

# HQP23

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# LATAM

## Present and future of the labor market in the swine industry

Victor Ochoa

# Agenda

- Demographics
- Labor Market
- Challenges & Opportunities
- How to Prepare



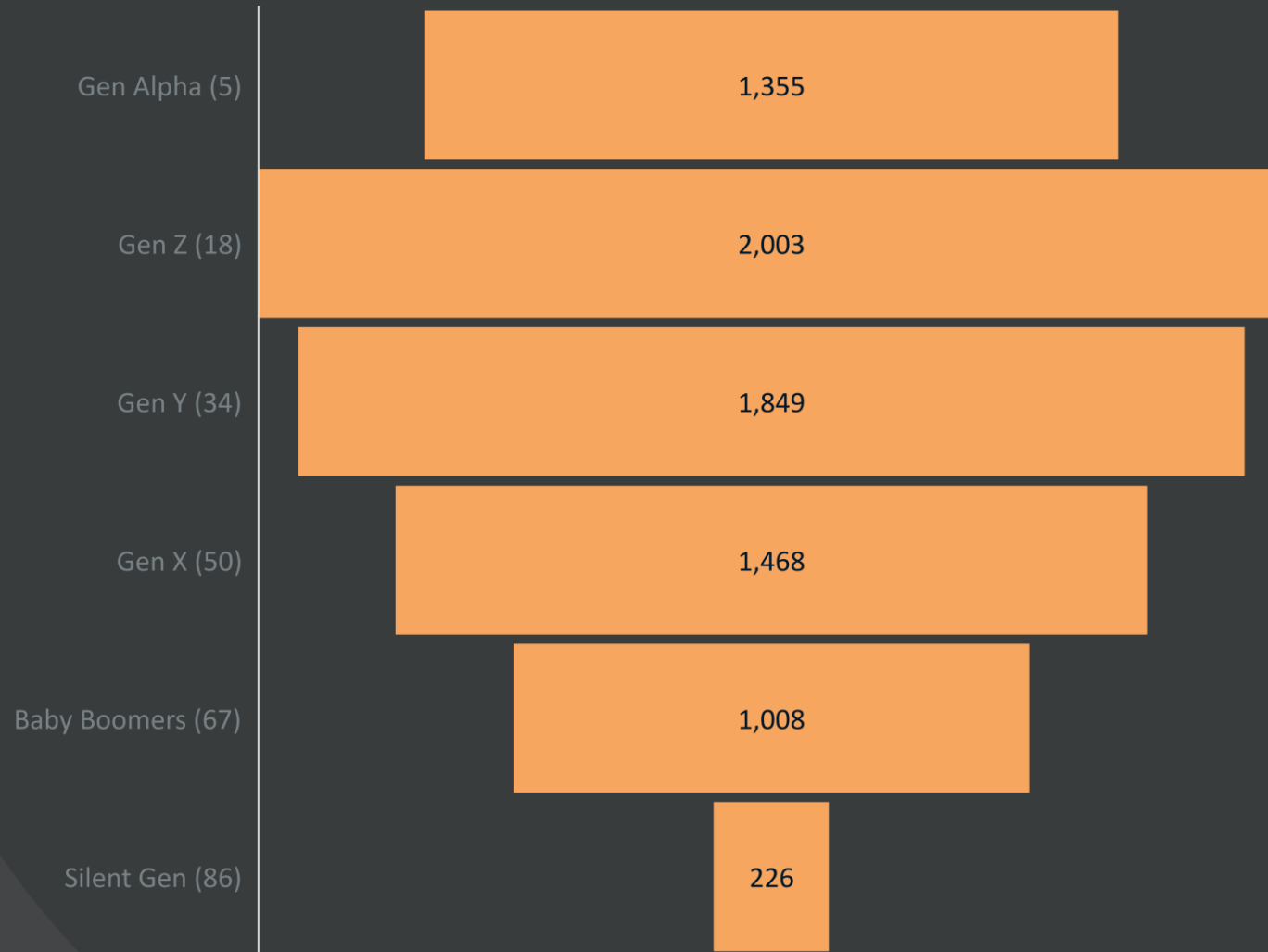
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# Demographic S

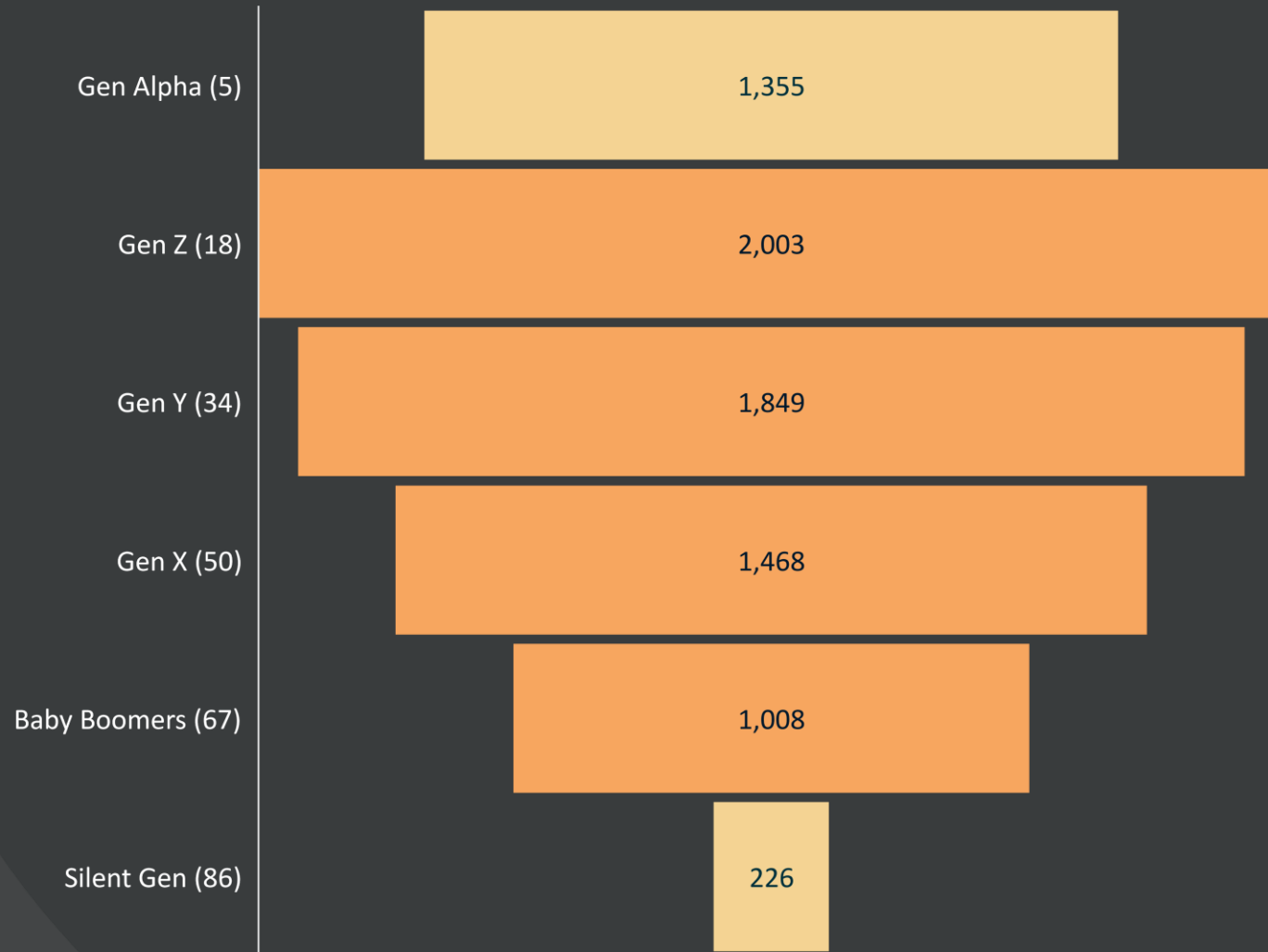
“(Birthrate) might be the single biggest threat to the future of human civilization.”



Global Population by Age (Millions)



### Global Population by Age (Millions)



# Baby Boomers 1946-1964

- Largest Generation
- Long careers, avg. 20 years
- Delayed retirement
- Hard work
- Direct communication

**25%** Work force

**+67** Average Age



13% Population

59-77 Age range

# Generation X 1965-1980

- Entrepreneurs
- Long careers
- High income
- Leadership roles
- Direct communication
- Had to adapt to internet
- Independent

**33%** Work force

**+50** Average Age



19% Population

43-58 Age range



# Generation Y 1981-1996

- “Millennials”
- Ambitious
- High income
- Work smarter, not harder
- Work-Life Balance
- Meaning and purpose
- Need positive feedback
- Tech-savvy

**35%** Work force

**+33** Average Age



23% Population

27-42 Age range

# Generation Z 1997-2012

- The future worker
- Mental Health
- Work flexibility
- Digital natives
- +4 hours/day social media
- Remote workers

**5%** Work force

**+18** Average Age



25% Population

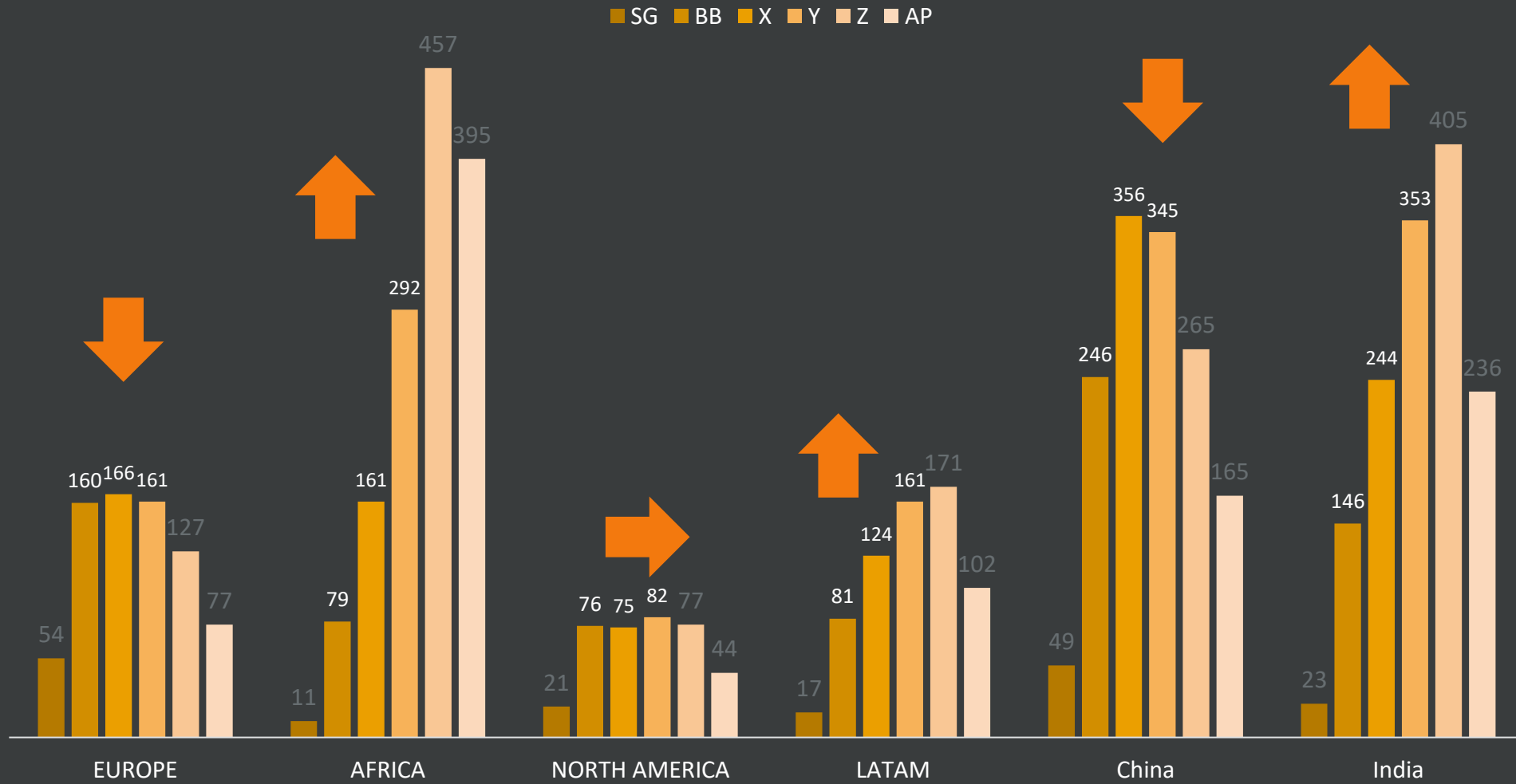
11-26 Age range

# Demographics

Most important driver of the economy

GDP per capita = Production / Population



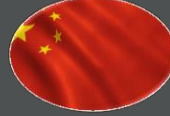




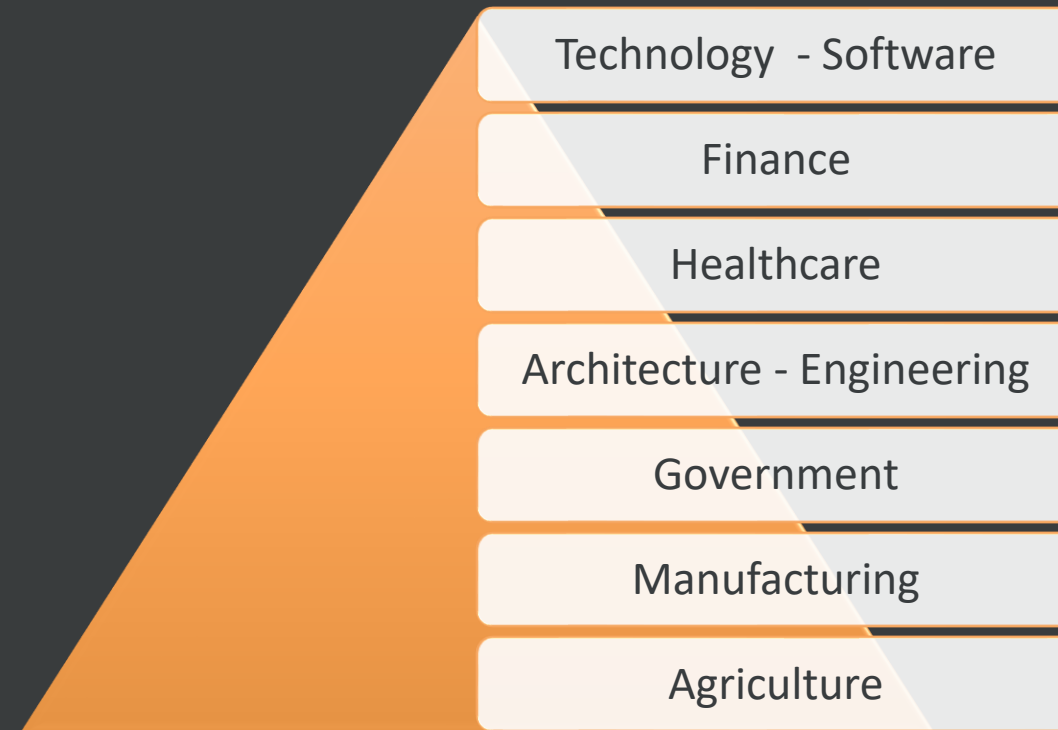
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# Labor Market & The Swine Industry

# Labor Market

|                         |  |  |  |
|-------------------------|---|---|---|
| Labor Force             | 58,701  | 169,229   | 781,831   |
| Unemployment            | 2.67%   | 3.5%  | 5.3%  |
| Job Vacancies Thousands | 1,600*  | 9,289   | 43,800*   |
| Unemployed Persons      | 1,597   | 5,957   | 41,437*   |
| Difference              | +003  | +3,332  | +2,363  |
| GDP/Capita USD          | \$9,755   | \$64,703  | \$11,560  |
| Labor Cost USD/Hour     | \$3.9   | \$28.96   | \$5.28  |
| Homicides Per 100K      | 28  | 7   | 1*  |

# What jobs to they want?



# Swine Industry



Demanding Job



Purpose



Biosecurity



No Flexible hours



Remote Locations



Lower pay





# Challenges

- “The great retirement”
- No workers
- Younger generations abandoning agriculture
- High competition for workers
- High turnover
- Foreign workforce
- Low pork prices
- High production cost
- Political division
- Russia and China

## Opportunities

- Easy to find a jobs and good salaries



# Opportunities

- Low cost of labor
- Skilled workers
- Healthy demographics
- Location
- Not many jobs
- Increased purchasing power
- Increased consumption (122-129 mill metric tons)
- Pork production will struggle in USA, Europe, China.

## Challenges

- Future competition for labor
- Safety
- Government Policies
- BRICS vs G7



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# Keynotes

Labor is the biggest threat for the swine industry in the United States...

...and it will be for Latin America.

# 3 things you can do?

# 1. Attract and keep talent

- Social media presence
- Purpose
- Take care of the people you already have



# 1. Attract and keep talent

- Social media presence
- Purpose
- Take care of the people you already have

Pork  
360



**Pork 360**

232 likes • 238 followers

Posts

About

Photos

Videos

## Intro

Pork 360 is a pork producing facility that cares deeply for the employees, their families and our

## 2. Asses your benefit package

- Flexible employment
- Holidays
- Salaries
- Policies

# Evolution of the benefits package

What today's workers want

### 18-24YRS

Housing help  
& mental  
health care



### 25-34YRS

Holiday,  
holiday,  
holiday



### 35-44YRS

Health care  
& holidays



### 45-54YRS

Flexibile hours  
& clothing  
allowance



### 55+YRS

Leisure discounts  
& dental care





# 3. Use Technology

- Use new technology
- Become more efficient



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# Thank you!

Victor Ochoa