



Supply



Skills



Sentiment



Strategy

BRIEFING · FEBRUARY 2021

# Workforce Shortfall

And What it Takes to Restart Canada's Tourism Workforce

Tourism **HR**  
Canada



**RH** Tourisme  
Canada



## MANDATE

# Building a **Resilient, Competitive, and Inclusive** Labour Market



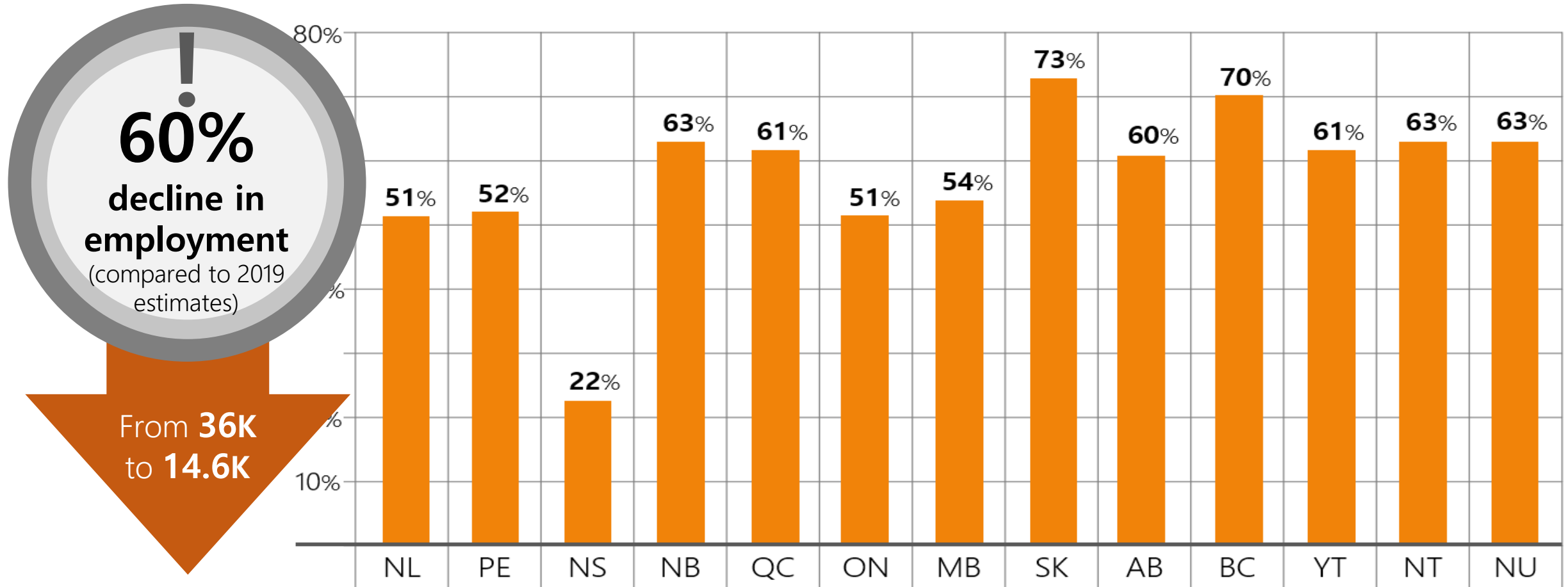
## A WORKFORCE IN DISARRAY

COVID-19 has caused significant disruption to the tourism labour market, much greater than the economy overall (with slower recovery, and disproportionately impacting youth and minority populations)



# Alarming Impact on Indigenous Workforce

## REGIONAL BREAKDOWN OF 2020 JOB LOSSES



# 2020 – A YEAR OF Dire Circumstances

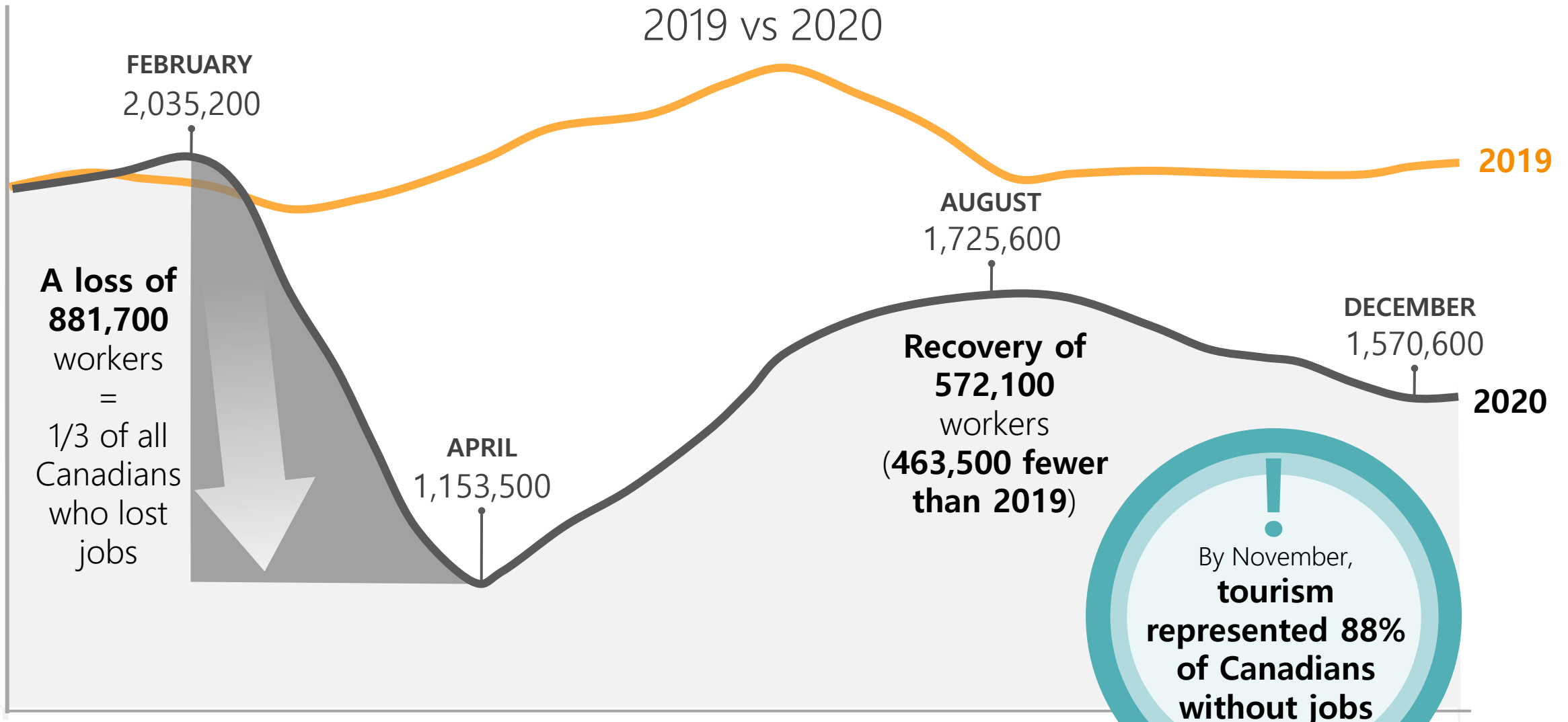
In ten weeks, by mid-April, tourism faced a  
**loss of 881,700 workers.**

By year's end,  
**tourism jobs dropped to 1,570,600**  
from 2,035,200, a loss of 22%.



# Total Tourism Employment

## 2019 vs 2020



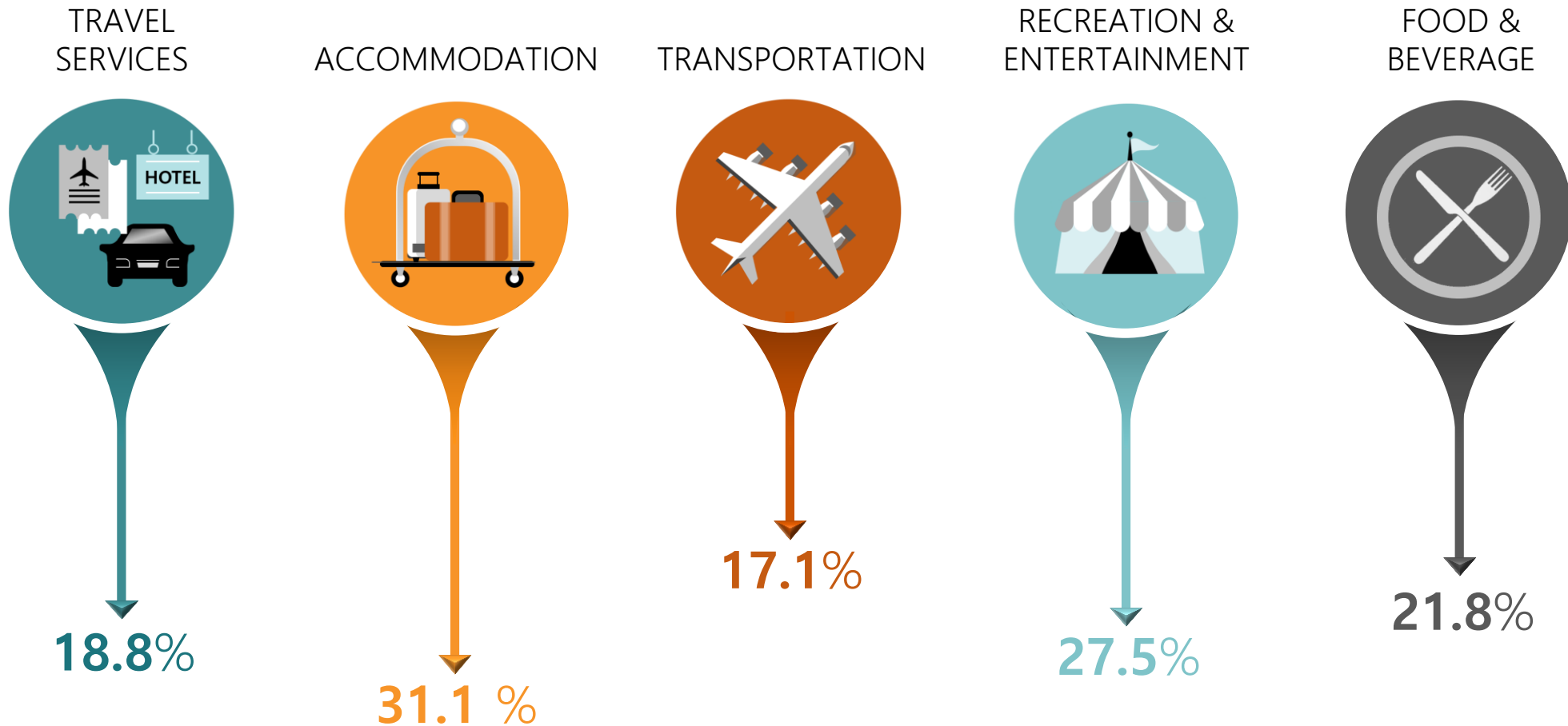
# Monthly Unemployment Rate

2020-2021

(Seasonally unadjusted)



# Total Decrease in Employment Since February 2020\*



\* As of December 2020



## TIME IS RUNNING OUT

There is a lot we don't know  
about future job requirements  
(but what we do know should have us concerned  
and create some urgency to act)



**Impacts of  
COVID-19 have  
accelerated and  
intensified LM  
challenges**

## THEY ARE NOT COMING BACK

Many workers are not going to return to jobs once they are restored, causing some of the greatest labour shortages ever seen and hampering recovery.

(COVID has heightened and accelerated systemic issues and barriers to employment in this sector.)

# Why They Are Not Coming Back



Precarity of  
Employment



Mobility  
Barriers



Part of High-Risk  
Group



Living with High-  
Risk Person



Required to Care  
for Family Member



Mental Health,  
Difficulty Coping



Diminished Pool  
of Workers,  
Students



Concerns About  
Safety, Security



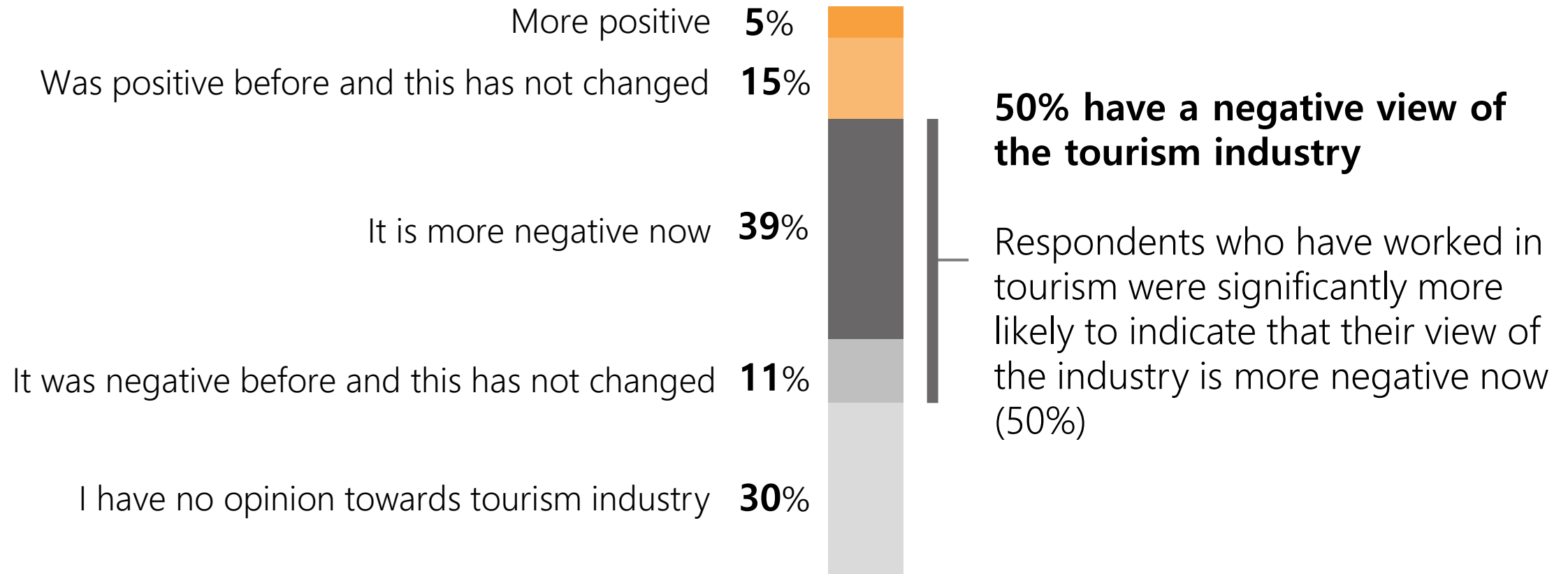
Lack of  
Transportation



Competition From  
Other Sectors

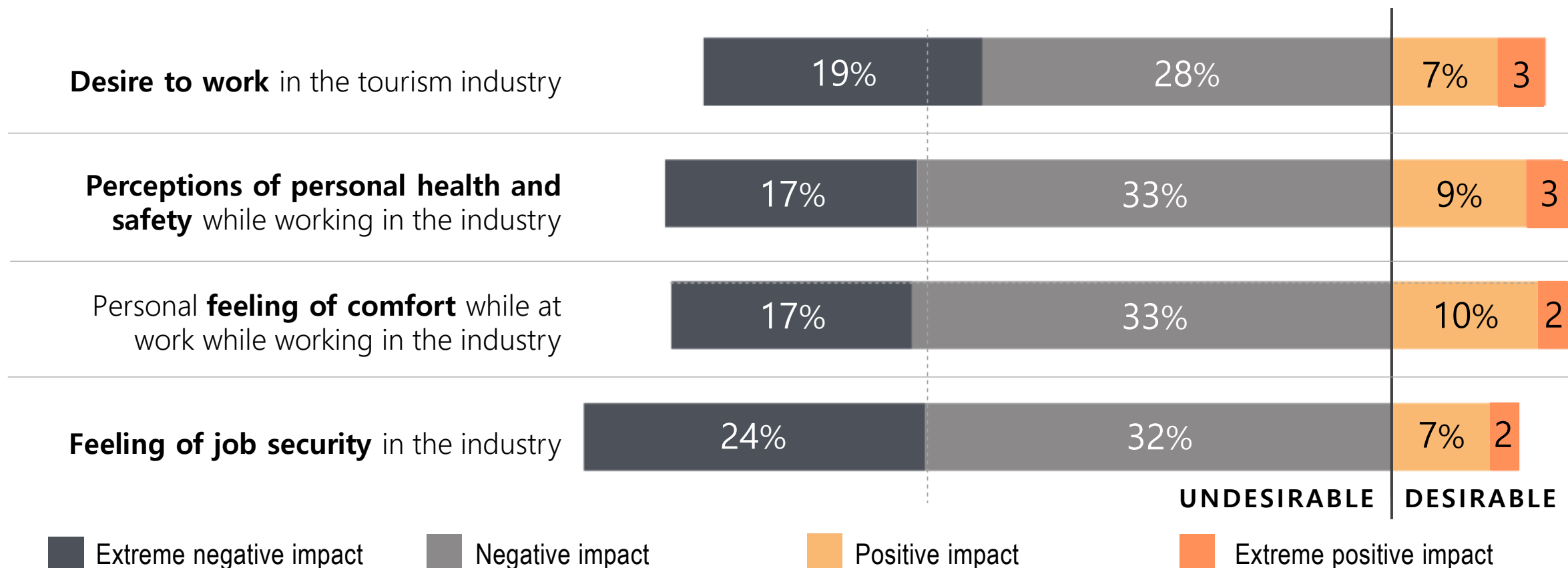
# View of Tourism Industry as a Place to Work

*At this time, how has your view of the tourism industry as a place of work changed compared to your view prior to the COVID-19 pandemic?*

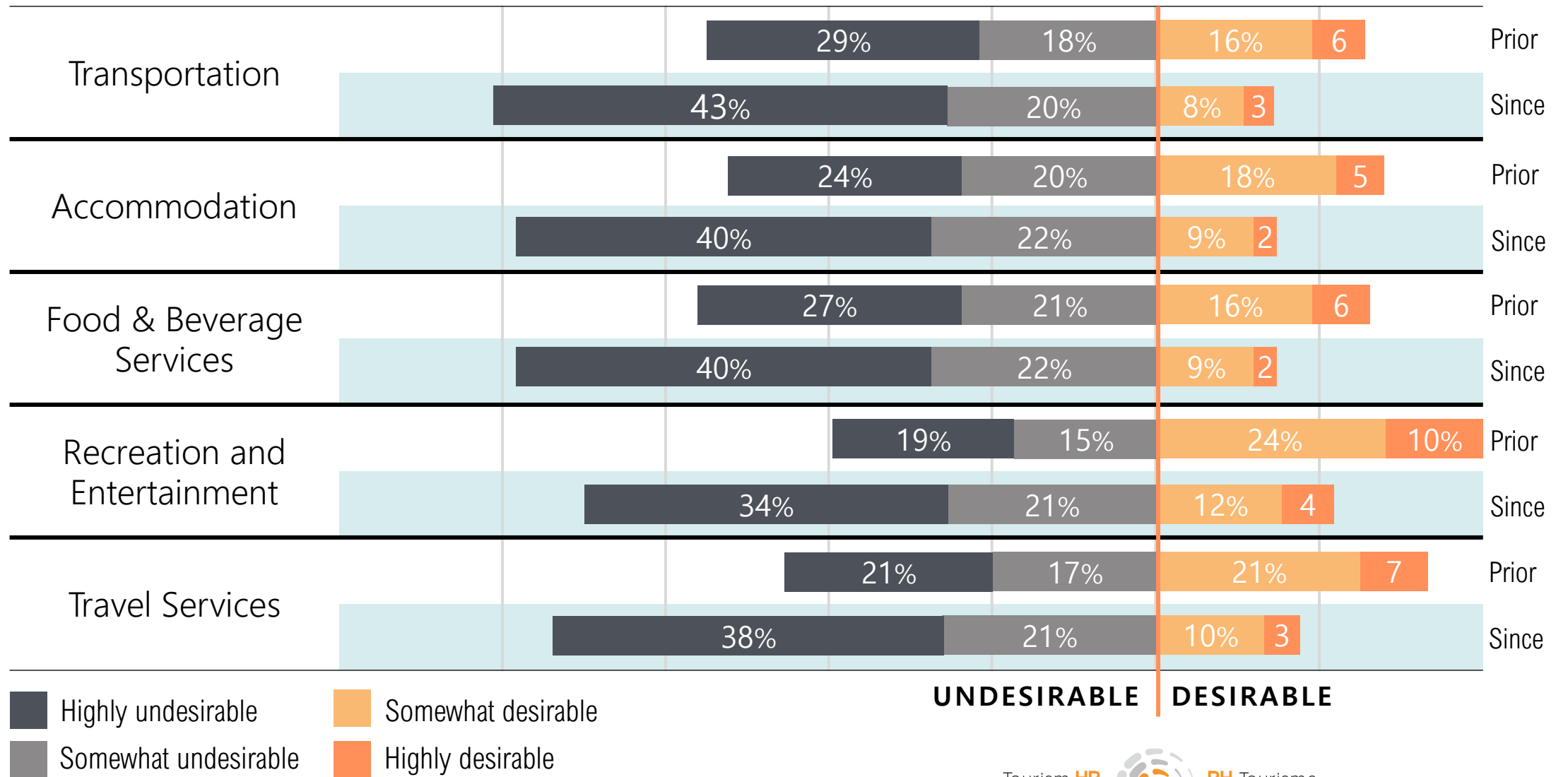


# Impact of COVID-19 on Working in Tourism

*To what extent has COVID-19 impacted each of the following:*



# Desirability of Careers in Tourism



RESTARTING THE TOURISM WORKFORCE

# Priority **Strategies** to Restart Canada's Tourism Workforce



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## Priority **Strategies**



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Prioritizing redeployment  
and re-employment is essential to  
the recovery of the visitor economy  
(and tied to social inclusion and political stability)



## RESTARTING THE TOURISM WORKFORCE

# Priority Strategies

### Policies and Programs That Will Make a Difference



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1. Strengthen worker retention strategies
2. Implement program to recall workers
3. Implement wage subsidy model for seasonal workers
4. Implement dedicated immigrant pathway program for tourism
5. Prioritize the tourism sector for use of the Student Work Placement Program
6. Incentivize learner and worker mobility

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## CONCERN FOR VULNERABLE WORKERS

The economic and social implications  
of an unequal and slow recovery  
will impact tourism disproportionately  
(with more persistent underemployment of vulnerable workers)

1

## Strengthen worker retention strategies



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### Some of the Details



**Extend the Canadian Emergency Wage Subsidy program to the end of 2021** and potentially for several months into 2022, once the sector can rely on international arrivals and the threat of insolvency for many small and medium-sized businesses is reduced.

**Assist businesses with new employment and HR practices** by providing virtual information and education sessions, and tools to help them address challenging staffing issues, including ways to recalibrate the staffing structure, developing plans to help employees transition back to work or new jobs, and best practices to help employees manage difficult circumstances such as coping with mental health needs.

New unemployment income and worker-transition support programs are essential to the recovery of the tourism workforce.

There is a need for sustained investments in human capital, ones that extend for the full duration of the pandemic and for several months that follow. Both government and businesses have a role.

## 2

## Implement new program to recall workers



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**Some of  
the Details**



Urgent action is needed to keep workers attached to their jobs. Rapid deployment along with skills upgrading of furloughed workers should be prioritized.

This is especially true for vulnerable populations as it will help improve sustained labour market attachments and fill thousands of tourism jobs.

**Explore model to redeploy (call-back) furloughed workers**, for example:

- Enable workers to retain EI benefits plus get employer-paid incentive (e.g., equal to 10% of wage) to return to work
- Tie program eligibility for workers and employers to training, especially to assist with business and community recovery (e.g., product development, market development)
- Ensure learning leads to a recognized credential to further enable workers to gain increased employment options

## 3

## Implement wage subsidy model for seasonal workers

Many annual events, concerts, tradeshow, fairs, exhibitions, and other seasonal tourism experiences are not eligible for existing relief benefits, yet they are fundamental to the revitalization of the sector.

- **Introduce new wage subsidy program aimed at seasonal operators who rely on casual or temporary workers for short periods**



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**Some of  
the Details**



Tourism will continue to rely heavily on immigration to fill jobs: conditions in the labour market have accelerated and intensified, where demand for workers at all skill levels far exceeds supply.

The ability for the sector to rebound requires commitment to full employment. Policies and programs are needed to enable the industry to recover from severe losses and an impaired image.



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## Some of the Details



### 4 Implement new immigration policies and strategies for tourism

#### Implement dedicated immigrant pathway program for tourism

Tourism HR Canada has submitted a proposal to Immigration, Refugees and Citizenship Canada to extend and expand the Destination Employment initiative, aimed at connecting newcomers to Canada with tourism jobs.

If accepted, this project will enable the sector to strengthen an immigration model that will continue to provide meaningful, sustained jobs.

**Adjust immigration policies** to help the sector address labour shortages, for example:

- Increase immigration quotas of workers commensurate with employment demand in the sector, i.e., aligned with jobs
- Adjust policy for closed work permits. Most foreign nationals admitted under NOC Skill Levels C&D for jobs in the sector are restricted to a single employer for full-time, year-round work. Allowing these workers an option to work for more than one employer would benefit the worker and enable seasonal tourism employers to access labour.
- Allow private vocational institutions that are on the Government of Canada's designated learning institutions list to write post-graduation letters to enable graduates of these programs to apply for the right to work in Canada.

## 5 Prioritize the tourism sector for use of the **Student Work Placement Program**



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### **Some of the Details**



Tourism has relied on young people to fill many seasonal jobs. Unlike other years, the supply of college or university graduates will be much smaller and competition for their talent much greater.

Tourism HR Canada has submitted a proposal to Employment and Social Development Canada for a Student Work Placement Program. The project is titled: *Propel: Launching Future Careers in the Visitor Economy*.

The project aims to: [1] create work placements; [2] foster business/education partnerships; [3] conduct benchmark research on existing programs and needs; and [4] explore use of program for new business start-ups.

If accepted, the project will commence in time to fill jobs in the summer season.

## 6

## Incentivize learner and worker mobility



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### Some of the Details



The vast reach and scale of the tourism workforce contributes to several labour market challenges. One big one: unemployed workers in declined areas or ones that are slower to recover will be far away from markets where jobs are available.

This refers to the classic paradox: “there are people without jobs and yet there are jobs without people” (i.e., job vacancies that are hard to fill). This uneven pattern will persist for years until the overall economy improves.

Explore a model to help job seekers and students relocate to areas where their skills are in demand.

- Consider supports that cover costs for relocating
- Include supports for infrastructure development, such as housing and transportation

Redeployment and re-employment of workers requires a more responsive and flexible (systemic) approach, further demanded by the seasonal aspect of employment in the sector.



## Priority **Strategies**



Skills

Training, reskilling, upskilling...  
in whatever form, new skills are  
needed for tourism to be future proof  
(i.e., to be globally competitive, resilient)

# Priority **Strategies**

## Policies and Programs That Will Make a Difference



Skills

1. Expand online training made available at no cost, with emphasis on tools for business owners/operators to address business transformation needs
2. Increase focus on and urgency of implementation of the new Workforce Management Engine
3. Implement funding and programs to support skills and work transition for under-represented labour groups, such as Indigenous youth and new Canadians



## Some of the Details



### 1 **Expand online training** made available at no cost, with emphasis on tools for business owners/operators to address business transformation needs

Continue to fund the development of further training products and the technology platform to deliver the programming to tourism workers and employers at no cost

- Build on the GoC investments already made in Emerit programs, the new Market Ready series, the Tourism Workforce Recovery Toolkit, and Business Builders, all based on extensive market consultation

Economic, social, and political benefits are only possible if the right talent is available.

Many workers and job seekers will require *new* skills to meet demand.

It's not about people wanting or needing to be rehired; workplaces have retooled or transformed in some way, and with this there is a need for new skills and to accommodate different work and worker contexts. Some workers will return, but most will face many years of challenges. Skills training is an accelerator to help people adjust to these challenges.

2

## Increase focus on and urgency of implementation of the new Workforce Management Engine



Skills

### Some of the Details



Employment and Social Development Canada (ESDC) funded Tourism HR Canada for its Future Skills Framework, a comprehensive and dynamic model to inform ongoing workforce needs, serving job seekers, employers, policy makers, educators, career development practitioners, and more. The first phase of this project ends in March 2021.

Tourism HR Canada is submitting a proposal to ESDC for the next phase of this important work (the 'Workforce Management Engine'). This has a focus on implementation of the model at a critical time, when workforce issues have been especially unstable. If the proposal is accepted, the model will start to serve the industry in late 2021.

The emphasis for upskilling and reskilling should be on transferable skills and on skills that are in high demand, especially those that the sector relies on for recovery. By equipping workers to do different roles, companies will see economic benefits and be more resilient.

One good example is accelerated demand for digital skills, as businesses increase their investments in automation while improving their links to consumers and learning to manage their workforces differently.

3

## Implement funding and programs to support skills and work transition for under-represented labour groups, such as Indigenous youth and new Canadians



Skills

### Some of the Details



Tourism HR Canada will seek funding and partnership opportunities to scale up the Ready to Work program, one of Canada's most successful bridging programs, which has helped 1,000s of people gain a solid foothold in the workforce.

Tourism presents a large opportunity for 'first jobbers' and those transitioning into the Canadian workforce. Pre-pandemic, the sector employed 560,000 youth, 470,000 new immigrants, and 1,000s of others who gained 'skills for life' and the necessary Canadian work experience.

Canada's tourism sector is highly diverse. Compared to the economy overall, tourism employs a higher proportion of under-represented groups in long-term, stable jobs.

Still, there is a need for increased heterogeneity, with a particular focus on Indigenous peoples and immigrants.

## RAPID JUST-IN-TIME LEARNING RESPONSE

The tourism industry is going to rely heavily on accessible virtual learning that enables job-seekers and workers to obtain micro-credentials and tailored learning products  
(i.e., just-in-time, cost-effective learning responsive to market and employer demands)

# Restarting the Tourism Workforce

## New Tourism = New **Skills**

ONE EXAMPLE:  
Virtual and virtual  
reality experiences such  
as conferences, tours



BUSINESS  
INNOVATION



NEW TECHNOLOGY &  
DIGITAL ADOPTION



FINANCIAL  
MANAGEMENT



COMMUNITY  
ENGAGEMENT

ONE EXAMPLE:  
Community-led  
labour market  
action plans

ONE EXAMPLE:  
Risk management to  
overcome future  
disruptions, such as  
climate-related impacts



BUSINESS  
RESILIENCE



HUMAN CAPITAL  
MANAGEMENT



ENVIRONMENTAL/  
SUSTAINABLE  
PRACTICES



SOCIAL/CULTURAL  
COMPETENCY

These are some  
examples that  
illustrate  
**increased  
complexity and  
focus on  
resilience, safety,  
and health**

## SKILLS TO REBUILD CAPACITY

And it's more than a concern about new skills required—skills attrition and demand for product growth also means that training in 'traditional' skills is ramping up, too

(especially for rural tourism experiences, nature-based/outdoor recreation and adventure, and Indigenous tourism)

**Indigenous  
tourism  
experiences fit  
uniquely well with  
consumer needs  
arising out of  
COVID-19**

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## Priority **Strategies**



### Sentiment

Real-time labour market information  
and the ability to synthesize,  
analyze, and inform policy decisions  
are critical at this junction

(past trends are not a good predictor of future needs)

# Priority **Strategies**

## Policies and Programs That Will Make a Difference



### Sentiment

1. Prioritize continued LMI research for the tourism sector
2. Establish a government and sector-endorsed accreditation program to promote Canada's new 'guaranteed safety, security, and service standard' to improve Canada's competitive advantage and restore consumer confidence
3. Launch employment campaign, building on the Discover Tourism model

1

## Prioritize continued LMI research for the tourism sector



Sentiment

**Some of  
the Details**



Tourism HR Canada has been responsible for one of Canada’s foundational labour market forecasting systems since 1994. Funded by Employment and Social Development Canada (ESDC), this research is the most trusted, comprehensive, and timely labour market intelligence. The research has been widely used by governments, associations, academics, and businesses, with increased demand for new regional/local and topical research, especially stemming from the impact of COVID-19.

Tourism HR Canada is submitting a new proposal to ESDC for continued support to maintain this crucial foundational labour market system. If tourism is prioritized for funding, and if the proposal is accepted, Tourism HR Canada is hopeful the work will resume by July 2021 with minimum disruption to the longitudinal research.

Historically, ‘skills projections’ or ‘job forecasting’ was based on trend data collected through various sources, such as Statistics Canada and through monthly surveys. COVID-19 has disrupted the reliance on this data. For example, 2019 data is no longer a good benchmark moving forward, and 2020 is anomalous to any past trend. New information and the emphasis on reliable, just-in-time data is more important than ever .

2

**Establish a globally recognized accreditation program to promote Canada’s new ‘guaranteed safety, security, and service standard’**



Sentiment

**Some of the Details**



Accreditation programs serve many purposes, but the single-most important purpose is to build consumer confidence. An accreditation system is based on agreed-upon standards of practice governed by a consortium working on behalf of the industry. The program provides guidance and support to help businesses meet and sustain the standards, and it evolves as market conditions change.

Tourism will rely on a trusted all-of-tourism accreditation—one easily understood by the consumer and one that promotes practices that will enable Canada to gain a competitive edge.

Trying to figure out what could return to ‘normal’ is tied closely to consumer sentiment and behaviours, and changing attitudes and lifestyle priorities. Visitors/consumer markets have changed significantly, just as job seekers and workers have also changed.

Public/social opinion is very important. Views of the sector have taken a great hit—from community, consumer, and worker points-of-view, with some of the lowest ratings we’ve ever tracked.

## EVEN LESS ATTRACTIVE THAN BEFORE

Sentiment is based on both perceptions and realities. Two areas should be of utmost concern:

1

The view that the sector  
needs to improve  
working conditions

by offering greater flexibility, increased wages, and sustained investments in professional development.

2

Growing public sentiment  
about new immigrants and  
temporary foreign workers.

Views are far ranging, from concerns about jobs taken away from Canadians to those that these vulnerable populations are not treated well by employers.

3

### **Launch employment campaign, building on the Discover Tourism model**



Sentiment

**Some of  
the Details**



In 2014, Tourism HR Canada launched a comprehensive online 'attraction and retention' tool, called Discover Tourism. In the last decade, work and workplaces have undergone massive changes, perhaps more so than ever as a result of the pandemic. It's time to revisit the Discover Tourism toolkit and ramp up efforts to attract and hold on to workers.

Tourism HR Canada is hoping to identify funding sources that will be used to revamp the program and introduce new tools linked to the prevailing skills and jobs in demand. Discover Tourism serves students, job-seekers, employers, and educators. The tool has been essential in helping young people plan education and career trajectories and in helping new Canadians attach to the workforce more rapidly.

There are other strategies that should complement these efforts. Tourism is a destination for employment (and not just visitors). Efforts by Destination Canada and regional Destination Marketing Organizations could help showcase the tourism experience by profiling workers in the sector as part of their marketing campaigns. Video vignettes have been especially powerful in conveying uniquely Canadian hospitality and reinforcing messages to job-seekers of the value of working in the sector.

## Priority **Strategies**



### Strategy

Tourism's future workforce relies on  
community-led models

(it's beyond enterprises and must involve collaboration  
between employers, governments, workers,  
education providers, and various support services)

# Community Engagement is Synonymous with Labour Market Planning





# Priority Strategies

Policies and Programs That Will Make a Difference



Strategy

1. Develop a pan-Canadian tourism workforce strategy by strengthening coordination and developing products to improve coherence
2. Create a *National Workforce Recovery Panel*



## Strategy

### Some of the Details



- 1 **Develop a pan-Canadian tourism workforce strategy** by strengthening coordination and developing products to improve coherence

We need to take both a short- and long-term view to implement multiyear initiatives based on good policies and political commitment. The strategy should be led by an appropriate governing body that is accountable to all stakeholders (e.g., businesses, organized labour, governments).

Many countries operate with a comprehensive tourism workforce strategy that complements their tourism marketing efforts. After all, tourism is all about the authentic, tailored, compelling, quality experiences delivered by skilled professionals. In other words, it's about the people.

The strategy needs to focus on workforce matters related to skills, supply, and mobility—all issues that transcend borders and impact the ability for the industry to thrive.

Resources are needed to develop a comprehensive strategy that coincides with tourism recovery efforts, with the ability to adjust and adapt to evolving circumstances. An all-of-Canada approach would ensure coherence and lessen the chance of duplicative or conflicting efforts.



Strategy

**Some of  
the Details**



## 2 Create a National Workforce Recovery Panel

A national workforce recovery panel, or some coalition of stakeholders, would strengthen and potentially accelerate efforts towards addressing post-pandemic recovery workforce challenges.

The expert panel could serve as a key reference group to governments and other groups. It could be tasked with providing advice and ideas on complex workforce issues, contemplating the social, economic, and political impacts.

# Priority **Strategies:** Summary



**SUPPLY**

**1**

1 Strengthen worker retention strategies

2 Implement new program to recall workers

3 Implement wage subsidy model for seasonal workers

4 Implement dedicated immigrant pathway program for tourism

5 Prioritize tourism sector for use of Student Work Placement Program

6 Incentivize learner and worker mobility

STATUS

For discussion

For discussion

For discussion



For discussion

Proposal submitted: ESDC

For discussion

*Continued*

RESTARTING THE TOURISM WORKFORCE  
Priority **Strategies**: Summary, Continued

		STATUS
 <b>SKILLS</b>	<b>2</b> 1 Expand online learning, made available at no cost	Seeking funding source
	2 Increase focus on new Workforce Management Engine	Proposal pending: ESDC
	3 Programs to support skills and work transition for target populations	Seeking funding source
 <b>SENTIMENT</b>	<b>3</b> 1 Prioritize continued LMI research for the tourism sector	Proposal pending: ESDC
	2 Establish accreditation program re: 'guaranteed standard of practice'	Proposal rejected: FSC; Seeking funding source
	3 Launch employment campaign, building on Discover Tourism model	Seeking funding source
 <b>STRATEGY</b>	<b>4</b> 1 Develop a pan-Canadian workforce strategy	Seeking funding source
	2 Create a National Workforce Recovery Panel	Seeking funding source

## ECONOMIC, SOCIAL, AND POLITICAL IMPACTS OF THE WORKFORCE

A critical shortage of skilled labour hampers growth and recovery and contributes to higher operating costs and reduced profits. Without workers, businesses forego investments, lose their ability to compete, burn out staff, and ultimately anger and turn off customers.  
(This is not the image we want for Canadian tourism.)



# Thank You

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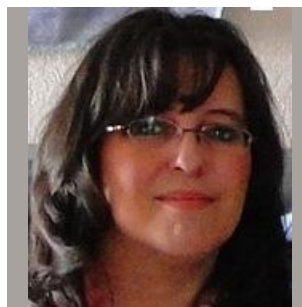
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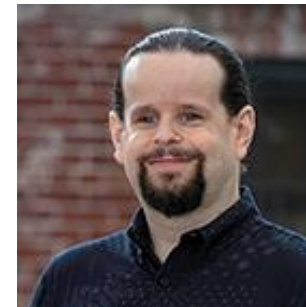
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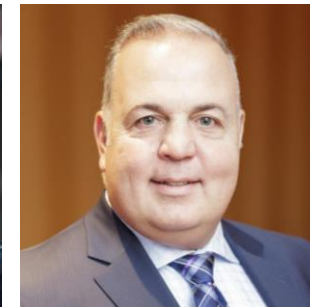
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Tourism HR Canada

Tourism HR Canada is a pan-Canadian organization with a mandate aimed at building a world-leading tourism workforce. Tourism HR Canada facilitates, coordinates, and enables human resource development activities that support a globally competitive and sustainable industry and foster the development of a dynamic and resilient workforce.

Tourism HR Canada is your source for current human resources issues and solutions, and works with the industry to attract, train, and retain valuable tourism professionals by giving them the tools and resources they need to succeed in their careers and entrepreneurial endeavours.

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