

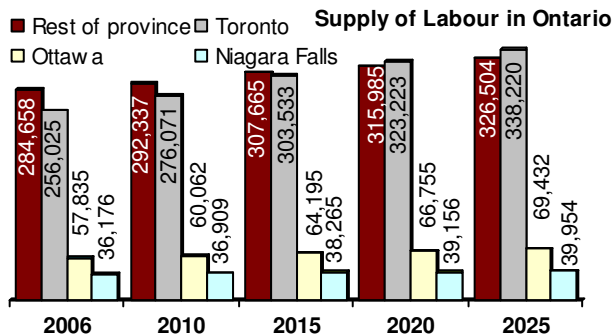
Canada's tourism sector is experiencing a shift towards tighter labour markets over the medium and long term. As demand for labour in the tourism sector continues to grow, evidence suggests the supply of labour will have an increasingly difficult time keeping up. As a result, the challenge of recruiting and retaining tourism workers will continue to intensify.

The rapid deterioration of economic conditions since the fall of 2008 will substantially ease labour shortages in Canada through 2009 and 2010. But once economic conditions start to improve, rising demand for tourism services will lead to a significant imbalance between labour supply and demand.

By 2025, the potential labour shortage in Ontario's tourism sector could increase to nearly 98,000 full-year jobs¹ left unfilled.

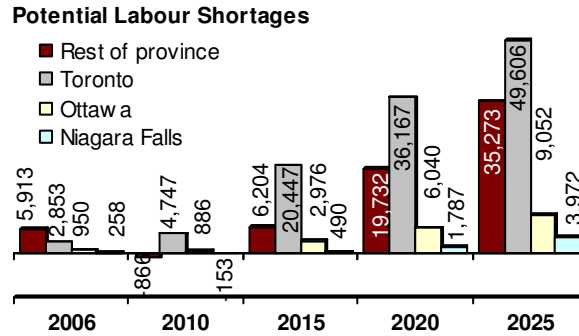
Between 2006 and 2025, the potential demand for tourism labour in the province is expected to grow from 645,000 jobs to over 872,000.

However, the potential supply of labour in the tourism sector is projected to grow more slowly over this period, from from the equivalent of about 635,000 full-year jobs in 2006, to 774,000 by 2025.



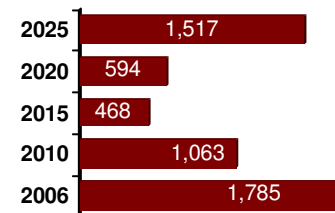
¹ A job is defined as regular work for the period of one year, regardless of whether the job is full-time or part-time. If the work - regardless of the number of hours per week - exists for only a fraction of a year, then it only counts as the corresponding fraction of a job.

The gap between tourism labour supply and demand in Ontario could grow significantly over the long term. By 2025, it could reach 49,606 full-year jobs in Toronto, 9,052 in Ottawa, 3,972 in Niagara Falls, and 35,273 in the rest of the province.



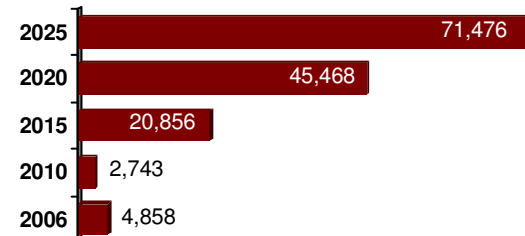
While the labour shortage in Ontario's Accommodation industry is expected to ease between 2006 and 2015, it is forecast to start growing again between 2015 and 2025.

Labour Shortages in Accommodation



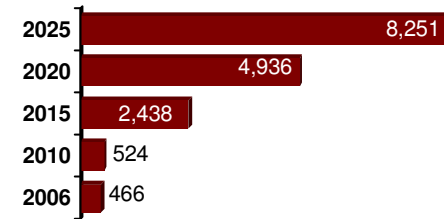
After retreating in 2010, the shortage of labour in Ontario's Food and Beverage Services industry could balloon to 71,476 full-year jobs by 2025.

Labour Shortages in Food & Beverage Services



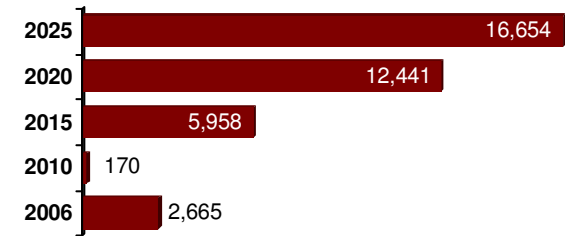
The labour shortage in Ontario's Transportation industry is projected to increase to 8,251 full-year jobs by 2025.

Labour Shortages in Transportation



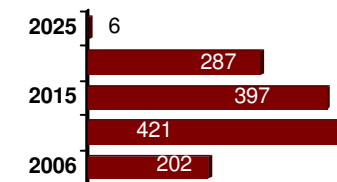
The province's Recreation and Entertainment industry could experience a shortage equivalent to 16,654 full-year jobs by 2025.

Labour Shortages in Recreation and Entertainment



As Ontario's Travel Services industry continues to adapt to changing consumer needs, it is not expected to see a significant shortage of labour over the long term.

Labour Shortages in Travel Services



Simply raising wages will not effectively address tourism's labour challenges, because businesses would be forced to pass on their higher costs to customers, thus stifling overall tourism demand. Instead, the tourism sector must act collectively to ensure the full extent of these shortages does not materialize.

FAST FACTS—Ontario

- Growth in Ontario's overall labour force is projected to decelerate over the long term, increasing at an average annual compound rate of 1.5% between 2007 and 2015, then slowing to only 1% between 2016 and 2030.
- By 2025, the province's tourism sector could see a potential labour shortage equivalent to nearly 98,000 full-year jobs left unfilled.
- Shortages are projected to be most acute in the Food and Beverage industry.
- By 2025, the supply of tourism labour in Ontario could fall short of demand by 11.2%.
- Toronto could experience a labour shortage equivalent to 12.8% of overall tourism labour demand over the next 15 years. The shortage of tourism labour in Ottawa and Niagara Falls during that period could reach 11.5% and 9%, respectively.

FAST FACTS—Canada

- The tourism sector in Canada is facing a potential labour shortage of 256,669 full-year jobs by 2025.
- Shortages are expected to be most acute in the Food and Beverage industry, potentially growing to 172,000 full-year jobs by 2025. Recreation and Entertainment could also see a substantial shortage, at 42,800 full year jobs.
- The occupations expected to be most affected are Food-Counter Attendants and Kitchen Helpers, Food and Beverage Servers, Cooks, Bartenders, and Program Leaders/Instructors in Recreation and Sport.
- Ontario, British Columbia and Quebec are the provinces expected to see the largest shortfall in tourism labour, in terms of size. However, the Atlantic Provinces are expected to endure the worst shortages, as a percentage of overall labour demand.

The Canadian Tourism Human Resource Council (CTHRC) works on behalf of the 174,000 businesses that make up Canada's vibrant tourism sector. Established in 1993, the CTHRC promotes professionalism throughout the sector and addresses key labour market issues. Collectively, Council members and the CTHRC bring together Canadian tourism businesses, labour unions, associations, educators and governments to co-ordinate human resource development activities and contribute to a sustainable, globally competitive tourism sector. The CTHRC also conducts tourism labour market research on topics such as compensation, return on training investment, integration of foreign trained workers, sector demographics, annual labour market survey, and much, more.

ABOUT THIS STUDY

This study represents the 2009 update to the ongoing Tourism Labour Supply and Demand project, conducted by the Canadian Tourism Human Resource Council (CTHRC) and The Conference Board of Canada.

The study quantifies the implications of long-term demographic and economic trends on the supply and demand for labour in Canada's tourism sector, and outlines potential labour shortages by industry and occupation, as well as by province and sub-provincial regions.

The full report is available on the CTHRC website: www.cthrc.ca

Summary brochures for Canada and each of the provinces can also be found at www.cthrc.ca

For more information contact: research@cthrc.ca

This is a publication of the Canadian Tourism Human Resource Council



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EN TOURISME

The Future of Canada's Tourism Sector: *Labour Shortages to Re-emerge as Economy Recovers*

Ontario

2009