



# The Future of Canada's Tourism Sector: Labour Demand & Supply Analysis

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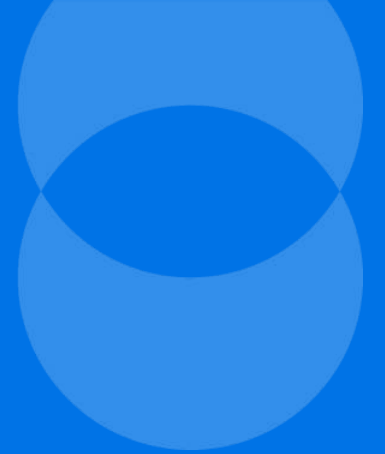


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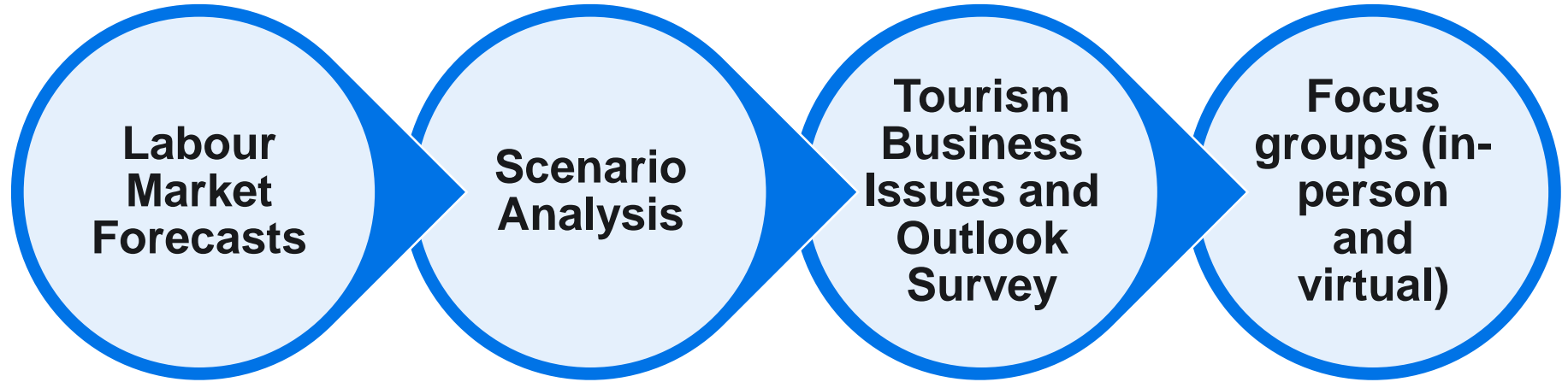
# Agenda

- About CBoC
- Objectives
- Project overview
- State of the tourism sector
- Quantitative findings
- Qualitative findings
- Discussion and recommendations
- Questions



# Project overview & objectives

# Project overview



- Forecasts of labour demand, labour supply, vacancies, and labour gaps

- **Scenario 1:** Increased retention rates
- **Scenario 2:** Reduction in international student permits

- 223 completed surveys

- Conducted 10 in-person and 5 online focus groups

# Objectives

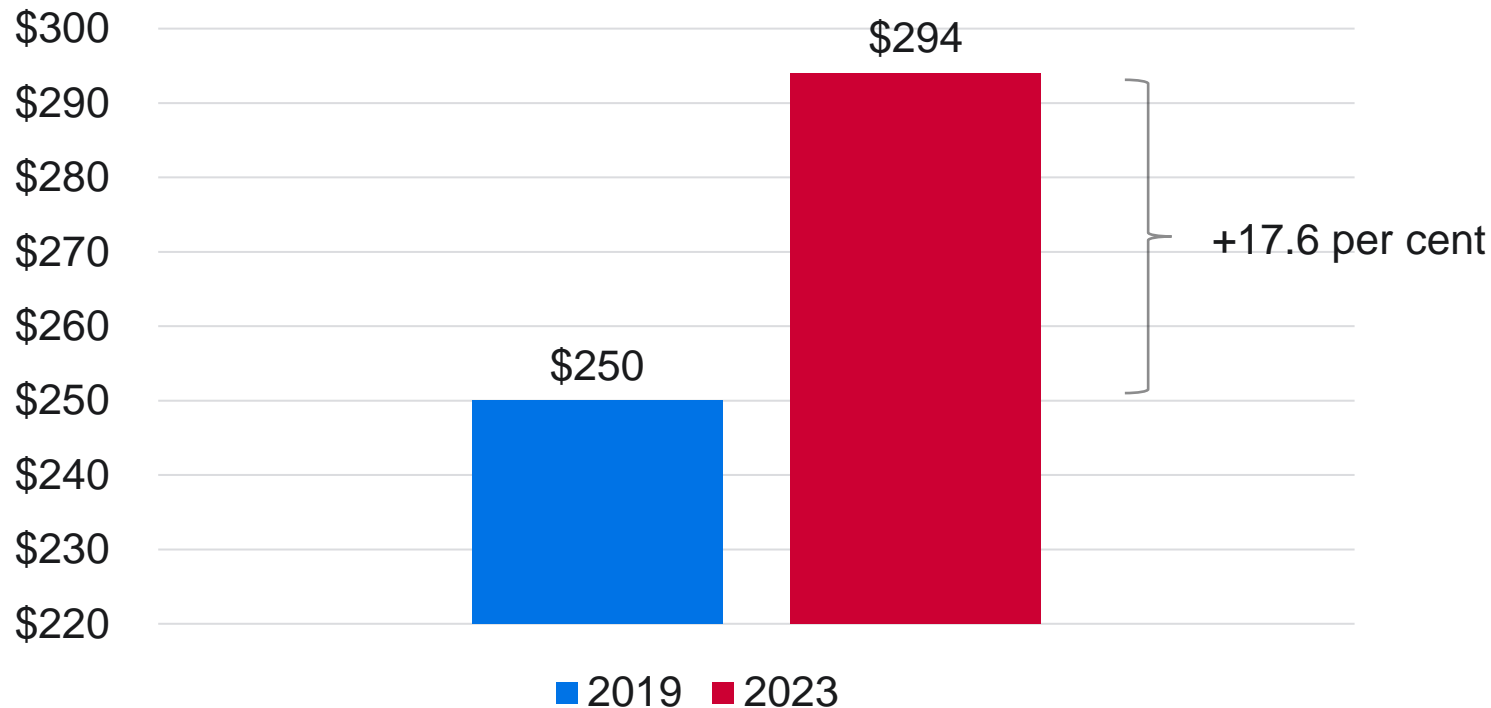




# State of the tourism sector

# Revenues surged significantly post-pandemic

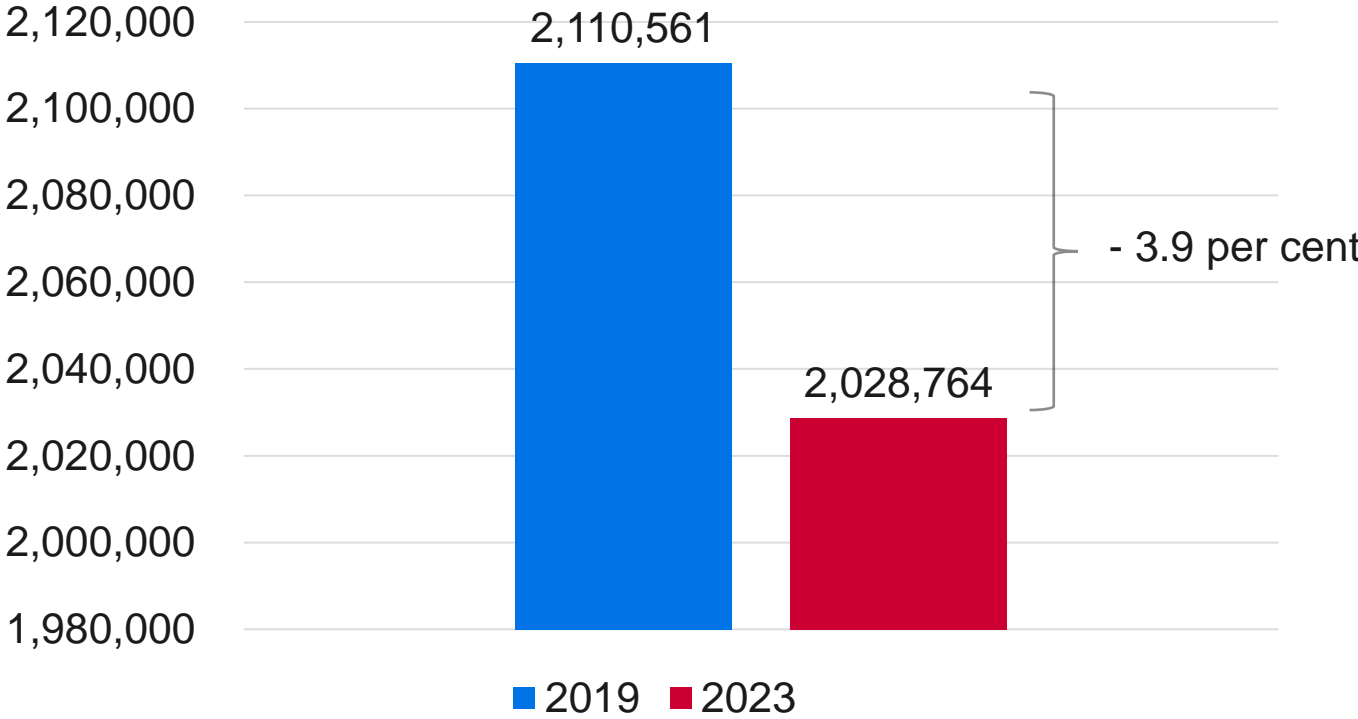
Revenues for the tourism sector in current dollars, billions, (2019-2023)





# Tourism jobs still below pre-pandemic levels

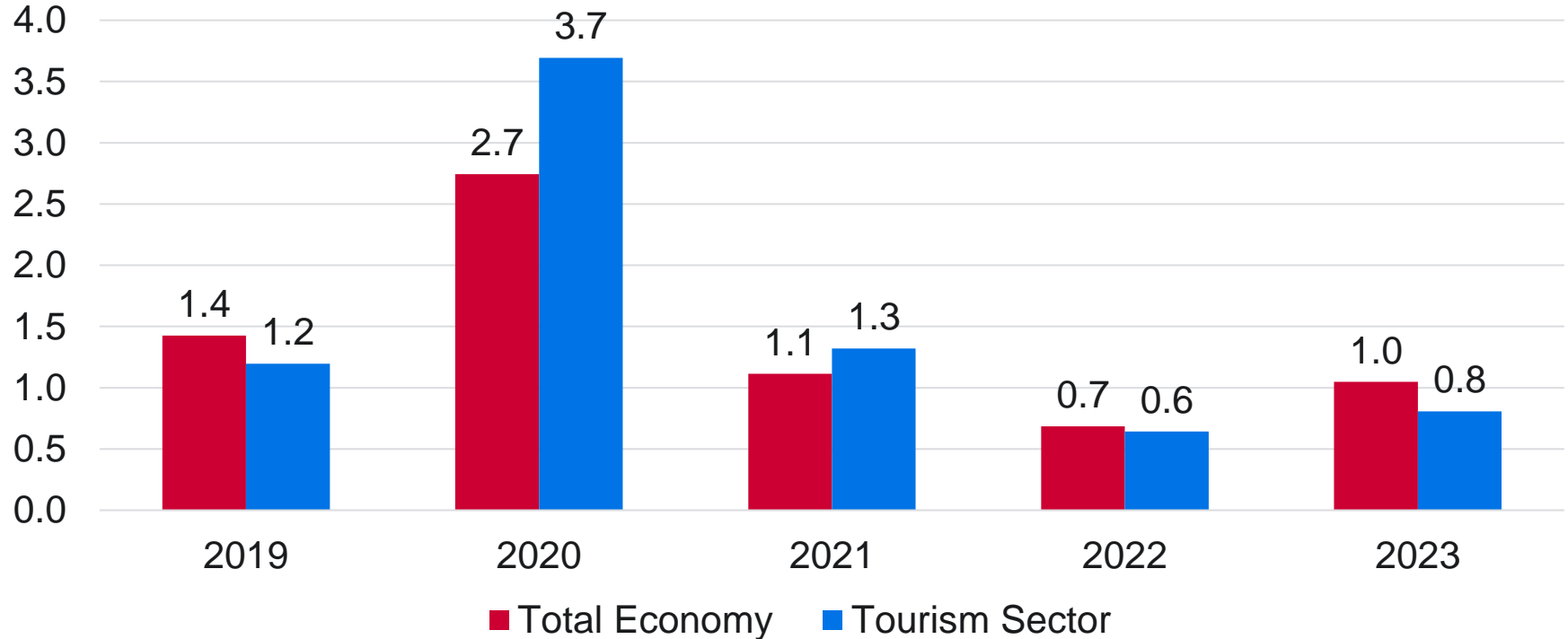
Number of jobs



Source: Statistics Canada; The Conference Board of Canada

# Labour market tightness expected to persist

Number of unemployed workers for every job vacancy, National (2019-2023)



# Tourism labour market forecasts



The **Model of Occupations, Skills, and Technology (MOST)** is an innovative tool developed by The Conference Board of Canada in partnership with the Future Skills Centre.

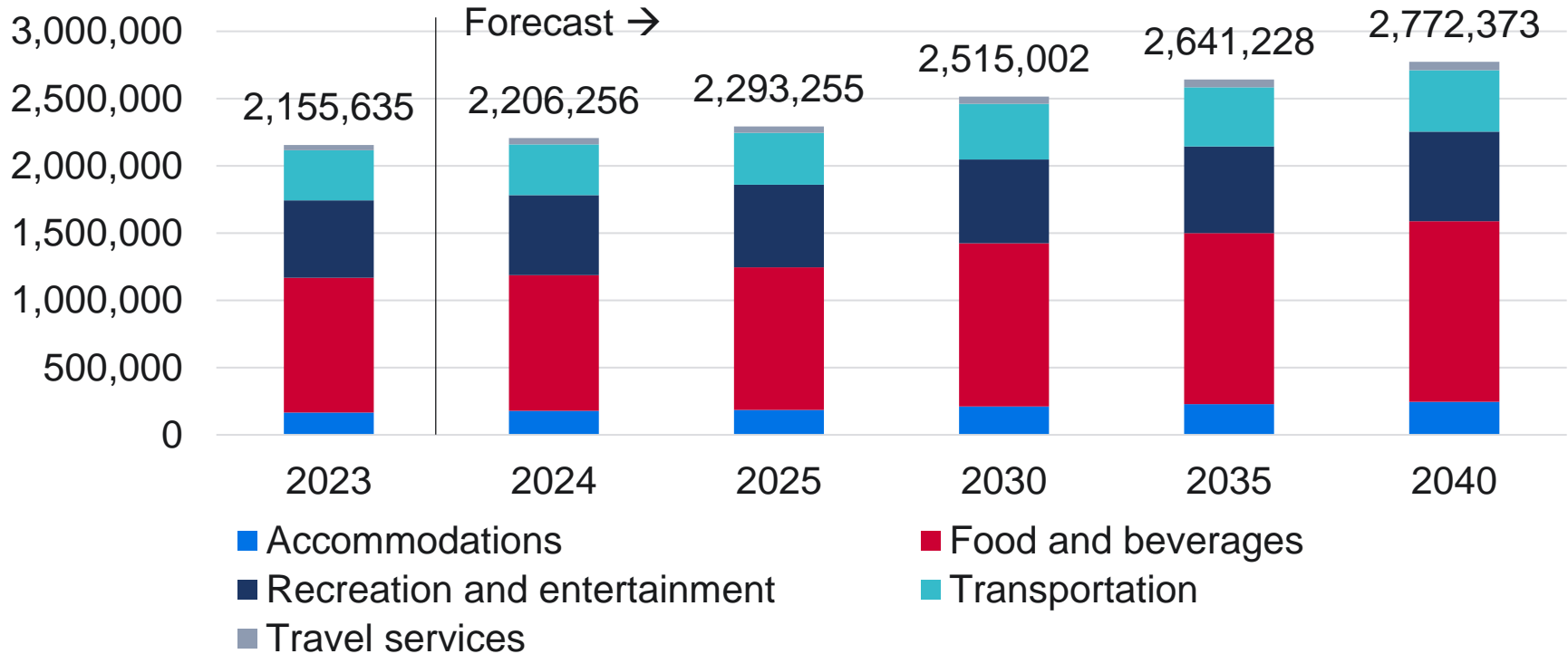


## A unique model offering a wealth of labour market insights

- Comprehensive view of the labour market dynamics
- Projected equilibrium employment conditions and labour market friction (e.g., unemployment, vacancies)
- High granularity: forecast by occupation (NOC 5) and industry (NAICS 4) for each province and territory for 2015–45

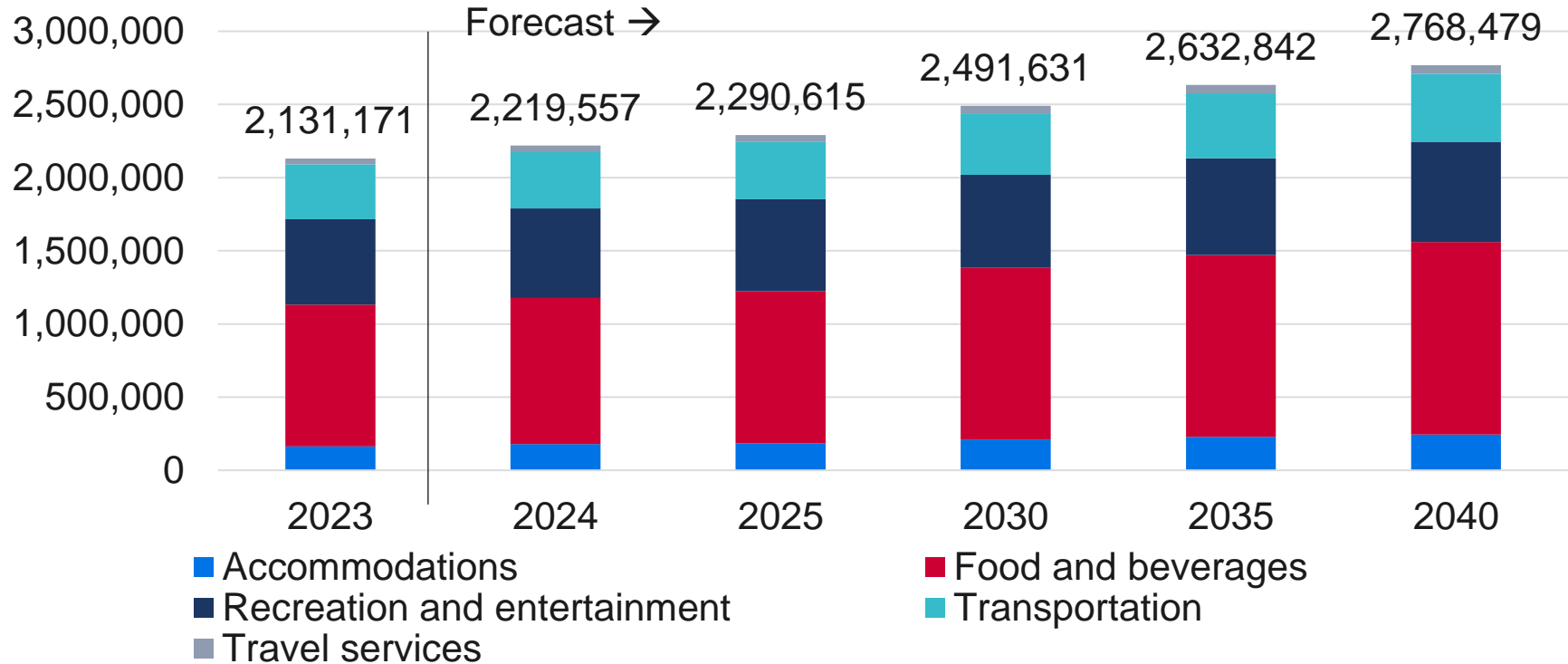
# Steady growth in labour demand

Number of jobs



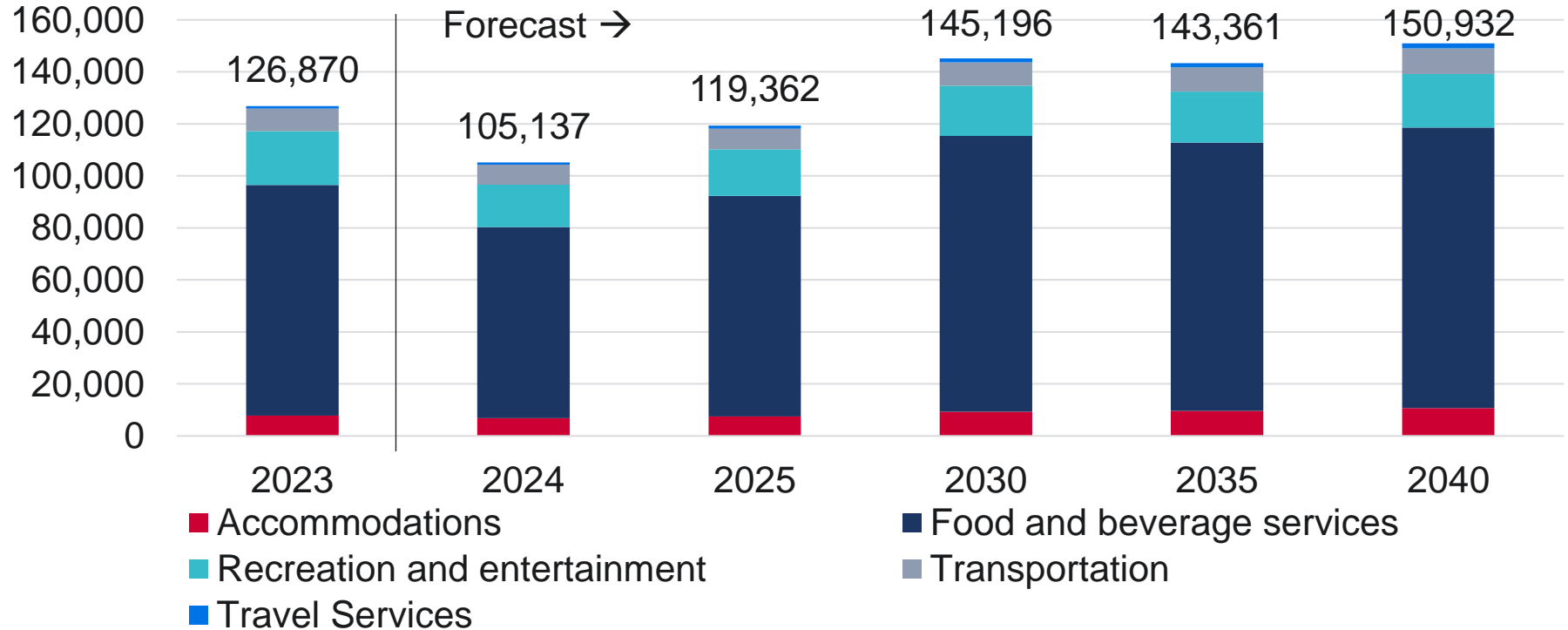
# Labour supply expected to trail labour demand

Number of available workers

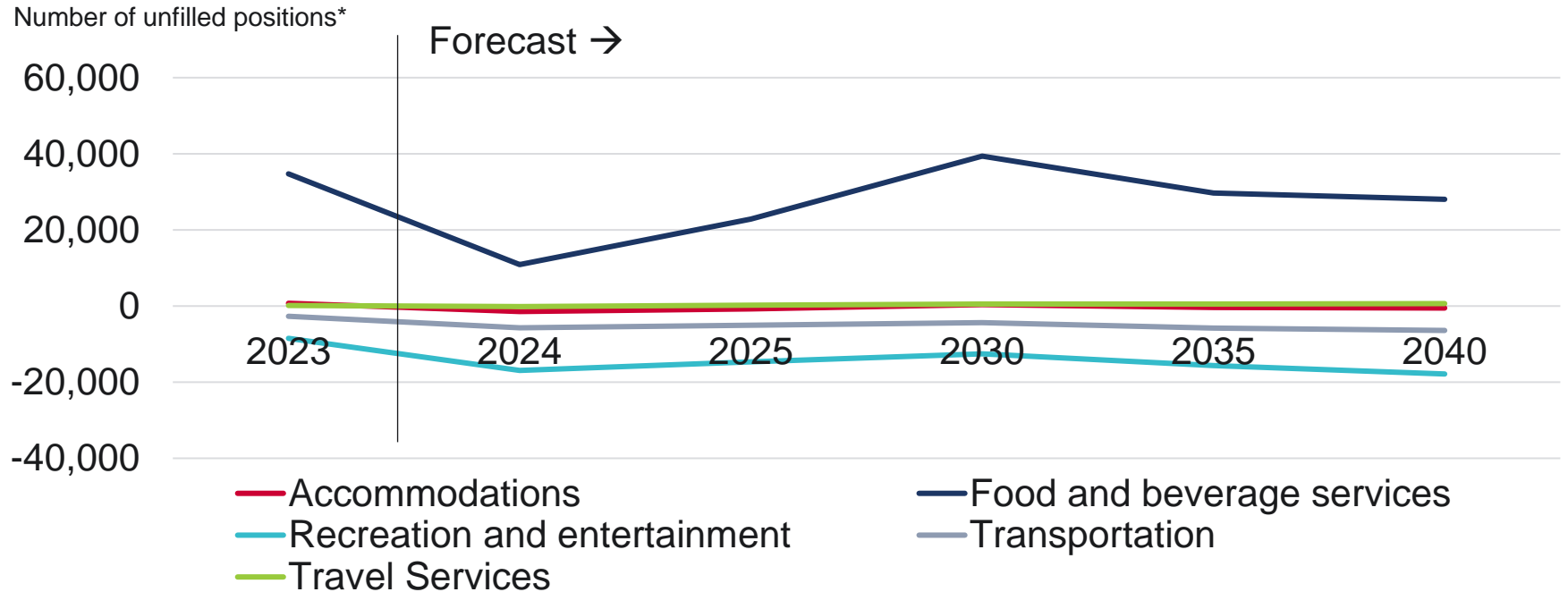


# Vacancies driven by food & beverage services

Number of jobs



# Persisting labour shortages in food & beverage services



\*Number of unfilled positions = labour demand minus labour supply

Sources: MOST, The Conference Board of Canada.

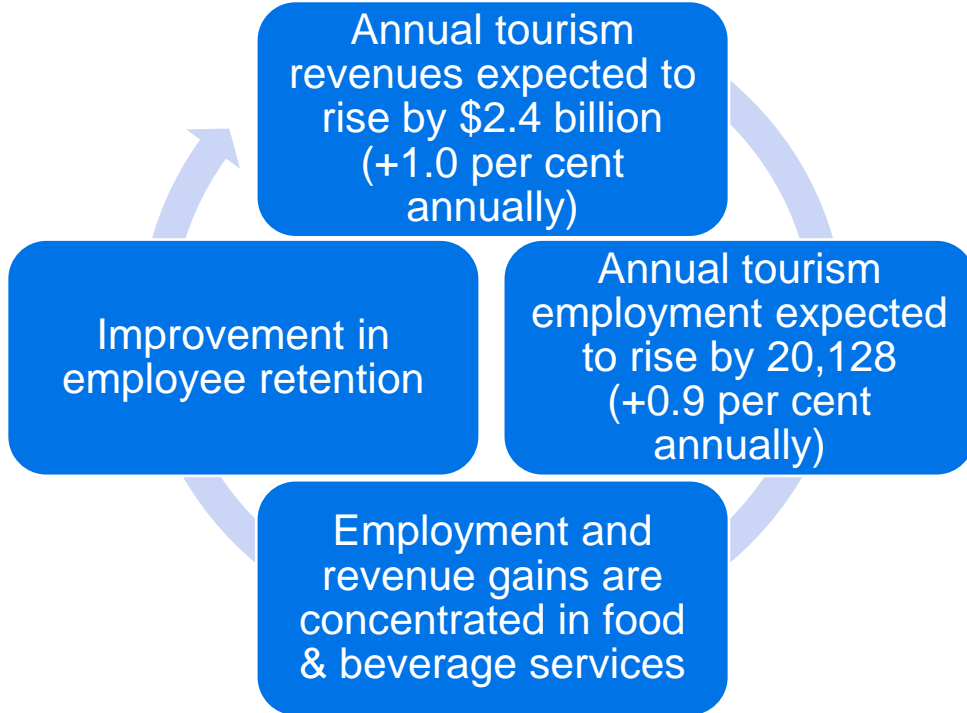




# Scenario analysis

Assessing the impacts of improved retention and reduced international student permits on the tourism labour market

# Scenario 1 – Assessing the impact of a 25 per cent reduction in vacancies

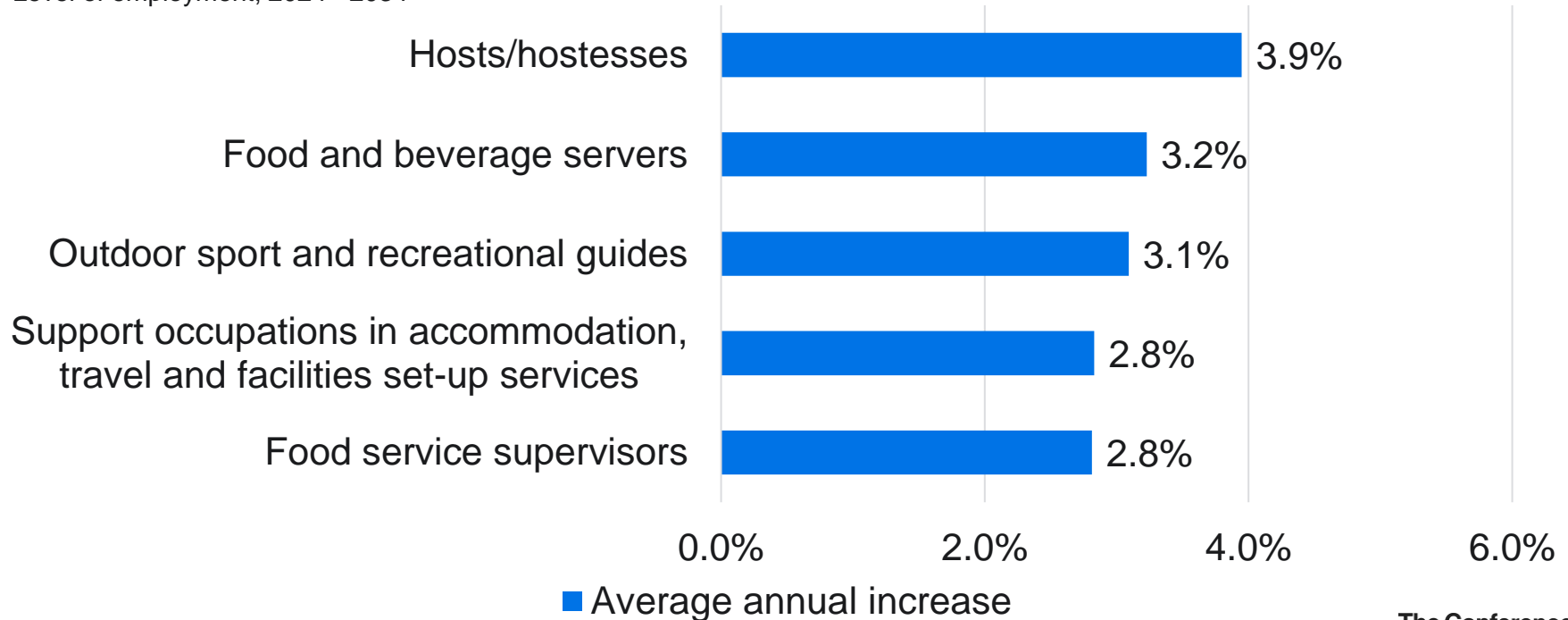


## Assumptions:

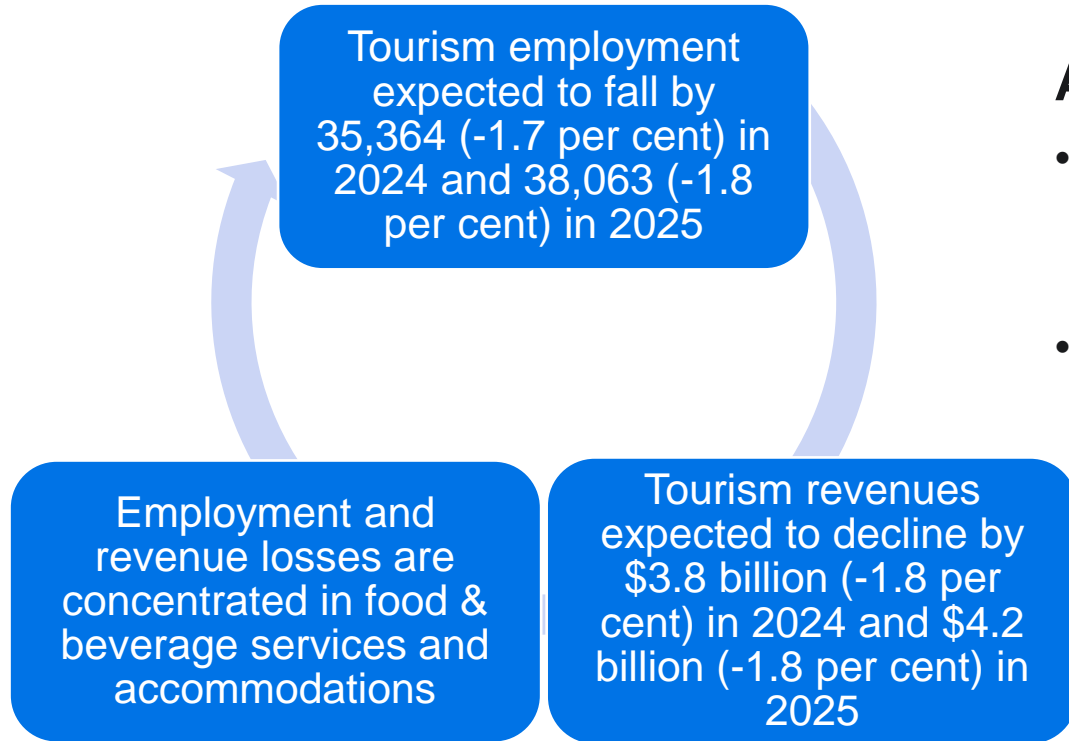
- Labour supply (or the number of people available to work in the tourism sector) remains constant with baseline.
- The reduction in vacancies leads to a net increase in tourism employment, holding total labour demand constant.
- Impacts are aggregated from 2024 to 2034.

# Scenario 1 – Food & beverage services leading the charge

Level of employment, 2024 - 2034



# Scenario 2 – Assessing the impact of a 35 per cent reduction in international student permits

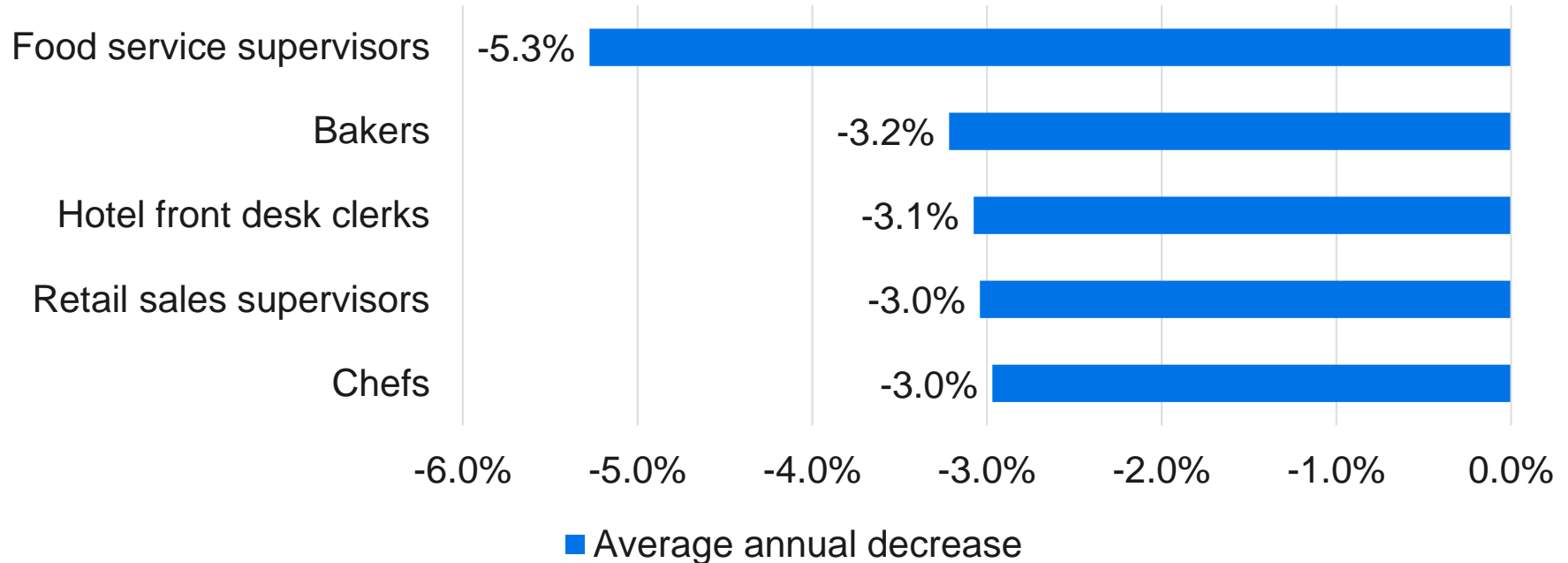


## Assumptions:

- Following the two-year cap on international student permits announced in January 2024.
- Impacts are presented for 2024 and 2025.

# Scenario 2 – Food & beverage services most sensitive to changes in foreign worker policies








Level of employment, 2024-2025





# Qualitative findings

# Key issues facing the tourism sector

-  Increasing operational costs
-  Wage expectations of potential employees are too high
-  Lack of affordable nearby housing and accommodations
-  Difficulty hiring and retaining qualified, reliable employees
-  Shortage of skilled labour in the local area
-  Youth are uninterested or unaware of jobs in tourism
-  Lack of reliable and accessible public transit

# Discussion and recommendations





# The role of governments and tourism associations in shaping the future of tourism

Shared responsibility

- Collaboration between governments and tourism associations alongside local chambers of commerce and destination management organizations (DMOs)

Housing and transportation

- Affordable housing and reliable transportation are essential for recruitment and retention reducing financial and stress burdens for workers

International workers

- Large organizations find these programs are effective in addressing labour shortages
- Small organizations face issues with administration, costs, and procedures



Thank you!

# The Future of Canada's Tourism Sector – Labour Demand and Supply Analysis

The detailed report can be accessed from the Tourism HR Canada website:

English: <https://tourismhr.ca/download-labour-demand-and-supply-analysis/>

French: <https://tourismhr.ca/fr/analyse-de-loffre-et-de-la-demande-de-main-doeuvre/>



# About Us

The Conference Board of Canada is our country's foremost independent organization for applied research. We deliver unique, evidence-based insights to help Canada's leaders shape a more prosperous future.

Since 1954, our work has helped guide decision-makers to solve complex issues and navigate a better path for organizations and Canadian society.

Drawing on deep academic and practical experience, we provide unparalleled objectivity and rigour in our analysis. As researchers and economists with profound subject matter expertise, we bring applied insights to our key focus areas of Immigration, Health, Economics, Indigenous & Northern Communities, Human Resources & Leadership, Education & Skills, Sustainability, Inclusion, and Innovation.

Through sophisticated data modelling, best-in-class forecasting, and multi-method approaches, we deliver research that helps leaders take action. Our relationships are built on the trust in the validity and objectivity of our work. Leaders know they can turn to us to help solve Canada's most wicked problems.



# Appendix: NAICS & NOCS Industries



# NOC 2021 Classification for Occupations in the Tourism Sector

**12103** - Conference and event planners

**53100** - Registrars, restorers, interpreters, and other occupations related to museums and art galleries

**54100** - Program leaders and instructors in recreation, sport, and fitness

**60020** - Retail and wholesale trade managers

**60030** - Restaurant and food service managers

**60031** - Accommodation service managers

**62010** - Retail sales supervisors

**62020** - Food service supervisors

**62200** - Chefs

**63200** - Cooks

**63202** - Bakers

**64100** - Retail salespersons and visual merchandisers

**64300** - Hosts/hostesses

**64301** - Bartenders

**64310** - Travel counsellors

**64311** - Purser and flight attendants

**64312** - Airline ticket and service agents

**64313** - Ground and water transport ticket agents, cargo service representatives, and related clerks

**64314** - Hotel front desk clerks

**64320** - Tour and travel guides

**64321** - Casino workers

**64322** - Outdoor sport and recreational guides

**64409** - Other customer and information services representatives

**65100** - Cashiers

**65200** - Food and beverage servers

**65201** - Food counter attendants, kitchen helpers, and related support occupations

**65210** - Support occupations in accommodation, travel, and facilities set-up services

**65211** - Operators and attendants in amusement, recreation, and sport

**65310** - Light duty cleaners

**65312** - Janitors, caretakers, and heavy-duty cleaners

**70020** - Managers in transportation

**72600** - Air pilots, flight engineers, and flying instructors

**73301** - Bus drivers, subway operators, and other transit operators

**75200** - Taxi and limousine drivers and chauffeurs

**85121** - Landscaping and grounds maintenance labourers

# NAICS Industries Included in the Tourism Sector

- 4811** - Scheduled air transportation
- 4812** - Non-scheduled air transportation
- 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
- 5121** - Motion picture and video industries
- 5321** - Automotive equipment rental and leasing
- 5615** - Travel arrangement and reservation services
- 7111** - Performing arts companies
- 7112** - Spectator sports
- 7113** - Promoters (presenters) of performing arts, sports and similar events
- 7115** - Independent artists, writers and performers
- 7121** - Heritage institutions
- 7131** - Amusement parks and arcades
- 7132** - Gambling industries
- 7139** - Other amusement and recreation industries
- 7212** - Recreational vehicle (RV) parks and recreational camps
- 7224** - Drinking places (alcoholic beverages)
- 7225** - Full-service restaurants and limited service eating places



Where insights  
meet impact