



THE FUTURE OF CANADA'S TOURISM SECTOR: ECONOMIC RECESSION ONLY A TEMPORARY REPRIEVE FROM LABOUR SHORTAGES

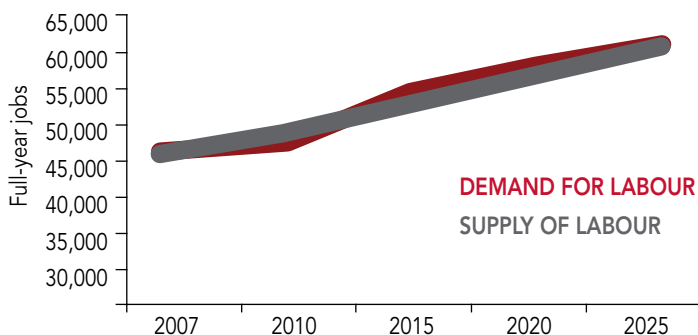
Canada's tourism sector is facing a potentially severe shortage of labour over the next 15 years. The Baby Boomer generation, which makes up 30% of the labour force, is beginning to reach the age of retirement, which will cause labour force growth to slow significantly. At the same time, demand for labour in the tourism sector will continue to grow and the pool of available workers will have an increasingly difficult time keeping up.

Demand for tourism-related goods and services in the Travel Services industry is forecasted to grow from just over \$3 billion in 2007 to \$3.54 billion in 2025.

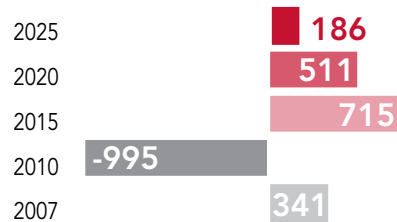
Overall tourism employment is expected to rise from nearly 1.65 million full-year jobs in 2007 to over 1.90 million full-year jobs in 2025. The growth rate is expected to be brisk between 2007 and 2015, when it is expected to slow until 2025. The Travel Services industry will also see an increase in potential labour demand over the next 15 years. Demand for labour will grow from 47,200 full-year jobs in 2007 to almost 61,800 jobs by 2025, an increase of 14,540, or 31 per cent. The potential labour supply is forecast to increase from nearly 46,907 in 2007 to over 61,600 in 2025.

The Canadian tourism sector experienced a tight labour market in the years leading up to the economic recession. The weak economy has provided a temporary reprieve but projections indicate that overall labour shortages will not only re-emerge, but they will worsen progressively until 2025.

In contrast to the four other industries within the tourism sector, the Travel Services industry is expected to experience only a slight labour shortage. Shortages will peak at 715 full-year jobs in 2015 and then begin to decrease. By 2025, the industry could fall short of demand by just over 180 full-year jobs.



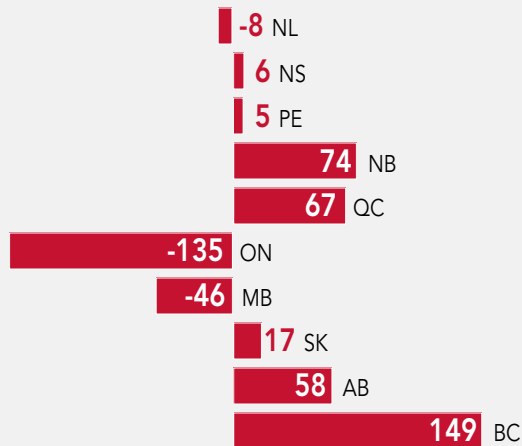
LABOUR SHORTAGE



Shortages will peak at 715 full-year jobs in 2015 and then begin to decrease.

While the overall labour supply picture is quite good for the Travel Services industry, there is variation across the country. The greatest number of shortages will occur in British Columbia where by 2025, 149 jobs will go unfilled. The most acute shortage will occur in New Brunswick where 74 full-year travel service jobs will go unfilled, equivalent to 7.7% of demand. Other provinces will see a surplus of labour.

SHORTAGE BY PROVINCE



The deterioration of global economic conditions in 2008 reduced demand for employment in the tourism sector and curbed the growth of tourism revenue. While market conditions are expected to improve in 2010, labour surpluses are forecast to remain for all tourism industry groups with labour shortages expected to return to the tourism sector by 2012. The Travel Services industry will remain in a state of labour surplus until 2014.

SHORTAGE BY OCCUPATION



FAST FACTS—Travel Services Industry

- The province facing the greatest number of shortages in the Travel Services industry is British Columbia. In that province, 149 travel service jobs will go unfilled by 2025.
- There will be a surplus of labour available to fill managerial roles at travel agencies by 2025.
- The largest shortages will be seen in positions other than travel counsellor or retail trade manager.
- Labour shortages in the Travel Services industry will peak in 2015. In that year, 715 full-year jobs will go unfilled.

FAST FACTS—Canada

- The tourism sector in Canada is facing a potential labour shortage of 219,000 full-year jobs by 2025, leaving 10.3% of potential labour demand left unfilled.
- Food and Beverage Services is projected to face the largest potential shortage among all tourism industry groups, at 142,000 full-year jobs by 2025. Four of the tourism occupations expected to be hit hardest by labour shortages are in this industry.
- Ontario, B.C. and Quebec are the provinces facing the largest shortfall in tourism labour, but the Atlantic provinces could endure the most acute shortages as a percentage of overall demand.
- Tourism stakeholders have identified urgent issues the tourism sector and all levels of government must address in order to proactively respond to potential labour shortages. For further details, please view the full Tourism Labour Supply and Demand report at: www.cthrc.ca

ABOUT THIS STUDY

This study represents the most recent 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 Canadas tourism sector, and outlines potential labour shortages by industry and occupation, as well as by province and sub-provincial region.



This project is funded by the Government of Canada Sector Council Program

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



CANADIAN TOURISM
HUMAN RESOURCE
COUNCIL