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SNAPSHOT OF THE TOURISM SECTOR LABOUR MARKET

ATALYST
RESEARCH GROUP

Provincial Report Series: British Columbia



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Tourism HR Canada supplies tourism stakeholders with the labour market intelligence they need to plan for and overcome their current and future human resource challenges.
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The word "Canada" in a serif font, with a small Canadian flag (red maple leaf) positioned above the letter 'a'.

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INTRODUCTION

BACKGROUND

Prior to the COVID-19 pandemic, tourism was a significant and growing source of employment across all regions of the province. The sector directly employed about one out of every eight British Columbians. However, employment declined sharply beginning in March 2020. As evidenced in recent surveys and confirmed in the daily news, the sector is now facing significant staff shortages as we emerge from the pandemic. Many employees left for other sectors or left the workforce altogether, and the sector has faced strong competition in attracting new workers.

There is continued uncertainty regarding future labour market demand and skills requirements for the sector. Requirements could vary widely depending on factors such as the potential waves of COVID-19, the continuing strength of pent-up demand for travel, on-going changes in the characteristics of markets, business practices and technology, environmental considerations, the labour market supply, among others. The sector must continue to be nimble and responsive to changing conditions. Given this dynamic situation, access to labour market intelligence and other sectoral supports have never been more important.

SERIES OF PROVINCIAL TOURISM LABOUR MARKET REPORTS

This report represents one of a series of reports prepared on the tourism labour market. The series includes a report for each province as well as a national report. This report, which focuses on British Columbia, is divided into three chapters which align with the following research questions:

1. **What is the current status of the tourism sector labour market?** Chapter 1 provides information on B.C.'s tourism sector total labor force and unemployment rates, demographics, attachment to the tourism workforce, and leading occupations.
2. **What impact did COVID-19 have on the tourism sector labour market?** Chapter 2 provides information on how the pandemic impacted employment by sector, employee characteristics, hours worked and wages.
3. **What is the outlook for the tourism sector labour market?** Chapter 3 provides projections regarding employment in B.C.'s tourism sector leading occupations.

The report draws on information from Statistics Canada's Labour Force Survey, from surveys and reports commissioned by Tourism HR Canada including employment projections developed by the Conference Board of Canada.

OVERVIEW OF THE B.C. TOURISM SECTOR

B.C.'s tourism sector consists of companies which provide accommodation, food and beverage services, recreation and entertainment, and transportation and travel services. This includes, for example, hotels, motels, bed and breakfasts, and resorts; restaurants, pubs, cafes, and lounges; arts and cultural facilities, sporting and recreation establishments, natural attractions and parks; air, water, and automotive transportation service and travel information and booking businesses.¹ The sector is known world-wide for providing access to renowned travel, recreational, cultural, and culinary experiences, from outdoor activities like whale watching, hiking, and skiing, to cultural venues like art galleries and museums, and fine dining and wine touring.

The sector is growing and dynamic, with areas such as adventure and Indigenous tourism becoming increasingly popular and adding to the sector's breadth of businesses and services that are major economic generators for the province. In 2020, the tourism sector generated \$7.1 billion in revenue and contributed nearly \$731 million in provincial taxes in 2020. In addition, tourism directly contributed \$2.4 billion to B.C.'s gross domestic product 2020.²

While most tourism industry jobs exist in the Lower Mainland, Vancouver Island and Thompson Okanagan regions, there are popular destinations, attractions, and activities in all regions of the province ranging from small mountain towns, parks and outdoor adventure activities found in the Kootenays, to the relaxed seaside villages and wild coastline of Vancouver Island, the lakes and vineyards of the Okanagan valley, and the temperate rainforests and abundant wildlife of the north coast and Haida Gwaii archipelago.³

¹ <https://www.workbc.ca/labour-market-industry/industry-and-sector-information/industry-and-sector-outlooks/tourism-and-hospitality.aspx>

² <https://www2.gov.bc.ca/gov/content/tourism-immigration/tourism-resources/tourism-research#:~:text=Over%2019%2C690%20tourism%20businesses%20operate,generated%20%247.1%20billion%20ii%20revenue>

³ <https://www.planetware.com/tourist-attractions-/british-columbia-cdn-bc-bc.htm>

This series of workforce profiles follows the Tourism Satellite Account's definition of the Tourism sector, in particular, the NAICs Codes that are used to define the accommodation industry. Those NAICs codes are:

- Accommodation:
 - 7211 Traveller accommodation
 - 7212 Recreational vehicle (RV) parks and recreational camps
- Food and Beverage Services:
 - 7224 Drinking places (alcoholic beverages)
 - 7225 Full-service restaurants and limited service eating places
- Recreation and Entertainment:
 - 5121 Motion picture and video exhibition
 - 7111 Performing arts companies
 - 7112 Spectator sports
 - 7115 Independent artists, writers and performers
 - 7121 Heritage institutions
 - 7131 Amusement parks and arcades
 - 7132 Gambling industries
 - 7139 Other amusement and recreation industries
- Transportation
 - 4811 Scheduled air transport
 - 4812 Non-scheduled air transport
 - 4821 Rail transportation
 - 4831 Deep sea, coastal and great lakes water transportation
 - 4832 Inland water transportation
 - 4851 Urban transit systems
 - 4852 Interurban and rural bus transportation
 - 4853 Taxi and limousine service
 - 4854 School and employee bus transportation
 - 4855 Charter bus industry
 - 4859 Other transit and ground passenger transportation
 - 4871 Scenic and sightseeing transportation – land
 - 4872 Scenic and sightseeing transportation – water
 - 4879 Scenic and sightseeing transportation – other
 - 5321 Automotive equipment rental and leasing
- Travel Services
 - 5615 Travel arrangement and reservation services



Note: Any business is assigned to only one NAICs code, corresponding to the industry classification from which it generates its greatest revenues. NAICs Codes can be found at the following link:
<https://www23.statcan.gc.ca/imdb/p3VD.pl?Function=getVD&TVD=380372>

1. CURRENT LABOUR MARKET

EMPLOYMENT AND UNEMPLOYMENT IN THE TOURISM SECTOR

B.C.'s tourism sector employed an average of 322,472 employees through the first nine months of 2022, of whom 44% were employed in food and beverage services, 31% in recreation and entertainment, 14% in transportation, 9% in accommodation and 3% in the travel services industry.

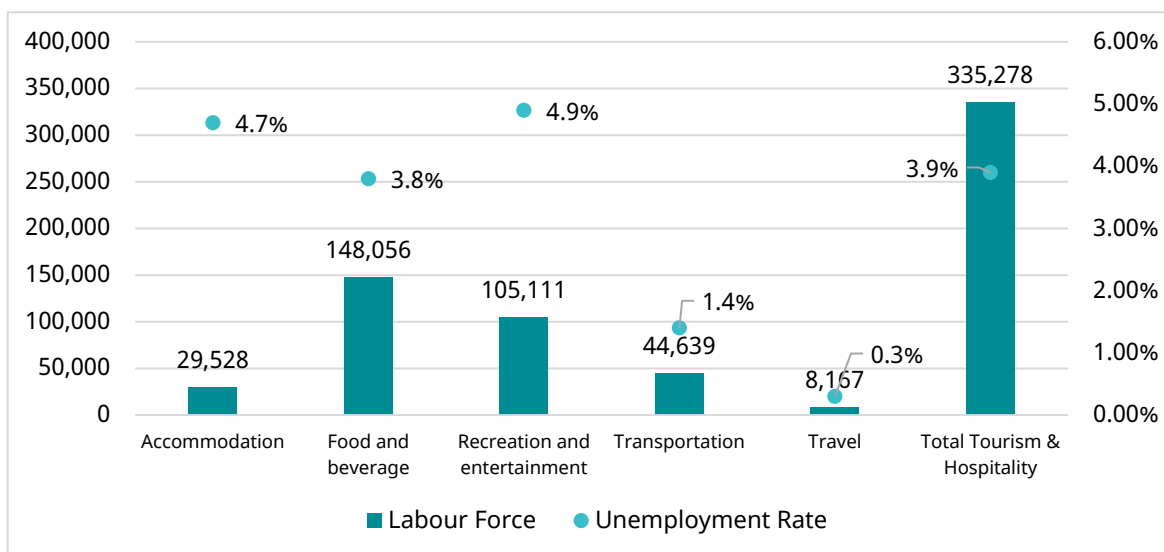
Table 1: Employment in the B.C. Tourism Industry and Sector, 2022

| Industry | British Columbia | |
|------------------------------|------------------|-------------|
| | # | % |
| Food and beverage | 142,361 | 44% |
| Recreation and entertainment | 99,833 | 31% |
| Transportation | 44,000 | 14% |
| Accommodation | 28,167 | 9% |
| Travel | 8,111 | 3% |
| Tourism Sector Total | 322,472 | 100% |

Source: Statistics Canada, Labour Force Survey (LFS) via Real Time Remote Access.

Including both employed and unemployed individuals (i.e., those whose most recent job was in tourism), the labor force for the tourism sector averaged 335,278 through the first nine months of 2022. Unemployment averaged 3.9%.

Figure 1: Total Labour Force and Unemployment Rate, B.C. Tourism by Industry and Sector, 2022



Source: Statistics Canada, Labour Force Survey via Real Time Remote Access.

* Note: Each of the tables and charts in this report uses shortened forms to refer to the Food and beverage services and the Travel services industry groups.

The B.C. tourism sector accounts for approximately 12% of the total employment in B.C., higher than the national tourism industry average of 10%.

Table 2: B.C. Tourism Sector vs Total Employment, 2022

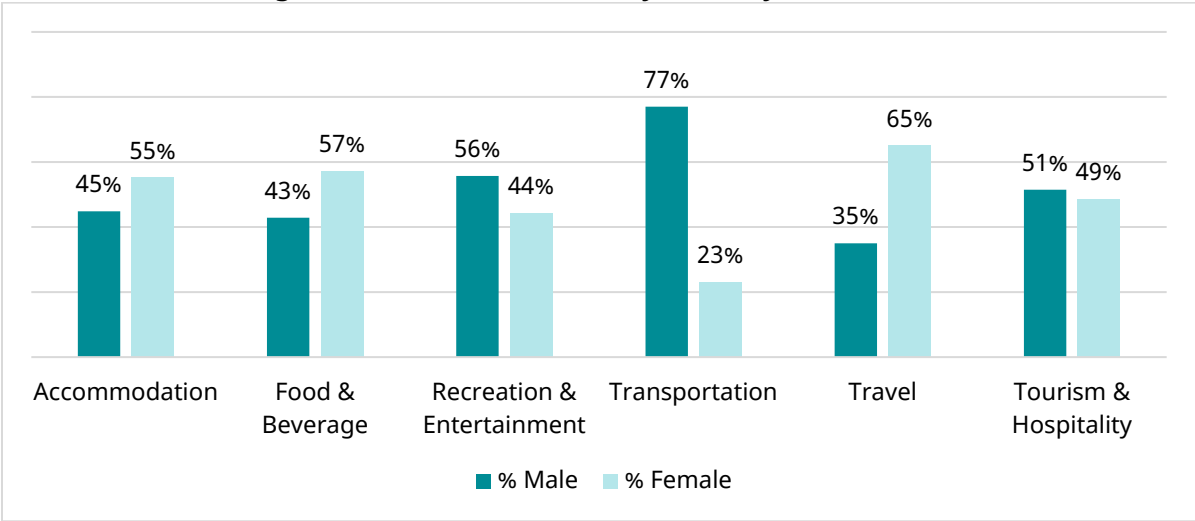
| Employment | British Columbia | Canada |
|---------------------------------------|------------------|------------|
| Tourism | 322,472 | 1,859,806 |
| Overall Employment | 2,737,444 | 19,523,917 |
| Percent Tourism of Overall Employment | 11.8% | 9.5% |

Source: Statistics Canada, Labour Force Survey via Real Time Remote Access.

DEMOGRAPHIC CHARACTERISTICS

The workforce is relatively evenly divided in terms of gender. The transportation industry has the highest concentration of male workers (77%) while the travel services industry has the highest concentration of female workers (65%).

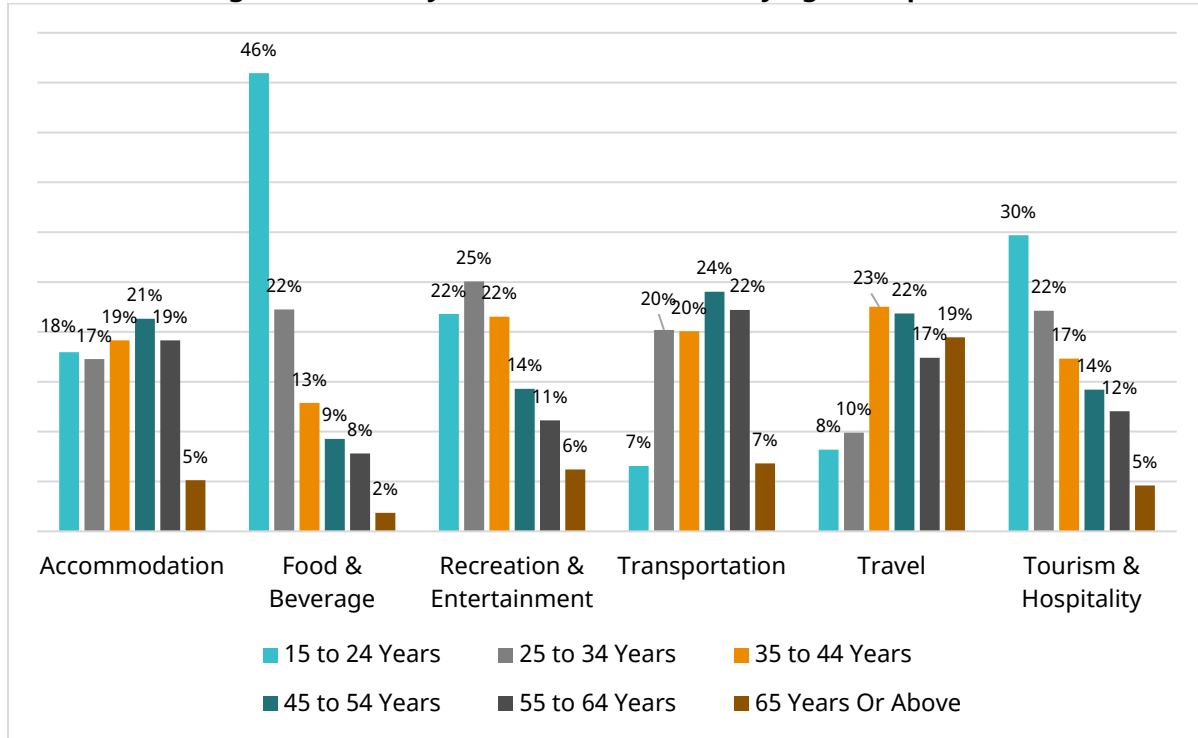
Figure 2: Workforce Gender by Industry and Sector, 2022



Source: Statistics Canada, Labour Force Survey via Real Time Remote Access.

The food and beverage services industry has the youngest workforce with 46% of its workers being between 15 and 24 years of age, while the travel services industry has the oldest with 36% of its workers being 55 years or older. Half of the workforce is under the age of 35.

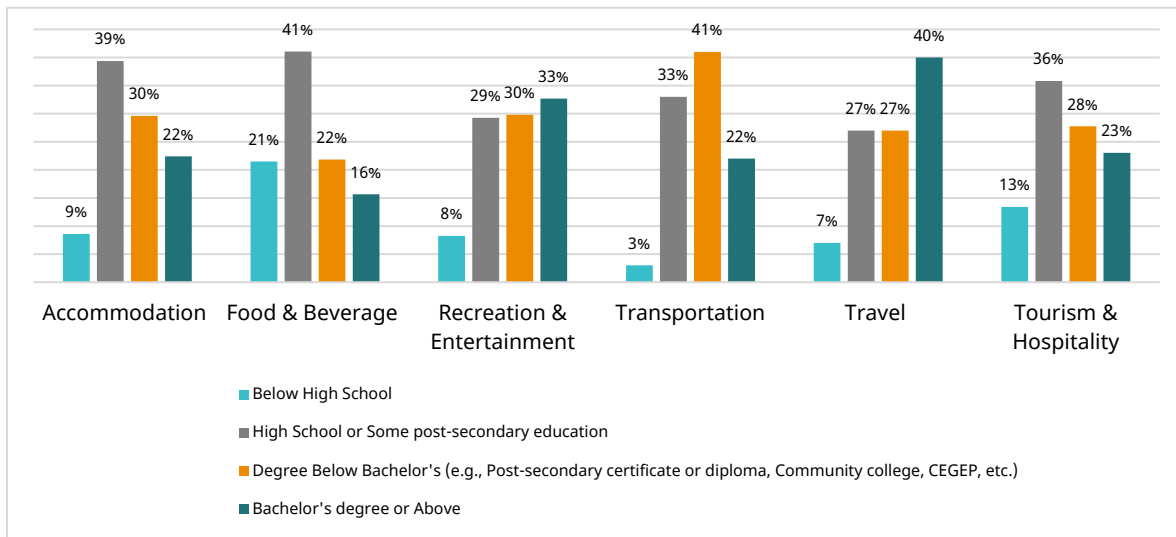
Figure 3: Industry and Sector Workforce by Age Groups, 2022



Source: Statistics Canada, Labour Force Survey via Real Time Remote Access.

Over half (51%) have a post-secondary secondary diploma or higher. The travel services industry has the highest percentage of workers with a post-secondary diploma or higher (67%).

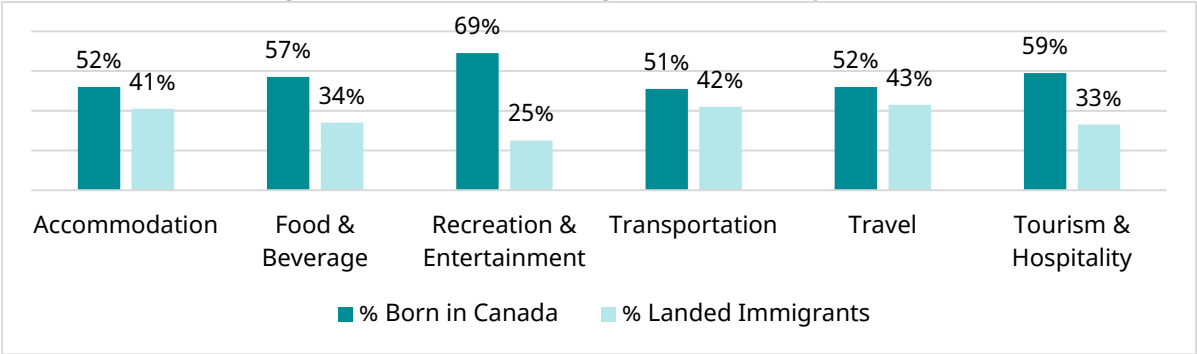
Figure 4: Workforce Education Level by Industry and Sector, 2022



Source: Statistics Canada, Labour Force Survey via Real Time Remote Access.

In 2022, 59% of the tourism sector workforce were born in Canada, whereas 33% were landed immigrants. The majority of the workforce who were born in Canada work in the recreation and entertainment industry while the majority of landed immigrants work in the travel services industry.

Figure 5: Workforce Immigration Status by Sector, 2022

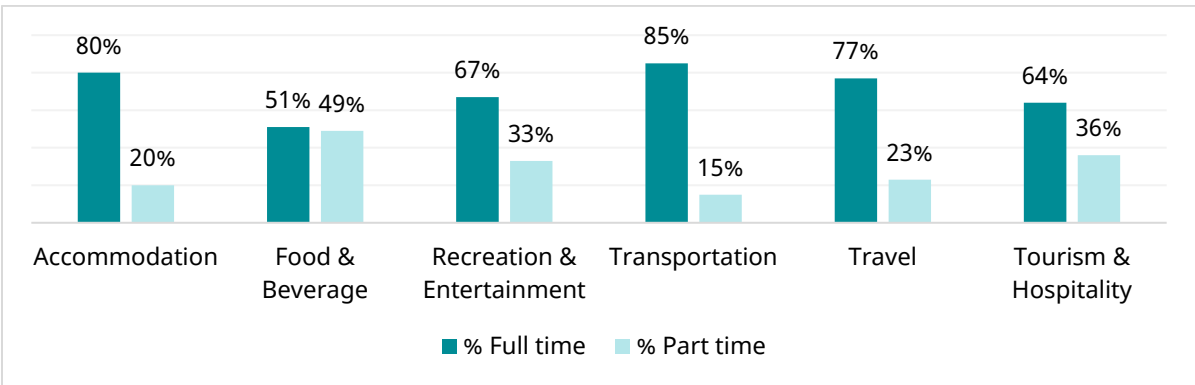


Source: THRC Employment Tracker, LFS Statistics Canada.

EMPLOYMENT STATUS AND WAGES

Approximately 64% of the provincial workforce is employed on a full-time basis and 36% is employed part-time. The transportation industry has the highest percentage of full-time workers (85%) while the food and beverage services industry has the highest percentage of part-time workers (49%).

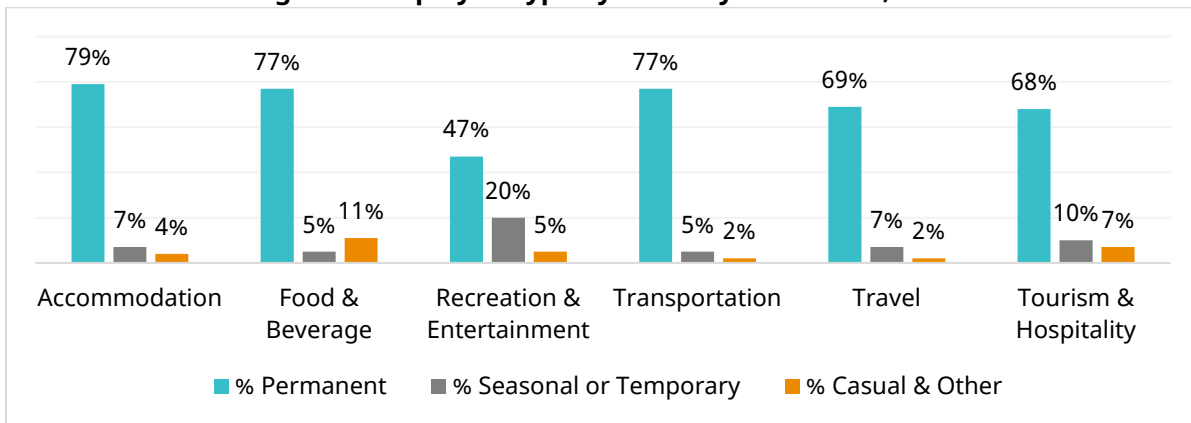
Figure 6: Job Status by Industry and Sector, 2022



Source: Statistics Canada, Labour Force Survey via Real Time Remote Access.

Permanent workers account for 68% of the workforce, while 17% are seasonal, temporary, or casual workers (the remaining 15% of the workers have an unknown status in the Labour Force Survey). The accommodation industry has the highest percentage of permanent employees (79%), whereas the recreation and entertainment industry have the highest percentage of seasonal employees and casual employees (25%).

Figure 7: Employee Type by Industry and Sector, 2022

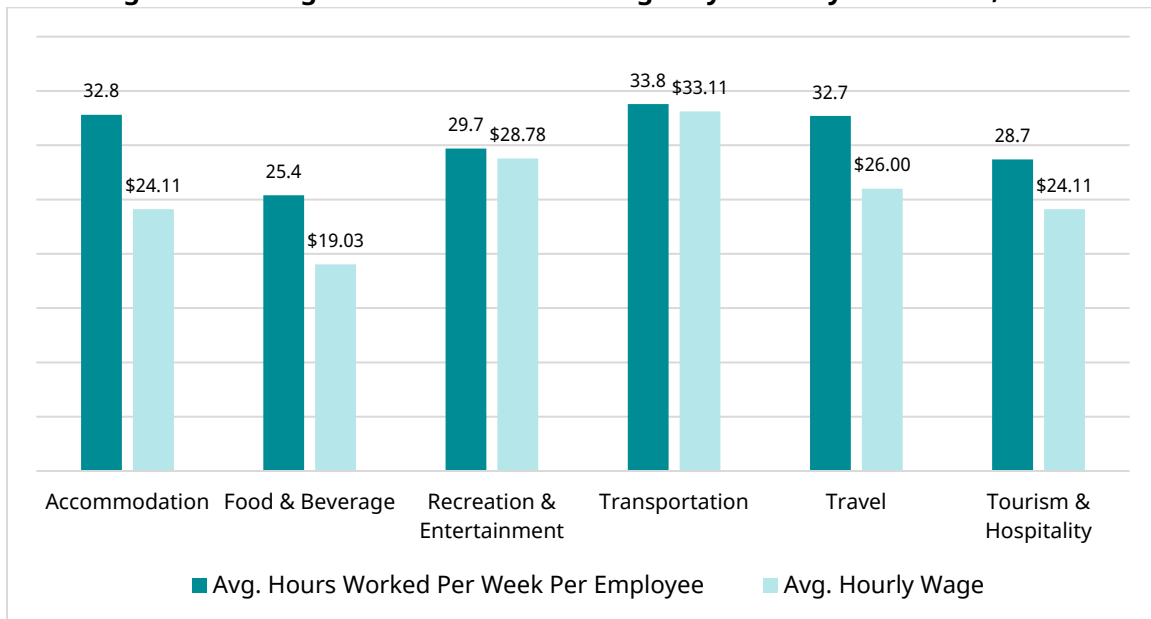


Source: Statistics Canada, Labour Force Survey via Real Time Remote Access.

*Note: The percentages in the table do not equal 100% because a portion of the employees' work status is unknown in the dataset.

The average wage rate is \$24 per hour and the average hours worked per week is 29. Employees in the transportation industry work the most hours per week (of 34 hours per employee) and are paid the highest average hourly wage (\$33 per hour).

Figure 8: Average Hours Worked and Wages by Industry and Sector, 2022



Source: Statistics Canada, Labour Force Survey via Real Time Remote Access. Note: Wage includes tips and commissions.

YEARS OF EXPERIENCE

On average, members of the B.C. tourism sector workforce have been employed in their current positions for seven years. In terms of sectors, the travel sector has the longest average length of employment of approximately 13 years, while food and beverage services industry has the shortest average length of employment of approximately 5 years.

Table 3: Tourism Industry and Sector Workforce Experience, 2022

| Years of Employment | Accommodation | | Food & Beverage Services | | Recreation & Entertainment | | Transportation | | Travel Services | Tourism | | |
|---------------------|------------------|-------------|--------------------------|-------------|----------------------------|-------------|-------------------|-------------|-------------------|------------------|----------------|-------------|
| | # | % | # | % | # | % | # | % | # | % | # | % |
| Less than 1 | 5,444 | 19% | 25,278 | 18% | 14,694 | 15% | 3,694 | 8% | 1,528 | 19% | 50,639 | 16% |
| 1 to 2 | 4,750 | 17% | 46,139 | 32% | 22,056 | 22% | 4,194 | 10% | 1,306 | 16% | 78,417 | 24% |
| 2 to 4 | 6,306 | 22% | 39,167 | 28% | 20,667 | 21% | 11,111 | 25% | 389 | 5% | 77,639 | 24% |
| 5 to 7 | 2,639 | 9% | 12,194 | 9% | 12,611 | 13% | 6,306 | 14% | 389 | 5% | 34,139 | 11% |
| 8 to 10 | 2,833 | 10% | 7,528 | 5% | 8,139 | 8% | 3,194 | 7% | 361 | 4% | 22,028 | 7% |
| 11 to 15 | 1,722 | 6% | 4,583 | 3% | 8,556 | 9% | 4,472 | 10% | 1,028 | 13% | 20,333 | 6% |
| 16 to 20 | 1,056 | 4% | 4,028 | 3% | 4,250 | 4% | 3,250 | 7% | 2,167 | 27% | 14,750 | 5% |
| Over 20 | 3,417 | 12% | 3,444 | 2% | 8,889 | 9% | 7,750 | 18% | 944 | 12% | 24,444 | 8% |
| Total | 28,167 | 100% | 142,361 | 100% | 99,861 | 100% | 44,000 | 100% | 8,111 | 100% | 322,472 | 100% |
| <i>Avg. Length</i> | <i>8.2 years</i> | | <i>4.7 years</i> | | <i>7.8 years</i> | | <i>11.0 years</i> | | <i>12.8 years</i> | <i>7.0 years</i> | | |

Source: Statistics Canada, Labour Force Survey via Real Time Remote Access.

LEADING OCCUPATIONS

Table 4 provides an overview of the leading occupations in various tourism industries in terms of common certifications or training/education requirements, the primary tourism industry in which those workers are employed, annual employment levels, and average wage rates. The transportation and accommodation industry account for the occupations that have the highest average experience levels.

Table 4: Leading Occupations in B.C.'s Tourism Industry Workforce, 2022

| NOC | Occupation | Certification/Training Requirements | Primary Sector | Employment | Avg. Hourly Wage | Avg. Years of Experience |
|------|--|--|----------------------------|------------|------------------|--------------------------|
| 6711 | Food counter attendants, kitchen helpers | <ul style="list-style-type: none"> On-the-job training | Food & Beverage services | 44,139 | \$16.90 | 3.3 |
| 6513 | Food and beverage servers | <ul style="list-style-type: none"> On the job training Responsible beverage service certification | Food & Beverage services | 26,750 | \$20.00 | 4.8 |
| 6322 | Cooks | <ul style="list-style-type: none"> Completion of a three-year apprenticeship program for cooks or completion of college or other program in cooking or food safety | Food & Beverage services | 19,361 | \$18.80 | 4.2 |
| 0631 | Restaurant and food service managers | <ul style="list-style-type: none"> Completion of a college or other program related to hospitality or food and beverage service management Several years of experience in the food service sector including supervisory experience Responsible beverage service certification | Food & Beverage services | 17,861 | \$28.00 | 9.0 |
| 5254 | Program leaders and instructors in recreation, sport and fitness | <ul style="list-style-type: none"> College program in recreation or physical education <ul style="list-style-type: none"> Extensive sport related training Coaching and refereeing certificates | Recreation & Entertainment | 14,639 | \$24.00 | 5.5 |
| 5131 | Producers, directors, choreographers | <ul style="list-style-type: none"> Related post-secondary degree or diploma Extensive practical experience and training | Recreation & Entertainment | 10,500 | \$39.00 | 7.3 |
| 6511 | Mâitres d'hôtel and hosts/hostesses | <ul style="list-style-type: none"> On the job training | Food & Beverage services | 10,194 | \$18.30 | 3.4 |
| 6611 | Cashiers | <ul style="list-style-type: none"> On-the-job training | Food & Beverage services | 9,278 | \$16.80 | 5.4 |
| 6321 | Chefs | <ul style="list-style-type: none"> Cook's trade certification or equivalent credentials, training and experience Chef's Red Seal Certification | Food & Beverage services | 9,167 | \$21.00 | 5.8 |

| NOC | Occupation | Certification/Training Requirements | Primary Sector | Employment | Avg. Hourly Wage | Avg. Years of Experience |
|------|---|--|----------------------------|------------|------------------|--------------------------|
| 6722 | Operators and attendants in amusement, recreation and sport | <ul style="list-style-type: none"> On-the-job training | Recreation & Entertainment | 8,667 | \$20.00 | 4.7 |
| 6311 | Food service supervisors | <ul style="list-style-type: none"> Completion of a community college program in food service administration, hotel and restaurant management or related discipline, or equivalent job experience | Food & Beverage services | 8,306 | \$19.40 | 5.5 |
| 7512 | Bus drivers, subway operators and other transit operators | <ul style="list-style-type: none"> Appropriate class driver's license Additional certifications such as First-Aid, Transportation of Dangerous Goods, and Air Brakes Endorsement | Transportation | 8,028 | \$30.00 | 8.5 |
| 6731 | Light duty cleaners | <ul style="list-style-type: none"> On-the-job training Certification for housekeeping room attendants or similar certification | Accommodation | 7,583 | \$21.00 | 7.8 |
| 7513 | Taxi and limousine drivers and chauffeurs | <ul style="list-style-type: none"> Appropriate class driver's license Additional certifications such as First-Aid, Transportation of Dangerous Goods, and Air Brakes Endorsement | Transportation | 7,167 | \$24.00 | 10.8 |
| 6512 | Bartenders | <ul style="list-style-type: none"> Responsible beverage service certification On-the-job training | Food & Beverage services | 5,833 | \$22.00 | 6.0 |
| 5241 | Graphic designers and illustrators | <ul style="list-style-type: none"> A university degree in visual arts with specialization in graphic design, commercial art, graphic communications or cartooning or completion of a college diploma program in graphic arts Experience or training in multimedia design at a post-secondary, college or technical institution | Recreation & Entertainment | 5,139 | \$40.00 | 5.4 |
| 0632 | Accommodation service managers | <ul style="list-style-type: none"> A university degree or college diploma in hotel management or other related discipline or equivalent job experience | Accommodation | 4,250 | \$36.00 | 11.5 |

| NOC | Occupation | Certification/Training Requirements | Primary Sector | Employment | Avg. Hourly Wage | Avg. Years of Experience |
|------|---|---|----------------|------------|------------------|--------------------------|
| 6525 | Hotel front desk clerks | <ul style="list-style-type: none"> Completion of a two-year apprenticeship program, or a college program in front desk operations or hotel management Guest services representative trade certification | Accommodation | 3,556 | \$19.50 | 6.4 |
| 6313 | Accommodation, travel, tourism and related services supervisors | <ul style="list-style-type: none"> Related post-secondary degree or diploma Extensive practical experience and training | Accommodation | 3,444 | \$27.00 | 12.1 |
| 0621 | Retail and wholesale trade managers | <ul style="list-style-type: none"> A university degree or college diploma in business administration or other field related to the product or service being sold or related retail or wholesale sales experience | Transportation | 2,417 | \$31.00 | 15.8 |

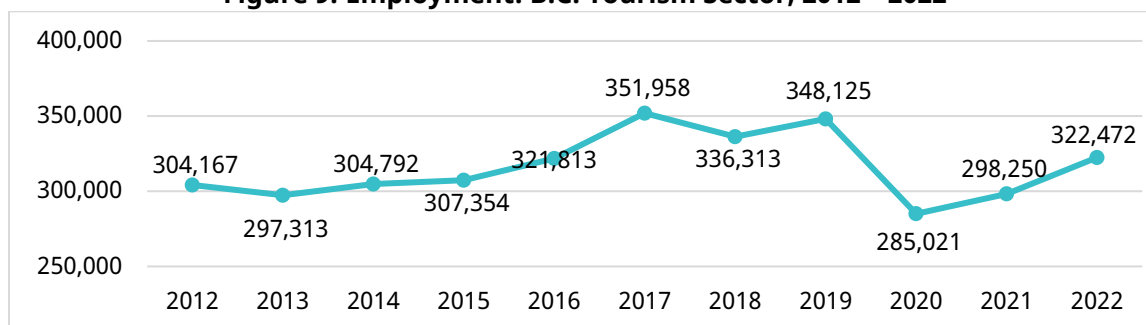
Source: Statistics Canada, Labour Force Survey via Real Time Remote Access.

2. IMPACT OF THE PANDEMIC

CHANGES IN THE LEVEL OF EMPLOYMENT

Prior to the pandemic, sector employment increased at an annual growth rate of 1.9% from 2012 to 2019, rising from an average of 304,000 employees per month in 2012 to 348,000 in 2019. However, employment declined sharply with the onset of COVID-19 in March 2020. So far in 2022, average monthly employment levels (322,472 employees per month) remain below pre-pandemic levels.

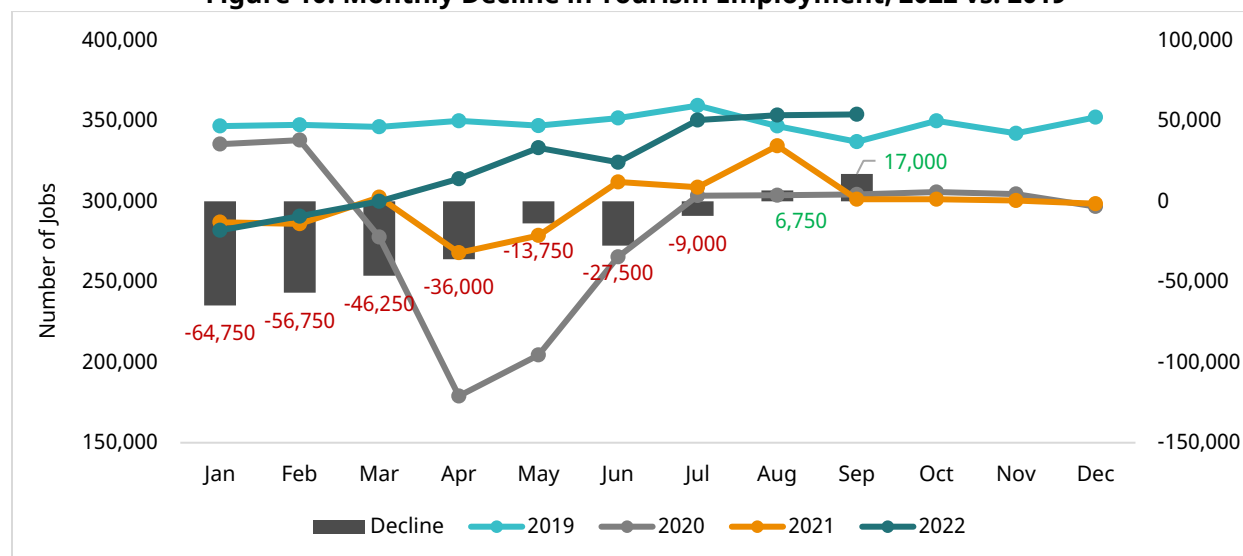
Figure 9: Employment: B.C. Tourism Sector, 2012 – 2022



Source: Statistics Canada, Labour Force Survey via Real Time Remote Access.

The chart below compares average monthly employment from 2019 to 2022 and also calculates the difference between average monthly employment levels in 2019 and 2022. As indicated, August and September 2022 were the first two months since the onset of the pandemic in which employment levels have been higher than those experienced in 2019.

Figure 10: Monthly Decline in Tourism Employment, 2022 vs. 2019



Source: Statistics Canada, Labour Force Survey via Real Time Remote Access.

The impact of the pandemic on employment varies by industry. While overall employment in the tourism sector is down 7% in 2022 relative to 2019, the percentage varies from growth of 12% in recreation and entertainment to losses of 41% in the travel services industry.

Table 5: Employment by Sector, 2019-2022

| Employment | 2019 | 2020 | 2021 | 2022 | % Change 20 vs 19 | % Change 21 vs 19 | % Change 22 vs 19 |
|------------------------------|----------------|----------------|----------------|----------------|----------------------|----------------------|----------------------|
| Accommodation | 36,458 | 25,667 | 29,875 | 28,167 | -30% | -18% | -23% |
| Food and Beverage services | 153,750 | 133,167 | 133,958 | 142,361 | -13% | -13% | -7% |
| Recreation and Entertainment | 89,479 | 71,458 | 77,875 | 99,833 | -20% | -13% | 12% |
| Transportation | 54,667 | 47,063 | 44,729 | 44,000 | -14% | -18% | -20% |
| Travel services | 13,729 | 7,542 | 11,813 | 8,111 | -45% | -14% | -41% |
| Total | 348,083 | 284,896 | 298,250 | 322,472 | -18% | -14% | -7% |

Source: Statistics Canada, Labour Force Survey via Real Time Remote Access.

IMPACT BY EMPLOYEE SEGMENT

Job losses did not impact all demographic groups equally in 2020. Seasonal and temporary workers, women, the youngest (15 to 24 years, who tended to be the least experienced workers) and the oldest workers (those 65 and above, many of whom stayed home because of health concerns), and less educated workers were the most likely to be displaced. The relative balance in decline between part-time and full-time workers in 2020 masks the fact that many of the full-time workers became part-time workers while those who previously worked part-time were displaced.

Since 2020, the impact has become more balanced. For example, many if not most of the older workers (65 years and older) returned as health concerns eased and hiring of younger workers has returned to more normal levels. However, employment levels of seasonal and casual workers remain well below 2019 levels, which relates more to difficulties in recruiting them than a lack of demand.

Table 6: Employment by Demographics, 2019-2022

| Demographics | 2019 | 2020 | 2021 | 2022 | % Change 20 vs 19 | % Change 21 vs 19 | % Change 22 vs 19 |
|-------------------|------------------|------------------|------------------|------------------|----------------------|----------------------|----------------------|
| Job Status | | | | | | | |
| Full-time | 225,834 (65%) | 182,948 (64%) | 186,125 (62%) | 205,833 (64%) | -19% | -18% | -9% |
| Part-time | 122,229 (35%) | 101,948 (36%) | 112,125 (38%) | 116,639 (36%) | -17% | -8% | -5% |
| Permanent | | | | | | | |

| Demographics | 2019 | 2020 | 2021 | 2022 | % Change 20 vs 19 | % Change 21 vs 19 | % Change 22 vs 19 |
|---------------------------------------|------------------|------------------|------------------|------------------|----------------------|----------------------|----------------------|
| Permanent | 234,333 (67%) | 193,229 (68%) | 208,104 (70%) | 217,667 (68%) | -18% | -11% | -7% |
| Seasonal | 16,000 (5%) | 8,333 (3%) | 9,667 (3%) | 11,389 (4%) | -48% | -40% | -29% |
| Casual | 25,771 (7%) | 18,896 (7%) | 14,667 (5%) | 20,500 (6%) | -27% | -43% | -20% |
| Temporary | 20,854 (6%) | 14,500 (5%) | 19,083 (6%) | 20,722 (6%) | -30% | -8% | -1% |
| Gender | | | | | | | |
| Male | 172,588 (50%) | 149,323 (52%) | 155,604 (52%) | 166,056 (51%) | -13% | -10% | -4% |
| Female | 175,475 (50%) | 135,573 (48%) | 142,646 (48%) | 156,389 (49%) | -23% | -19% | -11% |
| Age Group | | | | | | | |
| 15 to 24 | 104,771 (30%) | 73,083 (26%) | 83,021 (28%) | 95,778 (30%) | -30% | -21% | -9% |
| 25 to 34 | 75,688 (22%) | 66,198 (23%) | 65,583 (22%) | 71,306 (22%) | -13% | -13% | -6% |
| 35 to 44 | 55,979 (16%) | 50,448 (18%) | 50,584 (17%) | 55,861 (17%) | -10% | -10% | -0.2% |
| 45 to 54 | 53,500 (15%) | 43,958 (15%) | 46,000 (15%) | 45,833 (14%) | -18% | -14% | -14% |
| 55 to 64 | 43,750 (13%) | 40,271 (14%) | 40,354 (14%) | 38,833 (12%) | -8% | -8% | -11% |
| 65 or above | 14,375 (4%) | 10,938 (4%) | 12,708 (4%) | 14,833 (5%) | -24% | -12% | 3% |
| Education | | | | | | | |
| Below high school | 43,250 (12%) | 29,167 (10%) | 37,833 (13%) | 43,194 (13%) | -33% | -13% | -0.1% |
| High school or some post-secondary | 130,229 (37%) | 104,073 (37%) | 103,324 (35%) | 115,528 (36%) | -20% | -21% | -11% |
| Degree below bachelor's | 97,667 (28%) | 84,802 (30%) | 81,447 (27%) | 89,500 (28%) | -13% | -17% | -8% |
| Bachelor's degree or above | 76,917 (22%) | 66,854 (23%) | 75,646 (25%) | 74,250 (23%) | -13% | -2% | -3% |

Source: Statistics Canada, Labour Force Survey via Real Time Remote Access.

These patterns are also reflected in the number of years people have worked in the sector. The loss of experienced workers is evident in the decline in workers with 11 to 15 years and over 20 years of experience. There was also a year-over-year reduction in employees with less than one year experience because fewer new workers entered the sector.

Table 7: Tourism Sector Employment by Workforce Experience (2019-2022)

| Length of Employment | 2019 | 2020 | 2021 | 2022 | % Change 20 vs 19 | % Change 21 vs 19 | % Change 22 vs 19 |
|----------------------|----------------|----------------|----------------|----------------|----------------------|----------------------|----------------------|
| Less than 1 year | 62,667 | 41,708 | 54,208 | 50,639 | -33% | -13% | -19% |
| 1 year | 76,354 | 55,083 | 45,271 | 78,417 | -28% | -41% | 3% |
| 2 to 4 years | 89,500 | 85,125 | 88,063 | 77,639 | -5% | -2% | -13% |
| 5 to 7 years | 31,458 | 31,896 | 35,125 | 34,139 | 1% | 12% | 9% |
| 8 to 10 years | 18,458 | 17,917 | 22,063 | 22,028 | -3% | 20% | 19% |
| 11 to 15 years | 26,625 | 17,875 | 20,979 | 20,333 | -33% | -21% | -24% |
| 16 to 20 years | 13,229 | 11,750 | 9,854 | 14,750 | -11% | -26% | 11% |
| Over 20 years | 29,792 | 23,563 | 22,750 | 24,444 | -21% | -24% | -18% |
| Total | 348,083 | 284,896 | 298,250 | 322,472 | -18% | -14% | -7% |
| Avg. years | 6.9 | 7.1 | 7.0 | 7.0 | - | - | - |

Source: Statistics Canada, Labour Force Survey via Real Time Remote Access.

CHANGES IN HOURS AND WAGES

Employers reduced employee hours as a means to maintain staff throughout the pandemic. The average hours worked per week per employee declined by 10% in 2020. In 2022, the average hours worked were almost back to 2019 levels. Most sectors, with the exception of food and beverage services have experienced an increase in average hours per week relative to 2019 which also reflect difficulties in filling positions (i.e., existing workers are asked to work more hours).

Table 8: B.C. Tourism Average Actual Hours Worked Per Week Per Employee (2019-2022)

| | 2019 | 2020 | 2021 | 2022 | % Chang e 20 vs 19 | % Chang e 21 vs 2019 | % Chang e 22 vs 19 |
|------------------------------|------|------|------|------|-----------------------------|-------------------------------|-----------------------------|
| Accommodation | 31.3 | 29.7 | 31.2 | 32.8 | -5% | -0.3% | 5% |
| Food and Beverage services | 27.2 | 24.1 | 24.6 | 25.4 | -11% | -10% | -7% |
| Recreation and Entertainment | 29.2 | 25.8 | 29.1 | 29.7 | -12% | -0.3% | 2% |
| Transportation | 32.1 | 30.2 | 35.3 | 33.8 | -6% | 10% | 5% |

| | 2019 | 2020 | 2021 | 2022 | % Change 20 vs 19 | % Change 21 vs 2019 | % Change 22 vs 19 |
|---------------------|-------------|-------------|-------------|-------------|-------------------------|---------------------------|-------------------------|
| Travel services | 32.1 | 24.6 | 29.4 | 32.7 | -23% | -8% | 2% |
| Tourism B.C. | 29.1 | 26.1 | 28.3 | 28.7 | -10% | -3% | -1% |

Source: Statistics Canada, Labour Force Survey via Real Time Remote Access.

Overall, the average hourly wage in B.C.'s tourism sector increased during the pandemic. Average hourly wage increased by 13% in 2021 and by 16% in 2022 as compared to 2019.

The average hourly wage increased from \$20.80 in 2019 to \$23.00 in 2020, \$23.50 in 2021 and \$24.11 in 2022.

Table 9: Average Hourly Wage in B.C.'s Tourism by Industry and Sector (2019-2022)

| | 2019 | 2020 | 2021 | 2022 | % Change 20 vs 19 | % Change 21 vs 19 | % Change 22 vs 19 |
|------------------------------|----------------|----------------|----------------|----------------|----------------------|----------------------|----------------------|
| Accommodation | \$20.83 | \$22.25 | \$22.19 | \$24.11 | 7% | 7% | 16% |
| Food and Beverage | \$16.10 | \$17.50 | \$17.90 | \$19.03 | 9% | 11% | 18% |
| Recreation and Entertainment | \$24.50 | \$27.50 | \$28.25 | \$28.78 | 12% | 15% | 17% |
| Transportation | \$29.92 | \$32.92 | \$34.67 | \$33.11 | 10% | 16% | 11% |
| Travel | \$21.87 | \$26.55 | \$27.67 | \$26.00 | 21% | 27% | 19% |
| Tourism B.C. | \$20.80 | \$23.00 | \$23.50 | \$24.11 | 11% | 13% | 16% |

Source: Statistics Canada, Labour Force Survey via Real Time Remote Access.

The increase in wages is attributable to three factors:

- An increase in average wage per position (including entry level positions);
- Changes in the average level of experience within positions (e.g., more experienced workers tend to receive higher wages); and
- Changes in the distribution of positions within the sector. For example, the sector had fewer entry level positions during the pandemic and, as a result, higher paid staff accounted for a greater percentage of sector employment.

CHANGES IN EMPLOYMENT BY OCCUPATIONAL GROUP

Occupations associated with the food and beverage and accommodation sectors tended to experience the largest declines in employment. The following table shows the change in employment of the leading occupations in the sector throughout the pandemic until now.

Table 10: Employment of Leading Occupations in B.C.'s Tourism Sector (2019-2022)

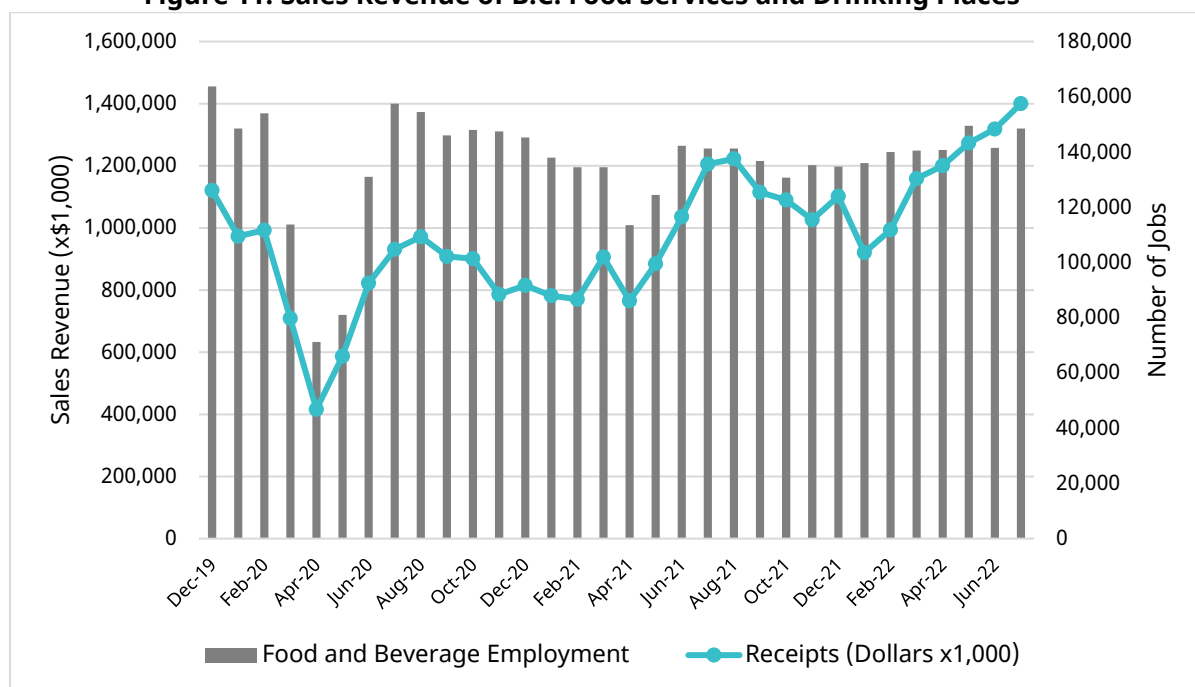
| NOC | Occupations | 2019 | 2020 | 2021 | 2022 | % Change 20 vs 19 | % Change 21 vs 19 | % Change 22 vs 19 |
|------|--|--------|--------|--------|--------|-------------------------|-------------------------|-------------------------|
| 6711 | Food counter attendants, kitchen helpers | 48,750 | 34,833 | 43,625 | 44,139 | -29% | -11% | -9% |
| 6513 | Food and beverage servers | 31,188 | 19,917 | 21,875 | 26,750 | -36% | -30% | -14% |
| 6322 | Cooks | 20,792 | 19,083 | 22,750 | 19,361 | -8% | 9% | -7% |
| 0631 | Restaurant and food service managers | 20,813 | 20,063 | 12,708 | 17,861 | -4% | -39% | -14% |
| 5254 | Program leaders and instructors in recreation, sport and fitness | 11,625 | 6,688 | 11,042 | 14,639 | -42% | -5% | 26% |
| 5131 | Producers, directors, choreographers | 6,333 | 5,729 | 5,813 | 10,500 | -10% | -8% | 66% |
| 6511 | Maîtres d'hôtel and hosts/hostesses | 10,833 | 11,500 | 8,604 | 10,194 | 6% | -21% | -6% |
| 6611 | Cashiers | 10,750 | 7,104 | 4,583 | 9,278 | -34% | -57% | -14% |
| 6321 | Chefs | 10,417 | 10,563 | 8,167 | 9,167 | 1% | -22% | -12% |
| 6722 | Operators and attendants in amusement, recreation and sport | 5,271 | 6,146 | 5,458 | 8,667 | 17% | 4% | 64% |
| 6311 | Food service supervisors | 7,542 | 10,563 | 10,542 | 8,306 | 40% | 40% | 10% |
| 7512 | Bus drivers, subway operators and other transit operators | 9,542 | 8,542 | 7,021 | 8,028 | -10% | -26% | -16% |
| 6731 | Light duty cleaners | 7,792 | 4,875 | 4,604 | 7,583 | -37% | -41% | -3% |
| 7513 | Taxi and limousine drivers and chauffeurs | 6,271 | 8,313 | 7,917 | 7,167 | 33% | 26% | 14% |
| 6512 | Bartenders | 5,146 | 4,625 | 4,125 | 5,833 | -10% | -20% | 13% |
| 5241 | Graphic designers and illustrators | 3,396 | 5,688 | 6,396 | 5,139 | 67% | 88% | 51% |
| 0632 | Accommodation service managers | 6,625 | 5,792 | 6,479 | 4,250 | -13% | -2% | -36% |
| 6525 | Hotel front desk clerks | 3,938 | 2,479 | 5,771 | 3,556 | -37% | 47% | -10% |
| 6313 | Accommodation, travel, tourism and related services supervisors | 3,646 | 1,583 | 4,979 | 3,444 | -57% | 37% | -6% |
| 0621 | Retail and wholesale trade managers | 5,479 | 2,417 | 3,813 | 2,417 | -56% | -30% | -56% |

Source: Statistics Canada, Labour Force Survey via Real Time Remote Access.

The trend in food & beverage employment is closely correlated with changes in food and beverage revenues. During the height of the pandemic, it is likely that most operations experienced a sharper decline in revenues than in employment. Most operations require a certain number of staff members to be able to open and operate. If revenues declined by 30%, that did not necessarily mean that the operation reduced its staffing levels by 30%. The result is that the average revenue per employee declined. Further complicating these factors is the addition of new staffing requirements during the pandemic to maintain health and safety standards.

The following chart compares monthly food service and drinking places' revenues from December 2019 to July 2022 reported by Statistics Canada on employment levels for the food and beverage services industry reported through the Labour Force Survey. The data suggests employment levels recovered more quickly in 2020 than did revenues, even though many operations were able to increase prices somewhat during the pandemic. By June of 2022, the growth of the revenues surpassed the growth of the food and beverage services employment levels – setting a new standard post-pandemic.

Figure 11: Sales Revenue of B.C. Food Services and Drinking Places



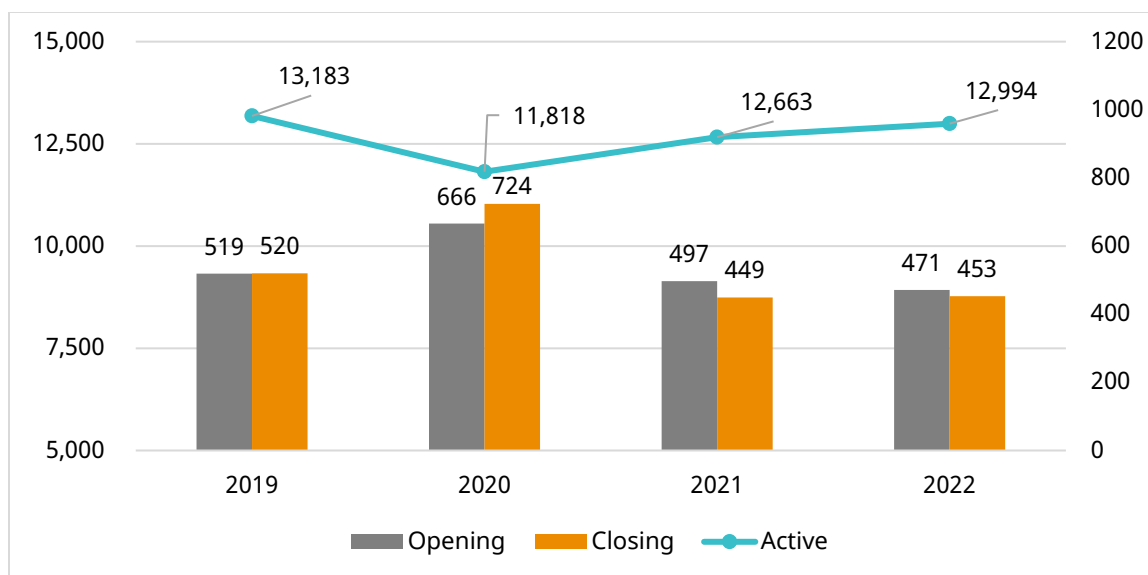
Source: Statistics Canada, Labour Force Survey via Real Time Remote Access; Statistics Canada. Table 21-10-0019-01 Monthly survey of food services and drinking places (x 1,000)

CHANGES IN THE NUMBER OF ACTIVE BUSINESSES

Statistics Canada defines business openings as businesses with employment in the current month and no employment in the previous month, while business closures are defined as businesses that had employment in the previous month, but no employment in the current month. Active businesses are defined as those businesses that reported having one or more employees in a given

month. During the pandemic, the tourism sector not only saw a decline in employment, but also a decline in the number of active businesses. The number of active tourism businesses declined from 13,183 in 2019 to 11,818 in 2020 before recovering to 12,994 in 2022.

Figure 12: Avg Monthly Business Opening and Closures, B.C.'s Tourism Sector (2019-2022)



Source: THRC Employment Tracker/Statistics Canada.

DATA ON WHERE EMPLOYEES WENT

Data indicates that the tourism sector lost employees to other sectors, either when permanent employees were displaced because of the pandemic or when seasonal workers failed to return for the following season. The existing data indicates:

- Fewer seasonal workers returned in 2021. A recent survey of employers found that about 38% of seasonal workers returned to work in 2021, down significantly from the pre-pandemic average of 49%.⁴
- A recent Prudential Finance study found that about 22% of workers changed their jobs or careers during the pandemic.⁵

However, there is limited data available as to which sector these departing employees went. It is likely that most of these workers moved to other sectors which were growing in 2021, particularly retail and healthcare, as indicated in the table below.

⁴ Go2HR. BC Tourism and Hospitality Labour Market Information (LMI) Research Project, 2022

⁵ Pulse of the American Worker Survey: A Third Year Begins — Life and Work in the Pandemic Era.

Table 11: Year to Year Employment by Industry and Sector, B.C. (2019-2022)

| | 2019 | 2020 | 2021 | 2022 | Change 20 vs 19 | Change 21 vs 20 | Change 22 vs 21 |
|---|----------------|----------------|----------------|----------------|--------------------|--------------------|--------------------|
| Accommodation | 36,458 | 25,667 | 29,875 | 28,167 | -10,750 | 4,167 | -1,708 |
| Food and Beverage | 153,750 | 133,167 | 133,958 | 142,361 | -20,521 | 708 | 8,444 |
| Recreation and Entertainment | 89,479 | 71,458 | 77,875 | 99,833 | -18,104 | 6,458 | 21,986 |
| Transportation | 54,667 | 47,063 | 44,729 | 44,000 | -7,604 | -2,333 | -722 |
| Travel services | 13,729 | 7,542 | 11,813 | 8,111 | -6,229 | 4,313 | -3,750 |
| Sector Totals | 348,083 | 284,896 | 298,250 | 322,472 | -63,187 | 13,354 | 24,222 |
| Accommodation and food services (non-tourism) | 10,417 | 9,417 | 10,625 | 7,611 | -1,000 | 1,208 | -3,014 |
| Administrative and support, waste management and remediation services | 101,917 | 90,188 | 95,813 | 88,250 | -11,729 | 5,625 | -7,563 |
| Agriculture, forestry, fishing and hunting | 48,458 | 50,271 | 43,646 | 47,306 | 1,813 | -6,625 | 3,660 |
| Arts, entertainment and recreation (non-tourism) | 4,708 | 2,271 | 2,646 | 1,667 | -2,438 | 375 | -979 |
| Construction | 249,646 | 221,646 | 215,792 | 225,444 | -28,000 | -5,854 | 9,653 |
| Educational services | 183,688 | 178,688 | 189,042 | 199,000 | -5,000 | 10,354 | 9,958 |
| Finance and insurance | 102,125 | 105,563 | 113,167 | 105,139 | 3,438 | 7,604 | -8,028 |
| Health care and social assistance | 335,313 | 325,354 | 360,458 | 382,528 | -9,958 | 35,104 | 22,069 |
| Information and cultural industries | 40,271 | 36,042 | 47,500 | 43,472 | -4,229 | 11,458 | -4,028 |
| Manufacturing | 172,292 | 167,979 | 179,313 | 179,806 | -4,313 | 11,333 | 493 |
| Mining, quarrying, and oil and gas extraction | 28,708 | 24,625 | 28,271 | 26,083 | -4,083 | 3,646 | -2,188 |
| Other services (except public administration) | 123,854 | 104,292 | 109,438 | 109,500 | -19,563 | 5,146 | 63 |
| Professional, scientific and technical services | 230,646 | 230,583 | 254,604 | 260,917 | -63 | 24,021 | 6,313 |
| Public administration | 119,042 | 119,708 | 136,667 | 138,167 | 667 | 16,958 | 1,500 |
| Real estate and rental and leasing | 59,583 | 56,646 | 52,042 | 55,222 | -2,938 | -4,604 | 3,181 |

| | 2019 | 2020 | 2021 | 2022 | Change 20 vs 19 | Change 21 vs 20 | Change 22 vs 21 |
|---|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|
| Retail trade | 310,354 | 286,688 | 316,979 | 333,944 | -23,667 | 30,292 | 16,965 |
| Transportation and warehousing (non-tourism) | 95,688 | 88,729 | 97,000 | 102,278 | -6,958 | 8,271 | 5,278 |
| Utilities | 12,854 | 18,646 | 18,104 | 15,417 | 5,792 | -542 | -2,688 |
| Wholesale trade | 88,729 | 88,792 | 86,333 | 93,194 | 63 | -2,458 | 6,861 |
| Total B.C. Employment | 2,666,438 | 2,491,063 | 2,655,688 | 2,737,444 | -175,375 | 164,625 | 81,757 |

Source: Statistics Canada, Labour Force Survey via Real Time Remote Access.

3. LABOUR MARKET OUTLOOK

PROJECTED EMPLOYMENT

Tourism HR Canada engaged the Conference Board of Canada to develop employment projections for the tourism sector. The results were published in July 2022. The following table summarizes their projections regarding employment in the B.C.'s tourism sector by industry group from 2021 to 2025. Over the four-year period, employment in the tourism sector (overall) is projected to grow at a compounded annual rate of 3.7%. The leading sectors in terms of growth are expected to be transportation (6.4%), accommodation (4.3%) and food and beverage (3.5%).

Table 12: Projected Growth Rates in B.C.'s Tourism Sector by Industry (2021-2025)

| British Columbia | Projected Growth vs 2020 Levels | | | | | |
|------------------------------|---------------------------------|----------------|----------------|----------------|----------------|---------------|
| | 2021 | 2022 | 2023 | 2024 | 2025 | 4-year Growth |
| Tourism Sector Totals | 298,250 | 322,092 | 335,762 | 342,033 | 344,916 | 15.6% |
| <i>Year-over-year Growth</i> | - | 8.0% | 4.2% | 1.9% | 0.8% | 3.7% |
| Industry | | | | | | |
| Accommodation | 29,875 | 32,910 | 34,731 | 35,152 | 35,381 | 18.4% |
| <i>year-over-year growth</i> | - | 10.2% | 5.5% | 1.2% | 0.7% | 4.3% |
| Food and Beverage services | 133,938 | 146,659 | 150,725 | 152,400 | 153,507 | 14.6% |
| <i>year-over-year growth</i> | - | 9.5% | 2.8% | 1.1% | 0.7% | 3.5% |
| Recreation and Entertainment | 77,854 | 79,103 | 82,793 | 84,460 | 85,636 | 10.0% |
| <i>year-over-year growth</i> | - | 1.6% | 4.7% | 2.0% | 1.4% | 2.4% |
| Transportation | 44,700 | 52,176 | 55,295 | 57,166 | 57,196 | 28.0% |
| <i>year-over-year growth</i> | - | 16.7% | 6.0% | 3.4% | 0.1% | 6.4% |
| Travel services | 11,800 | 11,248 | 12,218 | 12,855 | 13,195 | 11.8% |
| <i>year-over-year growth</i> | - | -4.7% | 8.6% | 5.2% | 2.6% | 2.8% |

Source: Projections-of-Tourism-and-Employment-Demand-in-Canada-2019-2025, Conference Board of Canada

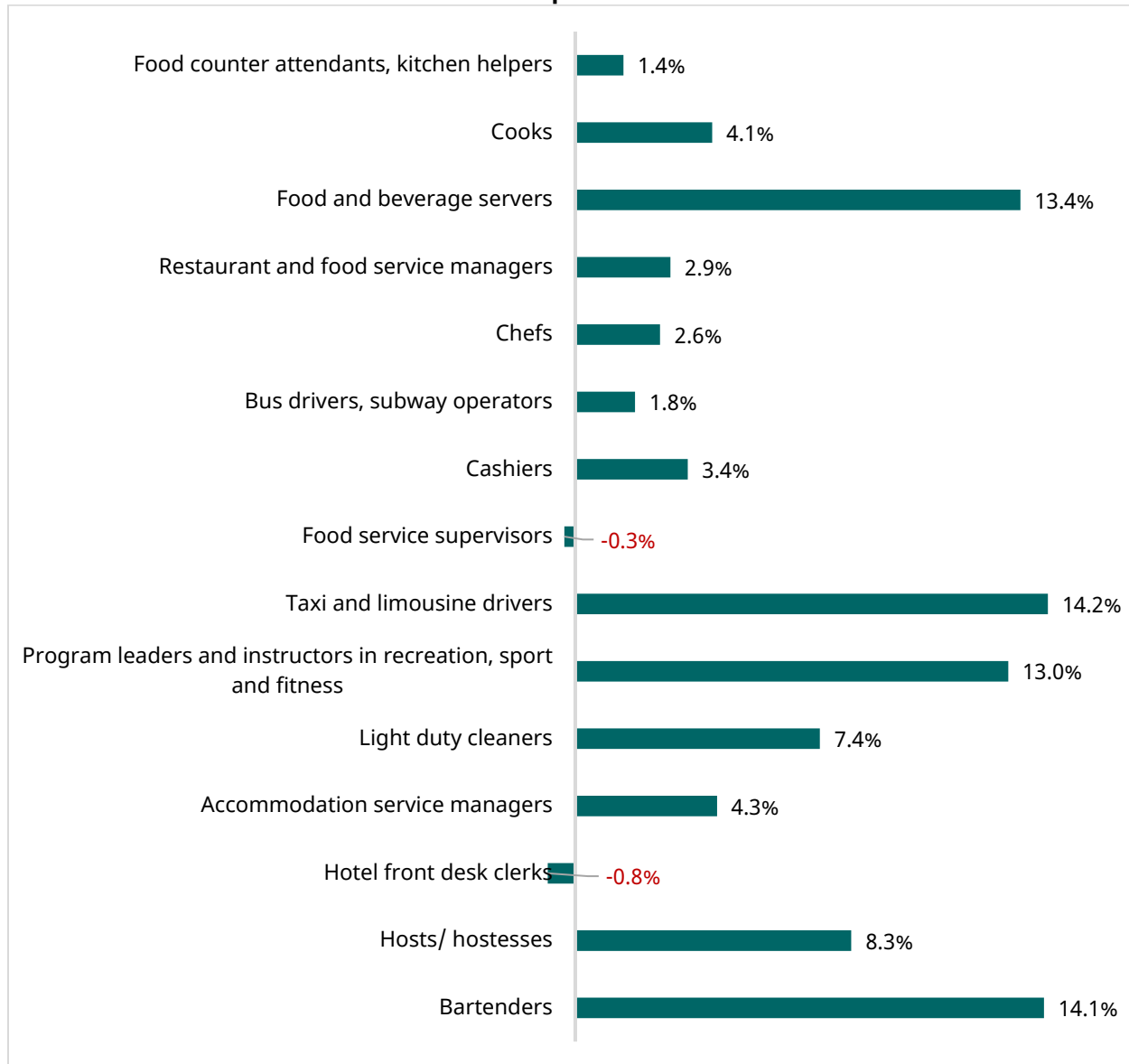
Across Canada, the Conference Board projected compounded annual employment growth in the tourism sector of 6.4% of the 4-year growth period from 2021 to 2025. This growth is consistent with the results of a recent survey conducted for Tourism HR Canada.⁶ Of the 700 tourism employers surveyed, 29% are projecting employment to increase. The projected growth was attributed to improving business conditions (59% of employers indicated that current business and operating conditions have improved compared to the summer of 2021) and business expansion (53% of those employers who anticipate an increase in employment reported that their operations are growing).

⁶ Business Intelligence Survey, Labour Market Information, Tourism HR Canada, 2022

EMPLOYMENT BY OCCUPATION

The following chart shows the projected five-year compounded annual growth in B.C.'s tourism sector for the 15 leading occupations. The fastest growing occupations are expected to be taxi and limousine drivers, followed by bartenders, food and beverage servers and program leaders and instructors in recreation. The numbers of hotel front desk clerks and food service supervisors are projected to decline slightly.

Figure 13: B.C. Tourism Projected 5-year compounded annual growth rates by Top 15 Occupations⁷



Source: *Projections-of-Tourism-and-Employment-Demand-in-Canada-2019-2025*, Conference Board of Canada

⁷ Detailed descriptions of these occupations can be found here:
<https://noc.esdc.gc.ca/Structure/Hierarchy?objectid=%2Fd0IGA6qD8JPRfoj5UCjpg%3D%3D>

