

AMO 2020

Ministry of Labour, Training and Skills Development

At TIAO we recognize the key role that the Ministry of Labour, Training and Skills Development has in working to prevent workplace injuries and illnesses, promoting and enforcing employment standards, and supporting apprenticeships, the skilled trades, industry training and employment services in Ontario. We have included in our recommendations below, strategies to ensure that the return of the visitor economy is supported by new ways of managing worker health and safety in the tourism industry. Further, we would like to discuss strategies to adapt to the major supply side shock, in order to ensure that tourism workers do not become permanently dislocated from our industry, and ways to ensure that the ESA reflects the rapidly evolving needs of workers and employers throughout the COVID-19 pandemic.

We recommend:

- Strategic investment into OTEC’s Tourism & Hospitality Emergency Response (THER) Program. Specifically, funding for tourism SMEs to ensure that their workforce has access to the full breadth of the new recovery plan for workers and workplaces to assist people who have lost their jobs or are working fewer hours due to the COVID-19 pandemic.

OTEC’s THER program is a critical component to the recovery of the tourism sector, as it provides displaced tourism workers, and service sector workers more broadly, sector led skills, training and employment supports they need to get back to work. THER is also fully integrated into the existing Tourism SkillsNet Ontario (TSNO) framework. This ensures that the existing TSNO alliance of industry, community, and employment and training partners that operate through Skills Advance Ontario, will be able to retain and leverage the resources¹ generated through the THER program.

Our most recent data indicates that despite the gradual re-opening of the province, many tourism SMEs are at risk of bankruptcy. We applaud your ministry for investing \$3 million to provide free online health and safety training. In addition to that investment, we would like to see continued investment put into the THER program to ensure greater access to the resources being developed in the THER program. This will equip our industry to get displaced workers back to work in Ontario.

We further recommend:

- Direct and ongoing consultation with TIAO and tourism employers and workers, as further changes to the Workplace Health and Safety protocols are made.

We recognize that the province will be continuously updating workplace health and safety protocols at all stages of the COVID-19 recovery and re-opening, and as the voice of the tourism industry, we are well positioned to communicate industry best practices.

¹ Curriculum, Data, and Technology

- Ensuring that the Employment Standards Act (ESA) and the Infectious Disease Emergency Leave reflect the major supply side shock experienced by the Ontario tourism sector, and interactive service work more broadly.

We thank the MOLTSO for the swift changes made to Severance activation to ensure that an employee is not considered to be laid off if their employer temporarily reduces or eliminates their hours of work for COVID-related reasons. This change effectively prevented large sections of the tourism industry from bankruptcy that would have been brought on by the mass activation of severance pay outs. As the pandemic progresses, we ask that you continue to consult directly with TIAO and tourism leaders to ensure that the regulatory frameworks including the ESA and OHSO reflect the rapidly changing political, economic, and social conditions.

Pre COVID-19, Tourism in Ontario

Prior to the historic shutdown of the industry, tourism in Ontario represented more than 400,000 workers and over 200,000 businesses, with a GDP contribution of \$36 billion, and an annual tax revenue of \$5 billion; tourism in Ontario has a greater economic impact than forestry, mining, and agriculture combined.

Tourism in Ontario was experiencing a period of exponential growth, year over year. This growth was a benefit not only to the tourism businesses and workers, but to the communities and people that directly benefited from the tax revenue and community infrastructure.

The Global Health Pandemic & The Indefinite Shutdown of a \$36 billion industry

On the morning of March 12th, 2020, the World Health Organization (WHO) declared COVID-19 a global pandemic, and the subsequent rolling out of border restrictions, calls for physical distancing, and all necessary state restrictions to protect public health. As an industry we know that the state sanctions were a necessary step to prioritize public health, safety, and to save as many lives as possible.

However, the state sanctions led to the almost total shutdown of our \$36 billion industry. Aside from the health care industry, the tourism industry saw the first and most significant impact, with more than half of tourism businesses having to shut their doors, historic layoffs, the largest decline in air travel in history, and within months many tourism businesses were facing bankruptcies for once thriving operations. **With re-openings now happening across the province, the month of June has seen a 21% increase in employment over last month. But despite this, roughly 188,000 Ontarians in this sector who lost their jobs due to the pandemic remain unemployed – tourism and hospitality has lost more than twice the number of jobs compared to retail, the second hardest hit industry. The full impact of COVID-19 on our industry remains to be seen; to date we have lost more than \$18 billion in revenue, and many tourism businesses are still at risk of bankruptcy or permanent closure.**

Policy in a Pandemic:



At TIAO we have always worked on pressing policy files on behalf of the tourism industry and develop evidence-based policy recommendations that reflect the multifaceted needs of the industry. We apply robust methodologies in our research of the key policy needs of the industry; including, Critical Discourse Analysis (CDA) and thematic coding of key pieces of legislation, qualitative surveys, semi-structured interviews, focus groups, and consultations with industry experts and stakeholders.

Prior to COVID-19, our policy work focused on ensuring the political, economic, and regulatory environment allowed for the continued exponential growth of the industry, with recommendations focused around Labour, Investment, and Infrastructure. When COVID-19 was declared a global pandemic, we shifted our policy and advocacy work into crisis response and focused on securing the data to support it. This spurred the launch of our Evidence Generation Strategy (EGS).

Evidence Generation Strategy (EGS):

At TIAO, we immediately began working to ensure that as the voice of the Ontario tourism industry, we had an Evidence Generation Strategy (EGS) in place in order to develop a full picture of the rapidly changing political, economic, and social impact on the Ontario tourism industry.

The EGS is multipronged and includes our standard methodology detailed above, while adding in rolling stakeholder calls, daily industry consultations, strategy development with other networked institutions, and the data collected through our province wide COVID-19 surveys. The EGS enables TIAO to build capacity through other networked institutions and collaborate with applied research institutes. The multipronged EGS directly informs our recommendations to all levels of government to ensure that we are best representing the rapidly evolving needs of the industry.