynamics for Regions

Québec 2018-2020	In the Economic Regions	AAGR
Annual average growth: 0.1% Gain of approx.: 140 positions Yearly dynamics: 2018: ↗ 2019: ↗ 2020: ↗	Saguenay-Lac-Saint-Jean	1.2%
	Gaspésie-Les-Îles	0.7%
	Laurentides	0.5%
	Estrie	0.1%
	Capitale-Nationale	0.1%
	Côte-Nord / Nord-du-Québec	0.1%
	QUÉBEC	0.1%
	Lanaudière	0.1%
	Montérégie	0.1%
	Abitibi-Témiscamingue	0.0%
	Outaouais	0.0%
	Montréal CMA	0.0%
	Centre-du-Québec	0.0%
	Chaudière-Appalaches	-0.1%
	Bas-Saint-Laurent	-0.2%
Mauricie	-0.2%	

n/a: not applicable

Source: 2018-2020 Sectoral Outlook annual exercise

Labour Market Analysis Directorate, Service Canada – Quebec Region, April 5, 2018.

The following occupations in Agriculture are the ones most likely to be affected by the anticipated dynamics (according to the occupation by industry matrix):

- 0821 Managers in agriculture
- 8431 General farm workers
- 8432 Nursery and greenhouse workers
- 8252 Agricultural service contractors, farm supervisors and specialized livestock workers
- 2225 Landscape and horticulture technicians and specialists
- 0822 Managers in horticulture
- 1311 Accounting technicians and bookkeepers
- 8611 Harvesting labourers
- 8612 Landscaping and grounds maintenance labourers
- 2123 Agricultural representatives, consultants and specialists.

SIZE AND DISTRIBUTION OF AND CHANGES IN EMPLOYMENT IN THE INDUSTRY IN QUEBEC

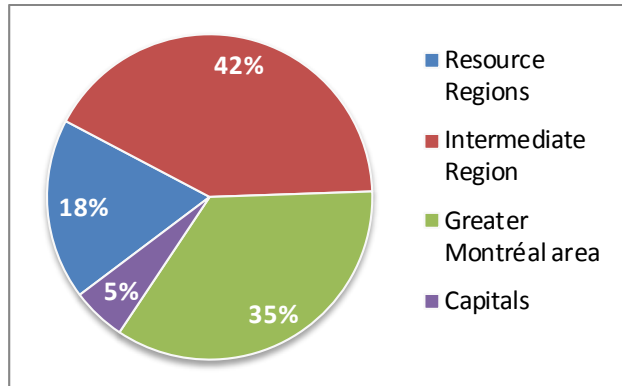
	Employment 2015–2017 Average			10-year Change in Employment	
	Employment In thousands	Provincial distribution	Regional employment share	In thousands	as a %
All of Quebec	56.0	100.0%	1.3%	-7.9	-12.3%
Resource Regions					
Abitibi-Témiscamingue	x	x	x	x	x
Bas-Saint-Laurent	3.6	6.4%	4.2%	-0.4	-10.1%
Côte-Nord / Nord-du-Québec	x	x	x	x	x
Gaspésie–Îles-de-la-Madeleine	x	x	x	x	x
Saguenay–Lac-Saint-Jean	2.2	4.0%	1.7%	0.1	3.1%
Intermediate Regions					
Centre-du-Québec	4.5	8.0%	3.7%	0.1	1.5%
Chaudière-Appalaches	8.7	15.6%	4.0%	-0.6	-6.8%
Estrie	4.6	8.3%	3.0%	-0.8	-14.2%
Mauricie	3.4	6.1%	2.9%	1.3	63.5%
Greater Montréal area					
Lanaudière	4.1	7.3%	1.6%	-2.3	-36.3%
Laurentides	3.2	5.7%	1.0%	0.7	28.4%
Laval	x	x	x	x	x
Montérégie	13.7	24.4%	1.7%	-3.6	-20.7%
Montréal	x	x	x	x	x
Capitals					
Capitale-Nationale	3.3	5.9%	0.8%	0.5	17.9%
Outaouais	1.7	3.1%	0.9%	0.1	6.1%

x: confidential data, fewer than 1,500 people employed in this region

Source: Historical estimates based on Statistics Canada's Labour Force Survey

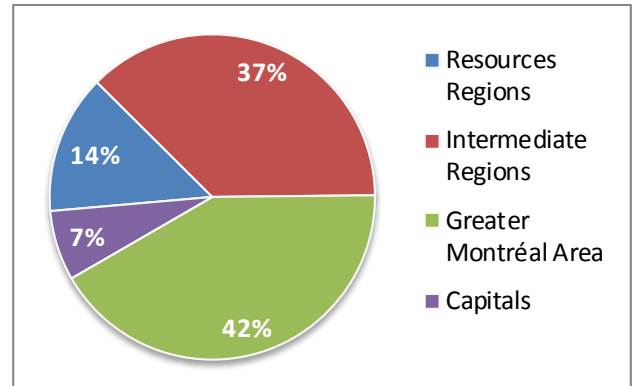
SOME CHARACTERISTICS OF THE INDUSTRY IN QUÉBEC

Establishment distribution by Region



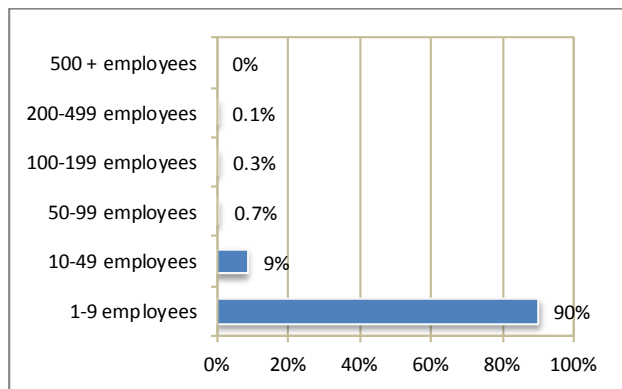
Source: Statistics Canada, Establishment Counts by Economic Region, industry, and Employee Size Ranges, December 2015

Employment distribution by Region



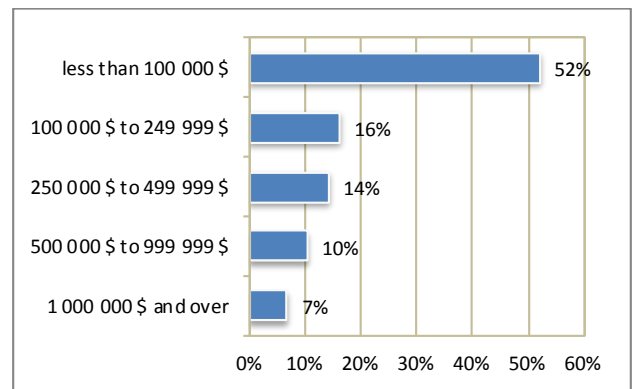
Source: Statistics Canada, Labour Force Survey; based on average employment in 2014-2016

Size of establishment



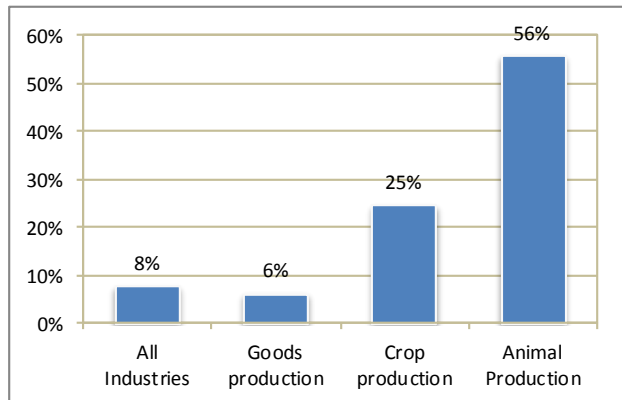
Source: Statistics Canada, Establishment Counts by Economic Region, industry, and Employee Size Ranges, December 2015

Farms classified by total 2015 gross farm receipts



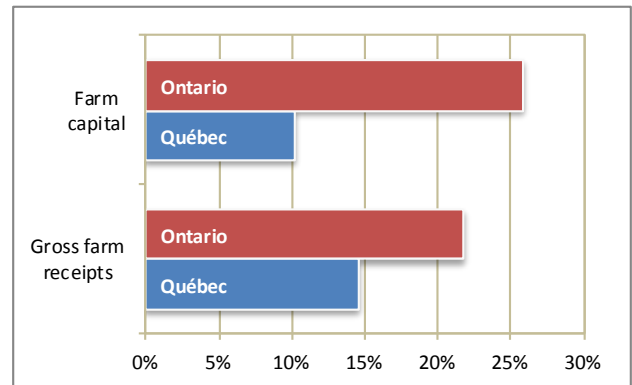
Source: Statistics Canada, 2016 Census of Agriculture, farms by total gross farm receipts in 2015

Self-employed jobs compared to Total employment



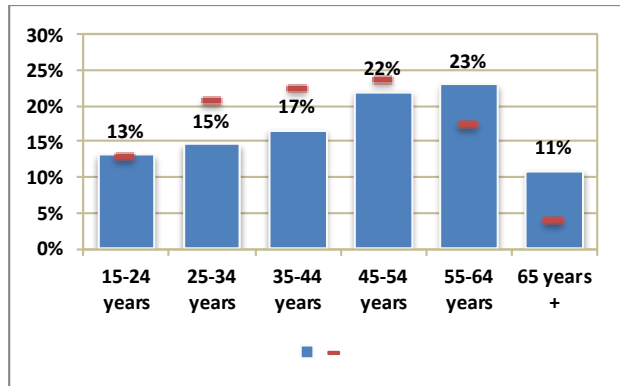
Source: Statistics Canada, Labour statistics, based on average employment in 2014-2016

Share of 2015 farm capital and gross farm receipts in Canada



Source: Statistics Canada, 2016 Census of Agriculture, farms by total gross farm receipts in 2015

Employed Labour Force Aged 15 Years and Over



Source: Statistics Canada, 2016 Census, special tabulation for ESDC

Employment distribution by skill type

National Occupational Classification	
0. Management [includes owners-operators]	42%
1. Business, finance and administration	5%
2. Natural and applied sciences and related	4%
3. Health	0%
4. Education, law and social, community and government services	0%
5. Art, culture, recreation and sport	0%
6. Sales and service	6%
7. Trades, transport and equipment operators	4%
8. Natural resources, agriculture and related production	36%
9. Manufacturing and utilities	1%

Source: Statistics Canada, 2016 census, special tabulation for ESDC

FOR MORE INFORMATION

- Job Bank (Canada) – [Job Market Trends and News](#): Information on job, skills and local labour market trends is important for making career decisions. In addition, information on wages, labour supply, labour demand and other factors helps employers recruit, train and retain workers and make business and investment decisions.
- North American Industry Classification System (NAICS) Canada 2012: Agriculture – Crop production [NAICS 111](#) and Animal production and aquaculture [NAICS 112](#)

Note: In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.

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http://www.esdc.gc.ca/cgi-bin/contact/edsc-esdc/eng/contact_us.aspx?section=lmi

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