



Workforce Development and Retention Strategy and Labour Plan

April 2022





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April 2022



Executive Summary

Image source: Handsome Devil Bistro Instagram



Executive Summary

The tourism industry in the RTO4 region of Ontario is an innovative business sector that has created a solid reputation for warm hospitality. Having hosted almost 11 million visitors in the year before the first pandemic lockdown, RTO4 was on track to record tourism spending of over \$275 million for another year. But COVID-19 did arrive, and with it, employment in the region dropped by 15% in 2020, real GDP by 26%. Looking past the pandemic, tourism employment projections are very healthy, pointing to enormous gains in job opportunities by 2028, led by retail and other tourism businesses. While employers have tried their best to recruit and retain talent, more work is needed to secure long-term business viability and employment security.

The RTO4 Workforce Development / Retention Strategy and Labour Plan strives to address key concerns about the future. It seeks to define what needs to be done to position tourism businesses for strong and sustainable growth. Securing the workers needed to meet tourism demand is of utmost importance. In this report, the communities of Elora and Fergus were used to focus the business case for workforce development at a hyper-local level. By doing so, lessons may be learned to help other communities.

The communities of Elora and Fergus were used to focus the business case for workforce development at a hyper-local level

Through a review of background reports, analysis of labour market information and visitor spending, MDB Insight gained clear insights about tourism in Elora and Fergus and RTO4. A series of engagement opportunities were executed to gather perspectives from employers and workers. Common threads and alignments were explored to shape recommended strategic directions and objectives:

Priority 1: Retention

- Incentives and Additional Benefits
- Pool Resources among Employers
- Competitive Levels of Compensation

Priority 2: Recruitment

- Pursue Regional Sources of Workforce Supply
- Explore the International Workforce

Priority 3: Skills Development

- Improve Employer Communication Skills
- Fill Gaps in Jobseeker Skills and Expertise

Priority 4: Strengthening the Ecosystem

- Fill Gaps in Labour Market Information
- Build the Next Generation of Workers
- Availability of Worker Housing
- Explore Transportation Solutions

Each objective has its own set of recommended actions, and the implementation of future initiatives is plotted on a timeline for RTO4 and its partners to review. Resources will be needed to complete implementation, such as on-the-ground coordination, the activation of a recruitment and retention task force, as well as ongoing rapport and collaboration. Measurable outcomes are of utmost importance, so key performance indicators will help measure the tangible progress created by the Workforce Development / Retention Strategy and Labour Plan.

Key Findings

RTO4 welcomed 10.4 million total visitors in 2019, spending \$275.6 million in 2019



In 2020, the pandemic had major effects on the local tourism industry...



Tourism Worker Priorities



Additional employee benefits

1



Employee perks

2



Career growth opportunities

3



Amount of tips

4



Access to training & development

5

Prospective Worker Priorities...

- Employee benefits
- Career growth
- Stability of work



Key Relocation Factors for Tourism Workers

Affordable housing options



Access to natural beauty/parks/trails



Welcoming sense of community



Proximity to urban centres



Municipalities, tourism agencies & business groups play important roles in improving relocation factors

Almost **75%** of prospective tourism workers would likely accept employment if it were in Elora or Fergus



3/4 would commute



Tourism Employer Priorities

Better education and training offerings for workers

Attainable / affordable and diverse housing available for workers

Diversity, equity, and inclusion

Help businesses lower costs to pay employees better

Ensure businesses have the talent needed to meet demand

Workforce Development / Retention Strategy and Labour Plan

Next Steps

- Retention
- Recruitment
- Skills Development
- Strengthening the Ecosystem



60% of total visitor spending in Elora and Fergus in 2019 came from surrounding cities and towns, a potential source for prospective workers.



Observations



Observations

A detailed review was conducted of all relevant background documents, statistics, and policies related to tourism, workforce, and labour. Reports were reviewed from local, regional, provincial, federal, and international sources of workforce best practices. To inform the local workforce landscape and to identify potential partners who can help to build strategic initiatives, an asset review was prepared, and an in-depth understanding was gained of the available tourism workforce support assets in Centre Wellington, and regionally. This section of the report offers a summary of the key learnings emerging from all the reviews. Comprehensive research findings can be found in the Key Findings Report, submitted as an accompaniment to this document.

Across the tourism-related industries, employment fell an estimated 15%, and real GDP fell 26% between 2019 and 2020.

Recent national trends in tourism employment were reviewed to assess the concentration of tourism employment across Canada by metropolitan area, and within the RTO4 area by Census Division (CD) and Census Sub-Division (CSD). An economic impact assessment was prepared, which quantified pandemic-related job and Gross Domestic Product (GDP) losses. Across the tourism-related industries, employment fell an estimated 15%, and real GDP fell 26% between 2019 and 2020.

In 2021, total economy-wide employment had fully recovered to 2019 levels, and total economy-wide real GDP had almost fully recovered as well. Among the tourism-related industries, however, employment and real GDP had only recovered about halfway to their levels of 2019. This shows that the tourism industry has been slower to recover and will take more time to bounce back once the economy recovers from COVID-19.

Centre Wellington's tourism industry is expected to grow at a rate twice the provincial average. However, average annual earnings in the tourism industry in Centre Wellington are \$29,725, lower than the province-wide average tourism wage of \$32,980.

Employment data was analyzed to understand the tourism workforce landscape of Centre Wellington over time, by tracking tourism-related codes in the North American Industry Classification System (NAICS) and National Occupational Classification (NOC). Employment projections indicate that Centre Wellington's tourism industry is expected to grow at a rate twice the provincial average. In the tourism-retail category, employment growth in Centre Wellington is expected to outpace the rest of the province by 2026. Ensuring that this sub-industry has adequate access to labour will be important to ensure benefits to the local community are fully realized. Average annual earnings in Centre Wellington tourism industry were estimated at \$29,725, lower than the province-wide average tourism wage of \$32,980,



presenting a challenge to attract workers from other parts of the province.

Through a Location Quotient analysis, several tourism sectors in Centre Wellington have relatively high concentration compared to the rest of Canada. These sectors include RV parks; jewellery, luggage, and leather goods stores; independent artists, writers, and performers; and gambling industries. With high location quotients, these industries draw revenue into the economy from outside of the region.

Figure 1: Percent Changes in Retail Employment, 2001-2027, Centre Wellington, Wellington County, Ontario



Source: EMSI Analyst, 2021

Legend

- Centre Wellington (in Ontario)
- Wellington (in Ontario)
- ▲ Ontario

A hiring demand analysis was prepared focusing on tourism job postings in Elora, Fergus, and Centre Wellington. Job postings bottomed out during 2020, coinciding with the beginning of the COVID-19 pandemic. In 2021, job postings increased, reaching a slightly higher number of job postings than in previous years. Most tourism job postings were for cooks, other customer and information services representatives, and retail salespersons.

Soft skills mentioned in postings included customer service, teamwork, communications skills, fast-paced setting, and flexibility.

Most job postings were in retail, followed by restaurants, and accommodations, and most did not identify educational requirements. Soft skills mentioned in postings included customer service, teamwork, communications skills, fast-paced setting, and flexibility. Specialized skills needed were health and safety, sales, analytical skills, and budgeting.

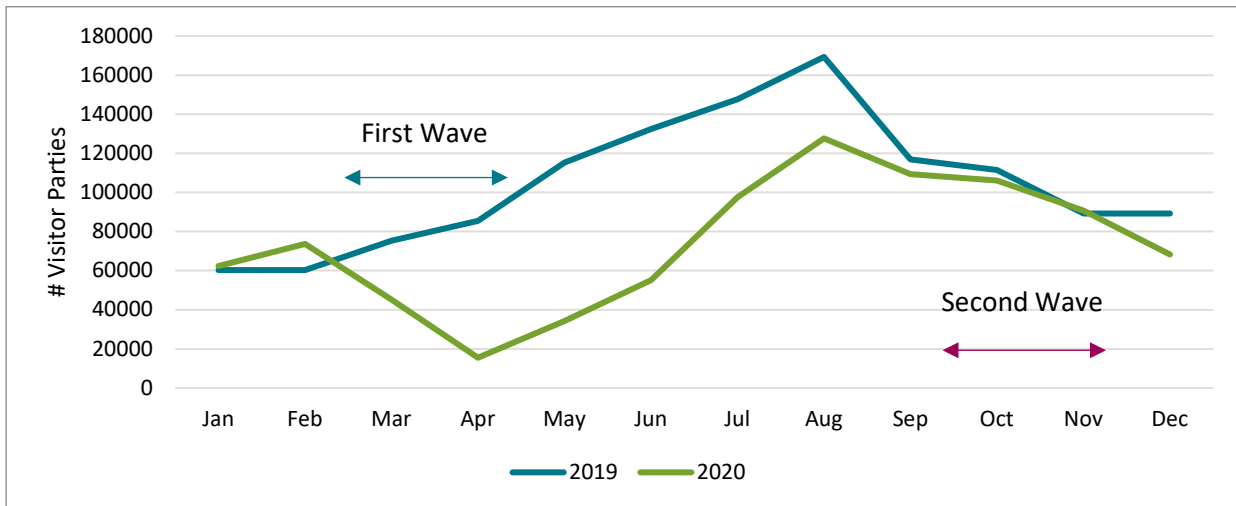


A detailed analysis of visitor spending¹ in 2019 and 2020 based on actual point-of-sale transactions was aligned with a 2019 estimate based on visitor surveys for Elora and Fergus. Spending by visitors from Guelph, Waterloo, Kitchener, Orangeville, Halton Hills, and Wellington North accounted for almost 60% of total visitor spending in Elora and Fergus in 2019. Traffic from these communities could be considered sources of potential workers.

Sources of potential workers may be found in Guelph, Waterloo, Kitchener, Orangeville, Halton Hills, and Wellington North. These communities accounted for almost 60% of total visitor spending in Elora and Fergus in 2019.

Compared to the pre-pandemic year of 2019, total visitor spending for the Elora and Fergus area decreased by 18% between 2019 and 2020. Total visitor spending was estimated at \$103 million in 2020. Some of the communities from which the highest amount of visitor spending originated in 2019 showed sizeable decreases in 2020. These communities included Guelph (down 16%), Waterloo (down 22%), and Toronto (down 31%). There was a noticeable decrease in total visitor spending during the first wave of the pandemic compared to 2019, and the spending did not catch up until September. The second wave of the pandemic did not appear to have the same impact in Elora and Fergus, with visitor spending roughly equivalent to 2019.

Figure 2: Number of visitor parties in the Elora and Fergus area compared between 2019 and 2020



¹ Estimated visitor spending at retail, services, and travel and entertainment merchants were calculated by MDB Insight based on point-of-sale transactions by domestic cardholders processed by Moneris Data Solutions at businesses located in the N1M Canada Post Forward Sorting Area (FSA) and NOB 150 postal code.



The visitor spending analysis uncovered visitor spending increases during the pandemic, indicating added pressures on tourism businesses and their workers. The total amount spent by visitors in Elora and Fergus on retail products was 17% higher in 2020 than it was in 2019. In 2020, visitors to the area spent an estimated \$58 million on retail goods. Residents of Wellington North, Mississauga, and Vaughan spent substantially more in 2020 than they did in 2019.

Visitors spent more per person during the pandemic, 10% to 20% higher than 2019. There was no observable difference between the number of visitor overnights between 2019 and 2020, despite lockdowns and restrictions.

Visitors in the pandemic year spent more per person compared to the average amount spent per person in 2019. This gap remained constant throughout most of 2020, with average spending approximately 10% to 20% higher than 2019. There was no observable difference between the number of visitor overnights between 2019 and 2020, despite lockdowns and restrictions.



What We Heard

Image source: Elora Brewing Company Instagram



Worker Perspectives

Current and prospective tourism workers within Wellington County and Kitchener-Waterloo region participated in a Tourism Workforce Panel Survey.² The survey found that over one-third of current tourism workers earned less than the regional living wage. Almost one-third of tourism workers reported working at more than one job. While the overwhelming majority of employees were generally satisfied with working in the tourism industry, over two-thirds were “somewhat satisfied,” suggesting they are happy despite some negative experiences or views of their work.

Priorities for improvement in the tourism workforce were analyzed based on participants’ ratings of industry aspects and how important each aspect was to respondents’ overall ratings of work satisfaction.

The top ten priorities for improvement among the current tourism workforce were:

1. *Additional employee benefits (e.g., drug plan, dental, life insurance)*
 2. *Employee perks (gym memberships, additional days off, discounts)*
 3. *Opportunities for career growth*
 4. *Amount of tips*
 5. *Opportunities & access to training / skill development from other sources*
 6. *Opportunities & access to training / skill development on the job*
 7. *Stability of work between seasons*
 8. *Availability of hours*
 9. *Stability/predictability of work in the long term (2-5 years)*
 10. *Safety of work during COVID-19*
-

These priorities were slightly different for prospective tourism workers, who ranked additional employee benefits as first, followed by opportunities for career growth, stability of work between seasons, and stability/predictability of work in the long term (2-5 years). Improvements to these aspects of the tourism industry (or to individuals’ perceptions of the factors) may have the biggest impact on overall worker satisfaction.

Survey participants rated their levels of satisfaction amongst various attributes of the tourism industry. Some of the attributes with the highest levels of satisfaction included: interesting work, overall work environment, the way workers are treated by senior staff and management, the availability of hours, and the work schedule.

Almost three quarters of respondents said they would be likely to accept a suitable employment opportunity if it were in Elora or Fergus. Three-quarters would commute to the job, and a quarter would

² MDB Insight Market Research, 235 responses via online panel and telephone methodologies, January 2022.

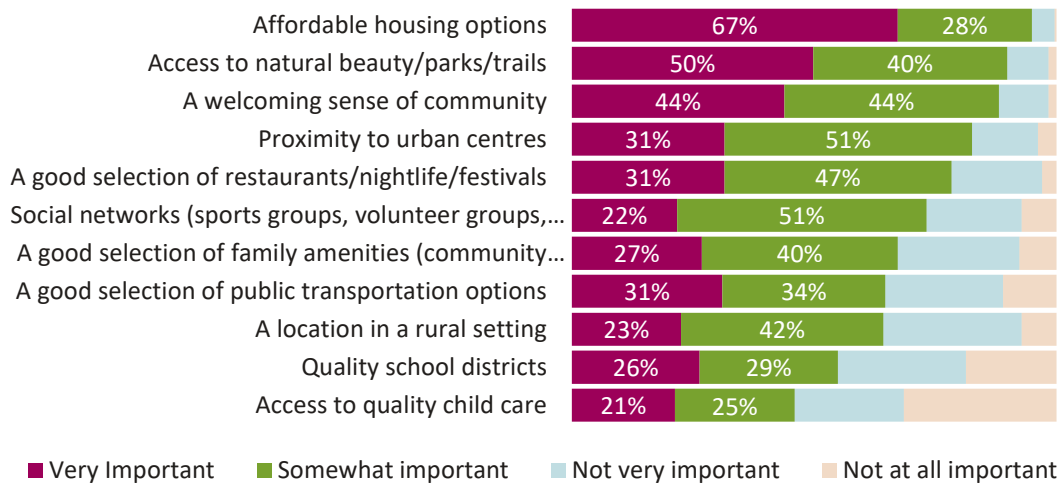


relocate. Just over half of respondents indicated that they planned to work in the tourism industry in the long term, with the majority of these reporting that they would like to work partially in another industry as well. About one in ten respondents hoped to own their own business in the tourism industry.

Almost three quarters of respondents said they would be likely to accept a suitable employment opportunity if it were in Elora or Fergus. Three-quarters would commute to the job, and a quarter would relocate.

Respondents also rated the importance of various factors they would consider when moving to a new area to relocate for employment. Some of the most important factors to the prospective and current tourism workers included affordable housing options, access to natural beauty/parks/trails, a welcoming sense of community, and proximity to urban centres.

Figure 3: If you were choosing between two potential areas to relocate to for employment within the next 12 months, how important would each of the following factors be in your choice? (n=235)



Source: MDB Insight Market Research, January 2022



Employer Perspectives

Interview responses from stakeholders contributing to the tourism landscape in Elora and Fergus included thoughts from tourism businesses, plus representatives from local government, business associations, workforce planning boards, and tourism organizations. These stakeholders were identified for their ability to offer a perspective on strengths, areas to leverage, and opportunities for the area.

Key priorities mentioned by stakeholders include:

- **Focus on education offerings -**
Education is a key priority, although previous work in this space has left room for improvement. RTO4 invested heavily in piloting a program to train students for jobs in tourism and hospitality, in partnership with Conestoga College and the local Workforce Planning Board. These courses were viewed as “bird courses” or relatively easy courses that students took with little interest. Some businesses are concerned about a disconnect between training offerings and what students do on the job.
 - **Worker accommodation -** Attainable housing and diverse accommodation offerings would help directly tackle the high cost of living challenges tourism workers face. Stakeholders reiterated that wealth from nearby urban centres is raising costs and pricing locals out of the market, forcing workers to commute into Elora and Fergus. Due to limited public transit options, this may not be possible for some workers.
 - **Open the gates to diversity -**
Diversity, equity, and inclusion are important topics, and stakeholders noted that such diversity is not found in the community. Elora and Fergus should continue initiatives that welcome new diverse residents and visitors. Work also needs to be done to limit the sentiment of “shutting the gates” on newcomers and avoid negative community growth. This ties in with the priority for increased marketing and promotion. Elora and
-
- A 2022 Ryerson University study of skill gaps in the Canadian luxury hotel sector provides a helpful summary of the challenges tourism operators face when trying to ensure top-notch experiences and customer service.***
- Emotional Intelligence – Staff need to demonstrate empathy and compassion to help form guest relationships, ask the right questions, and find appropriate solutions for customers.***
- Anticipatory Service – By using emotional intelligence, staff can surprise and delight customers in positive ways, by anticipating guests’ needs and recognizing the opportunities.***
- Professional Presentation and Communication - The way staff present themselves plays a key part in identifying their fit for the business: professional dress, posture, attitude, and ways of communicating can make or break customer expectations.***
- Creativity – The ‘WOW factor’ is important for staff to go truly above and beyond to achieve customer satisfaction. Some workers struggle with the personal creativity needed to find solutions for a customer’s needs or demands.***
- Personalized Service – The customer should feel a connection: unique, special, and valued. A gap exists when staff struggle to create connections that fulfil customer expectations.***
- Aesthetic Awareness – Staff awareness of high quality needs to be matched with expectations of customers. This extends beyond the table where a meal is being served to the behaviour of off-duty employees and appreciation of the town’s aesthetic.***
-



Fergus need to speak to everything the community has to offer, including the desire for more competitive compensation, the concept of a tight-knit community, and progress towards innovative human resources practices.

- **Helping businesses lower costs to pay employees better** - Some stakeholders mentioned sharing full-time employees between businesses instead of hiring part-time workers who struggle to find affordable accommodation. Along the same theme, businesses could collectively buy services they all need in bulk to share cost savings from economies of scale to support higher salaries for workers. These services could include social media marketing and human resources.

Some stakeholders mentioned sharing full-time employees between businesses instead of hiring part-time workers who struggle to find affordable accommodation.

- **Supports to ensure businesses have the talent needed to meet demand** - Some stakeholders mentioned making training programs more accessible through deliberate promotion in partnership with businesses. Other stakeholders from the restaurant subsector mentioned they benefited from knowledge sharing in the community related to takeout and delivery model best practices, including a focus on smart, attractive packaging. Stakeholders hope to see more job and employee matching services for small businesses, and public transit options for lower-wage workers and individuals drinking late at night.

Stakeholders hope to see more job and employee matching services for small businesses, and public transit options for lower-wage workers and individuals drinking late at night.

- **RTO4's role to support tourism talent development** - Several stakeholders mentioned that RTO4 was recognized for its ability to provide tourism knowledge and financial support to local industry. RTO4 could continue helping communities better understand how they fit into RTO4's vision for the region and have a representative attend monthly meetings with municipalities, workforce organizations and immigration partnerships to strength this collaboration.
- **Successful outcomes of a Tourism Workforce Strategy and Implementation Plan** - Successful outcomes include seeing all partners in the tourism ecosystem working together in Elora and Fergus. As of now, there seem to be many initiatives underway by different organizations, but a streamlined agenda would be best for everyone. Interviewees also mentioned the creation of new tourism products and general tourism development, such as additional wellness, learning, and on-farm visitor experiences. To support this trend, the Township of Centre Wellington is currently considering new zoning and planning by-law amendments to allow agriculture businesses to add value-added tourism assets on their land.

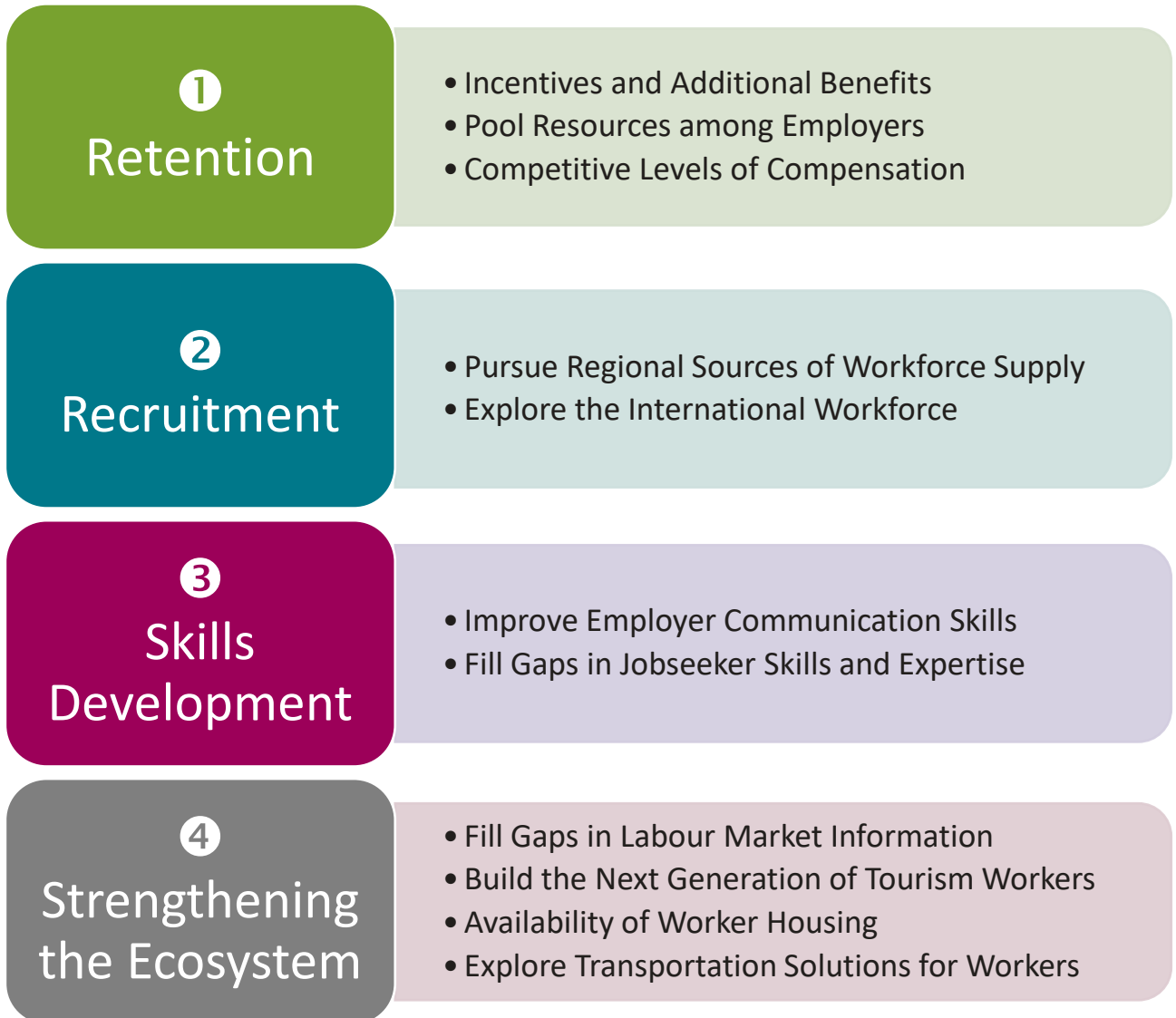


Strategic Priorities

Elora Rapids Tubing, Image source: RTO4



Strategic Priorities



Priority 1: Retention

Objective 1.1. Offer Incentives and Additional Benefits

What We Heard: The panel survey of current and potential tourism workers indicated that additional employee benefits were the top priority for both cohorts. Improving benefits would have a beneficial impact on the retention and recruitment abilities of local tourism employers. Employers can provide a range of other benefits to retain employees, in addition to legislated programs such as Canada Pension Plan and Employment Insurance. Commitment by businesses to provide benefits to workers varies in Canada, according to a 2019 benchmarking report,³ with 49% of employers offer extended healthcare to hourly workers to supplement the government health insurance plan employees. Of that total, 74% of employers pay all premiums for hourly employees. The most common benefit types offered are retirement savings, extended healthcare benefits (e.g., prescription drug coverage, vision care, dental, etc.), life insurance, income protection (i.e., long-term disability), and employee assistance programs.

The second-highest priority for the current tourism workforce, according to the survey, was employee perks, such as gym memberships, additional days off, and discounts. While interviewing businesses and support organizations, a wide spectrum of perks was not uncovered. However, individual cases do provide sufficient evidence to consider incentives and perks in similar circumstances. If a key employee is feeling burnt out, employers may consider hiring in a short-term contractor to allow the worker to take an extended break. Demonstrating concern and care of key workers help build loyalty and improve the employees' mental health. One business owner in the region experimented with providing his chef with much-needed rest and kept the business running by hiring a contractor during that time. The chef returned to work refreshed and appreciative of the employer's concern. The concept of a *chef tournant*⁴ (also known as a roundsman or relief cook) has existed in the restaurant industry for over a century. The chef tournant helps wherever needed in a restaurant and can be assigned to perform any cooking task. Other perks may include flexible benefits to address generational differences in the workforce (e.g., childcare costs, student debt co-payments, eldercare benefits) or career aspirations of individuals (e.g., professional development, tuition contributions).

Recommendations

1.1.1. Share employee-benefits programs to help businesses make informed choices

- Research the range of employee benefits offered by various businesses and organizations.
- Share details about potential employee incentives with tourism operators.

The 2022 Compensation Best Practices Report by [Payscale](#) sampled 4,225 respondents across North America on employment compensation trends and incentive practices, to be used as a baseline for competitive compensation packages. Examples of special benefits include

³ Asinta, [Benchmarking Employee Benefits in Canada](#), 2019

⁴ Escoffier's [Brigade de cuisine](#)



contributing to employee childcare, matching student debt payments, employee discounts, commuting allowances, and professional development.

An employee bonus program can be geo-targetted to redirect money back into the local economy, using technology such as geo-fenced credit cards. The Tourism London “Stay a Little Longer” marketing campaign was created for tourists, but it could be adapted for workers.⁵

1.1.2. Shape the development of employee incentives around priority workforce challenges

- Create a matrix of potential benefits and incentives aligned with specific labour force challenges.

Organizations are shifting from a standard group benefits plan to compensation customization, including allowing employees to select and opt in/out of benefits that they’re interested in or won’t require. [Canadian Federation of Independent Businesses](#) offers their membership customized third party benefits for employees at small/ medium businesses.

Objective 1.2. Pool Resources among Employers

What We Heard: Stakeholders told us that the tourism industry of Elora and Fergus – and RTO4 in general – is known for fostering local and regional collaboration. Several workforce organizations also collaborate with employers, educators, and community partners to find solutions to challenges and opportunities. Stakeholders recognized this and mentioned some relevant initiatives such as coordinating work schedules to share a full-time employee between businesses instead of hiring part-time workers who struggle to find affordable accommodation. In fact, 31% of tourism workers reported working at more than one job. Peer-to-peer (P2P) sharing platforms offer tools that can support the contracting out of temporary workers or contractors. Two employers could sign an agreement to facilitate the sharing of service workers and publish a job posting on a P2P sharing platform. Job seekers would update their knowledge and skills on the platform. Then, the tool would match these job seekers with relevant multi-job arrangements.

Recommendations

1.2.1. Connect employers with skilled temporary contractors

- Develop a pan-regional⁶ database of contractors in the tourism and hospitality industry willing to provide respite services for burned-out but high-performing employees

In 2018, Ontario launched the first phase of [provincial database](#) of qualified Personal Support Workers to ensure transparency, licencing and regulatory oversight. Clients wishing to employ a PSW can [search by geographic region](#) to find skilled worker/ organization available for on-demand work. The province of Saskatchewan also has created an [international healthcare worker pool](#) database to connect nurses to work opportunities provincially.

⁵ Tourism London, [Stay a Little Longer Geo-targetted Visa](#), 2021-22

⁶ Pan-regional liaison with adjacent RTOs



1.2.2. Establish a pilot Peer-to-Peer Platform for sharing employees among employers

- Monitor outcomes for possible expansion to include additional businesses or to introduce the platform in new geographies

[Role sharing pairing platforms](#) currently in existence allow employers to find multiple employees for one full time role and/or employees to 'pair' up with other individuals to fulfill a single job posting. A similar model could be implemented at the regional level for multiple businesses to split one (FTE) employee by creating a tourism employee partnership program.

Objective 1.3. Competitive Levels of Compensation

What We Heard: Talent retention was identified as a key priority by the tourism operators interviewed. However, the perception of tourism as a low-paying industry is an ongoing challenge for retaining staff. It is becoming more competitive to retain new hires, causing increased pressure on businesses and current staff to meet consumer demands. Businesses are offering higher wages than ever before for new hires, sometimes resulting in reduced hours to balance the ledger. The living wage in Guelph and Wellington is \$18.10.⁷ The survey reported that 37% of current tourism workers earned less than the living wage in the region.

Recommendations

1.3.1. Help tourism operators find the funds to increase wages

- Connect businesses to funding agencies and financial planners to uncover cost savings.
- Study pricing strategies to justify increasing prices of tourism products and services.

For restaurants, hosting [menu engineering training workshops](#) which specifically focus on local food integration pricing strategies may be valuable for tourism operators. For retailers, ensuring their margins are supporting the bottom line is important.

The Perennia Buy Local Market Intelligence Report indicated that even with a 20% price premium for local strawberries, 80% of Nova Scotians would purchase them over non-local alternatives.

1.3.2. Create a phased plan to encourage tourism operators to offer the living wage to employees

- Develop an evidence-based earning strategy that improves employees' earning potential while managing the impact on businesses.
- Enlist and promote tourism employers willing to pay the living wage if conditions permit.
- Collaborate with tourism industry associations to advocate for government funding support.

Tourism businesses like [Cake & Loaf Bakery](#) in Hamilton and [Charlotteville Brewing Company](#) in Norfolk County promote that they pay living wage.

⁷ Ontario Living Wage Network, November 2021, ontariolivingwage.ca

Priority 2: Recruitment

Objective 2.1: Pursue Regional Sources of Workforce Supply

What We Heard: Initiatives that actively welcome new residents and visitors must continue, and programs already exist to connect talented internationally trained professionals with employment opportunities in rural areas of Ontario. The Rural Employment Initiative (REI) project aids newcomers in finding employment and residence in communities like Elora and Fergus. The project facilitates the movement of unemployed, yet skilled immigrants from the overburdened metropolitan GTA to rural Ontario economies – particularly involving immigrants who are eager to start a new life in a rural area. Also, age-friendly workplaces can tap into the senior workforce, which has the potential to bring valuable experience and skillsets to a tourism business. In Singapore, early adopters of a senior re-employment program can receive funds to support progressive employment practices.

Recommendations

2.1.1. Provide a business case to employers that demonstrates the return on investment of hiring across a wider spectrum of ethnicity, backgrounds, and lifestyles

- Research, develop, and publish an evidence-based business case to reflect return on investment
- Create a toolkit for employers to establish connections with labour force participants.
- Potential partnerships with the Gig economy

[Making Cent\\$ of Hiring](#) is an initiative aimed at attracting BIPOC, seniors, youth, persons with disabilities, LGBTQ2+, Indigenous, etc., to the workforce.

Research-based data can be leveraged from organizations such as the [Grey Bruce Local Immigration Partnership](#). A regional partnership between non-profit support groups, municipal governments and workforce development organizations who demonstrate how labour market gaps can be filled by welcoming newcomers.

The [Four County Labour Market Planning Board](#) (Grey, Bruce, Huron, Perth) provides employer toolkits, reports, and regional labour force data.

2.1.2. Create an inventory of placement programs with regional universities and colleges

- Catalogue tourism employers willing to provide opportunities for post-secondary placements
- Encourage direct transition of post-secondary students to full-time employment.
- Review international student limitations around hiring.



Objective 2.2: Explore the International Workforce

What We Heard: RTO4's collaboration with the Workforce Planning Board made 11 recommendations about the tourism workforce, including suggestions to simplify the process of hiring temporary foreign workers. Hiring employees from other countries was also discussed. Tourism businesses also saw foreign workers as an effective source of new tourism workers, but as a more reliable one, especially for lower-skilled positions. Regional supports for hiring of foreign workers by helping employers navigate the immigration process are already available.

Recommendations

2.2.1. Connect skilled immigrants with employers in Centre Wellington

- Collaborate with Guelph / Wellington Local Immigration Partnership, Rural Employment Initiative, multicultural associations, and employers
- Raise awareness among residents about welcoming newcomers

Piloted in January 2022, the [Hard to Fill Skills Program](#) is an initiative in Saskatchewan that connects newcomers and immigrants to specific occupations which have been challenging to fill in the province.

2.2.2. Explore foreign worker program as opportunities to source tourism employees

- Help businesses navigate the application process for the Temporary Foreign Worker Program.⁸
- Study the concept of a tourism version of the Seasonal Agricultural Worker Program.

A [database](#) of licensed foreign worker recruiters and organizations has been established in B.C. to support business with the administrative processes related to the Foreign Workers Program.

Farmers in Ontario set up their own [organization](#) to oversee support programs and coordination of the federal government's Seasonal Agricultural Worker Program. They also created their own travel agency to coordinate flights for seasonal farm workers.

⁸ In spring 2022, the federal government announced changes to the Temporary Foreign Worker Program that remove obstacles employing foreign workers in Accommodations and Food Services sector. [Media Release](#).

Priority 3: Skills Development

Objective 3.1: Improve Employer Skills and Technology

What We Heard: Working groups across Ontario organized by OTEC have observed that employers need assistance with communication tactics to support the attraction and then retention of employees. Employers must develop their capacity to work with and understand the younger generation of workers. Other worker cohorts have specific demands, including seniors, individuals with disabilities, LGBTQ+, and BIPOC individuals. Pooling of resources could be used to fill this knowledge gap, to grow collaboration and understanding between employers and workers.

Recommendations

3.1.1. Provide online resources for employers to access tips and best practices related to changing worker demands and expectations

The [World Economic Forum 'Jobs Reset Summit'](#) held in June 2021 noted the rapidly changing workplace and social well being requirements, and provided suggestions strategies to integrate these shifts into business planning practices.

3.1.2. Organize a series of workshops for employers to build their capacity to communicate with and understand the needs of changing employee demographics and attitudes

3.1.3. Review workplace technology advances that can streamline operations

Apps such as [OwlOps](#) can help with tracking maintenance and management of equipment, enhance communication, and improve accountability between leaders and staff, and save time on compliance reporting.

Objective 3.2: Fill Gaps in Jobseeker Skills and Expertise

Employers consulted during the engagement stage of the project indicated a need to identify and remediate gaps in skills and expertise among jobseekers. Emotional intelligence, anticipatory service, creativity, and professional presentation are just a few of the skill gaps among jobseekers that tourism operators face, especially from the perspective of ensuring top-notch tourism experiences and customer service.

Recommendations

3.2.1. Establish an Employer-to-Educator working group to underscore the importance of remediating gaps in skills among graduates from all levels of education and training

- Identify a set of priority skills needed for the tourism and hospitality sector.



- Deconstruct various tourism and hospitality training curriculums (Specialist High Skills Majors, Apprenticeships, etc.) to identify strengths, weaknesses, and opportunities in each program, and share feedback with education institutions.
- Seek input from policymakers in government and education institutions on the process to integrate changes to training programs and curricula to minimize skills gaps among future graduates.
- Collaborate with government and education sectors for changes to curriculum and education programs to address skills gaps.
- Develop an employee-recognition program that celebrates workers who demonstrate and embody the skills needed and publicize the award recipients for potential workers to emulate.

The [Ontario Tourism Education Corporation](#) can support industry specific skills training and workforce development enhancement for hospitality workers.

[Rewardian](#) is a platform that highlights alternative ways hospitality workers can be recognized (and rewarded) for their impact and influence on the sector.

Priority 4: Strengthening the Ecosystem

Objective 4.1. Fill Gaps in Labour Market Information

What We Heard: Many tourism businesses accept that they are in an employee's market and need to be responsive and nimble to address workforce challenges. Educators are aware of the current workforce climate and want to adapt their programs to help workers and employers through skills enhancements. Destination managers see training and communication as priorities, especially around enhanced job stability and the image of the sector. Labour market information is the thread of evidence that connects all these players. Data and information are needed to support the different roles and responsibilities of these groups, as well as employees and jobseekers.

4.1.1. Ensure current, real-time data and labour market information is accessible, relevant, and useful to support employers

- Collect, analyze, and distribute relevant local labour market information to inform decision-making, attraction, retention, program development, and recruitment efforts.

Objective 4.2. Build the Next Generation of Tourism Workers

4.2.1. Expand career exploration opportunities in collaboration with school boards

- Encourage student-integrated learning through familiarization tours with employers, engaging in career fairs, and extracurricular hospitality training.
- Advocate to expand cooperative education credits and/or Specialist High Skills Major programs in secondary schools, aligning them more effectively with tourism workforce gaps, including food handling certificates, first aid training, customer service excellence, and other hospitality subjects.

Skills Canada Nova Scotia developed the [Try-a-Trade Take Out Series](#) for hands-on classroom hospitality training. The educational packages are integrated into classrooms and encourage students to try out and learn more about a skilled trade, including those in the hospitality sector.

Objective 4.3. Expand Availability of Worker Housing

What We Heard: Affordable housing for tourism workers in Elora and Fergus is a major challenge, employers say. Wellington County's research paper⁹ on attainable housing proposes that younger, single, low-income seasonal or part-time workers be housed in entry-level dorm-style housing with shared amenities. Residential developers and municipal policymakers are becoming more aware of the need for worker housing but continue to encounter opposition. Some entrepreneurs proposed that residential units under construction could be reserved for workers, through lease arrangements with employers or a third party. Some local governments are supporting incentives for property owners who buy into the concept of accommodating employees.

⁹ Wellington County, [Attainable Housing Strategy Background Research Paper](#), April 2021



Recommendations

4.3.1. Connect tourism businesses with developers of residential housing

- Facilitate communications between tourism employers and residential developers to explore worker accommodation options with existing and future housing projects.
- Provide support or specialized skills to find legal and financial solutions to rental agreements or contracts (e.g., creating a template agreement for employers and developers to use)

[The Downtown Tomorrow Community Improvement Plan](#) in Orillia offers multiple incentives to developers who meet specific criteria related to job creation and retention, new business establishment and housing secured for proposed development within the CIP area.

A developer in Barrie, Ontario, offered a [five-year rental guarantee](#) for investors in a condominium project. A similar model could be adapted to target seasonal workers. The model also provides opportunities to tap into the growing number of seniors and retirees that may be interested in taking on a part-time tourism job to keep active and independent.

4.3.2. Work with tourism businesses to advocate for worker housing policy change

- Encourage the municipality to modify its Community Improvement Plan to include an Employee Housing Grant or Tax Increment Grant
- Explore options around attainable housing with the Provincial Government, to further encourage tourism operators to include employee housing in their development plans.

The Township of Muskoka Lakes approved a Community Improvement Plan containing provisions for an [Employee Housing Grant](#), to assist tourism businesses challenged to accommodate employees. With the objective to increase the number and quality of dwelling units available exclusively to employees of tourism businesses, the Township may consider offering grants matching 25% of the construction cost, to a maximum amount. A tax increment grant may also be considered over a five-year period.

The City of Greater Sudbury [Draft Affordable Housing Community Improvement Plan](#) includes developer, landlord and rental incentives for long term affordable housing initiatives with the community.

[Sun Peaks Grand Hotel & Conference Centre](#) in Kamloops, British Columbia, borrowed practices from the oil and gas sector to create temporary, seasonal housing units to support seasonal staff who had difficulty securing accommodation while working for the hotel.



Objective 4.4. Explore Transportation Solutions for Workers

What We Heard: RTO4's collaboration with the Workforce Planning Board made recommendations about the tourism workforce, among them a call to solve transportation challenges. While there are some transportation businesses operating in the region, this industry was identified in the stakeholder interviews as needing expansion. More regional transportation options could enable local businesses to hire individuals living in Guelph, Kitchener-Waterloo, and Orangeville. The RTO4 visitor spending analysis confirmed that most visitors to Elora and Fergus originate in these nearby communities. Subsidies could be offered for commuting. A study¹⁰ in 2020 reported that the larger the subsidy offered, the more employees are induced to take advantage of the service. Subsidy acceptance and effectiveness can be dampened by factors such as the availability of cheap parking or greater distances between the workplace and transit, leading to some variability in outcomes.

Recommendations

4.4.1. Advocate for the Ride Well Transit Service to support the tourism industry

- Explore expansion of Ride Well's days and hours of operation to provide public transportation for tourism workers without vehicles.

4.4.2. Explore a seasonal public transit shuttle between Elora and Fergus and surrounding cities

- Explore funding opportunities with local municipalities and sponsors to add seasonal service to existing public transit systems, ensuring employees can get to and from work.

For several summers, the [South Coast Shuttle](#) connected tourist communities in Norfolk County along Lake Erie, serving visitors and residents. Private-sector and non-profit sponsors stepped forward to help fund the service, which was also supported by the municipality's transit budget.

¹⁰ Simon Fraser University, [sfu.ca](https://www.sfu.ca)



Implementation



Implementation

The implementation of the Workforce Development / Retention Strategy and Labour Plan is summarized into three timelines: S (Short) = 6-12 months, M (Medium) = 1-2 years, L (Long) = 3-5 years.

Priority	Objective	Recommendations	S	M	L
Retention	Offer Incentives and Additional Benefits	1.1.1 Share employee-benefits programs to help businesses make informed choices	✓		
		1.1.2 Shape the development of employee incentives around priority workforce challenges		✓	
	Pool Resources among Employers	1.2.1 Connect employers with skilled temporary contractors	✓		
		1.2.2 Establish a pilot Peer-to-Peer Platform for sharing employees among employers		✓	
	Competitive Levels of Compensation	1.3.1 Help tourism operators find the funds to increase wages			✓
		1.3.2 Create a phased plan to encourage tourism operators to offer the living wage to employees		✓	
Recruitment	Pursue Regional Sources of Workforce Supply	2.1.1 Provide a business case to employers that demonstrates the return on investment of hiring across a wider spectrum of ethnicity, backgrounds, and lifestyles	✓		
		2.1.2 Create an inventory of placement programs with regional universities and colleges	✓		
	Explore the International Workforce	2.2.1 Connect skilled immigrants with employers in Centre Wellington		✓	
		2.2.2 Explore foreign worker program as opportunities to source tourism employees	✓		
Skills Development	Improve Employer Skills and Technology	3.1.1 Provide online resources for employers to access tips and best practices related to changing worker demands and expectations	✓		
		3.1.2 Organize a series of workshops for employers to build their capacity to communicate with and understand the needs of changing employee demographics and attitudes		✓	
		3.1.3 Review workplace technology advances that can streamline operations	✓		
	Fill Gaps in Jobseeker Skills and Expertise	3.2.1 Establish an Employer-to-Educator working group to underscore the importance of remediating gaps in skills among graduates from all levels of education and training		✓	
Strengthening the Ecosystem	Fill Gaps in Labour Market Information	4.1.1 Ensure current, real-time data and labour market information is accessible, relevant, and useful to support employers	✓		
	Build the Next Generation of Tourism Workers	4.2.1 Expand career exploration opportunities in collaboration with school boards			✓
	Expand Availability of Worker Housing	4.3.1 Connect tourism businesses with developers of residential housing		✓	
		4.3.2 Work with tourism businesses to advocate for worker housing policy change		✓	
	Explore Transportation Solutions for Workers	4.4.1 Advocate for the Ride Well Transit Service to support the tourism industry		✓	
		4.4.2 Explore a seasonal public transit shuttle between Elora and Fergus and surrounding cities		✓	



Implementation Resources

Coordination

Successful implementation will require one of the partner organizations hiring an additional staff position (e.g., Tourism Workforce Coordinator) to act as a catalyst to activate the RTO4 Workforce Development / Retention Strategy and Labour Plan. The incumbent would need to be appropriately qualified, have previous experience, training, or knowledge about workforce development, and be versed in jargon related to the tourism industry and workforce issues, including sales, communications, and marketing. Clarity around roles and accountability and budget considerations, including salaries and professional development, are important. A neutral business service provider and/or facilitator of collaborative partnerships in the tourism and hospitality sector would be best positioned to house this position.

Recruitment and Retention Task Force

Successful implementation will require the establishment of a time-limited Recruitment and Retention Task Force with a strong Terms of Reference, with accountable reporting. The Terms should include a targeted mandate, mission, industry-driven membership structure, key performance indicators, and time goals. A full-time Tourism Workforce Coordinator will be critical to the success of the Task Force. The coordinator would be the main point of contact for all stakeholders and be responsible for implementing action items. However, the members of the Task Force must play a critical role in communicating to the industry and demonstrating tangible outcomes by actively involving their own businesses in the solutions. Specific working groups will need to be set up to address niche challenges and opportunities, such as the “Employer-to-Educator working group” referenced in the Action Plan. Other aspirations, such as the development of foreign worker recruitment, would benefit from a working group focused primarily on that mandate.

Rapport and Collaboration

Successful implementation will require continuing rapport and collaboration within the tourism industry and key players in the workforce development space. Workforce partners and the tourism industry influencers will need to be aware of and review the Workforce Development / Retention Strategy and Labour Plan. Everyone will need to gain a clear understanding of the existing educational system and workforce support ecosystem to ensure that any suggestions and recommendations are in line with industry needs and are flexible to address the barriers to participation. Tourism industry opportunities should be clearly defined and understood, and measures should be in place to ensure that tourism businesses work collaboratively with workforce partners toward mutually beneficial goals.



Measurable Outcomes and Key Performance Indicators

Measurable outcomes and key performance indicators should be aligned with the expectations contained in the transfer payment agreement between RTO4 and the Ministry of Heritage, Sport, Tourism and Culture Industries, or other funding bodies that may support the Workforce Development / Retention Strategy and Labour Plan.

Examples of measurement metrics specific to this report may include the following existing performance measurements:

- Percentage of operators reporting business capacity improvements
 - Number of operators reporting business capacity improvements divided by the total # of operators that participated in workforce development activity
- Percentage of operators reporting customer service improvements
 - Number of operators reporting business capacity improvements divided by the total # of operators that participated in workforce development activity
- Number of sponsored initiatives
 - Different topics count as different initiatives. An initiative with multiple sessions and multiple locations is considered as a single initiative.
- Number of stakeholders participating in sponsored initiatives
 - Attendance for all initiatives (webinars, workshops, etc.). One person attending four different workshops is counted four times.

