

LABOUR POLICY RECOMMENDATIONS

NATIONAL ROUNDTABLE ON TRAVEL AND TOURISM

ABOUT THE NRTT

The National Roundtable on Travel and Tourism (NRTT) is a partnership of Canadian national travel and tourism organizations engaged with government to promote a new approach to tourism-related policy aimed at building a stronger,

more competitive and world class travel and tourism industry in Canada.

Our members include:



A SIGNIFICANT DRIVER OF ECONOMIC GROWTH

In 2018, tourism added \$102 billion to Canada’s economy, providing a larger economic contribution than the automotive sector, as well as the agriculture and forestry sectors combined. The visitor economy accounted for 2.1% of Canada’s GDP last year and as Canada’s largest service export, it also contributed \$22.1 billion in export revenue. According to Statistics Canada, there are in excess of 200,000 tourism businesses across Canada, including airlines, airports, hotels, attractions, convention centres and many small businesses who collectively make a significant contribution to the overall economy of the country. These businesses employ 1.8 million people in a variety of job types – from pilots and

aircraft maintenance workers to housekeepers to business executives, of which 65% are tenured career professionals in well-paid, stable jobs.

Globally, tourism is the world’s fastest-growing sector. The United Nations World Tourism Organization (UNWTO) estimates that over 1.32 billion people travelled the world in 2018. Although Canada welcomed record numbers of international travellers that same year, Canada’s growth lags behind that of comparable countries. Unfortunately, chronic and seasonal labour shortages are contributing factors, which are negatively impacting revenues and hampering business potential.

A SHARED PRIORITY: ADDRESSING LABOUR SHORTAGES

Labour shortages remain a significant concern for NRTT member organizations. Chronic labour shortages have direct impacts on the Canadian economy and service levels, resulting in a number of negative consequences including: cancelled flights, unsold hotel rooms, limited service options of all kinds and hindered investment in new tourism products.

The recruitment and retention of Canadian workers first is and will always be a top priority for NRTT member organizations. However, numerous labour market studies have built a solid foundation for understanding that tourism labour shortages are the result of a declining supply of labour and the high demand for tourism products and services. Simply put, there are not enough people already in the workforce or workforce entrants to fill seasonal, entry level and highly skilled occupations including pilots, cleaning staff, kitchen help and many others to meet the sector's demand.

NRTT member organizations agree that people are the backbone of the Canadian tourism industry.

With the growth of the travel and tourism sector over the past several years, there is more pressure than ever on its struggling labour force. According to Tourism HR Canada, nearly 60,000 sector jobs are projected to go unstaffed by 2035 and, if not addressed, continued labour shortages will cost the Canadian economy \$19.9B in potential visitor spending by that same year.

Canada's Tourism Growth Strategy has set new ambitious targets to be met by the year 2025, including growing tourism revenues by 25% to \$128 billion; creating 54,000 new jobs; and increasing growth in the visitor economy to outpace the growth of the national economy. If labour shortages are not addressed, achieving these targets will be at risk and add even more pressure to the labour issues already faced by tourism businesses across Canada.

Indeed, without effective and tangible labour policy solutions in place, the tourism sector as a whole will be challenged to unlock its revenue potential and build a stronger, more competitive world class travel and tourism industry in Canada.

OUR RECOMMENDATIONS

DOMESTIC WORKFORCE

1. Skills and Capacity Building

In order to help address the employment gap in the tourism and travel sector, more collaboration and investment is required to build programs and support under-represented Canadians. The NRTT recommends that the Government of Canada:

- a. Support tourism training and develop bridging programs for under-represented labour pools such as women, new Canadians, Indigenous people, youth, older workers, veterans, and people with disabilities.
- b. Invest in skills/capacity building by prioritizing the tourism sector – including industry groups such as attractions, food and beverage, hotels, airports and airlines – in Employment and Social Development Canada and other government programming.

INTERNATIONAL OPPORTUNITIES

1. Immigration Targets

Increasing the immigration target to 0.9% of the Canadian population per year by 2020 has helped reduce the tourism labour shortage projection from 145,400 to 60,000 unfilled jobs by 2035. However, more short-term action is required to address the remaining labour gap. The NRTT recommends that the Government of Canada:

- a. Use industry labour market data as the main determiner to access all immigration streams. This includes permanent immigration and temporary labour solutions that meet the skills needs of the sector, regardless of skill level.
- b. Further increase immigration targets to match the Canadian economy's labour requirements.

2. Capacity Building

The tourism and travel sector continue to face critical labour shortages, both year-round and during peak seasonal periods. This shortage will become more acute as the available pool of employees continues to steadily decline. In order to address the sector's seasonal realities, the NRTT recommends that the Government of Canada:

- a. Invest in and develop programs focused on domestic and international labour mobility, including labour exchanges with foreign countries that can help fill Canada's labour gaps for particular tourism occupations.

3. Pathway to Permanent Residency

As a destination of choice, the number of skilled immigrants and international students studying in Canada continues to grow. The ability to retain skilled workers and international students as permanent residents is especially critical for a sector with a declining labour force. The NRTT recommends that the Government of Canada:

- a. Provide international students studying in Canada with a clear pathway to permanent residency at all skill levels and recognize Canadian work experience gained during study in all immigration streams.
- b. Provide a pathway to permanency for Temporary Foreign Workers who want to settle in Canada.

ASSOCIATION SIGNATURES



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