

# General trends and skill needs in tourism in Canada

Marion Joppe

*School of Hospitality and Tourism Management, University of Guelph, Canada*

*Tourism in Canada accounts for close to 11 % of total employment. In spite of an occasional decline caused by various political, economic, medical and natural events, it is anticipated that the country will face a labour shortage in key sectors, aggravated by the staffing needs attributable to the 2010 Olympics. Other factors that contribute to this situation are retirements within the baby boom generation, forcing other industries to compete for the all-important youth market. In this competition, the labour practices and image of the tourism industry as an employer will play increasingly important roles.*

*The Canadian Tourism Human Resource Council has established national occupational standards that describe the skills, knowledge and attitudes necessary for competent performance in a specific tourism occupation, using subject experts. Professional certification has also been pursued. The hospitality talent network has created even more detailed job profiles that allow for great variety in job descriptions and can be an excellent way of tracking changes in occupations.*

---

## 1. Tourism in Canada

Tourism in Canada is an important and growing industry, in spite of temporary setbacks between 2001 and 2003. Generating over USD 50 billion in revenues and accounting for 10.7 % of total employment in Canada, the industry has registered growth above the national average for the past 20 years. A series of events, starting on September 11, 2001 and culminating in 2003 with the outbreak of SARS <sup>(1)</sup>, west Nile virus, massive forest fires, floods and hurricanes, led to a decline in those years. SARS alone has been estimated to have caused over USD 1 billion in losses in the six major Canadian cities in 2003. However, strong growth in the order of 8-10 % until 2006 is anticipated to reverse that trend. Thereafter, growth in the industry is expected to slow down to 1-2 % per annum by 2015. Since the fall in employment was considerably less than the fall in revenues, because businesses were reluctant to shed their workforce, employment growth will only be 2-2.5 % until 2006, falling to about 1 % per annum over the next decade. However, the Olympic Games, scheduled for the winter of 2010 in British Columbia, and its attendant major construction projects will put significant pressure on employment growth during 2008-10.

---

<sup>(1)</sup> Severe acute respiratory syndrome.

Total direct and indirect employment in the tourism industry in 2003, by sector, stood as follows (Table 1):

*Table 1: Direct and indirect tourism employment in Canada, 2003*

Food and beverage service	766 100
Recreation and entertainment	379 400
Transportation	272 300
Accommodation	206 900
Travel services	41 200
<b>Total</b>	<b>1 665 900</b>

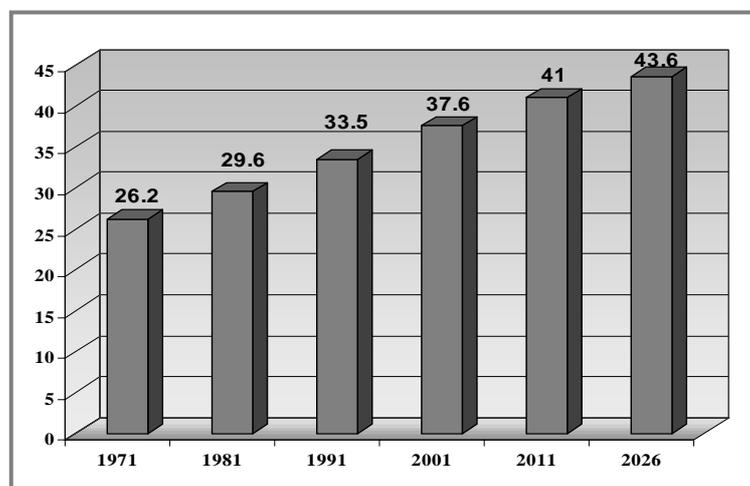
## 2. Skill shortages and their causes

Three occupational categories in particular are expected to encounter skill shortages over the next decade:

- (a) managers in food service and accommodation,
- (b) chefs and cooks,
- (c) occupations in food and beverage services.

While the shortage in managers will be quite severe, exacerbated by the demand generated by the Olympic Games, it will ease after 2010. In contrast, the shortage in chefs, cooks and other occupations in food and beverage services will be much less severe but longer term. Accounting for 46 % of total employment in the industry and heavily dominated by a workforce that is under 25 years old, the food and beverage sector is particularly impacted by the ageing of the Canadian population, one of the most severe in the world and exceeded only by that encountered in Germany (R.A. Malatest and Associates, 2003). The median age of Canadians stood at 37.6 in 2001, above the average for developed countries at 37.4, and is expected to increase rapidly to reach 43.6 by 2026 (Figure 1), based on current trends.

*Figure 1: Median age of total Canadian population (1971-2026)*



Source: R.A. Malatest and Associates, 2003, p. 5.

This trend raises a dual concern for tourism. The industry has a much lower percentage of workers aged 45 and over at 22 %, compared to 40 % for the goods-producing sectors and 35 % for other services-producing sectors. While this means that the industry will not be confronted directly by the significant number of retirements anticipated as a result of this trend, it reinforces its reliance on young employees. Indeed, as other sectors attempt to replace their retirees, the industry will face huge competition for its prime labour market, namely workers aged 15-24 years old. This segment currently accounts for 46 % of the workforce in the tourism-related sectors, compared to 13 % for the goods-producing sectors and 19 % for other services-producing sectors.

This competition will increase considerably, so that the industry faces not only a recruitment problem, but also a challenge in retaining these young workers. Some of the major reasons for the increasingly severe retention problems faced by the tourism industry are closely linked to the ebbs and flows of its business cycle. Seasonality, reinforced by the academic school year, heightens the peaks and troughs even further. This leads to a substantial number of part-time, temporary and casual workers in the industry. Much of this is beyond the control of the operators, but the working conditions – notoriously difficult, especially for the low skilled, front line workers – cause many young workers to leave the industry when given an opportunity elsewhere. Other employment practices, such as last minute scheduling of hours while expecting workers to keep themselves available, and sending them home early when not required, contribute to this effect..

When it comes to recruitment, the image of the industry, largely shaped by its retention problems as well as the notorious salary and wage disparity with other professions, even at more senior levels, contributes greatly to its difficulties. In addition, the skills of workers in tourism are easily transferable and much prized by other industries, who are willing to pay for them. As a result, a recent study has shown that only 50 % of tourism graduates in the labour market are actually working in tourism (CS/Resors Consulting and Bird, 2002).

Recruitment and retention difficulties, coupled with insufficient internal efforts to train and develop staff, result in internal skill gaps of varying severity, depending on the employment practices of individual organisations. Skill gaps have been shown to be most severe for the following:

- (a) information technology skills;
- (b) literacy and numeracy;
- (c) communication/presentation skills;
- (d) customer handling/service;
- (e) problem solving and critical analysis;
- (f) leadership skills;
- (g) financial management and cost control;
- (h) project management.

These skill shortages cannot be addressed through traditional forms of education because, as Michael Riley (1995 as quoted in CS/Resors Consulting and Bird, 2002) has pointed out, the tourism industry has a weak internal market, that is to say that:

- (a) few professions require certification of any kind;
- (b) pay and promotion have a tenuous link with credentials;
- (c) few occupations have set educational requirements for employment;
- (d) many graduates from non-tourism programmes are hired into tourism occupations.

The search for alternate sources of workers, whether through immigration, or by tapping into populations that are underrepresented in the tourism workforce such as First Nations people, disabled, older workers (particularly early retirees) or social assistance recipients, has only had limited success.

### **3. Actors in the human resource sector**

Canada's political system, as set up by the British North America Act of 1867 and later confirmed in its repatriated Constitution, splits the human resource policy function between the federal and provincial/territorial governments. The recently formed federal department Human Resources and Skills Development Canada is responsible for several partnership initiatives and funding programmes, including those for literacy, skills development and interprovincial standards (Red Seal). It also attempts to harmonise its employment initiatives with provincial ones to ensure that there is no unnecessary overlap or duplication. In addition, the Government of Canada's Sector Council programme works to enable partnerships that address skills and human resource issues by establishing, developing and supporting national partnerships and the capacity of partners to address both pressing and emerging skills and human resources issues (HRSDC, 2004). One of these councils was set up specifically to address the needs of the tourism industry (discussed below).

In addition, the federal government transfers considerable amounts of funding to the provinces and territories to support education, particularly at the post-secondary level and for university research.

Few professions require certification of any kind and, where they do, the requirements are set at the provincial level. This is the case for apprenticeship programmes, such as those that apply to chefs and cooks, although these are not mandatory. However, travel agents and health related occupations, such as massage therapists that work in spas, must meet certain licensing or certification requirements. Post-secondary education is made up of two types of publicly funded institutions: colleges and universities. Colleges have historically offered two- and three-year diploma and certificate programmes, although the province of Ontario has recently introduced four-year applied degrees offered through colleges that are very similar in nature to some of the university degrees. Universities offer not only four-year undergraduate

degrees, but also master's and doctoral programmes. In addition, there are a number of private training institutions that offer a wide range of technical and skill-based programmes. However, in tourism, most training is done by the industry itself, particularly for front line employees.

#### **4. The Canadian Tourism Human Resource Council**

The Canadian Tourism Human Resource Council (CTHRC) is a national non-profit organisation that promotes and enhances professionalism in the Canadian tourism industry. Similar to other 28 sector councils, it is made up of a network of partners. The CTHRC brings together representatives from tourism businesses, labour unions, provincial, territorial and national associations, education/training providers and government to address the tourism industry's human resource needs. It also works closely with its partners, the provincial/territorial tourism education councils across the country (CTHRC, 2004a).

The CTHRC was set up as a national organisation that facilitates and coordinates human resource development activities which support a globally competitive and sustainable Canadian tourism industry. Its objectives are to:

- (a) lead tourism human resource development in Canada;
- (b) set a national vision and direction;
- (c) coordinate and facilitate establishment and maintenance of national occupational standards, training resources and professional certification;
- (d) promote a training culture;
- (e) act as advocate nationally and internationally on tourism human resource issues;
- (f) support and encourage efforts to attract people to establish careers in tourism;
- (g) act as a clearing-house and forum for information sharing and research.

#### **5. National occupational standards and certification**

Among the activities of the CTHRC is developing national occupational standards. These are documents describing the skills, knowledge and attitudes necessary for competent performance in a specific tourism occupation.

Standards are a job analysis or job profile that contains criteria-based performance statements, knowledge requirements of the job and contextual information. Standards are benchmarks against which occupations (or a set of skills) and the proficiency of people in those occupations are assessed.

Many of the national occupational standards also contain essential skills profiles associated with the specific occupation. Essential skills are ‘enabling skills’ or underpinning skills that provide a foundation for learning occupation-specific skills and enhancing people’s ability to adapt to workplace change. Essential skills have been defined by the department of Human Resources Development Canada as follow (CTHRC, 2004c):

- (a) reading text;
- (b) document use;
- (c) writing text;
- (d) numeracy;
- (e) oral communication;
- (f) thinking;
- (g) problem solving;
- (h) decision-making;
- (i) job task planning and organising;
- (j) significant use of memory;
- (k) finding information;
- (l) working with others;
- (m) computer use;
- (n) continuous learning.

Since each job profile contains criteria-based performance statements, the knowledge requirements of the job, and contextual information, they can serve as effective benchmarks for assessments to be used by individual employers and education/training providers.

Subject matter experts are essential to setting a national occupational standard, since they can describe their job better than anyone else. ‘The subject matter experts are recruited from across Canada, representing the complete range of the occupation. These experts participate in a formal job analysis process. The process begins with a profile meeting which is drafted and then sent to a larger group of subject matter experts and other stakeholders for input. Additional data to support the draft Standards is obtained through a variety of approaches such as observation, interviews, literature reviews, and surveys. Once changes are made, the Standards undergo a formal validation process by the industry. This process includes translation, editorial and validation procedures. The process results in measurable, competency-based standards designed by industry’ (CTHRC, 2004c). To date, over 50 national occupational standards have been developed, ranging from door staff to golf club general manager. Each one addresses portable skills that are both basic and workplace specific, and many lead to formal certification.

Taking the example of front desk agent, the national occupational standard covers the following topics:

- (a) interpersonal skills;
- (b) guest services;

- (c) reservations and sales;
- (d) arrivals and departures;
- (e) departmental operations;
- (f) safety and security;
- (g) legislation.

This standard, like many others, leads to professional certification. While not required to work (i.e., it is not a regulation or control practice), it is an industry recognised credential of an employee's competence. 'The CTHRC Certification credential is awarded to candidates based solely on achieving a successful pass result on the certification examinations and on having met the specified experience requirements. The certification examinations are built directly from the National Occupational Standards following generally accepted testing principles. The National Occupational Standards have been built with industry input, and are designed to indicate the level of performance required to be recognised as Certified according to CTHRC guidelines' (CTHRC, 2004b).

## **6. HTNCareerNet.com**

The hospitality talent network, referred to as HTNCareerNet.com, is a job website that builds on the skills and qualifications identified through national occupational standards. Accessed through the website of its partners, including educational institutions, it has over 1 000 pages of job specific profiles, making it probably the most comprehensive job matching service in the world today. While employers can post available positions using the unique profile and matching technology that automatically pinpoints, ranks and compares the top candidates from a global talent pool, employees can create detailed profiles, receive automatic e-mail job notification, and monitor employer interest.

It is possible to view the list of profile attributes by entering the website through one of the partner portals <sup>(2)</sup>. After creating a login name and password, and completing the employer profile, a new profile can be created.

A position can then be specified (e.g. guest services agent) and a detailed profile completed. By entering the position name in the keyword search and selecting the specific role (in this example, both would be 'guest services agent'), a number of alternate role names appear which allow for greater specification of the tasks the potential candidate would be expected to fill (Figure 2). The level of experience to complete the job successfully can also be specified.

---

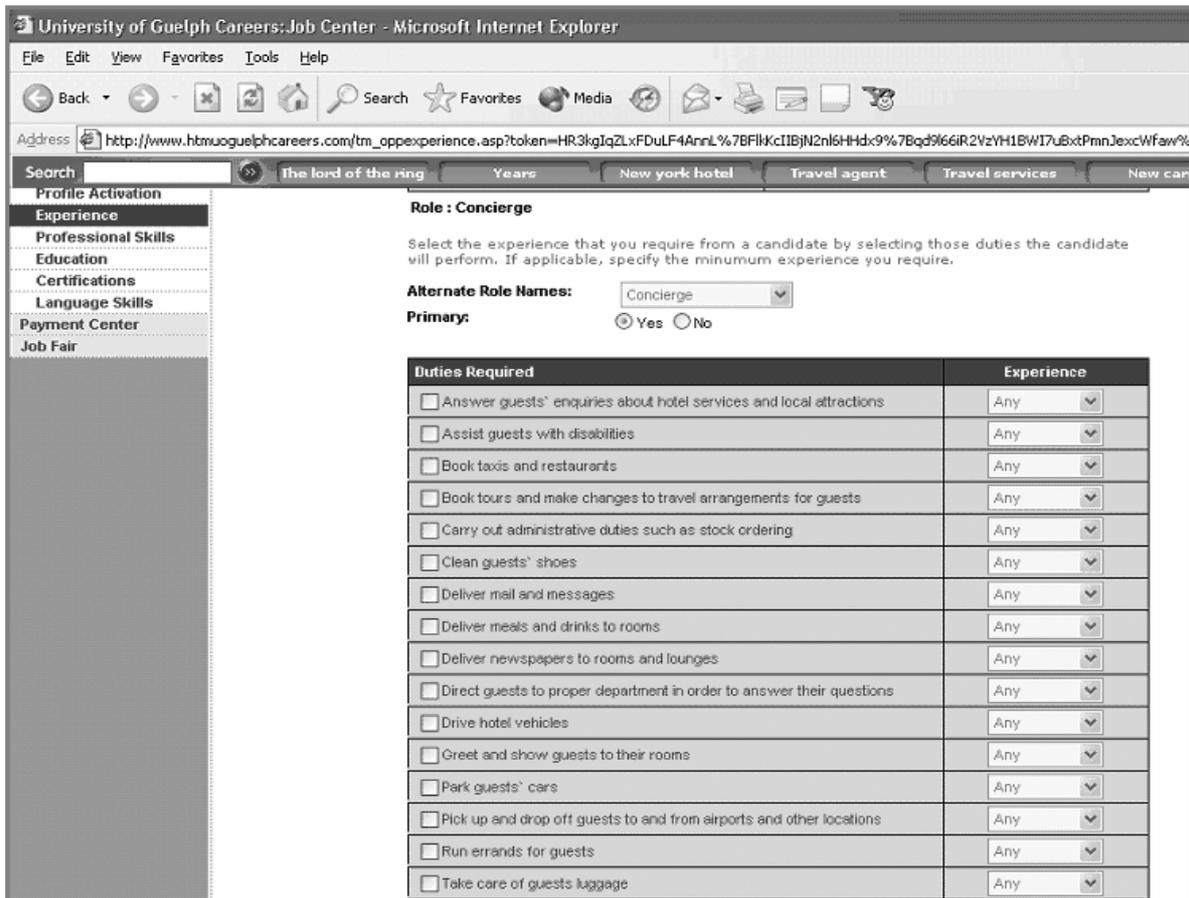
<sup>(2)</sup> For example: <http://www.htmuoguelphcareers.com/login.asp?CE=E> [cited 15.10.2004].

Figure 2: Defining the position



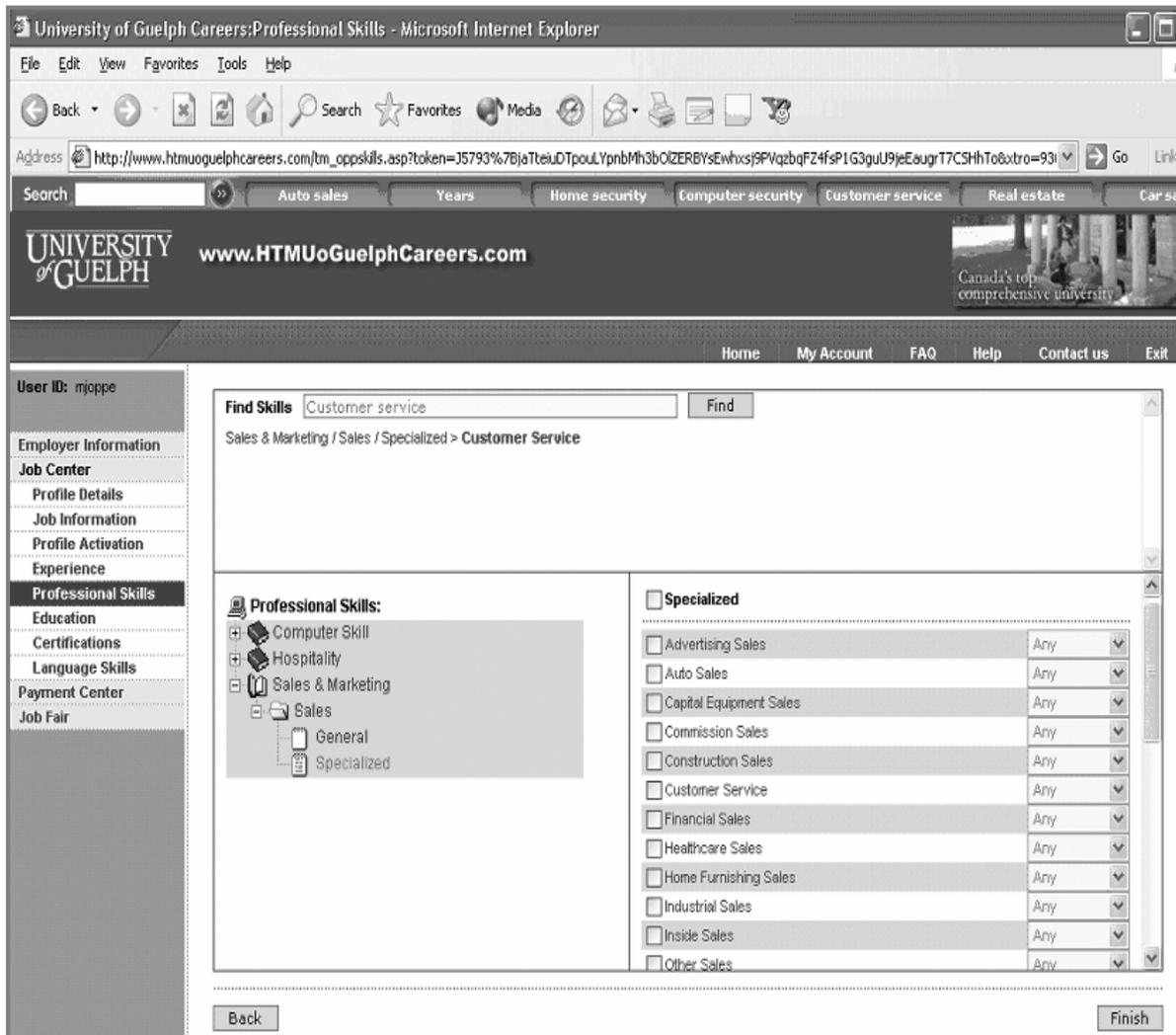
The next window allows for an even greater precision in stipulating the duties required as well as the experience for each one (e.g. 'concierge' in addition to 'guest service agent') (Figure 3).

Figure 3: Duties and experience



Other duties and roles can be added, as appropriate. Specific skills can be added next, for example ‘customer service’, which produces a long list of related professional skills. Each one again allows for the experience level to be specified (see Figure 4).

Figure 4: Skill levels



Education and certifications required, as well as language skills, can also be specified in a similar manner.

## 7. Research in British Columbia

In Canada, the province of British Columbia has probably the longest history of focusing on professionalism in tourism. Tourism is a key sector of its economy, to a greater extent than in many other parts, and the British Columbia government has set aggressive growth targets for this sector. With the decline in its primary industry, tourism is seen by many as the best option for growth.

British Columbia also has the most advanced integrated education system in Canada, providing a seamless transition from one level of education to the next. It has also been the

province that has been most committed to occupational standards and certification. As a result, getting a better understanding of the trends, causes and systemic obstacles to improving the professionalism of the industry has been a major focus of its policy-makers. Recent research has also focused on the potential impacts of the 2010 winter Olympic Games, to be held in Vancouver and Whistler.

Although province-specific, there is little doubt that the following findings would apply largely to all of Canada. Canada-wide research will unfortunately not be available before late 2004.

British Columbia conducted a survey of 1 319 employees hired in 16 national occupational categories which showed that only 23 % came from tourism related programmes. The exceptions were chefs (69 %), cooks (52 %) and outdoor recreation guides (47 %) (CS/Resors Consulting and Bird, 2002). Key tourism occupations were also shown to have a workforce with significantly lower educational attainment than the general population. Only a few occupations had educational levels that exceeded the mean for all occupations (these are mentioned in Table 2).

*Table 2: Educational levels for key tourism occupations*

<b>University (all occupations: 17 %)</b>	
Conference and event planners	27 %
Tour and travel guides	19 %
<b>Some post-secondary (all occupations: 45 %)</b>	
Travel counsellors	67 %
Tour and travel guides	60 %
Chefs	59 %
Conference and event planners	58 %
Ticket and cargo agents (not airline)	57 %
Programme leaders/instructors in recreation/sport	57 %
Hotel front desk clerks	55 %
Food service supervisors	50 %

*Source: CS/Resors Consulting & Bird, 2002*

Similar to studies in other parts of the developed world, general training gaps were identified. These skills were considered essential across all occupations and include:

- (a) communication: reading, writing and oral skills;
- (b) customer service,
- (c) numeracy;
- (d) problem-solving;
- (e) decision-making;
- (f) risk management;
- (g) finding information;
- (h) job task planning and organising;

- (i) working with others;
- (j) computer use;
- (k) practicing sustainability;
- (l) language proficiency.

In addition, there were profession specific training gaps, particularly related to high growth tourism sectors:

- (a) adventure tourism/outfitting related;
- (b) ecotourism related;
- (c) health and wellness related;
- (d) casino management;
- (e) entrepreneurship.

## References

CTHRC – Canadian Tourism Human Resource Council. *About the CTHRC*. Available from Internet: <http://www.cthrc.ca/aboutus.shtml> [cited 18.10.2004a].

CTHRC – Canadian Tourism Human Resource Council. *Professional certification*. Available from Internet: <http://www.cthrc.ca/procertification.shtml> [cited 18.10.2004b].

CTHRC – Canadian Tourism Human Resource Council. *What are national occupational standards?* Available from Internet: <http://www.cthrc.ca/ocstandards.shtml> [cited 18.10.2004c].

CS/Resors Consulting; Bird, G. *The tourism sector in British Columbia: literature review, labour market projections and training gap analysis*. Victoria, B.C: British Columbia tourism human resource task force, 2002.

Hogarth, T.; Wilson, R. *Skills matter: a synthesis of research on the extent, causes, and implications of skill deficiencies*. Coventry: Institute of Employment Research, 2001.

HRSDC – Human Resources and Skills Development Canada. *Human resources partnerships: general information*. Available from Internet: <http://www.hrsdc.gc.ca/en/gateways/topics/hzp-gxr.shtml> [cited 18.10.2004].

R.A. Malatest and Associates. *The aging workforce and human resources development implications for sector councils*. Ottawa: Alliance of Sector Councils, 2003.

Roslyn Kunin and Associates. *Maximizing 2020 employment and skills opportunities*. Presented to the 2010 Winter Games Human Resources Planning Committee. British Columbia: 2003.

Statistics Canada *Profile of the Canadian population by age and sex: Canada ages*. Available from Internet: <http://www12.statcan.ca/english/census01/Products/Analytic/companion/age/images/96F0030XIE2001002.pdf> [cited 18.10.2004].