South Georgian Bay Tourism Industry Labour Supply Task Force

Key Discussion Points

1. Tourism Industry at a Glance
2. Employment Impact
3. Scope of Labour Shortage
4. Challenges & Risks
5. Key Recommendations & Next Steps
Tourism Industry at a Glance

Economic Impact of Tourism in Ontario:

• $32.3 billion in annual receipts
• 389,000 employees
• 186,000 businesses
• $4.9 billion in Ontario tax revenues
• 141 million annual visits

• Bruce/Grey/Simcoe: 1400 tourism businesses & 17000 employees

Eight Sectors of Tourism Employment:

• Accommodation
• Adventure & Recreation
• Attractions
• Events & Conferences
• Food & Beverage
• Tourism Services (Retail)
• Transportation
• Travel Trade
Tourism Industry at a Glance

**Business Disciplines:**
- Entrepreneurship
- Marketing & Sales
- Human Resources
- Finance
- Technology
- Operations
- E-Commerce
- Security

**Complementary Sectors:**
- All Trades & Services
- Real Estate & Construction
- Landscape Architecture & Service
- Transportation
- Arts & Culture
- Property Management
- Agriculture / Beverage – Local Producers
- Legal/Administration
- Food Producers & Local product manufacturers
## Tourism Industry at a Glance (2012)

<table>
<thead>
<tr>
<th>Employment</th>
<th>Age</th>
<th>Education</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full Time 64%</td>
<td>15-34 50%</td>
<td>No high school – 19%</td>
</tr>
<tr>
<td>Part Time 36%</td>
<td>35-54 35%</td>
<td>High School – 35%</td>
</tr>
<tr>
<td>Year Round 56%</td>
<td>55+ 15%</td>
<td>Apprenticeship – 9%</td>
</tr>
<tr>
<td>Seasonal/Part Year 44%</td>
<td></td>
<td>College Level – 18%</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Gender</th>
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</thead>
<tbody>
<tr>
<td>Male 49%</td>
<td>Female 51%</td>
<td>University Certificate – 4%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>University Bachelors Degree – 11%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Post Graduate 4%</td>
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</tbody>
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Labour Market Factors Shaping Labour Shortage

- Since 2004, regional labour force has dropped by 11% or 18,700 people
- Population aging & out-migration are primary causes
- 25 to 54 experiencing dramatic declines.
- Bruce County & Grey County tend to lose residents from 18 to 44 age groups
- 18-44 age group participates in labour market higher than provincial average
- Most tourism employers are under staffed – est. 700 short pre-winter 2017*
- More shortages pre-winter 2018*

*Tourism Employers across South Georgian Bay
Labour Market Factors Shaping Labour Shortage

- This is projected to continue for the next 10 to 20 years.
- High regional rates for residents aged 55 plus.
- Shortages at front lines, first level supervision & specialized roles most acute
- Key sectors impacted: Tourism, Transportation, Manufacturing & Construction

**The Bottom Line:**

Today’s South Georgian Bay labour pool is not meeting employment & economic growth demands of Tourism & other key industries driving our economy!
Local Economic Factors Shaping Labour Shortage

- **Housing costs on the rise** across South Georgian Bay & low inventory of attainable &/or starter family residences
- Lack of **transit** strategy and network regionally to support free flow of workers & visitors
- Lack of regional post-secondary tourism **programs** to keep students home & to recruit from away
- Multiple jurisdictions (County/Municipal): **lack of regional economic strategy**
- Lack of understanding of the true scope of the **tourism industry** and its **impact on employment & regional economy**
- Competition for labour heating up as shortages impact entire Province
- Need for local family supports to encourage workforce participation, i.e., **childcare**
Economic Risks

• Lack of ability to properly service growing demand will equal **lost revenue**
• Employers de-marketing, **decreasing traffic & visitation** to match capacity could have a serious impact on secondary businesses and/or pace of growth
• Service decline could have negative impact on **regional brand**
• Declining investment and growth in new businesses would **stall tax growth**
• Decline in service levels and lifestyle benefits our industry provides to locals could negatively impact **real estate values & residential growth**
• Larger employers who can afford it will raise wages to attract the best employees, causing heightened **competition & wage compression** that will negatively impact small businesses, entrepreneurs, and all other local employers
Recommendations

1. Develop Diverse Real Estate/Attainable Housing Strategy
2. Invest in Regional Transit Connectivity
3. High School Outreach
4. Support Post-Secondary Tourism Programming
5. Strengthen Regional Operator Learning Networks, Best Practices and Benchmarking
6. Flexible Child Care
What Has Been Done?

- Four County Labour Board Tourism Sector Labour Market Research
- Childcare town hall meeting & survey
- TOBM Business in Motion event in Collingwood focused on housing & transit to engage business community
- RT07 developing tourism owner/operator training & mentorship program
- Development industry consultation
- Talks with municipal planning teams
- Community relations & outreach to ensure residents as well as businesses are aware of the challenges and risks
What’s Next?

• Transit forum to be hosted in Collingwood
• Employer One survey & more East SGB data
• Launch RFP to hire housing consultant to create business case for attainable housing (dorms, apartment rentals, condos, starter homes, family homes):
  • Interview employers & employees
  • Assess best practices (i.e., Whistler)
  • Assess municipal readiness
  • Propose development incentives & frameworks to attract builders
• Present business case to Province, County, Municipalities & development sector by June 2018