

The British Columbia Tourism Labour Market Strategy (2012 – 2016)

March 27, 2012



Contents

- ACKNOWLEDGEMENTS i**

- SETTING THE BACKDROP 1**
 - THE ROLE OF THE *TOURISM LABOUR MARKET STRATEGY*1
 - HISTORICAL BACKDROP1
 - DEVELOPMENT OF THE *TLMS*2
 - STRUCTURE OF THE *TLMS*.....3

- GOVERNMENT CONTEXT 4**
 - PROVINCIAL GOVERNMENT INITIATIVES.....4
 - FEDERAL GOVERNMENT INITIATIVES6

- BC LABOUR MARKET TRENDS 7**
 - ECONOMIC AND DEMOGRAPHIC TRENDS7
 - GENERAL LABOUR MARKET TRENDS7
 - TOURISM LABOUR MARKET PROJECTIONS9
 - REGIONAL TOURISM LABOUR MARKETS..... 11

- BC TOURISM GROWTH..... 13**
 - BC TOURISM GROWTH..... 13
 - TOURISM MARKET ORIGIN TRENDS..... 14
 - REGIONAL DISTRIBUTION OF VISITORS AND BUSINESSES..... 15

- BC TOURISM LABOUR MARKET CHALLENGES..... 17**

- THE PATH FORWARD 19**
 - VISION 19
 - GOALS AND STRATEGIES 19
 - ATTRACTION AND RECRUITMENT 21
 - RETENTION 22
 - TRAINING AND DEVELOPMENT 23
 - RESEARCH AND EVALUATION 24
 - ORGANIZATION AND COORDINATION 25

- ALIGNING THE CHALLENGES WITH THE STRATEGIES 26**

- MEASURING SUCCESS 27**

- NEXT STEPS..... 29**

- APPENDIX A**
 - TOURISM LABOUR MARKET STRATEGY WORKING GROUPS AND go2 BOARD & STAFF*..... 30**

ACKNOWLEDGEMENTS

go2 wishes to acknowledge the tremendous efforts of the many individuals and organizations from across British Columbia that contributed to the update of the *Tourism Labour Market Strategy*. The Labour Market Partnerships Program and the Ministry of Jobs, Tourism and Innovation provided critical support throughout the process in terms of both financial and human resources. The following three working groups were instrumental during the research, consultation, analysis and document review phases leading up to the preparation of this strategy:

The Training and Development Working Group

The Career Awareness, Recruitment and Retention Working Group

The Research Working Group

The individuals, and the organizations they represent, for each of these three working groups are listed in Appendix A.

The go2 Board of Directors played a critical role in the update of the *Tourism Labour Market Strategy*. Appendix A also provides a listing of the Board members.

go2 would like to acknowledge Human Capital Strategies which led the research, stakeholder consultation and analysis that collectively served as the foundation for the update of the *Tourism Labour Market Strategy*, as well as Jennifer Nichol and Bill Reid from Grant Thornton LLP, who assisted with the preparation of this document. Finally, go2 wishes to thank the staff in the Labour Market Partnership Programs unit within the BC Ministry of Jobs, Tourism and Innovation for their support and assistance.



*Funded in whole or in part by the
Canada-British Columbia Labour
Market Development Agreement*

SETTING THE BACKDROP

THE ROLE OF THE TOURISM LABOUR MARKET STRATEGY

The *British Columbia Tourism Labour Market Strategy (2012 – 2016)* (the “*TLMS*”) is an update of a comprehensive *Human Resource Development Action Plan* that was released in 2003 (the “*2003 Tourism HRD Strategy*”). The *TLMS* builds on the *2003 Tourism HRD Strategy* and the accomplishments achieved to date. It also accounts for shifts in the socio-political, economic and tourism industry environments that have occurred since 2003.

The updated *TLMS* is intended to address key human resource challenges that British Columbia’s (BC’s) tourism and hospitality sectors are facing, some of which are similar to those that existed in 2003 and some of which have emerged since then. The updated *TLMS* is seen as a key contributor to achieve annual growth targets that the Province has set for BC’s tourism industry.

The *TLMS* will serve to guide the industry and its stakeholders in its annual and longer-range planning. This will help ensure that the industry is strategically allocating its resources to the priorities identified collectively by industry stakeholders and partners. As several of

the strategies and activities require a coordinated approach to effectively implement, the *TLMS* also provides guidance with regard to how go2 can work with its stakeholders and partners to address key challenges.

HISTORICAL BACKDROP

In 2003 – following 18 months of extensive research, analysis and industry consultation – the BC Tourism Human Resource Development Task Force released the *2003 Tourism HRD Strategy*. The primary impetus for developing the strategy was a looming shortage of skilled labour, which, if not addressed, would severely constrain BC’s tourism industry. The leadership of the strategy’s implementation was incorporated into the mandate of the Hospitality Industry Education Advisory Committee (“*HIEAC*”), which had been serving the industry since 1979. In 2003 the organization was rebranded as *go2 – The Resource for People in Tourism*.

The *2003 Tourism HRD Strategy* focused on the following priority areas:

- *Recruitment*
- *Retention*
- *Training*
- *Coordination*
- *Results Monitoring and Other Research*

Examples of key accomplishments that the industry, with the coordinating efforts of go2, has achieved since 2003 are listed below.

- Broad BC tourism business utilization of customized human resources planning materials and services via a central portal – www.go2hr.ca;
- Creation of a tourism Industry Training Organization to oversee the expansion of world-class trades training across the industry;
- Creation of a tourism health and safety organization to provide resources and incentive programs for the industry/employees;
- Establishment of a biennial industry compensation survey and database (now expanded to a national level), as well as other labour market projections and relevant studies;
- Several initiatives to expand tourism operator recruitment of foreign workers;
- Several website, social media and branding tools and initiatives to promote tourism careers and jobs

to students, various labour force groups and the general public; and,

- Promotion of retention tools and best practices including a “For Employers” section of go2’s website and (with Tourism BC) *The Employees First Guide*.

A more detailed summary of key accomplishments is provided in *The Technical Report and Research Backgrounder (the “Technical Report”)*, presented separately.

DEVELOPMENT OF THE TLMS

The *2003 Tourism HRD Strategy* has served go2 and the tourism industry very well. However, given changes in the economy, policy environment and the labour market, together with the ongoing evolution of best practices and emerging issues, it is now necessary to update the strategy.

In response to this need, go2 initiated the process for updating the strategy early in 2011. The process included detailed background research, a scan of trends and best practices in other jurisdictions, an assessment of progress to date in BC, direct consultation with key stakeholders across the province, and the development of an updated vision and practical strategies to address key challenges and opportunities.

In developing this updated strategy, go2 and its partners reached approximately 1,000 tourism and hospitality industry representatives and stakeholders, through discussions with the go2 Board and three

working groups, employer and employee surveys, and eleven regional consultation sessions. The critical inputs contributing to the development of the *TLMS* are illustrated in the diagram below.



STRUCTURE OF THE *TLMS*

The *TLMS* document provides:

- An overview of relevant government policy initiatives, labour market trends, and tourism growth trends;
- A summary of key tourism labour market challenges; and,
- A vision for the future, supported by priority goals, strategies and activities to address the challenges.

Detailed documentation on the background research and analysis that serve as the foundation of the *TLMS* is provided in *The Technical Report*, presented separately. Note that the sources for much of the statistical and research material used in the *TLMS* are provided in the *Technical Report*.

GOVERNMENT CONTEXT

There are a number of priority government policy initiatives that provide important context for the *TLMS*. Current provincial and federal government initiatives are profiled in this section.

PROVINCIAL GOVERNMENT INITIATIVES

Highlighted below are several priority initiatives of the provincial government that are relevant to the current and future tourism labour market in BC.

The BC Jobs Plan

In September 2011, Premier Christy Clark released *The BC Jobs Plan*. *The BC Jobs Plan* has three pillars to address recent economic uncertainty and to encourage robust growth in the future:

- Working with employers and communities to enable job creation across BC;
- Strengthening our infrastructure to get our goods to market; and,
- Expanding markets for BC products and services, particularly in Asia.

The BC Jobs Plan identifies eight priority sectors for sector-specific strategies. Tourism was selected as one of the priority sectors because it drives new

investment in BC, BC has a competitive advantage in tourism, and most communities in BC (both Aboriginal and non-Aboriginal) rely on tourism to some extent.

The *TLMS* aligns with several actions identified in *The BC Jobs Plan*, such as:

- Enhancing access to skills and apprenticeship training throughout the province and refocusing labour market and training investments to meet regional labour market needs;
- Attracting more entrepreneurs and skilled workers from other countries, in partnership with the federal government through the Skilled Worker Program and the Provincial Nominee Program; and,
- Exploring the potential for a single body to oversee formal credential assessments for foreign-trained professionals.

It should also be noted that the *TLMS* will support the growth of tourism throughout the province, which is a priority stated in *The BC Jobs Plan*.

Skills for Growth

Also of note is *Skills for Growth: BC's Labour Market Strategy to 2020*. This comprehensive provincial initiative supports economic growth and a higher quality of life through three goals:

1. Increase the skill level and labour market success of British Columbians.
2. Attract workers and entrepreneurs from outside the province who meet BC's regional economic needs.
3. Improve workplace productivity.

The *Skills for Growth* initiative is relevant to tourism operators in BC and the *TLMS*. For example, the document outlines objectives related to expanding apprenticeships, making post-secondary education more flexible and responsive to industry needs, recruiting permanent immigrants and temporary foreign workers, productivity improvement through workplace training, and enhancing industry health and safety training and practices.

This is supported by high quality and accessible labour market information and the BC labour market forecasting model, *BC Labour Market Scenario Model*.

Five-Year Strategy for Tourism in BC

Launched in October 2011, *Gaining the Edge: A Five-Year Strategy for Tourism in British Columbia, 2012-2016* (the "*Five-Year Tourism Strategy*"), was the first sector strategy launched by the BC Government under *The BC Jobs Plan*. It is intended to increase marketing efforts in

target markets. It also focuses on tourism experiences that BC excels at delivering, such as: touring vacations; city experiences; skiing-snowboarding; Aboriginal tourism; outdoor adventure/ecotourism, and meetings and conventions. The *TLMS* will further support existing initiatives, such as partnerships with ski resorts for seasonal recruitment support, and training world class culinary experts for our many restaurants and attractions in urban and increasingly in rural areas. These initiatives align well with the *Five-Year Tourism Strategy*.

The *Five-Year Tourism Strategy's* target is for 5% annual growth in tourism revenue – which would result in \$18 billion in tourism revenue by 2016. The *Five-Year Tourism Strategy* emphasizes the need for marketing partnerships with industry, regions and communities.

Within its goal of "World Class Visitor Experiences", the *Five-Year Tourism Strategy* references the importance of the "human element" to achieving success in terms of delivering the tourism experience. The workforce-related actions in the *Five-Year Tourism Strategy* are highlighted below.

- Work with the tourism sector to ensure that labour market strategies are in place that identify and address the industry's unique labour market pressures.
- Work with stakeholders including employers, secondary and post secondary educators to address

gaps and capitalize on opportunities in training and education programs.

- Work in partnership with tourism human resource and training delivery organizations to provide a range of industry training tools across the province.

For several years, go2 has been a key partner in assisting with the development of the provincial government's work on tourism workforce issues to ensure that the priorities and strategies identified by go2, the industry and the Province are complementary.

Ministry of Jobs, Tourism and Innovation Service Plan

The Ministry of Jobs, Tourism and Innovation's *2012/13 – 2014/2015 Service Plan* includes goals related to attracting investment, encouraging economic prosperity, improving BC's position as a preferred tourism destination, developing a highly skilled and competitive labour force, and becoming a leader in technology and innovation. The *TLMS* aligns well with the Ministry's *Service Plan* and, in particular with the following goal:

British Columbia has a highly skilled and competitive labour force to support economic growth across the province (the right skills, in the right place, at the right time).

FEDERAL GOVERNMENT INITIATIVES

Federal Human Resource and Employment Programs

In addition to its agreements with the Province, the federal government is involved in labour market matters through programs administered by Human Resource and Skills Development Canada, CIC's immigration policy and programs, labour market initiatives for Aboriginal people, and *Canada's Federal Tourism Strategy*, led by Industry Canada.

In recent years, the federal government has made improvements to the Federal Skilled Worker Program, the Temporary Foreign Worker Program, the International Experience Class Program. These improvements have reflected an overall increase in immigration levels and a shift toward economic immigration. While improvements have been made, the BC tourism industry has called for additional enhancements to make these programs flexible and responsive to local, regional and provincial labour market needs.

Federal Tourism Strategy

In the fall of 2011, the Minister of State (Small Business and Tourism), launched the *Federal Tourism Strategy* to help position Canada's tourism sector for long-term growth and global competitiveness. The *Federal Tourism Strategy* outlines 30 measures in four priority areas, including fostering an adequate supply of skills and labour to enhance visitor experiences through quality service and hospitality. This aligns well with the efforts of go2 and the *TLMS*.

BC LABOUR MARKET TRENDS

Broader labour market trends, and the factors influencing them, are important to understand when assessing key challenges facing BC's tourism labour market and strategies to address the challenges. Labour market trends and projections for BC's tourism labour market are highlighted below, with more detailed research provided in the *Technical Report and Research Backgrounder*.

ECONOMIC AND DEMOGRAPHIC TRENDS

Several fundamental trends in BC's economy and population base are influencing the province's labour market. These trends are important to consider and monitor with regard to developing and implementing the *TLMS*.

- The province has witnessed a significant shift from a primarily resource-based economy to a diverse knowledge-driven economy. Employment in primary industries comprised approximately 30% of the total provincial jobs in the 1970s. This declined to 20% by 2010, while service-producing industries represented over 80% of total BC employment.

- BC has a higher proportion (86%) of small businesses and self employment (19%) than other regions of Canada, except Saskatchewan (87% and 19%).
- As Canada's Pacific Gateway, BC is becoming a trade hub for goods and services and people traveling to and from the Asia-Pacific region to Canada and the U.S.

GENERAL LABOUR MARKET TRENDS

At a broad level, there are a number of key labour market trends in BC that may have direct implications for the demand for and supply of human resources across the economy, including tourism. Examples of important trends are provided below.

- Projections indicate that there will be an estimated 1.03 million job openings in BC over the 2010 to 2020 period.
 - Close to two-thirds of these openings (676,400) will be due to replacement demand as a result of retiring workers and deaths.
 - The other third of job openings (351,000) will be due to economic growth.

- Demand for workers in BC over the ten-year period is projected to grow by an average annual rate of 1.4%.
- The number of new labour market entrants is projected to decline steadily from 2010 to 2020. As a result, BC will increasingly need to rely on migrants, with over 30% of job openings projected to be filled by new migrants to BC by 2020.
- The “Baby Boomer” generation has started to reach retirement age, meaning that 56,000 to 62,000 people in BC will retire each year between 2010 and 2020. This, combined with lower birth rates and rising life expectancies, means more pressure on labour force supply.
- The increasing rate of change and application of technology is increasing the number of new skills workers will need to acquire in the future. BC’s increasingly knowledge-based economy is also raising the bar in terms of level of education and training needed by workers. Compared to 67% only three years ago, BC’s *Skills for Growth: British Columbia’s Labour Market Strategy to 2020* indicates that 78% of job openings over the next decade will require a college diploma, trade certificate, university degree, or higher level of education. Many of these new jobs will require advanced skills, including increased science and technology skills.
- The “War for Talent” is becoming more apparent, with most other developed jurisdictions around the world experiencing a similar aging and declining birthrate pattern. BC employers will increasingly be challenged to increase their recruiting of workers from outside BC.
- Both the *BC Labour Market Outlook* and the recent Business Council of BC *Labour Supply Report* emphasize the increased labour shortages in certain regions of the province in the coming decade.
- BC’s labour productivity has fallen behind the Canadian average (6th among provinces). As *Skills for Growth* states, increasing workforce productivity through strategic investments in human resources (as well as via new methods of production and physical capital such as machinery and equipment), can decrease the demand for labour and improve the returns and profits for employers, and drive up wages for workers.
- BC’s workforce is becoming more diverse, with a growing Aboriginal youth cohort, immigrants filling a higher proportion of new job vacancies, some older workers staying in the workforce longer, and persons with disabilities becoming increasingly job-ready. Tourism employers will need to continue to tap under-utilized talent pools in order to fill jobs in the future.

TOURISM LABOUR MARKET PROJECTIONS

Projections for tourism employment in BC indicate that the number of positions in the tourism and hospitality sector will increase from 255,860 in 2010 to 300,080 by 2020.¹ This represents average annual growth of 1.6%, which is higher than the 1.4% average annual growth rate projected for the province as a whole. Based on this, there will be an estimated 44,220 new tourism and hospitality jobs due to growth in the sector by 2020.

Over the same period, the same study indicates that there will be 57,210 openings in the tourism and hospitality sector as a result of replacement needs (retirement, career changes, etc.). The total number of openings by 2020 is therefore projected to be 101,430.

The table below presents the projected tourism-related job openings by sector for the 2010 to 2020 period. As shown in the table, the Food and Beverage sector is projected to experience the highest number of job openings, followed by Recreation and Entertainment and Accommodation. A more detailed summary of job openings by occupation is presented on the following page.

**Projected Tourism-Related Job Openings
(New Jobs Due to Expansion + Replacement Needs) by Sector, 2010-2020**

Employment Demand by Industry	2010	2020	New Openings		Total New Openings
			Due to Expansion	Due to Replacement	
Food and Beverage Services	128,830	150,540	21,710	21,700	43,410
Recreation and Entertainment	41,570	51,240	9,670	10,860	20,530
Accommodation	43,870	50,980	7,110	11,810	18,920
Other Transportation	21,050	23,740	2,690	6,580	9,270
Air transportation	11,090	12,330	1,240	3,380	4,620
Travel Services	8,880	10,640	1,760	2,680	4,440
Rail transportation	570	610	40	200	240
Total Tourism and Related Industries	255,860	300,080	44,220	57,210	101,430

Source: RKA based on BC Labour Market Scenario Model. November 2011.

¹ *Tourism and Hospitality Industry Labour Demand and Supply Projections Final Report, Roslyn Kunin & Associates, Inc., November 2011.*

**Total Labour Demand (Openings Expressed in Full-Year Jobs)
In Tourism and Hospitality Related Sectors, 2010 to 2020**

Employment Demand in Industry and by Occupation	New Openings	Openings Due to Replacement	Total Openings
Air Transportation	1,240	3,380	4,620
Air Pilots, Flight Engineers and Flying Instructors (C171)/(NOC2271)	270	870	1,140
Pursers and Flight Attendants (G712)/(NOC6432)	210	550	760
Airline Sales and Service Agents (G713)/(NOC6433)	260	690	950
Aircraft Mechanics & Aircraft Inspectors (H415)/(NOC7315)	80	250	330
Air Transport Ramp Attendants (H737)/(NOC7437)	70	180	250
All other Air Transportation Occupations	340	840	1,180
Rail Transportation	40	200	240
Railway and Yard Locomotive Engineers (H721)/(NOC7361)	20	90	110
Railway Conductors and Brakemen/women (H722)/(NOC7362)	30	110	140
Other Transportation	2,690	6,580	9,270
Transportation Managers (A373)/(NOC0713)	50	150	200
Retail Salespersons and Sales Clerks (G211)/(NOC6421)	50	70	120
Motor Vehicle Mechanics, Technicians & Mechanical Repairers (H421)/(NOC7321)	120	230	350
Bus Drivers and Subway and Other Transit Operators (H712)/(NOC7412)	820	2,460	3,280
Taxi and Limousine Drivers and Chauffeurs (H713)/(NOC7413)	340	810	1,150
All other Transportation Occupations (excl. air)	1,310	2,860	4,170
Accommodation	7,110	11,810	18,920
Accommodation Service Managers (A222)/(NOC0632)	510	1,250	1,760
Program Leaders and Instructors in Rec'n, Sport and Fitness (F154)/(NOC5254)	310	310	620
Chefs (G411)/(NOC6241)	140	180	320
Cooks (G412)/(NOC6242)	210	240	450
Bartenders (G512)/(NOC6452)	80	80	160
Food and Beverage Servers (G513)/(NOC6453)	780	530	1,310
Hotel Front Desk Clerks (G715)/(NOC6435)	830	1,580	2,410
Light Duty Cleaners (G931)/(NOC6661)	1,360	2,650	4,010
Janitors, Caretakers and Building Superintendants (G933)/(NOC6663)	310	650	960
Food Counter Attendants and Kitchen Helpers (G961)/(NOC6641)	290	240	530
All other Occupations in Accommodation	2,310	4,090	6,400
Food & Beverage Services	21,710	21,700	43,410
Restaurant & food service manager (A221)/(NOC0631)	1,680	3,190	4,870
Food Service Supervisors (G012)/(NOC6212)	580	550	1,130
Cashiers (G311)/(NOC6611)	1,360	1,330	2,690
Chefs (G411)/(NOC6241)	950	1,200	2,150
Cooks (G412)/(NOC6242)	3,010	3,350	6,360
Maîtres d'hôtel and Hosts/Hostesses (G511)/(NOC6451)	700	290	990
Bartenders (G512)/(NOC6452)	700	680	1,380
Food and Beverage Servers (G513)/(NOC6453)	4,730	3,150	7,880
Bakers (G942)/(NOC6252)	230	290	520
Food Counter Attendants and Kitchen Helpers (G961)/(NOC6641)	6,080	4,830	10,910

**Total Labour Demand (Openings Expressed in Full-Year Jobs)
In Tourism and Hospitality Related Sectors, 2010 to 2020**

Employment Demand in Industry and by Occupation	New Openings	Openings Due to Replacement	Total Openings
Delivery Drivers (H714)/(NOC7414)	190	260	450
All other Food and Beverage Occupations	1,500	2,580	4,080
Recreation and Entertainment	9,670	10,860	20,530
Recreation and Sport Program and Service Directors (A343)/(NOC0531)	260	440	700
Technical Occupations Related to Museums and Art Galleries (F112)/(NOC5212)	170	230	400
Program Leaders and Instructors in Recreation and Sport (F154)/(NOC5254)	1,110	790	1,900
Retail Salespersons and Sales Clerks (G211)/(NOC6421)	580	510	1,090
Cashiers (G311)/(NOC6611)	310	230	540
Security Guards and Related Occupations (G631)/(NOC6651)	150	210	360
Casino Occupations (G723)/(NOC6443)	590	740	1,330
Attendants in Amusement, Recreation and Sport (G731)/(NOC6671)	590	530	1,120
Janitors, Caretakers and Building Superintendents (G933)/(NOC6663)	170	260	430
Food Counter Attendants and Kitchen Helpers (G961)/(NOC6641)	230	140	370
Landscaping and Grounds Maintenance Labourers (I212)/(NOC8612)	470	440	910
All other Recreation and Entertainment Occupations	5,020	6,340	11,360
Travel Services	1,760	2,680	4,440
Retail Trade Managers (A211)/(NOC0621)	110	210	320
Travel Counsellors (G711)/(NOC6431)	650	1,020	1,670
All other Travel Services Occupations	990	1,440	2,430
Total Tourism and Related Industries	44,220	57,210	101,430

Source: RKA based on BC Labour Market Scenario Model. November 2011.

REGIONAL TOURISM LABOUR MARKETS

Recognizing the highly diverse nature of BC's tourism regions, go2 prepared regional labour market studies for five regions of the province: Sea-to-Sky (2006); Kootenay-Rockies (2007); Vancouver Island (2009); Thompson-Okanagan (2009); and Vancouver, Coast and Mountains (2009).

While the studies demonstrated that each region possesses unique labour market and industry characteristics, they also showed some significant similarities, as reflected in the following findings:

- The overall increasing urgency and challenges of addressing various tourism workforce issues – recruitment, retention, and training - even during relatively soft labour markets;
- Structural long-term labour market shortages, due to population demographics, migration / settlement patterns, and other socioeconomic pressures – resulting in a need to focus on more options for labour supply;
- Anticipated severe recruitment challenges for specific occupations, particularly cooks, hotel cleaning

staff, food servers and food counter attendants, and several management positions;

- Coordination challenges in addressing the various issues across multiple tourism-related sectors, as well as a lack of regional capacity to plan, implement, and monitor sector workforce strategies; and,
- A need to enhance the use of non-monetary incentives, professional development, innovative retention tools (e.g., sustainability, health and safety promotion) to attract and retain staff in the increasingly competitive labour market.

The five regional studies also demonstrated a number of differences between regions that require more localized solutions to address, including the following:

- Worker age demographics, with the more rural regions generally having older populations, resulting in entry-level position recruitment challenges;
- Greater seasonality of operations in rural regions, often with summer and winter peaks; and,
- Higher levels of immigration and settlement to urban areas, alleviating seasonal and overall labour market demands in urban areas while exacerbating shortages in rural locations.

BC TOURISM GROWTH

Tourism is an important industry for BC. In 2010, tourism spending in the province generated an estimated \$13.4 billion in direct revenue and \$6.5 billion in gross domestic product (GDP). There are an estimated 17,943 tourism-related businesses in the province.

Understanding tourism growth trends, both historical and projected, is critical to assessing the industry's future labour market needs. It is also important to understand characteristics related to market origin and regional distribution of visitors and businesses. Key trends are highlighted below.

BC TOURISM GROWTH

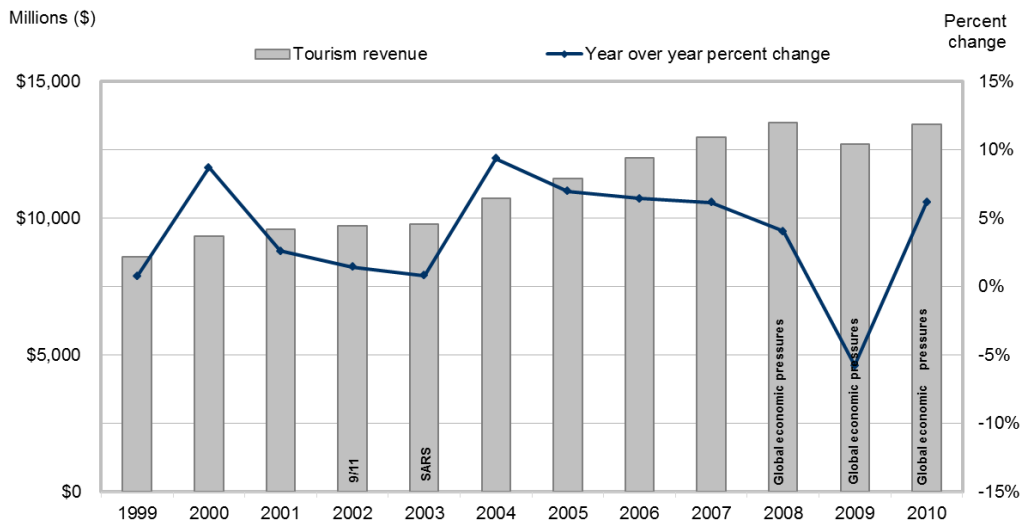
Since 1999, total tourism revenues have grown by 48%. However, over this period, growth has varied considerably. As shown in the next graph, growth has cycled between highs of 9% and lows of approximately -5%. The decline of tourism revenues in 2009 is consistent with global and Canadian tourism trends, and reflects

poor global economic conditions. Tourism revenues increased to \$13.4 billion in 2010, which represents 6.2% growth over 2009. The hosting of the 2010 Vancouver Olympic and Paralympic Winter Games is viewed as a key factor influencing this growth.

Despite fluctuations in visitation in recent years, tourism is expected to continue its long-term growth trend. The provincial government's *Five-Year Strategy for Tourism* aims for tourism revenue growth of 5% per year for BC, with a target of \$18 billion in tourism spending by 2016.

This anticipated growth in tourism reinforces the need for BC to carefully plan for the future to ensure that the province's labour market is positioned to support the industry's growth. This requires an adequate labour supply throughout the province, in addition to the right skills and abilities to provide exceptional service in an increasingly competitive tourism marketplace.

BC Overall Tourism Revenue and Year-Over-Year Change (1999 – 2010)



Source: *The Value of Tourism in British Columbia, Tourism British Columbia, 2011.*

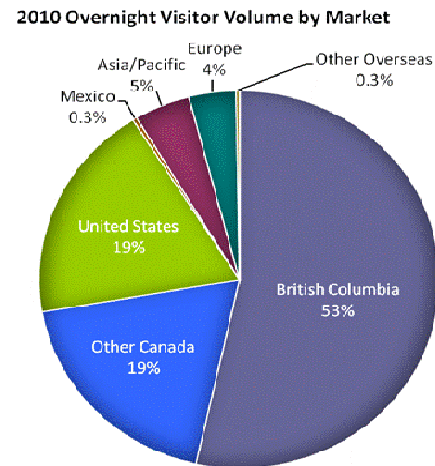
TOURISM MARKET ORIGIN TRENDS

In addition to potential growth in overall visitor volumes, it is important to understand where visitors are coming from now and where they may be coming from in the future. The types of skills required may change over time depending on the market origin of visitors. Key considerations with regard to market origin are as follows.

- As shown in the graphs below, historically and at this time, the majority of visitors to BC are from Canada and the U.S.
- Longer-haul (primarily overseas) visitors are higher-yield visitors, but they tend to have expectations for higher levels of service and

overall product quality. The products and services required to attract and encourage repeat visitation from these markets needs to be at an appropriate level.

- While, historically, the domestic and U.S. markets have been the largest markets for BC, growth rates for travel from emerging markets, such as Mainland China, are expected to outpace growth rates for more traditional markets. Tourism labour market training will need to consider what is required in our labour force to help position BC to attract and service priority, emerging markets.



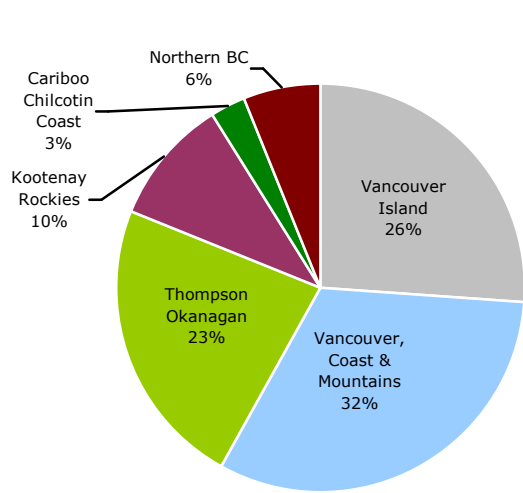
Source: *The Value of Tourism in British Columbia, Tourism British Columbia, 2011.*

REGIONAL DISTRIBUTION OF VISITORS AND BUSINESSES

The following two graphs (see next page) show the distribution of Canadian visitors and tourism-related businesses by tourism region. The graphs demonstrate the heavy distribution of both visitors and businesses in the Vancouver, Coast and Mountains, Vancouver Island and Thompson Okanagan tourism regions. While the Kootenay Rockies, Cariboo Chilcotin Coast and Northern BC tourism regions receive fewer visitors and have a smaller number of tourism-related businesses, this does not mean that the TLMS should focus more efforts on the regions that receive more visitors and have more businesses. The existing and potential contribution of tourism to the economies in northern, central and south eastern BC is critical to economic growth and diversification in BC. Also, the challenges that more remote, rural regions and communities face with regard

to attraction and retention of labour can be much more pronounced than the more urban areas of BC. This is highlighted in the next section, *BC Tourism Labour Market Challenges*.

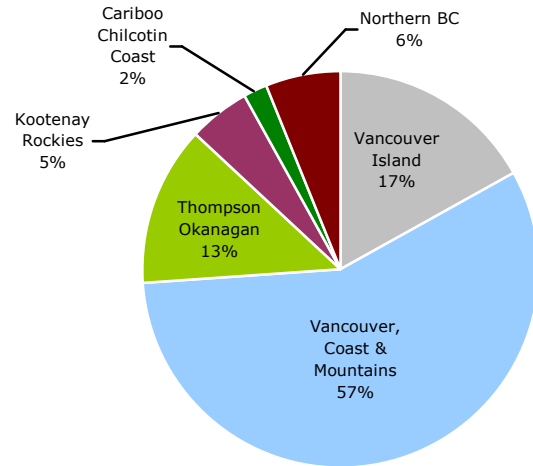
Canadian Visitors to BC by Region (2010)



Source: 2010 Travel Survey of Residents of Canada (TSRC). Includes overnight travellers whose primary destination was BC.

Note that similar data for all visitors to BC was not readily available; therefore, only Canadian visitors are shown. This includes visitors originating in Canada, including visitors from BC. Also, the data for the two graphs represent different years as this was the most recent available data.

Tourism Businesses by Region (2009)



Source: The Value of Tourism in British Columbia, Tourism British Columbia, 2011.

BC TOURISM LABOUR MARKET CHALLENGES

The following challenges were identified as priorities for the tourism industry, based on the extensive research and industry stakeholder consultation conducted in 2011 to support this process.

Low awareness and perception of employment in the tourism industry

Employment opportunities in the tourism industry are typically seen as only short-term, entry-level and low paying. There is limited awareness of the potential for viable long-term career growth.

Changing workforce demographics

The tourism industry in BC is two times more reliant than other industries on a younger workforce. As the youth population continues to decline, the industry must explore and utilize all alternative labour pools to meet increasing labour demands. Retirements from an aging workforce will increase pressures to replace senior managers and business owners.

Competition from other industries and regions

As the population of young workers declines in unison with a growing workforce population approaching retirement age, nearly every sector in B.C. will be competing for skilled and

qualified workers from among a shrinking talent pool. Workers are drawn to other prosperous regions of Canada that offer competitive wages and lower living costs—namely Alberta and Saskatchewan. Tourism employees are particularly attractive to other sectors because of their high level of customer service skills.

Labour and skills shortages Labour market projections from both private and public research all point to an imbalance between labour demand and supply in BC in the next decade. This may be regional, sector-specific, occupational or more widespread and will cut across all sectors including tourism. In addition to normal attrition, research indicates that there will be a significant number of job openings in tourism due to growth of the sector.

Significant numbers of tourism businesses in regional, remote or rural areas of BC The fact that many tourism businesses are located in regional, remote and/or rural areas of BC presents several challenges. Human resource challenges are different in regional, remote or rural areas of the province. For example:

- There is a limited supply of skilled and qualified local labour to meet

basic staffing needs. Access to affordable, effective training is difficult.

- This problem is exacerbated by the lack of affordable housing and public transportation options in these areas.
- Worker age demographics differ, with rural regions generally having older populations, resulting in entry-level recruitment challenges.

Seasonality The current nature of industry trends and tourism products available in BC makes it difficult to offer year-round, full-time employment. There is a greater seasonality of operations in rural regions, which exacerbates the unique labour market pressures in these areas. Retention of seasonal workers (year-over-year returnees) presents unique challenges. Variability in the length of the tourism season each year, particularly for weather-dependent sectors like the ski sector, creates uncertainty with regard to staffing levels required.

Small businesses The capacity and capability of managers to implement and maintain human resource and training initiatives is constrained. Over three-quarters of tourism operators are small businesses with fewer than 20 employees. These smaller operators lack formal structure, resources, and tools to effectively implement strong people management practices that promote long-term employee development and engagement. Smaller profit margins limit the ability for these businesses to invest in

employee human resource development and training.

Industry culture The industry has traditionally not placed human resources and training as a key business imperative. If not addressed, the human resource challenges in the next decade will negatively impact the bottom line of businesses and the industry's contribution to the BC economy.

Alignment between the education system and industry BC has a strong tourism education system, with its graduates in demand within the tourism industry as well as other industries. Students in technical and trades training programs, such as culinary, have high employment rates within their chosen occupations. There are some areas that need better alignment of content and/or delivery models with the needs of industry. Specifically, small and rural operators have expressed a desire for more accessible programming (e.g., location, cost, time). A strong tourism training system also depends on a higher and more consistent level of participation by employers in activities such as industry advisory committees and work experience programs.

Management development Most leaders emerge from front-line positions and are promoted from within, often without any formal training or experience in supervision and management. Related to this is a lack of awareness of and access to relevant training for all managers and supervisors, especially for those new to the role.

THE PATH FORWARD

The *Path Forward* presents a vision for BC's tourism labour market for the next five years. Goals, strategies and activities that will guide go2 and its stakeholders on the path to realize the vision are also presented. The goals and strategies build on the successes of the *2003 Tourism HRD Strategy*, and also draw upon the extensive research and industry consultation that took place in 2011.

VISION

A thriving and skilled workforce that delivers exceptional experiences to our guests.

GOALS AND STRATEGIES

The following four goals support the achievement of the vision.

Goal 1: BC's tourism industry attracts and retains a sufficient number of appropriately skilled employees that support the growth of the industry.

Goal 2: BC's tourism industry has access to the right training at the right time.

Goal 3: Tourism workforce organizations and stakeholders make evidence-based decisions through relevant, current and reliable research.

Goal 4: Stakeholder efforts and resources are well-coordinated to achieve optimal return on tourism workforce investments.

The strategies to support the goals are summarized on the next page under the following five *priority areas*.

Attraction and Recruitment

Retention

Training and Development

Research and Evaluation

Organization and Coordination

Activities designed to achieve each strategy are presented in the pages that follow the summary.

The first three priority areas are considered “strategic priorities”, as they are directly related to addressing the challenges noted earlier. The other two priority areas are “foundational priorities”, in that they emphasize what is needed to support the implementation, monitoring and evaluation of the *TLMS*.

SUMMARY OF STRATEGIES			
	PRIORITY AREAS	STRATEGIES	GOALS SUPPORTED
STRATEGIC PRIORITIES	Attraction and Recruitment	<ul style="list-style-type: none"> • Create awareness about tourism jobs and careers • Identify, anticipate and respond to current and emerging labour and skill shortages 	Goal 1
	Retention	<ul style="list-style-type: none"> • Promote the use of progressive human resource practices by tourism employers • Identify and address unique labour market challenges faced by seasonal and/or rural tourism operations 	Goal 1
	Training and Development	<ul style="list-style-type: none"> • Encourage employer involvement and investment in training • Align training programs with industry needs 	Goal 1 & Goal 2
FOUNDATIONAL PRIORITIES	Research and Evaluation	<ul style="list-style-type: none"> • Develop and maintain a tourism labour market research and information system • Monitor, evaluate, and communicate the results of the <i>TLMS</i> 	Goal 3
	Organization and Coordination	<ul style="list-style-type: none"> • Align the <i>TLMS</i> with government priorities and plans, as well as with provincial, regional and local tourism strategies/plans • Improve and expand collaboration among industry, government and other stakeholders on the implementation of the <i>TLMS</i> 	Goal 4

ATTRACTION AND RECRUITMENT

ATTRACTION AND RECRUITMENT

STRATEGIES

ACTIVITIES

Create awareness about tourism jobs and careers

- Develop and implement a comprehensive, multi-faceted plan to create awareness about tourism jobs and careers, which could entail:
 - Engage key stakeholders in initiatives to promote awareness of tourism jobs and careers
 - Develop a segmented marketing approach that captures the range of job/career opportunities and targets a diverse talent pool
 - Use appropriate tools and mediums to reach youth with themes such as “Year or a Career” and “First Job”
 - Provide access to job and career information for target markets and their influencers
-

Identify, anticipate and respond to current and emerging labour and skill shortages

- Continuously monitor and communicate gaps between labour supply and demand
 - Provide tools, resources and information to assist employers in filling their staffing requirements
 - Connect employers with job seekers and students – locally, provincially and nationally
 - Channel tourism industry input to government to help formulate/revise policies and programs on foreign workers and immigration
 - Provide resources to support employers in navigating the various foreign/ international worker/student programs
 - Continually update the industry on changes to foreign worker or immigration policies or regulations
-

RETENTION

RETENTION

STRATEGIES	ACTIVITIES
Promote the use of progressive human resource practices by tourism employers	<ul style="list-style-type: none">• Demonstrate and communicate the business case (return on investment) related to effective retention practices• Identify and communicate best practices related to human resource management for a range of business types, sizes and locations throughout BC• Identify and/or provide tools, resources and information that will help employers reduce unwanted turnover• Recognize and showcase employers who utilize effective human resource practices• Educate employers and other key stakeholders about the opportunities and obligations related to being the first and largest employer of youth
Identify and address unique labour market challenges faced by seasonal and/or rural tourism operations	<ul style="list-style-type: none">• Develop and implement tactics to help reduce the workforce challenges encountered by seasonal and/or rural employers• Foster partnerships with summer and winter employers to explore the exchange of seasonal and/or part-time workers

TRAINING AND DEVELOPMENT

TRAINING AND DEVELOPMENT

STRATEGIES	ACTIVITIES
Encourage employer involvement and investment in training	<ul style="list-style-type: none">• Build and communicate a compelling business case for the return on investment in training• Facilitate communication and engagement between tourism employers and training providers• Provide employers and employees with information about available training options, resources, programs and best practices• Support employers in accessing relevant supervisory and management skills training for their staff
Align training programs with industry needs	<ul style="list-style-type: none">• Identify and communicate current and anticipated employer training needs to training providers, funders and other stakeholders• Explore the feasibility and utility of providing more flexible, short-term, modular training to meet industry needs• Encourage and promote the delivery of training that is accessible to remote, rural and/or seasonal employers• Ensure that the appropriate certifications and associated programs are available to support the needs and standards of the tourism industry• Maintain the industry's leadership role in the provincial industry training/apprenticeship system

RESEARCH AND EVALUATION

RESEARCH AND EVALUATION

STRATEGIES	ACTIVITIES
Develop and maintain a tourism labour market research and information system	<ul style="list-style-type: none">• Enhance collaboration among all stakeholders engaged in data tracking to ensure alignment of efforts and strategies• Obtain, analyze and prioritize relevant labour market data and indicators• Ensure key data is distributed to stakeholders at both the strategic and “shop floor” operator levels
Monitor, evaluate, and communicate the results of the <i>TLMS</i>	<ul style="list-style-type: none">• Develop and implement a <i>TLMS</i> monitoring and evaluation framework• Communicate the results of monitoring and evaluation of the <i>TLMS</i> on a regular basis

ORGANIZATION AND COORDINATION

ORGANIZATION AND COORDINATION

STRATEGIES	ACTIVITIES
Align the <i>TLMS</i> with government priorities and plans, as well as with provincial, regional and local tourism strategies/plans	<ul style="list-style-type: none">• Ensure the tourism sector is represented at and participates in government labour market initiatives• Develop regional labour market plans as part of broader regional tourism plans• Develop and implement a <i>TLMS</i> communications plan to ensure sustained awareness• Strengthen alignment between labour market development and destination development, management and marketing at the provincial, regional and community levels
Improve and expand collaboration among industry, government and other stakeholders on the implementation of the <i>TLMS</i>	<ul style="list-style-type: none">• Re-confirm go2 as the <i>TLMS</i> coordinating agency and define roles and responsibilities of other key stakeholders• Engage tourism associations, regions, private and public secondary and post-secondary education institutions, training providers, government agencies, unions and others to participate in and/or lead aspects of the <i>TLMS</i>• Provide information to governments on barriers to recruiting and retaining staff, particularly in rural areas (barriers related to transportation, lack of accommodation, high cost-of-living)

ALIGNING THE CHALLENGES WITH THE STRATEGIES

The strategies and supporting activities documented in the previous section were designed to help achieve the goals and the vision, and, very importantly, address the key tourism labour market challenges facing BC's tourism industry. The linkages between the challenges and the strategies that fall under the "Strategic Priorities" are illustrated below.

Challenges	Strategies						
	Create awareness about tourism jobs and careers	Identify, anticipate and respond to current and emerging labour and skill shortages	Promote the use of progressive HR practices by employers	Identify and address unique HR market challenges faced by seasonal and rural operators	Encourage employer involvement and investment in training	Align training programs with industry needs	
Low awareness/perception of employment in tourism industry	✓	✓	✓		✓		
Changing workforce demographics	✓	✓	✓	✓	✓	✓	✓
Competition from other industries and regions	✓	✓	✓	✓	✓	✓	✓
Labour and skills shortages	✓	✓	✓	✓	✓	✓	✓
Tourism businesses in regional/rural areas	✓	✓	✓	✓	✓	✓	✓
Seasonality	✓	✓	✓	✓	✓	✓	✓
Small businesses			✓	✓	✓	✓	✓
Industry culture			✓	✓	✓	✓	✓
Alignment between education system and industry needs		✓		✓	✓	✓	✓
Management development			✓	✓	✓	✓	✓

MEASURING SUCCESS

Development of a monitoring and evaluation framework (the “evaluation framework”) for the *TLMS* is identified as an activity under *Research and Evaluation*. This is a critical foundational element of the *TLMS*. It is required in order to monitor and report on progress toward achieving priorities, and ultimately the goals and vision. The evaluation framework will be formal and structured, but, at the same time, practical and cost-effective. Key elements that will be included in the evaluation framework are identified below.

Framework Element	Description	Frequency
Monitoring Milestones	<ul style="list-style-type: none"> The evaluation framework will identify milestones for each of the activities, with these involving the completion of related tasks as well as the delivery of products or outputs. The indicators for measuring the achievement of milestones will be the “rate of success in meeting the <i>TLMS</i> milestones”, which will be reported on semi-annually and/or annually. It should be noted that not all activities will be implemented simultaneously, but may be staggered over several years depending on available resources. 	Semi-annually and/or annually
Monitoring Sectoral Changes and/or Risks	<ul style="list-style-type: none"> Monitoring broader sectoral changes and/or risks relate to the tourism labour market as a whole is another key element of the evaluation framework. This type of monitoring may reveal key shifts in the sector at the provincial and/or regional level that require attention and possibly a refinement to certain strategies and/or activities in the <i>TLMS</i>. Several key performance indicators to monitor sectoral changes will be identified in the evaluation framework, such as employment in tourism-related jobs/sectors, 	Annually or when research by other agencies is completed

Framework Element	Description	Frequency
	wages and salaries paid, potential labour demand/supply/shortages, turnover/retention, unfilled vacancies, etc.	
Measuring Outcomes Related to Strategies	<ul style="list-style-type: none"> • The evaluation framework will include methods for measuring and evaluating outcomes that relate back to the intent of the strategies and activities, to the extent possible.² The primary method for gathering the required information will be periodic surveys of key stakeholder groups. • As an early step, measuring outcomes will entail conducting some selected baseline survey work. Periodic survey work will then be completed in subsequent years, and benchmarked against the baseline indicators. 	Every one to three years (depending on survey type and target respondents)
Formal Strategy Review	<ul style="list-style-type: none"> • A formal independent review of the implementation, outputs and outcomes of the <i>TLMS</i> will be performed. • The method for conducting the review will entail: <ul style="list-style-type: none"> ○ Reviewing and analysing the results of surveys; ○ Conducting interviews with selected stakeholders (go2, partner organizations/associations, and a cross-section of businesses); ○ Drawing conclusions regarding the extent to which the strategies and activities have been implemented and the goals and strategies achieved; and, ○ Identifying any required revisions to specific strategies and activities. 	Every three to four years

² Note that it may not always be possible to attribute specific outcomes to the *TLMS*.

NEXT STEPS

The *TLMS* will guide go2 and its industry and government partners over the next five years in efforts to address BC's tourism labour market challenges. Realization of the vision and goals through effective implementation of the strategies and activities is fundamental to achieving the growth targets set for BC's tourism industry. As the lead organization responsible for coordinating BC's initiatives related to tourism labour market development, go2 will play a key role with regard to implementing the *TLMS*, together with industry stakeholders and government.

Next steps include:

- Preparing the evaluation framework for the *TLMS*;
- Preparing a communication piece to help ensure that key stakeholders are aware of the *TLMS*, and to continue the process of engaging stakeholders;
- Discussing the coordination of strategies and activities with the appropriate industry and government partners;
- Preparing a multi-year business plan, to be updated annually, that provides the detailed tactics and associated resources for implementing strategies and activities identified in the *TLMS*; and,
- Reporting out regularly to stakeholders on progress and results, as per the *TLMS* evaluation framework.

APPENDIX A – *TOURISM LABOUR MARKET
STRATEGY* WORKING GROUPS AND go2
BOARD & STAFF

The following three working groups and the go2 Board of Directors were instrumental in the development of the *TLMS*. The senior go2 staff who managed the *TLMS* process and supported the working groups are listed after the working groups and the lists of go2 Board members.

Training and Development Working Group	
Caroline Schein (Chair) Vice President, People Development Boston Pizza	Terry Hood General Manager LinkBC: the tourism & hospitality education network
Paul Street (Vice Chair) Director, Food & Beverage Whistler Blackcomb	Lissa-Maria Pietracupa VP of People and Culture, Coast Hotels
Owen Bird Director, Best Standards and Practices Sport Fishing Institute of BC	Heidi Romich Owner, Heidi's Restaurant
Kate Dodd Director of Finance, Mt. Washington Alpine Ski Resort	Susan Spratt National Representative CAW
Wolf Draegestein Wolf Draegestein Consulting Workplace Educator P/T Instructor at The Art Institute	Kate Tognotti President, BC Association of Trades and Technical Administrators / Dean of Instruction, Schools of: Digital Media and Music Hospitality and Tourism Industry and Trades Training
Helena Fehr Lead, Programs Industry Training Authority	Bev Verboven Director, Labour Market Programs Branch Ministry of Jobs, Tourism and Innovation
Jason Forbes Director of Training, Keg Restaurants Ltd.	

Career Awareness, Recruitment and Retention Working Group	
<p>Christine Stoneman, CMC, RPR (Chair) Principal / Chief Operating Officer Chemistry Consulting Group Inc GT Hiring Solutions (2005) Inc.</p>	<p>Michala Broadhurst Recruiting & Training Manager Predator Ridge Resort</p>
<p>Arlene Hall Regional Director of Human Resources The Fairmont Waterfront Hotel</p>	<p>Lillian Hunt Director, Board of the Aboriginal Tourism Association of British Columbia</p>
<p>Cailey Murphy Communication Coordinator British Columbia Hotel Association</p>	<p>Terry Schneider President Prestige Hotels and Resorts</p>
<p>Sharron Tulk Director of Marketing and Member Relations BC Restaurant and Foodservices Association</p>	<p>Laurie Sagle Director of HR Tigh-Na-Mara Resort</p>
<p>Shari Avery Director, People Resources Delta Grand Okanagan Resort and Conference Centre Delta Grand, Kelowna</p>	<p>Connie MacDonald Director of People Canadian Mountain Holidays - Heli-Skiing & Summer Adventures</p>
<p>Mecki Facundo Whistler Chamber of Commerce</p>	<p>Warren Burgess President Pinnacles Suite Hotels Inc.</p>
<p>Joss Penny, CAE Executive Director British Columbia Lodging and Campgrounds Association</p>	<p>Richard Lewis Director of Sector Development & City Destinations Tourism British Columbia/Ministry of Jobs, Tourism and Innovation</p>
<p>Nicole Morgan Employee Experience Manager Panorama Mountain Village</p>	<p>Pete Smith National Representative, CAW TOA, Canada</p>
<p>Travis Sedley Rooms Division Manager – Kicking Horse Mountain Resort, Bellstar Hotels & Resorts</p>	<p>Karen Bauckham Manager Recruiting Whistler, Blackcomb</p>

Research & Labor Market Information Working Group	
<p>Joel Chevalier (Chair) Director, Employee Experience Whistler Blackcomb</p>	<p>Pat Corbett President, The Hills Health Ranch</p>
<p>Jennifer Hendry Director, Research Canadian Tourism Human Resource Council (CTHRC)</p>	<p>Ian Cook Director of Research and Training BC Human Resources Management Association</p>
<p>Kerry Young Director, Labor Market Forecasting and Analysis Ministry of Jobs, Tourism and Innovation</p>	<p>Richard Porges Director, Research, Planning and Education Ministry of Jobs, Tourism and Innovation</p>
<p>Nicole Vaugeois BC Regional Innovation Chair in Tourism and Sustainable Rural Development Vancouver Island University</p>	<p>Geoff Bird Assistant Professor, School of Tourism and Hospitality Management Royal Roads University</p>
<p>Lillian Hallin Manager, Economic Stats, BC Stats Ministry of Labour, Citizens' Services & Open Government Government of British Columbia</p>	

go2 Board of Directors 2011-2012	
Ian Powell (Chair) Managing Director, Paul's Restaurants Ltd. & General Manager Inn at Laurel Point	David Northrop Director of Rooms Fairmont Chateau Whistler
Caroline Schein (Vice Chair) Vice President, People and Operations Development Boston Pizza Int'l	Jamie Tattersfield Mountain Operations Manager Sun Peaks Resort
Rob Fussey (Past Chair) Director, Urban Concept Design A&W Food Service of Canada Inc.	Kate Tognotti Dean of Instruction, Schools of: Digital Media & Music; Hospitality & Tourism, Industry & Trades Training Selkirk College
Kate Dodd Director of Finance & Administration Mount Washington Alpine Resort	Paul Street Director, Food & Beverage Whistler Blackcomb
Walt Judas VP Marketing Communications and Member Services Tourism Vancouver	Eda Koot General Manager Delta Burnaby Hotel & Conference Center

go2 Staff Who Contributed to the TLMS Development	
Arlene Keis Chief Executive Officer	Kim Campbell Director, Industry HR Development
Debbie Yule Vice President, Industry Training	Dennis Green Senior Manager, Industry Training
Peter Larose Director, Policy and Research	Keith Baker Director, Marketing and Communications