

Workforce Recommendations

SUBMISSION TOWARDS NEW TOURISM GROWTH STRATEGY

Tourism HR Canada was founded in 1993 as a pan-Canadian organization working on behalf of the industry, responsible for facilitating, coordinating, and enabling efforts to address labour market issues. In brief, Tourism HR Canada's mandate is to 'build a resilient, competitive, and inclusive labour market'.

COVID-19 has caused significant disruption to the tourism labour market, much greater than the economy overall, with slower recovery and a disproportionate impact on vulnerable populations. The sector lost nearly one million workers within the first eight weeks of COVID; today, the sector continues to have hundreds of thousands fewer workers than pre-pandemic times. Projections to 2025 and 2030 show a growing shortage of workers across all five tourism industries: accommodations; food and beverage services; recreation and entertainment; transportation; and travel services.

COVID has also heightened and accelerated systemic and structural issues to employment in the sector. Since the onset of COVID-19, Tourism HR Canada has been reporting on the shortfall of workers and other impacts of the pandemic, and it continues to provide trusted information and analysis. This work is done in collaboration with Statistics Canada, the Conference Board of Canada, Twenty31, McKinsey, and other renowned research bodies. This work involved extensive consultation with tourism stakeholders from across Canada and efforts to identify workforce recovery efforts by other economic sectors in Canada and worldwide. Recommendations contained in this document reflect the identified priorities and actions to recover and grow the tourism workforce.

WORKFORCE RECOVERY FRAMEWORK

Tourism, at its core, is a people business and one that relies on a skilled workforce to capitalize on its economic potential for Canada. Re-opening tourism businesses and guiding their recovery requires an all-of-sector approach. A workforce recovery strategy will require flexibility, coordination, and resources to ensure it is responsive to urgent demands and is economically and socially viable over the long term. Fundamentally, the aim must strive for a cohesive strategy to address systemic and structural issues, improve on the sector's resilience, and strengthen its capacity as a key economic driver.

Strategies to address workforce recovery and growth are generally contained in three categories, all aimed at developing a sustainable, competitive, resilient, and inclusive workforce:

1. The need to build a healthy supply of workers commensurate with market demands
2. Addressing skills deficiencies and mismatches

3. Overcoming key employment and mobility barriers

Recommended, concrete, and measurable actions for each of these are summarized here.

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RECOMMENDATIONS

BUILD A SUPPLY OF WORKERS

Overall aim: To create a sustained supply of workers for the tourism sector by addressing systemic and structural issues. Current projections suggest that a minimum of 2.5 million workers is needed by 2030 to address demand.

Focus: Continue to diversify the tourism workforce by increasing participation of vulnerable populations and groups under-represented in the labour market, with particular attention on Indigenous peoples, new Canadians, people with disabilities, and youth. To fill jobs, we anticipate a clear policy and program shift that will prioritize groups that have been most affected by the loss of employment and those whose employment prospects are precarious. Varying strategies and culturally appropriate or tailored supports will be needed for each target population.

1. Implement comprehensive tourism immigration strategy

Current immigration pathways provide limited access to foreign and immigrant workers for the tourism sector. A comprehensive tourism immigration strategy must focus on optimizing current immigration pathways and work with government to explore alternative immigration pathways to address labour needs where local labour cannot be sourced.

A key consideration is the reclassification of occupations as part of the new points system, i.e., TEER (Training, Education, Experience, Responsibilities), to ensure a wider range of tourism-related jobs are included. This shift will be more responsive to ongoing labour market demands.

RECOMMENDED ACTIONS

- Create efficiencies with existing programs, e.g.,
 - Temporary Foreign Worker Program, e.g.: multiyear TFWP (extend work visas); eliminate LMIA (focus on demonstration of competitive wages commensurate with region); eliminate need to advertise jobs; implement Trusted Employer process; prioritize tourism applications; reduce fees for small business owners; allow flexibility on seasonal work term
 - Provincial Nominee Programs: reduce duplication with work permit applications
- Adjust policies with existing federal and provincial streams, e.g.,
 - International students, various programs: allow unlimited working hours and multiple employers (including students in language schools); allow dependents right to work; allow subsidies under the SWPP
 - Immigration Nominee Programs: eligibility for all occupations; increase allocation and prioritization of tourism workers; provide autonomy for provinces to select criteria
 - Promote and enable permanent residency, clear pathways; reduce time between application, entry, and granting of permanent residency
 - Restructure points system for Canadian Experience Class and Federal Skilled Worker Class, with tourism work experience and qualifications prioritized

- International Experience Class: extending work visas (e.g., from two to four years) or provide options for renewal
 - Ease work permit restrictions for Caregiver stream to allow part-time employment in tourism
 - Ensure tourism occupations are included and prioritized in Municipal Nominee Program
- Introduce Tourist Working Visa, i.e.,
 - Non-employer sponsored visa to enable tourists and people choosing to relocate for several months to combine work with vacation
- Devise new dedicated stream for tourism, i.e.,
 - Comprehensive, employment-based migration program to address needs for foreign workers where the domestic workforce is not meeting labour demands
 - Emphasis on permanent track; option of multiple employers (i.e., an open work permit), expanded mobility options
 - Flexible: allow a diverse range of workers with different skill levels to fill labour shortages; allow access to workers from any country
 - Enable qualifying migrant workers a direct path to permanent residence
 - A key vehicle for the Government of Canada to increase humanitarian efforts/interests and help fulfil UNWTO Sustainable Development Goals
 - Strengthened humanitarian protections and overall protections of workers, including increased employer standards and safeguards against exploitative recruitment practices (e.g., Trusted Employer and Recruiter programs) and workers' rights (e.g., the role of an independent third party to address needs of all stakeholders; assurances that worker protections are the same as for Canadians)
- Undertake new program pilot initiatives: Economic Mobility Pathways; Afghan Refugee; Ukrainian Displaced Peoples; Francophone Settlement; Languages Canada; consider/explore possibility of Agri-Food Pilot adapted for tourism
- Develop specific supports/guidance and information tailored to tourism employers

2. Implement pan-Canadian Indigenous workforce strategy

Indigenous tourism is fundamental to reconciliation, helping restore and strengthen culture, language, and spiritual practices. Indigenous tourism is also a key economic driver; it is fundamental to achieving sustained employment opportunities, advancing economic independence, and sustaining hundreds of Indigenous communities across Canada. Indigenous tourism is a gateway to showcasing the histories, cultures, languages, and diverse traditions of the many Indigenous peoples to Canadians and visitors eager to learn more and support further efforts towards reconciliation.

The demand for Indigenous workers for both Indigenous tourism operations and non-Indigenous tourism businesses far outpaces the number of Indigenous workers the sector has been able to attract. The overall aim of a national Indigenous workforce strategy is to create more employment opportunities and entry pathways. The strategy must contribute to retaining and supporting Indigenous employees, with a focus on culturally supportive workplaces. The strategy must also consider the great differences between on reserve and off reserve, and the interest for Indigenous workers for employment in Indigenous tourism businesses and entrepreneurial opportunities, or employment in non-Indigenous operations (in all economic sectors).

The Indigenous tourism sector is diverse, including co-operatives and community-owned ventures, incorporated businesses, and a range of sole proprietors, from independent artists to wilderness guides. The sector also includes not-for-profit organizations such as museums owned and operated by Indigenous communities and organizations, cultural festivals, theatre groups, and natural heritage sites. (A workforce strategy considering this diversity will be challenging, yet essential.)

RECOMMENDED ACTIONS

- With the Indigenous Tourism Association of Canada (ITAC) as the lead agency and working with its network of members, develop and implement a three-year workforce strategy to attract, develop, and retain Indigenous employees who want to build meaningful careers
- The integrated workforce planning process will focus on understanding Indigenous perspectives through research and experiential learning opportunities, e.g., Indigenous-led research methodology; environmental scan of existing programs, models, services; capacity building of Indigenous researchers; consultations with diverse makeup of Indigenous tourism stakeholders and Indigenous youth; development of plans

3. Restore and expand attraction and retention strategy

Discover Tourism/Explorez le tourisme was a comprehensive sector-led and award-winning campaign/strategy launched in 2012, funded by ESDC. The online program included tools, programs, and services all aimed at attracting and retaining a vibrant and competitive tourism workforce. This program was highly effective, but unfortunately, had to be reduced to a basic program that could be sustained once funding was abruptly cut. Today, demand remains for many of the tools and information, and Tourism HR Canada has been able to sustain the minimal level of service. This initiative is to revive and expand on the Discover Tourism strategy, which will be a coordinated, measured, and all-of-sector response.

RECOMMENDED ACTIONS

- Restore and expand on the comprehensive “Discover Tourism” program and campaign with information, tools/products, and services for each of three target groups: 1) Job Seekers, Employees, Students; 2) Employers; 3) Influencers and Intermediaries (including educators, career service providers, parents)
- Make key investment towards video vignettes featuring ‘real-life stories’
- Launch a campaign in collaboration with Destination Canada and aligned with marketing tourism efforts

4. Modernize labour standards regulations and employer HR/workforce practices and supports

The pandemic has led to many changes in workplaces and work. Many employment and labour standards were lacking or void of circumstances in dealing with the types of protracted disruptions to employment and increasingly more complicated regulations (e.g., concerning safety, health). Canada’s system of labour standards and regulations is complex, involving federal, provincial, and territorial authorities with varying decisions on the modernization of labour laws. Businesses are challenged with understanding how to operate in the current and evolving regulatory context, one that could involve multiple jurisdictions (even countries) for their workforces.

RECOMMENDED ACTIONS

- Implement changes to Employment Insurance (EI) schemes, e.g.,
 - allowing retired persons (Old Age Security) the right to work part time without penalty, i.e., create favourable conditions to incentivize partial return to the labour market
 - design flexible EI scheme to respond to regional and seasonal needs
- Contribute to new or adapted labour standards to ensure regulations are suitable; improve coherence and consistency
- Develop tools, supports, guidance for employers

FOCUS ON THE SKILLS MISMATCH

Overall aim: To better align talent with jobs and work demands while improving productivity, competitiveness (i.e., service standards), and resilience (e.g., multiskilling, increased retention). (Note: skills mismatch is multidimensional, and includes, for example: underutilization of skills, skills obsolescence, lack of skills needed.) Currently, 25% - 40% of workers in tourism jobs do not have the skills to fulfil job demands. This leads to higher turnover, increased burnout, increased errors and waste, lower productivity, and poor service standards. The skills mismatch issue is increasingly important as the sector adjusts to working with a leaner workforce and adjusting to new business demands/operational models, including accelerated digitalization.

The reduction in tourism employment is likely to delay entry into the labour force for young Canadians. Historically, young people (17-25 years old) fill about 30% of tourism jobs, and 28% of Canadians acquired their first job in tourism, where they gained highly transferable and sought-after skills. Frontline tourism jobs serve as a key entry point to the labour force for young people, whether to build a career in tourism or find a job that accommodates their schedules and allows them to save money while going to school.

Focus: Investments in education and training programs/models that are adaptive and responsive to business needs.

1. Increase high school tourism and hospitality programs

Currently, there are few tourism- and hospitality-related programs in high schools. Where they exist, most often the programs lack integrity and cover very limited aspects of the types of jobs and careers in the sector. One exception is the Canadian Academy of Travel & Tourism (CATT) program.

The CATT program was first launched in 1995 by the American Express Foundation and housed under Tourism HR Canada. In 2007, CATT became a permanent Tourism HR Canada program. With the support and guidance of educators and industry partners, the program has grown to provide high school students across the country with the knowledge, skills, and attitudes necessary to succeed in the working world.

CATT is the Canadian member of the Global Travel and Tourism Partnership (GTTP), an international network of schools offering travel and tourism education. CATT schools can access the GTTP curriculum resources and participate in a variety of student competitions that help showcase the depth and breadth of the tourism sector worldwide. Tourism HR Canada has been a key contributor to the development of the CATT and GTTP curricula used worldwide.

The demand to grow CATT has been hampered by the ability to update tools and the concern that the curriculum requires an update.

RECOMMENDED ACTIONS

- Update and expand on Canadian Academy of Travel & Tourism (registered and non-registered)
- Add a minimum of 250 schools

2. Modernize post-secondary tourism programs

Post-secondary programs aimed at preparing workers for the tourism sector are waning. Many challenges have been identified—some at an institutional level, others more broadly affecting the education system itself.

RECOMMENDED ACTIONS

- Improve coherence; increase number and types of programs available; improve learner mobility; update curriculum to align with business needs (e.g., more responsive, flexible, and adaptive, with an emphasis on increased work-integrated learning and micro-credentials)
- Implement pan-Canadian working committee to set strategy
- Devise and implement post-secondary micro-credentialling pilot with colleges and universities from across Canada

3. Launch pan-Canadian tourism 'Job Ready' program

Programs that prepare job seekers for gainful employment have been highly effective in targeting a diverse workforce (e.g., youth, Indigenous peoples, new Canadians, people with disabilities) to the sector, with long-term employment retention. These programs build on existing capacity and resources, and involve collaboration amongst all community stakeholders (e.g., employers, education and training systems, career service providers, immigrant settlement agencies). With funding from ESDC, Tourism HR Canada delivered Ready-to-Work for nearly 20 years (ending in 2015), with more than 18,000 job placements. Highly acclaimed, the program remains in high demand despite the abrupt end when funding was cut. A funding proposal is currently with ESDC, pending review.

RECOMMENDED ACTIONS

- Process ESDC application for pan-Canadian Ready-to-Work program

4. Rationalize and prioritize government-funded training initiatives

Targeted and sustained investments in training and job supports are needed. Although there is a lot of government funding going towards training initiatives, often it is misappropriated, duplicative, allocated to groups that are unable to sustain the program or provide adequate supports to users, and more. Improved coherence and planning on the use of these funds is needed.

RECOMMENDED ACTIONS

- Focus on Regional Development Agency (RDA) and ESDC funding: prioritization, prevention of duplication, alignment with needs

FIX WORKER AND LEARNER MOBILITY AND EMPLOYMENT BARRIERS

Overall aim: To improve on geographic and occupational mobility by addressing social and economic considerations that enable available workers to attach to employment opportunities, i.e., address the conundrum: ‘People without jobs, jobs without people’. Most challenges in this category appear to be addressed through public policy changes and will require an all-of-sector strategic and sustained advocacy effort. For the most part, these issues impact the overall economy (and not just tourism).

1. Adjust policies to address employment mobility barriers

Family considerations play an important role in individuals’ willingness to move to another region to gain employment. It’s a practical issue: the cost is often prohibitive; other working family members may be displaced from their employment; and the desire or need to stay close to family or friends to provide care to relatives, are among the most-cited reasons for not accepting employment that would require relocation. People are willing to relocate when the economic and social conditions are favourable; they are also eager to relocate when it is no longer affordable for them to stay or when their rights and freedoms are impacted.

Tourism businesses that operate in remote or rural Canada often face unique challenges compared to those operating in larger urban settings. Overall, the lack of infrastructure and population density in remote and rural areas create conditions that are greater to overcome—and since tourism is an economic anchor to many remote and rural towns, often they must bear extra costs to make up for the lack of services or needed infrastructure.

RECOMMENDED ACTIONS

- Increase affordable housing
- Increase affordable transportation
- Provide financial supports for needs associated with family care (child, elder, disability)
- Introduce a program to cover/defray costs to relocate families for employment opportunities

2. Adjust Transport Canada policies concerning seafaring workers in tourism occupations

Regulations set out by Transport Canada require that individuals working in marine occupations need special qualifications, including prescribed training. Currently, Transport Canada does not recognize foreign credentials or work experience earned elsewhere despite the qualifications of these workers, which far exceed requirements to operate cruise ships and other recreational vessels used in tourism operations. This segment of the tourism sector has been greatly hampered by the lack of access to foreign workers.

RECOMMENDED ACTIONS

- Make changes to policies that currently inhibit recognition of foreign credentials and qualified experience for workers that operate vessels for tourism services

3. Facilitate improved worker and student mobility

Students enrolled in Canadian post-secondary institutions currently have limited mobility options, all at the discretion of the respective institutions. A common issue is credit mobility, i.e., a period of study that relies on exchange agreements between institutions, where the credits earned in one institution are recognized and have parity at other institutions.

Canada needs to nurture a culture of student mobility. Student exchanges or opportunities to change academic institutions can expand a student's cultural frame of reference, build experience, help with life skills, and widen their network of peers, friends, collaborators, and employers.

Improved student mobility has an impact on employability and addressing seasonal staffing needs. Tourism students can travel and learn while earning an income, which is especially important during peak seasons to address increased demand for temporary workers in certain regions.

Improved mobility contributes to making the sector more attractive as a career, i.e., a profession that is visible, coherent, and sought after across Canada. Addressing the structural issues will improve on the overall quality of programs and enable institutions to differentiate their programs from others, making them more viable and attractive to learners, while also helping address the mismatch of skills and the work experience businesses are seeking.

RECOMMENDED ACTIONS

- Introduce regulation to ensure recognition of credit, foreign credentials, and qualified experience is universal across the public post-secondary education system
- Invest in student mobility initiatives, e.g., introduce a new program to incentivize student mobility, e.g., "Travel Canada Experience"
- Explore/introduce a 'Skilled Trades' program for all tourism occupations, i.e., adapt and expand on the current Skilled Trades program

4. Incentivize public and private infrastructure investments

Essential employment barriers related to housing, childcare, and transportation could be supported through private investments. Models to incentivize these investments help address the acute challenges facing most communities while helping secure employees. It's all about creating wealth and wellbeing—the pairing of jobs with communities that are attractive to workers.

RECOMMENDED ACTIONS

- For example: tax credit for housing, childcare services

ENSURE APPROPRIATE OVERSIGHT, GUIDANCE, AND ACCOUNTABILITY

Overall aims: Maintain enhanced visibility and investments in tourism workforce matters; maintain a focus on a pan-Canadian labour market strategy and the efforts to coordinate/facilitate needs amongst multiple government departments and agencies with the private sector (i.e., contribute to government-wide objectives, strengthen intergovernmental partnerships/collaboration, and promote harmonization/rationalization of policy, resources, programs).

RECOMMENDED ACTIONS

1. Provide operational funding to Tourism HR Canada to...

- Coordinate/facilitate Pan-Canadian Tourism Workforce Recovery and Growth Task Force
- Facilitate implementation of the labour elements in the strategy
- Provide continued and targeted research on labour market recovery
- Measure, report on progress