



2023

# STATE OF THE INDUSTRY REPORT



SUCCEEDING IN THE YEAR AHEAD IS GOING TO TAKE CREATIVITY, DETERMINATION AND GRIT. THE GOOD NEWS? LANDSCAPE PROFESSIONALS HAVE ALL OF THESE TRAITS IN SPADES.



## 2023 STATE OF THE INDUSTRY REPORT

BY KALI PEARSON

**A**s we head into 2024, one thing is for sure: landscape and horticulture professionals are facing a challenging and uncertain year. The surge of COVID-19 spending is over, high inflation has elevated the cost of everything from fuel to philodendrons, and for many, finding great employees feels tougher than ever. But even with all that in mind, the majority of respondents to our annual State of the Industry survey remain optimistic. They are coming up with creative solutions to find skilled workers, drum up business and keep costs under control. They are excited about what's next for their businesses — and the

profession as a whole — as the trades continue to gain credibility, and landscape and horticultural professionals become leaders in addressing and mitigating issues caused by climate change.

For the third year running, *Landscape Trades* reached out to readers from coast to coast to get a pulse on the challenges and opportunities for the year ahead, and we're incredibly grateful to everyone who took time to share their perspectives, experiences and thoughts. With that in mind, we invite you to grab a coffee, settle down and dig into the State of the Industry, directly from the best source of information: you and your peers.

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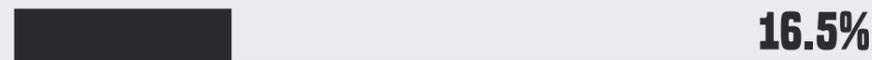
## WHAT WERE THE BIGGEST CHALLENGES YOUR BUSINESS FACED IN 2023?

While every landscape pro has their own unique challenges, we saw that inflation is affecting the majority of business owners. Many respondents cited upward pressure on the cost of materials, fuel, equipment and labour as their biggest challenge. Recruiting and retaining staff came in second place, with well over half saying it was a top challenge in 2023. The high cost of taxes, insurance and time lags due to supply chain issues also continued to be an issue for many.

### RECRUITING/RETAINING STAFF



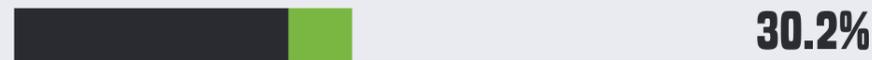
### SOURCING MATERIALS OR EQUIPMENT



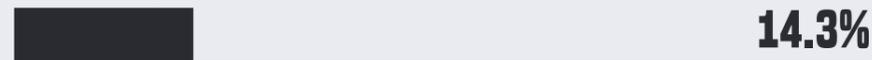
### SALES (LACK OF CUSTOMER DEMAND)



### LOWER PRICED COMPETITORS



### LEGISLATIVE/REGULATORY BURDEN



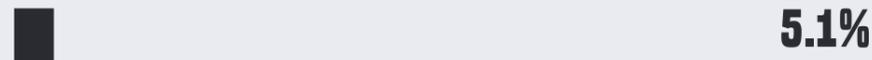
### INFLATION: RISING PRICES FOR MATERIALS, FUEL OR EQUIP.



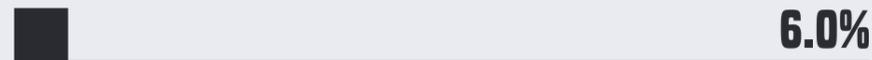
### INFLATION: RISING STAFF WAGES



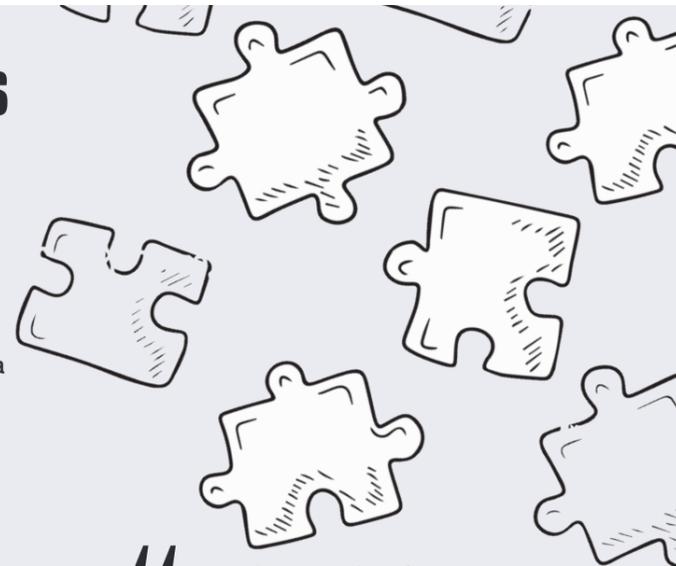
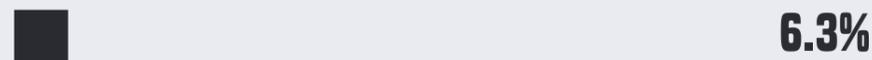
### I DID NOT EXPERIENCE ANY CHALLENGES THIS YEAR



### VEHICLE AND/OR EQUIPMENT THEFT



### OTHER



“ A correctional year after the boom of COVID-19 made it somewhat unpredictable.

Increasing prices and wages are being passed through to the clients who are feeling prices rise as well. People are becoming a bit more price sensitive with the talks of recession, but labour rates continue to climb.

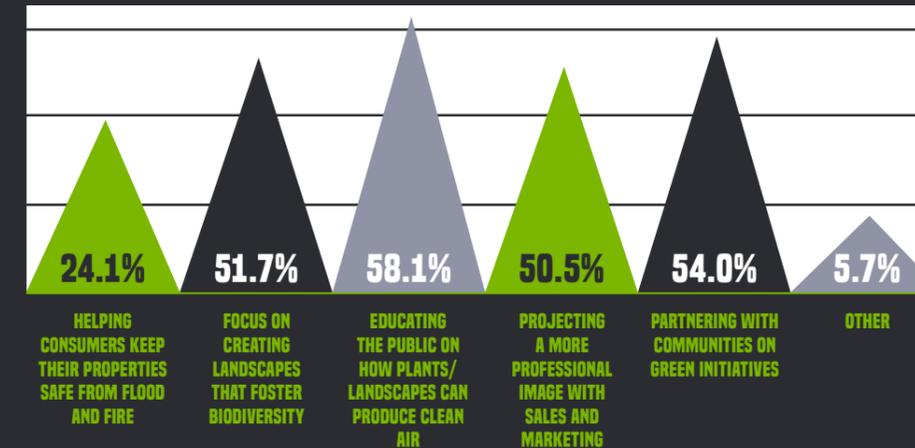
I'm currently trying to plan for paying my core staff the living wage for Ontario while working through the seasonality issue and figuring out how to raise my charge out pricing to make it happen.

Definitely recruitment to the industry. The inflation coupled with rising staff wages have cut into profits. We have tried to raise our prices but due to the economy/inflation, customers have been cutting back.



## WHAT DO YOU SEE AS THE BIGGEST AREAS OF OPPORTUNITY FOR IMPROVING PUBLIC PERCEPTION OF THE LANDSCAPE AND HORTICULTURAL PROFESSION?

The shift to sustainability is seen as a key driver in improving public perception of the landscape trades. Professionals also pointed toward the impact and opportunity of getting kids involved in gardening and working on community-based projects. And those are just a few examples of the many opportunities to be unlocked.



“ Getting kids interested in horticulture at a young age. Also getting parents on board with the viability of horticulture as a real profession and promoting it through high schools and middle schools as part of the curriculum.

Teaching clients how to produce some food at home. Demonstrating that landscapes can be ornamental and productive.

Marketing to the public advising the difference between landscape professionals and 'Chuck with a truck.' Education, training, reliability, quality of work, customer service, etc. are valued.



## WHAT DO YOU SEE AS THE BIGGEST AREAS OF OPPORTUNITY FOR THE LANDSCAPE/HORTICULTURE INDUSTRY TO MAKE A DIFFERENCE IN THE WORLD?

Respondents overwhelmingly said addressing climate change is one of the top opportunities for landscape and horticulture pros — specifically, mitigating urban heat islands and leveraging the role of plants in creating cleaner air. But as we heard in the comments, there are many other exciting opportunities ahead for those wanting to make a difference.

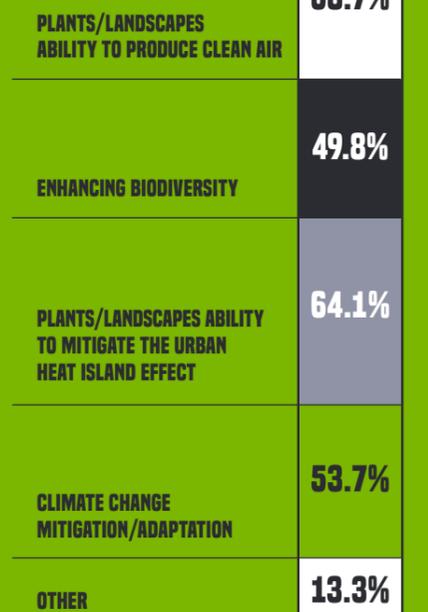
“ The ability to create a backyard oasis for homeowners. More people are choosing to stay closer to home and the ability to create their own escape right in the backyard is appealing to younger homeowners.

I think that people underestimate the feeling of working outside with nature, and how it helps with mental health.

Using landscaping to provide and support health and community benefits for communities, marginalized peoples and residents. Playing a part in reclaiming land for celebration of Indigenous and First Nations peoples.



“We provide beauty. This world needs more of that.”



# 5 TRENDS TO WATCH FOR 2024 (ACCORDING TO YOU!)

## GREEN TECHNOLOGY AND AUTOMATION

"Robotic mowers will become a much bigger asset as labour costs continue to rise. Battery-powered equipment in fleets means less engine repairs and more battery maintenance."

## BUILDING COMMUNITY

"Better practices. Fair wages. Healthy workplaces."  
"Pop-up gardening in underprivileged communities."

## CLIMATE-SAVVY LANDSCAPES

"The need for drought tolerant plants with the new climate trend of summer (and winter) droughts. Rethinking what plants will do well with new temperatures and drought."  
"Awareness of fire hazards and, of course, native plants."

## MADE IN THE SHADE

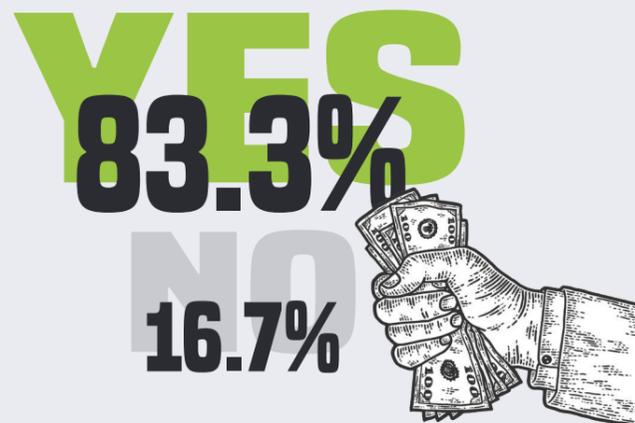
"Low maintenance installs and entertainment spaces vs. garden spaces."  
"Shade structures and faster growing plants to provide shade and privacy."  
"Outdoor spaces and really making a connection from inside the house to the exterior."

## UNIQUE AND RETRO DESIGNS

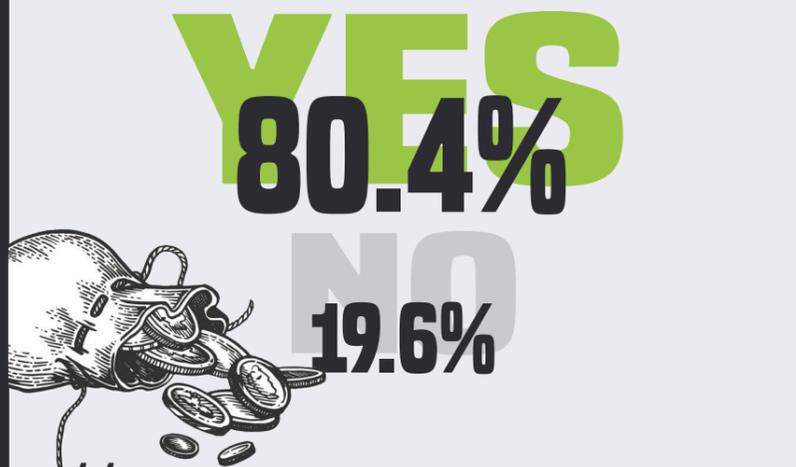
"All that is old is new again. I see landscape design going back to English cottage gardens, textured stone, natural-feeling pools, away from clean sleek lines to homey and warm."  
"Clients are incorporating their own personal style into their landscapes rather than copying what their neighbours are doing."

With insurance premiums rising and inflation increasing the cost of everything from labour to equipment, to plant material and fuel, an overwhelming 83.3 per cent of respondents said they raised their prices in 2023. And over 80 per cent expect they will be doing the same in 2024. But it's not just increased costs informing the decision to raise prices; it's also a drive to elevate the value of the work being done and invest in the future with training, tools and new technology.

## DID YOUR BUSINESS INCREASE ITS PRICES IN 2023?



## DO YOU EXPECT TO INCREASE PRICES IN 2024?



"We are constantly researching and reviewing what we believe the market can bear and adjust accordingly."

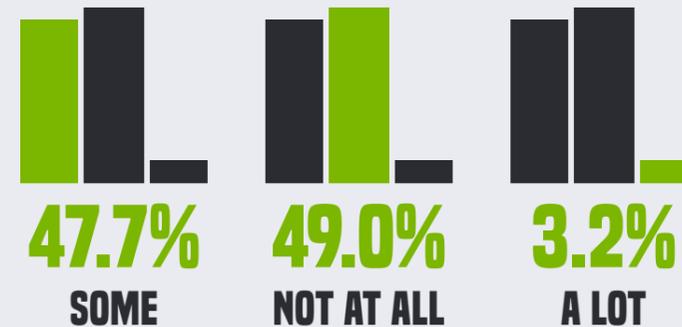
"Had to get better control of our numbers. Invested in estimating/budgeting software (LMN) which helps significantly."

"I did raise my rates this year due to an increase in gas prices and all supplies, really. I don't think I raised them enough so I may have to next year as well."

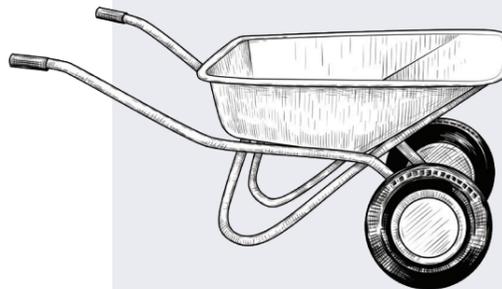
"We are a Living Wage Employer, and our prices need to reflect that."

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## DID YOUR COMPANY EXPERIENCE EQUIPMENT OR MATERIAL SHORTAGES IN 2023?



Data shows that equipment and material shortages are improving. That said, almost half of respondents reported they are still experiencing issues with availability as well as inflated prices.



"Difficulty sourcing new equipment that would be ready when I needed it. Long wait for parts to ship, which had equipment sitting for weeks that should have been in use."

"Most material suppliers are caught up. Equipment companies are out to lunch, extremely bad supply, very greedy in the costing dept. Trucks are almost 40K+ more than just three years ago, heavy equipment is over 15-20 per cent over-priced. These items alone are killing us."

"Some quality materials have been impacted by climate, flood and fire in other parts of Canada or the U.S. and even Europe, making the planning or garden design and seasonal arrangements more challenging."

"The material shortages experienced post-pandemic have leveled out. However, sourcing equipment and vehicles have continued to be a challenge for many companies."

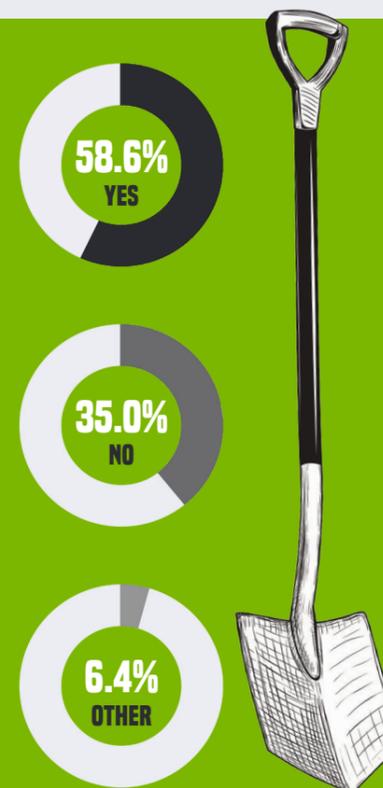
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## DO YOU BELIEVE LANDSCAPING IS BECOMING A MORE DESIRABLE CAREER PATH?

Landscapers are passionate about what they do — and the majority of respondents think there's reason to believe it's becoming a more desirable career option for the next generation.

People are becoming more and more aware of the impact of plants and thoughtfully designed green spaces on our planet and communities, and that's great news for the profession.

That said, many cited the long hours and physical demands as reasons why some might shy away from a career in the trades (or choose not to stick around for long). There's also lots of room for improvement to get more people into the business — from better pay to benefits that fit a more diverse workforce — to drive those numbers higher and higher.



"If you're an owner, you face many challenges including staffing, high wages, high cost of materials, lack of inventory of parts and high operating costs like insurance. But if you're an employee, there are so many aspects to landscaping, you can't lose in whatever path you take."

"All commercial properties must have professional landscape designs and installation in order to get building permits. Also homeowners want beautiful and functional yards. Working in the landscape industry is very rewarding, so more people will want to join this career path."

"I joined the industry just over five years ago and felt it was still a boy's club. Since then I've seen an increased number of women entering the trade. The industry has become more accepting of female employees and therefore more inviting for females to consider."

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## DID YOUR COMPANY EXPERIENCE LABOUR SHORTAGES IN 2023?



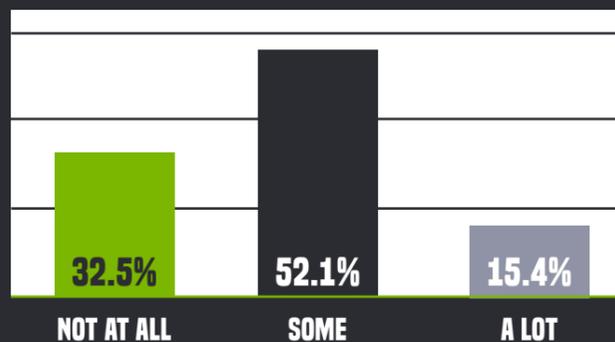
The labour shortage is real and no one is immune. While it's proving difficult to address, readers were able to share more about the wider context — as well as concrete ideas on how to improve the situation.

“ We did a lot of networking, hired students more than normal and started campaigns at the end of July to replace the students as they went back to college and university. When we hired new people we kept the students on until they had to leave for school. This showed that we care about our people.

Utilized a new apprentice hiring program that amassed and provided a pre-screened list of applicants to hire one first-year apprentice. Consistent refinement of job description and strategic use of short, three to five day ad bursts on the big job boards. Judicious use of temporary labour, first day realistic review with supervisor on each worker; when a good fit is found the provider is notified that the same worker should return the next day.

I'm a big proponent of education in this field and have found enthusiastic team members who are enrolled in the Apprenticeship and GROW programs through Landscape Ontario. I think I'm on the right path in really supporting growth this way and letting new employees know what's available and that I will help with their education in any way I can.

Bad management is most often the problem. Not the employees. I have a lineup of folks wanting to work for me. We take minimal dedicated breaks but more random ones as needed. And we have a great time!



## LOOKING AHEAD TO 2024, WHAT DO YOU EXPECT TO BE YOUR BIGGEST CHALLENGES?

Inflation also tops the list of challenges for the year ahead. At the same time, many anticipate business may slow down due to lower demand post-pandemic and competition from cut-rate competitors. Rising insurance costs, unpredictable weather patterns and a continued labour shortage are also anticipated to be major challenges for 2024.



“ I do not see the labour shortage changing anytime soon, although the apprenticeship programs look promising.

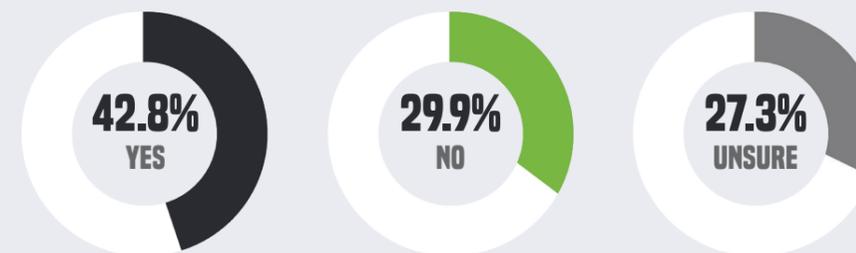
Weather related. Manitoba weather spring 2023 was insanely hot very early; hoping not to have that same spike in 2024.

The confidence felt in the recent past has disappeared. We now face a more unknown future and business does not like uncertainty. In turn, that uncertainty means running a more conservative business model, with less investment and less risk-taking in general.

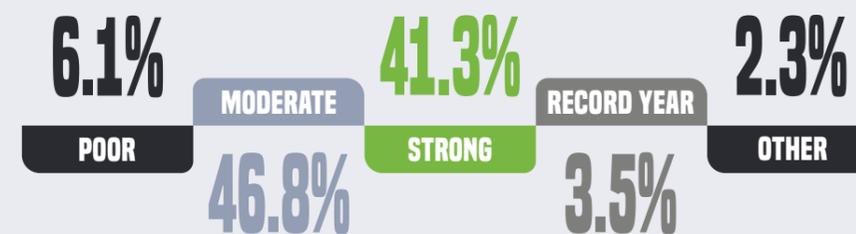
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While it's certainly not all sunshine and roses, the majority of respondents feel optimistic about the overall outlook for the year ahead. Many owners are continuing to invest in what they see as a bright future through staff, equipment and evolving business models.

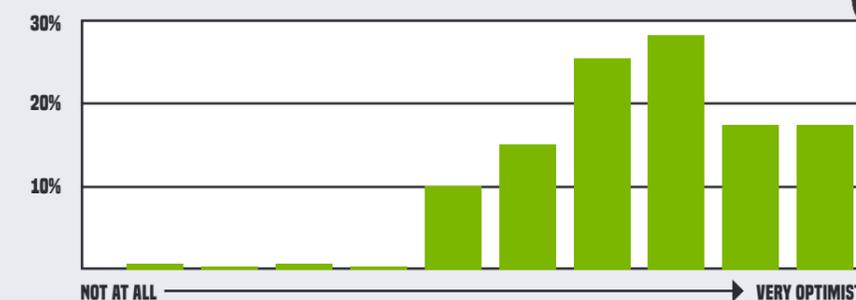
## DO YOU PLAN TO PURCHASE NEW EQUIPMENT IN 2024?



## HOW WOULD YOU RATE YOUR BUSINESS'S FINANCIAL PICTURE IN 2023?



## HOW OPTIMISTIC DO YOU FEEL ABOUT THE OVERALL OUTLOOK OF THE LANDSCAPE AND HORTICULTURAL PROFESSION?



“ I do believe that people want knowledgeable landscape maintenance workers and know what is needed in the ground and gardens.

I believe it's a growing and transforming industry with lots to be discovered. We're just getting started.

It has good momentum and will continue. Rich people are still spending.

Momentum from previous 'boom' years will continue to power the industry but in a more moderate fashion. Expansion and growth requires a confident economy where people and businesses know that good results are attainable without excessive downside.

The industry has made great strides over the decades I have been involved in it, but we still have a ways to go. We really need consistency. Even the simple things, like branding trucks, trailers, proper regulated uniforms and Red Seal trades, need to be offered in non-winter months as well as the winter months. Our industry does not all stop working in the winter.

