



# SECURING CANADA'S FISH + SEAFOOD WORKFORCE

Highlights from a Labour Market  
Information Study of Canada's  
Fish and Seafood Processing Industry



**FPSC**



FOOD PROCESSING SKILLS CANADA  
COMPÉTENCES TRANSFORMATION ALIMENTAIRE CANADA



**Canada**

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The opinions and interpretations in this publication  
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# Labour Market Information Study Background

This brief contains the key findings of a comprehensive labour market information study of Atlantic Canada's fish and seafood processing industry.

This study was prepared by Food Processing Skills Canada (FPSC) in collaboration with Employment and Social Development Canada (ESDC) and various provincial and industry partners.

## The study is based on:

- Accurate calculation of demand of workers through a broad IPSOS survey of 100 employers representing **69%** of the industry workforce
- Precise regional labour market profiles of **12 communities** across Atlantic Canada where plants are located and considering a 50 km commuting radius, using a wide range of reputable data sources
- Extensive understanding of factors impacting labour shortage through field visits and interviews with over 140 plant workers, managers, immigrant agencies, indigenous groups and community leaders in the **12 regions profiled**
- FPSC-commissioned report on **Technology Utilization in the Fish + Seafood Industry** and analysis of practices in key seafood and fish processing countries (e.g.: Norway, United States, Iceland)
- **Industry-government collaboration** action plan to address severe labour shortages in the Atlantic seafood processing sector.

# INTRODUCTION

A detailed look into the  
**INDUSTRY**

Food Processing Skills Canada's new labour market information study tells a compelling story of persistent labour market challenges faced by the fish and seafood processing industry of Atlantic Canada that, if addressed effectively and collaboratively, can lead to the realization of exceptional opportunities for economic growth and innovation.

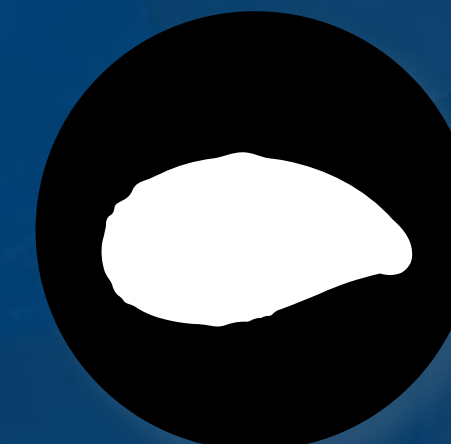
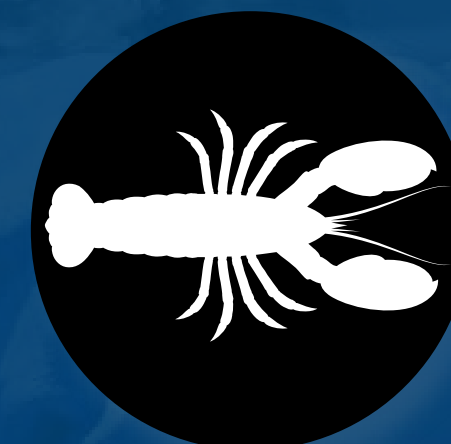
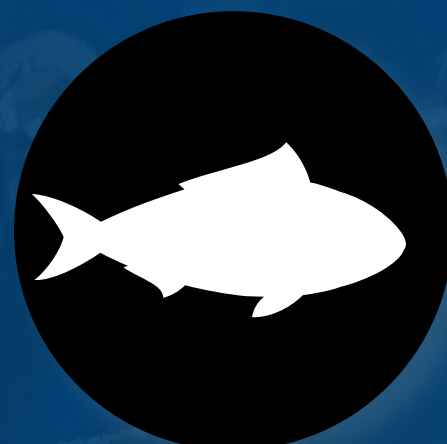
## Why is this important?

- Currently representing more than half of food manufacturing in Atlantic Canada, with an export market valued at over \$3.9 billion\*, the fish and seafood processing industry makes a significant contribution to the Atlantic economy, to rural life in Atlantic Canada, and to the realization of Canada's ambitious agri-food export goals for 2027.\*\*
- Atlantic seafood processing is a critical link in the seafood value chain, and the nature of the industry requires that processors are located near to harvesters and are ready to process the fresh catch. The harvesters locations are often in small towns where labour is scarce.

\* 2007 DOLLARS

\*\*"UNLEASHING THE GROWTH POTENTIAL OF KEY SECTORS", ADVISORY COUNCIL ON ECONOMIC GROWTH, FEB. 26, 2017

## Types of Fish & Seafood Include



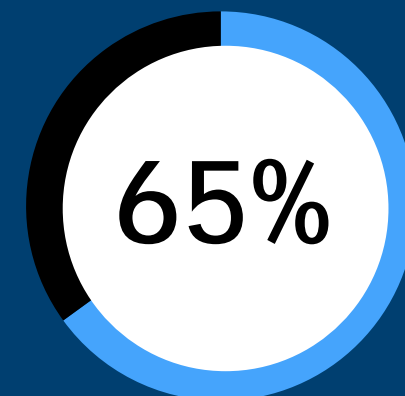
# The Industry An Important Economic Contributor

- ✓ Lobster exports were over 2 billion dollars in 2017
- ✓ 550 seafood-processing employers - majority SMEs
- ✓ 15,670 employees (2016 Census)
- ✓ Represents 55% of employment in food manufacturing in Atlantic Canada

## The Industry Employs



15,670 Atlantic  
Canadians  
(2016 Census)



Of employees are part  
time or seasonal



Average starting hourly wage  
ranges from:

**\$13.69**  
(Fish Plant Workers)

**\$21.47**  
(Skilled Trades)

66% of employers offer benefits  
50% provide extended health/drug care plans



## Atlantic Fish & Seafood Market Contribution

Represents **60%** of Canada's fish & seafood GDP contribution  
Export **\$3.9** billion (2017)  
**84%** export to the US  
**68%** export internationally (Europe, China, and Japan)





# What is the Current Problem?

The labour supply situation is now very challenging and is projected to get much worse

**1,800** job vacancies went unfilled in 2017

(45% of employers; 11.5% of all positions) due to lack of available workers in regions where plants are located and the nature of the work does not seem to align with expectations of available workers

**83%**

Recruitment is a persistent challenge

**83%** of employers with challenges - most severe in Atlantic Canada

**62%**

General public respondents

**62%** of general public respondents to a survey on willingness to work in meat or seafood processing plants said "**they would not apply for these types of jobs**"

**40%**

Recruitment Effort Ratio

**6,300** workers were hired in 2017 (**40%** of seafood and fish workforce, excluding seasonal rehires). This high recruitment effort by employers is also referred to as imputed turnover\*

## Why is this happening?

- Distance of facilities from populations
- Demographic changes: aging population (37% of workers 55+) and out migration of youth and young families
- Lack of available workers: many regions don't have enough people in their communities to fill the jobs
- Physical requirements and nature of jobs and working conditions: long hours (longer due to lack of workers), damp environment
- Wages: average starting wages for plant workers/laborers range from \$13.69 to \$14.97 per hour (approximately 33% higher than minimum wage and higher than other sectors with low-skilled entry positions)
- EI system: In some regions challenges recruiting from among those with open claims or managing employees who want only a limited number of hours so as not to interfere with their claims
- Type of employment: The supply of local workers desiring lower-skilled seasonal employment is shrinking while the demand for this type of worker is increasing (e.g.: in tourism, agriculture, fish harvesting, etc.). As education levels rise, workers are looking for more full-time, higher skilled employment opportunities.

\*Imputed turnover equals the number of hires (excluding seasonal re-hires) divided by the average number of people employed in the sector

# The Future Looks Challenging

Future Projections

- Need to fill the current gap of **1,800** vacancies
- Need to find an additional **2,500 workers** to replace retirees over next five years (6,500 by 2030)
- **The 40% recruitment effort ratio** needs to be addressed by finding ways to keep more workers in the industry - as continually recruiting and hiring an additional 6,300 workers (number hired in 2017), is not sustainable and puts stress on the HR staff and the already tight labour market



## Why is this important?

To sum up: A decreasing supply of lower-skilled labour + increased competition for labour from other sectors + current gaps/vacancies + retirement replacements + turnover unaddressed = major labour challenges

# Where Will the Workers Come From?

The current labour force is unable to meet the average or peak labour requirements for the seafood processing sector

## Region of Clare, Nova Scotia



Population: 46,246 Seafood Processing Plants: 38

### Current Labour Situation - 2017

|       |               |   |  |
|-------|---------------|---|--|
|       | 22,925        | Total Labour Force  | (employed or unemployed and actively seeking work)     |
| minus | 21,628        | Total Labour Requirement                                    | Competing Industries                                   |
|       | <u>1,297</u>  | Available Labour Force                                      |  |
| minus | 1,864         | Total Seafood Processing Employment                         | (Annual Average)                                       |
|       | <b>-567</b>   | Shortage of workers ( Annual Average)                       | (assuming all 1,297 people work at a seafood plant)    |
|       | <b>-1,158</b> | The shortage of Workers becomes more acute when considering | the workers required during the peak processing period |

**Without intervention this labour market tightness will persist to 2030 and beyond!**

Total Labour Market Tightness - Table 1

| Labour Market Tightness Rating | 2017       | 2018      | 2019      | 2020       | Avg 2021-2025 | Avg 2026-2030 |
|--------------------------------|------------|-----------|-----------|------------|---------------|---------------|
| Total                          | 3<br>-567  | 3<br>-355 | 3<br>-374 | 3<br>-485  | 3<br>-508     | 3<br>-863     |
| Total Peak                     | 3<br>-1158 | 3<br>-893 | 3<br>-899 | 3<br>-1036 | 3<br>-1022    | 3<br>-1422    |

- 1 = Seafood processing employment demand is less than 50% of regional labour force at annual average employment levels
- 2 = Seafood processing employment demand is between 50 and 100% of regional labour force at annual average employment levels
- 3 = Seafood processing employment demand is greater than 100% of regional labour force at annual average employment level

# What Does This Mean?

- 62% of those available to work (general public) will not apply to jobs offered by seafood processing plants. This increases the shortage of workers to: 1,371 (annual average) and 1,962 (peak).
- All workers needed to cover the shortage currently do not exist in the Clare Region.
- Vacancies will need to be filled by migration either domestically or internationally.
- The extra workers needed for the peak period equals 2.6% of the region's total labour force.

Download Regional Reports  
Check out the labour tightness in your community



NB: Caraquet | Kent-Westmoreland | St. John & Islands



NS: Clare | Lunenburg | Richmond | Pictou |



PE: Prince County | Kings County



NL: Cornerbrook | Old Perlican | Burin

# Who Can Do What?

Worker Supply Issues | Suggestions for governments, employers, educational institutions and communities

Labour supply issues are real. In many communities, there is simply not a sufficient supply of workers to meet the labour demands of the seafood and fish processing industry. That is why governments, educational institutions and community leaders, in collaboration with industry, need to make progress by:



## Implementing creative approaches to recruitment

Partnering is key when looking at retention and recruitment. Creative approaches to transportation, childcare and accommodation can be implemented through partnerships with community groups, agencies and businesses. There are many good examples of community-based approaches to integrating new/returning people into the workforce, (people with disabilities, newcomers, youth, social assistance recipients, vulnerable populations, etc.)



## Addressing supply issues

Supply issues are real (see Clare Region example). There are not enough people in many communities to meet the peak season demand for workers. However, there may be an opportunity to build more resilient rural communities through peak seasonal employment (e.g., fish plant employment) combined with other community development initiatives facilitated by government (involving other sectors and including job sharing; micro-business incubation; co-investment, and volunteering/community engagement)



## Reviewing EI Systems and Immigration Policies

- EI system changes are needed to encourage employment in food processing and to offset shortages
- Immigration policy that goes beyond allowing for “temporary” foreign workers, towards better supporting an increased number of permanent residents in rural communities



# Who Can DO WHAT?

Recruitment and Retention | Retention is the responsibility of employers who must continue to work in partnership with community members to address:



## Shortages/working environment:

There is a vicious cycle of challenges that occurs when working conditions are exacerbated by labour shortages, which contribute to turnover and result in more labour shortages. For example, long hours are often required because of labour shortages, but workers often quit because of long hours (or can't be recruited in the first place), which puts even more pressure on the remaining workers....and the cycle continues.



## Wages

There is still a question as to the impact wage increases have on recruitment as this approach hasn't been systematically tested. Anecdotally, employers say increased wages have not resulted in decreasing turnover or helping with recruitment as they simply end up paying more for the same people when the supply is limited. And while performance bonuses can be attractive for some qualifying employees (high performers/experienced), they can be a deterrent for those starting out.



## Increased flexibility

There is now a need for employees with diverse needs/preferences. The workforce is more diverse and as a result, needs and preferences differ considerably. Some want longer hours and long seasons, others want shorter hours and shorter seasons. In a tight market, employers need to adjust and accommodate.

# Progress is being made....

Large and small processors are investing in technology and infrastructure to improve productivity, expand value-added products and lengthen the processing season. While these positive measures are not without their challenges, progress is being made.



## Benefits

- Decreasing number of workers on certain production lines in order to move them to fill other vacancies
- Developing new, innovative products that contribute to new markets, revenue, sustainability of company

## Benefits & Challenges



## Challenges

- Cost-benefit ratio for investment in technology within a seasonal context
- Adapting internationally-developed technology to the Atlantic Canadian context and species
- Finding enough employees willing to work for an extended season
- Competitors outside Canada are bringing in large numbers of labourers, for example **62.8%** of the US Seafood processing workforce is foreign workers while in Atlantic Canada it is **8.7%** (7% TFW, 1.7% new immigrants and refugees)

# And Innovative Solutions Are Being Found....

Despite the seasonal nature of the work, fish and seafood processors are designing and implementing initiatives to better attract and retain workers. Here are some examples:

## Indigenous communities

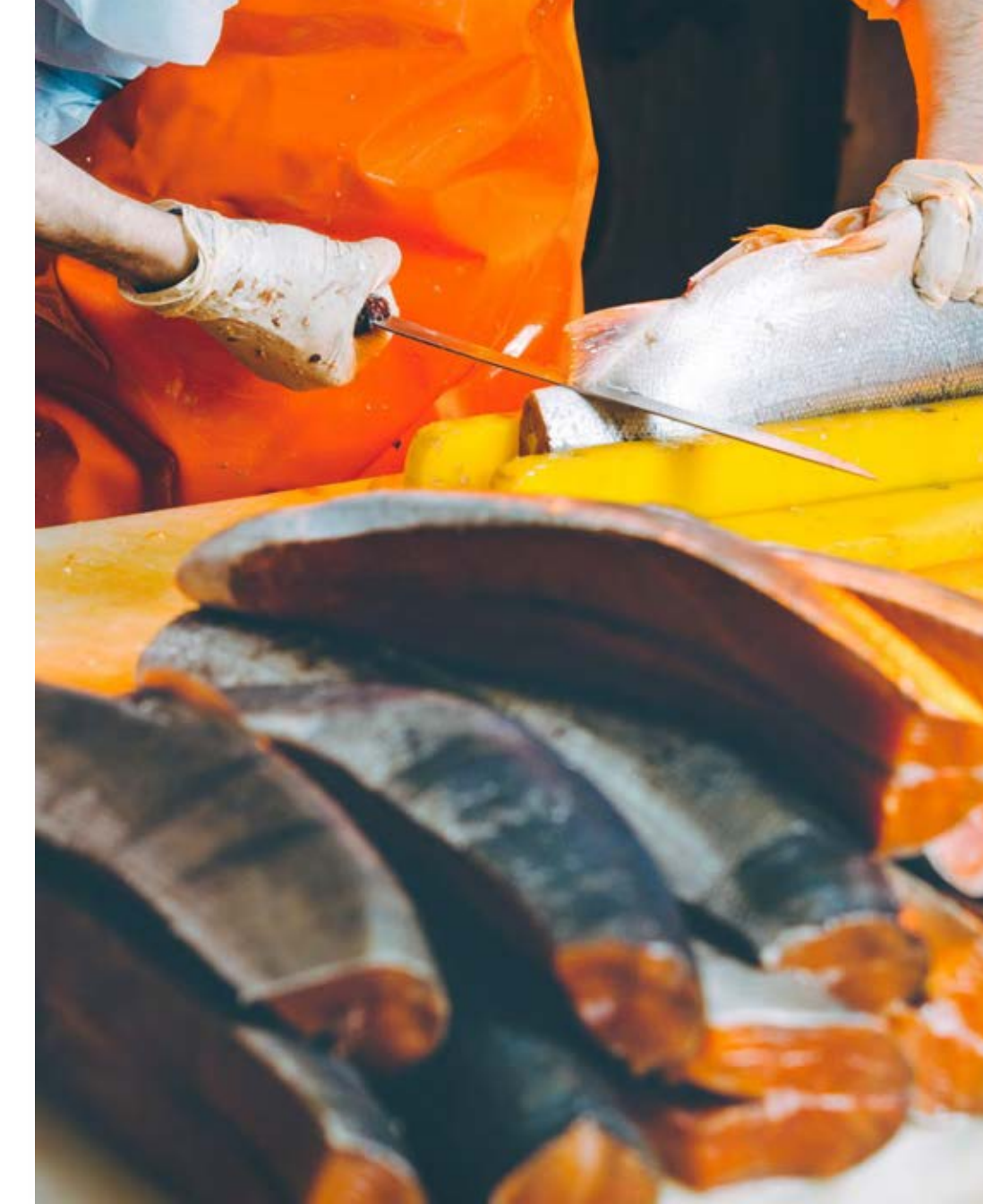
- Growing partnerships between non-Indigenous processors and harvesters and Indigenous community leaders: Greater participation by Indigenous peoples in processing and harvesting industries include the development of Indigenous-owned and operated processing facilities
- In Northern New Brunswick (Baie Chaleur), an Indigenous owned and operated crab processing plant is undergoing increased expansion. Approximately one quarter of their current staff is Indigenous.
- In Nova Scotia, one plant is working with the local Indigenous communities to provide employment to community members. Approximately one-third of their current staff is Indigenous.

## Recruiting youth

- Team Seafood is a government/industry partnership launched in 2016 to expand the workforce in rural communities during the summer school break period. Students receive training, transportation, full-time work and post-secondary bursaries.

## Temporary foreign workers program (TFWP)

- Approximately 22% of employers used the TFWP to fill 7% of industry positions in 2017. Many have introduced measures to integrate TFWs into their workforce and welcome them into their communities by providing housing/transportation and assistance in becoming permanent residents.



# In Closing



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## The future can be promising...

Technological advancements, innovative product development and a projected rise in global consumer demand for high-quality food, see the fish and seafood processing industry poised for significant growth in production and export over the next decade.

## But urgent action is needed

In order to seize these economic opportunities and help reach the government's export goals for 2027\*, inspired policy and program solutions to some complex and stubborn labour and skills shortage problems are needed. This FPSC study is designed to shine the light on the nature and extent of those challenges in an effort to support the collaborative industry and government action needed to address them.

\*"What We Heard - Barton Forward: Optimizing Growth in the Canadian Agri-food Sector", Canadian Agriculture Policy Institute, June 2018.

# LMI Report Series

## November 2018

**Final Report** | “Where are the workers? The most comprehensive report to date on the labour supply & best practices situation of the Canadian Fish and Seafood Processing Sector”

**12 Regional Reports** | Spotlight on the Regions - A detailed look at the labour supply and demand in 12 regions across Atlantic Canada.

**Employers Workforce Census Style Survey Report** | Fish and Seafood Processors speak about demand of workers, wages, recruitment, retention and training by processing type and occupation.

**Best Practices Report** | Best Practices from the Industry - A look at Human Resource strategies in the Fish and Seafood processing sector in Atlantic Canada, with a focus on recruitment and retention of indigenous and immigrant labour pools.

**Career Perceptions Survey Report** | Would Canadians, youth, immigrants, unemployed and indigenous individuals consider working for the fish and seafood processing sector?

**Forecasting Reports** | What is waiting ahead? Outlook of jobs and supply of workers for the fish and seafood sector until 2030.

**Career Reports** | Climbing the Ladder - Understanding Career Paths in Fish and Seafood Processing Plants

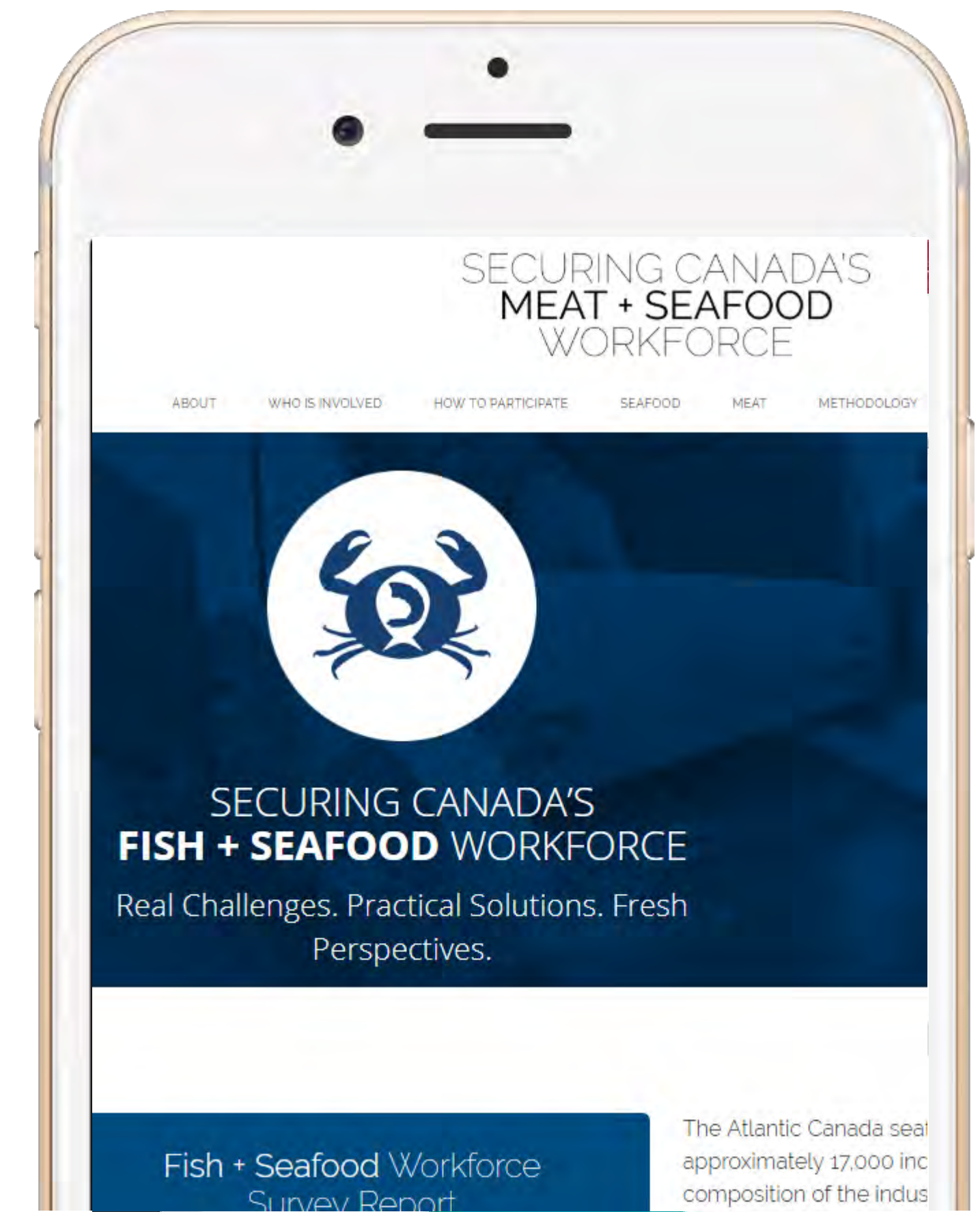
**Technology Report** | Factors impacting the adoption of technology by Atlantic Canada Seafood Processing Industry and Lessons Learned from Europe and the USA

## Dashboard

[Search](#) | [Compare](#) | [Sort](#)

LMI data that matters to **YOU**.  
At the click of a button view graphs, charts, maps and more!

Coming soon to:  
[fpsc.agrifoodscanada.com](https://fpsc.agrifoodscanada.com)





# National Industry Advisory Committee

Food Processing Skills Canada would like to thank the following organizations for their insight, professional experience and participation in helping further the success of Canada's Food and Beverage Manufacturing sector

## INDUSTRY MEMBERS

- Cape Bald Packers Ltd - NB
- Connors Bros. Clover Leaf Seafoods Company - NB
- Quin-Sea Fisheries (Royal Greenland A/S) - NL
- Victoria Co-operative Fisheries Limited - NS
- Sea Star Seafoods - NS
- Ocean Choice International - NL
- Acadian Supreme Inc. - PE
- Beach Point Processing Company - PE

## UNION MEMBERS

- United Food and Commercial Workers Canada- ON

## PARTNER ASSOCIATIONS

- Fisheries and Marine Institute of Memorial University - NL
- Lobster Processors of New Brunswick and Nova Scotia - NS
- Nova Scotia Fisheries Sector Council - NS

## GOVERNMENT OBSERVERS

- Employment & Social Development Canada, Sectoral Initiatives Program - HQ
- Employment & Social Development Canada, Temporary Foreign Workers Program - HQ
- Immigration, Refugees and Citizenship Canada - HQ

# We Want to Hear From You

- This brief is just a sampling of the rich and up-to-date information contained in our new labour market information study - a study that we hope will inform government policy and programs, now and into the future.
- The FPSC would be delighted to brief you and your organization on any aspect of our study.
- We can customize our materials to support any type of discussion or briefing that requires detailed data analysis on issues of particular concern to you.



# FPSC-CTAC

## Who are we

Food Processing Skills Canada (FPSC) formerly known as the Food Processing Human Resources Council (FPHRC) is Canada's innovative solution to assist food and beverage manufacturers with the "skills and learning" side of their business. From understanding the people who make up this great industry, to the development of industry based training and competency standards, our goal is to have the most skilled and diverse workforce in the world!

FPSC is a recognized global leader in skills development, work-based certification, labour market research, and food safety training. Our state of the art programs and funding initiatives directly supports the advancement of industry, resulting in an exceptionally strong Canadian workforce.

As a well-integrated member of Canada's food processing community, our not-for-profit Council collaborates with government, provincial associations, community colleges, workplace programs and industry specialists to educate and support the overall growth of the sector.



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