



**THE FOODSERVICE INDUSTRY LABOUR SHORTAGE
AND
BRITISH COLUMBIA'S PROVINCIAL NOMINEE PROGRAM**

Presented to:

The British Columbia Government

&

Ministry of Economic Development/Provincial Nominee Program

By:

Canadian Restaurant and Foodservices Association



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Executive Summary

Over the next 20 years, the combination of low fertility rates and the retirement of baby boomers will create a labour market crisis of unparalleled proportions. Restaurant owners -- along with employers in other industries -- will not have enough staff to run their businesses, resulting in lost investment and business closures. The Conference Board of Canada predicts a national labour shortage of nearly one million people by 2020. Economic forecasting company Global Insight expects the labour shortage will reduce real GDP from 3% annual growth to less than 2%, costing the Canadian economy billions of dollars in lost output.

In many towns and cities across British Columbia, business owners are already encountering major staffing challenges. With the unemployment rate at a 30-year low, there are simply not enough people to fill existing job vacancies. To make matters worse, foodservice operators are losing workers to other, higher-paying industries.

While the foodservice industry has faced its share of challenges over the years, nothing will affect the industry more than a labour shortage. The Canadian Tourism Human Resource Council reports that demand for foodservice employment in British Columbia will grow by an average of 2.3% per year between 2005 and 2015, representing an additional 32,170 employees. Other studies indicate a shortage of 44,300 food and beverage workers in British Columbia by 2015. To avoid labour shortages, British Columbia's working age population would have to expand by 2.3%, or more than three times the current projected growth rate of 0.7%.

Urgent action is required to lessen the impact of a labour shortage. Federal and provincial governments must:

- ◆ Introduce incentives to encourage worker mobility from regions of high unemployment to regions of low unemployment.
- ◆ Remove the structural impediments embedded in legislation and policies that were created to deal with outdated labour market conditions.
- ◆ Overhaul immigration and foreign worker programs to expedite applications from both temporary and permanent workers.

The focus of this submission is the role that immigration and foreign worker policy can contribute to British Columbia's \$8-billion foodservice industry and to British Columbia's future economic growth. It includes a proposal to expand British Columbia's Provincial Nominee Program to make it more relevant and responsive to British Columbia's tourism and hospitality industry, as well as the recommendation that British Columbia invest in more hospitality programs and apprenticeships at post-secondary institutions.



British Columbia's Foodservice Industry: A People Business

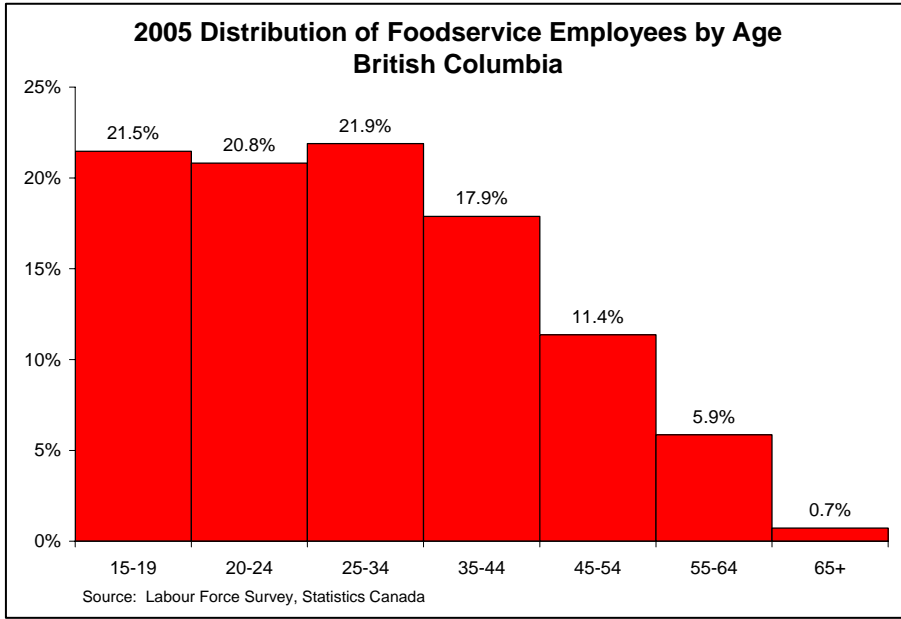
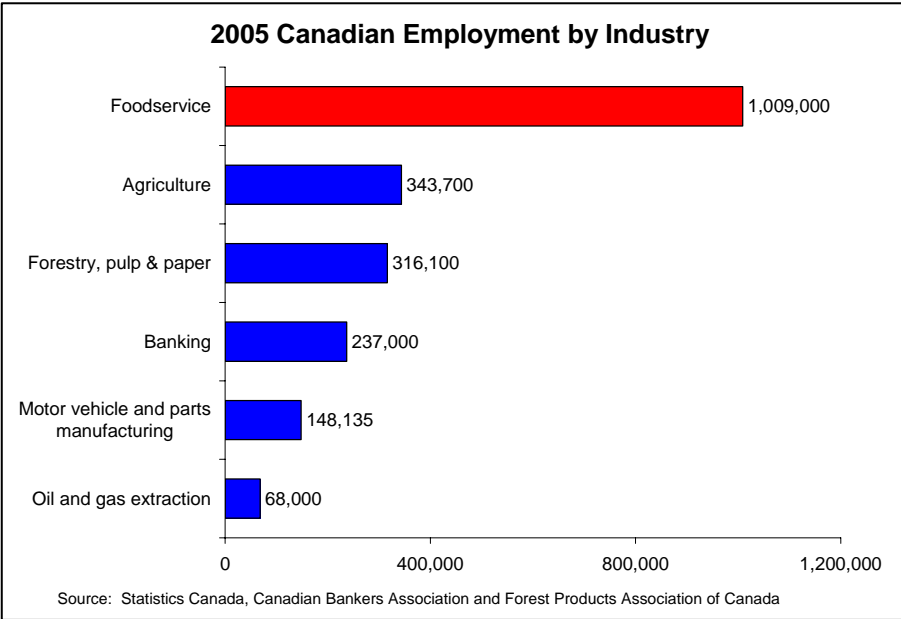
Foodservice is a people business. It is one of the most labour-intensive industries in British Columbia, employing more than 167,00 people, or 7.8% of the provincial workforce. Approximately 32 cents out of every dollar spent at a restaurant goes to employee wages and benefits.

The foodservice industry is the largest employer of youth in British Columbia, generating more than one in five jobs for young people. 42% of foodservice employees are under the age of 25. Hiring young British Columbians gives restaurant operators the flexibility of having an appropriate level of staff for peak meal times and during the busy tourist season. It also gives many young people their entry into the labour force where they acquire job experience and skills. Flexible work arrangements allow young people to work part-time outside school hours and to save for the ever-increasing cost of post-secondary education.

The foodservice industry also hires a diverse cross-section of British Columbians. Many new immigrants get their first job in foodservice, where they build literacy and language skills and gain local work experience. According to Statistics Canada, nearly one-third of recent immigrants work in sales and services. Many of these immigrants are admitted to Canada because of their education and professional experience, but their credentials are not recognized. While acquiring these credentials, they also have to earn an income, and foodservice and hospitality jobs provide that opportunity.

Unlike many other industries, foodservice does not have the option of reducing its workforce through automation or outsourcing to foreign countries. While foodservice operators increase productivity by making capital investments in labour-saving devices such as automatic french fry machines and hand-held ordering devices, people remain essential for a successful foodservice operation. As a result, foodservice employment in Canada has steadily grown over the past 60 years, from 192,000 in 1945 to 1,009,000 in 2005. Today, more Canadians work in foodservice than in agriculture, forestry, pulp and paper, banking, and oil and gas extraction, combined.

To cope with labour shortages, foodservice operators have raised wages to attract qualified workers. There are limits to this approach, however, because spiraling wages lead to spiraling prices. Restaurant menu prices must remain competitive with food prices at grocery stores, which already enjoy a significant price advantage because most groceries aren't subject to the goods and services tax. Raising menu prices to offset higher labour costs simply dampens consumer demand.





British Columbia's Labour Shortage

"...businesses have lower sales, are less successful and are making smaller investments simply because of labour shortages" – Paul Hollands, CEO of North Vancouver-based A&W Food Services of Canada¹

In June 2006, the unemployment rate in British Columbia fell to 4.3% – the lowest since the Labour Force Survey at Statistics Canada began collecting data in 1976. British Columbia's unemployment rate is among the lowest in the country, and nearly two percentage points below the national average of 6.1%.

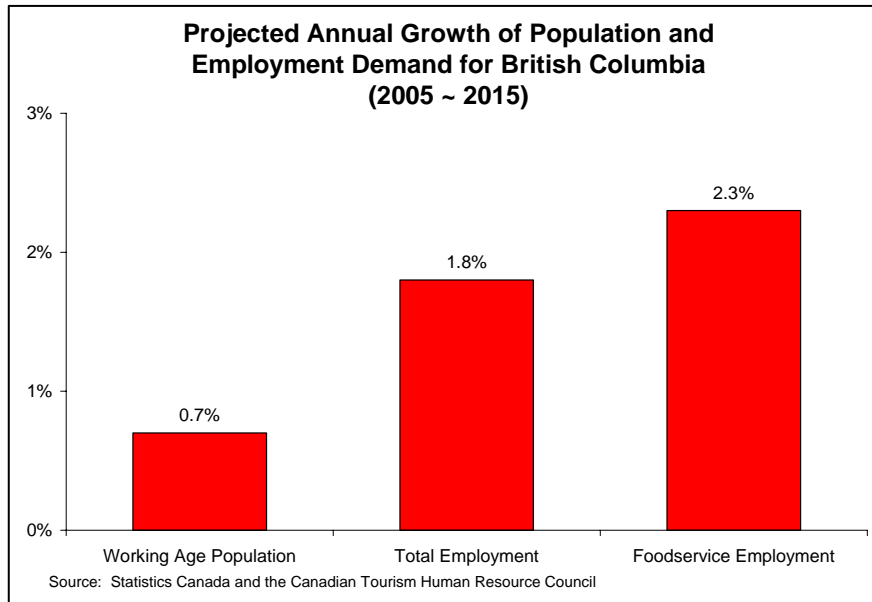


At the same time, the youth unemployment rate tumbled to 7.6%. The number of unemployed youth fell by a staggering 28% in the last 12 months, representing 11,000 fewer youth looking for work in British Columbia. While this is great news for young people, the rapidly dwindling supply of available labour is making it difficult to find workers in the foodservice industry.



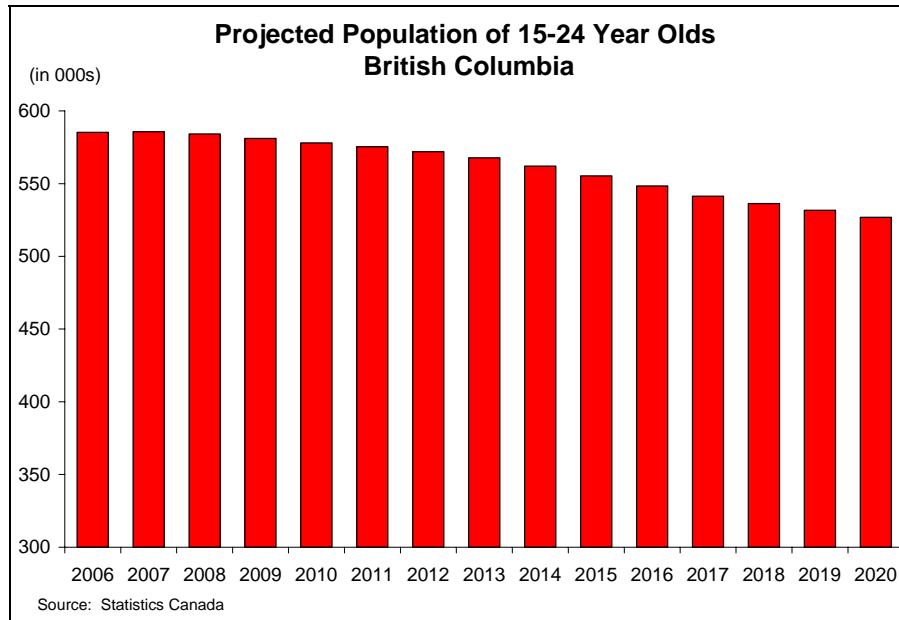
¹ "Shortage of workers 'serious': Best answer is to train and retain staff," The Province, April 28, 2006

The current situation is a small taste of what is expected over the next 10 years. A March 2005 report by the Canadian Tourism Human Resource Council (CTHRC) forecasts a 1.8% annual increase in employment demand for all industries in British Columbia between 2005 and 2015. At the same time, however, Statistics Canada forecasts only a 0.7% increase in the overall working-age population. With such a significant gap between labour supply and labour demand, employers across all industries will be impacted by labour shortages. Without labour, businesses can't expand, hindering overall GDP growth in the province.



The CTHRC report also forecasts that demand for foodservice employees in British Columbia will grow by an average 2.3% per year between 2005 and 2015, representing an additional 32,170 workers. Other studies indicate a shortage of 44,300 food and beverage workers in British Columbia by 2015. For the foodservice industry to avoid labour shortages, British Columbia's working age population would have to expand by 2.3%, or more than three times the current projection of 0.7%.

While most businesses will face labour shortages due to Baby Boomers entering retirement age, the challenge in the foodservice industry will be exacerbated by an absolute decrease in the number of young people that have traditionally filled the industry's entry-level positions. Nearly 50% of foodservice industry employees are between the ages of 15 and 24. By 2020 there will be 58,000 fewer youth in British Columbia than there are today.



With the demand for employees outstripping the growth of the working-age population, many foodservice operators will be unable to meet the needs of their customers, resulting in lost output, business closures and reduced investment in the province.

The industry is doing what it can to address this crisis. In 2001, CEOs, general managers, human resource directors, industry association leaders and tourism educators formed a 28-member task force in the fall of 2001 to launch the initiative: Recruit, Retain & Train: Developing a Super, Natural Tourism Workforce in British Columbia.

More than 100 industry representatives participated in several working groups, ensuring that task force members consider diverse, industry-wide perspectives addressing the tourism industry's workforce needs. The task force has developed a five-year plan and established a coordinating organization and industry governance structure.

The task force study projects the following labour demand in British Columbia by 2015:

- Food and Beverage Services: 44,300 new workers
- Accommodation Services: 19,150 new workers
- Adventure Tourism and Outdoor Recreation: 13,100 new workers
- Attractions: 8,000 new workers
- Travel Services: 500 new workers

Other institutions also forecast more significant shortages for tourism occupations than CTHRC's tourism occupation forecast. The following table from the Ministry of Advanced Education shows employment projections for tourism occupations to 2010 and demonstrates the significant increase in demand for these occupations.

Tourism Occupations in BC – COPS Employment Projections To 2010

Occupation	Estimated Employment		Growth Rate	Net Change	Total Attrition	Total Openings
	2000	2010	2000-2010	2000-2010	2000-2010	2000-2010
Restaurant & Food Service Mgrs*	18,634	24,850	2.9%	6,216	4401	10,617
Accommodation Service Mgrs*	8,190	11,150	3.1%	2,960	1870	4,829
Conference & Event Planners	1,249	1,803	3.7%	553	271	824
Program Leaders in Recreation	8,679	11,498	2.9%	2,819	887	3,706
Food Service Supervisors*	4,967	6,230	2.3%	1,263	707	1,971
Executive Housekeepers	1,354	1,657	2.0%	303	194	497
Chefs*	3,848	4,880	2.4%	1,032	525	1,557
Cooks*	27,687	33,380	2.0%	6,193	3734	9,927
Bakers	5,476	6,249	1.3%	773	745	1,519
Travel Counsellors	3,624	3,653	0.1%	29	324	352
Ticket & Cargo Agents & Rel	579	642	1.0%	63	55	118
Hotel Front Desk Clerks*	3,864	4,150	0.7%	286	334	620
Tour & Travel Guides	525	655	2.2%	129	62	191
Outdoor Sport & Recreation Guides	265	395	4.1%	131	36	166
Maitres D'Hotel & Hosts	3,291	3,766	1.4%	475	290	765
Bartenders	5,819	6,626	1.3%	807	512	1,319
Food & Beverage Servers	32,324	37,193	1.4%	4,868	2855	7,723
Food Service Counter Attendants	23,547	28,874	2.1%	5,327	3153	8,480
Kitchen & Food Service Helpers	19,074	23,350	2.0%	4,275	2532	6,807
Attendants in Amusement & Rec	4,941	6,000	2.0%	1,059	656	1,715
All Occupations in BC	1,949,089	2,204,052	1.2%	254,963	313704	568,667

Source: Ministry of Advanced Education; COPS 2001 Scenario

* amended for selected occupations in response to more detailed analysis in BC of industry growth trends

A Regional Perspective: Whistler

The following excerpts from the May 2006 Emery Labour Market report² prepared for Go2 and the Sea-to-Sky Human Resource Committee demonstrate Whistler's critical tourism and hospitality labour shortage.

² "Tourism Labour Market Demand Analysis for the Sea-to-Sky Region", Ruth Emery, May 2006

“The current shortfall of workers for the tourism labour market in Whistler is conservatively estimated at 3,500. This number does not fully account for the major seasonal differences and could well be higher for the peak season....

Growth in the four key tourism related industries of accommodation, food and beverage services, recreation and retail trade, is expected to add an additional 2,500 jobs in tourism related activity over the ten years to 2015....

Overall, the current 3,500+ shortfall of tourism workers is expected to continue throughout the forecast period (2005 – 2015) and may increase....

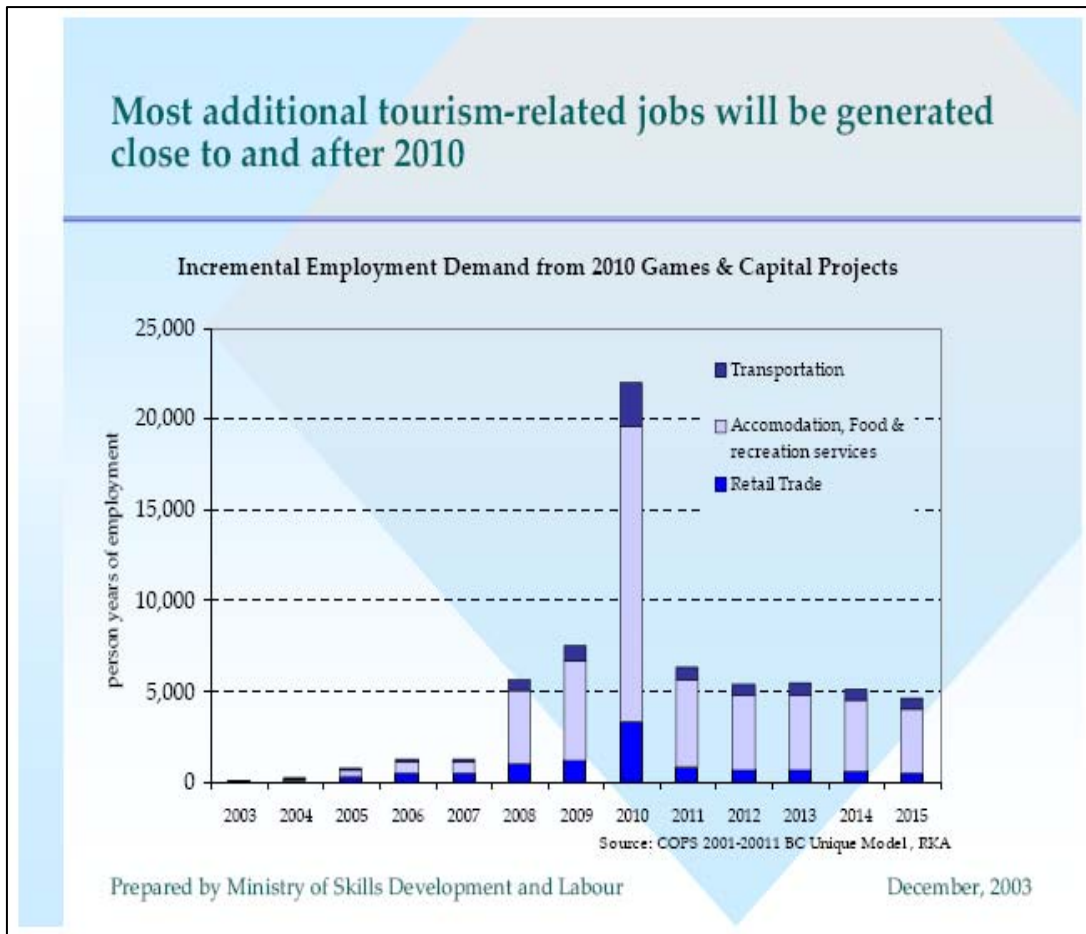
The Squamish-Lillooet aboriginal population does have a younger population and the unemployment rate is far higher than for the overall labour force while representation in tourism jobs is lower. There is some potential to increase the labour supply here, but the aboriginal population is small and cannot be expected to supply a significant share of the shortfall in workers.”

Whistler - Estimated Employment in Key Tourism Related Industries				
	Accommodation Services	Food & Beverage Services	Amusement & Recreation	Retail Trade
2001 calculated	3150	2750	1240	1010
2005 calculated	2835	2888	1333	1010
Change from 2001	-10%	5%	8%	0%
Projected 2010	3189	3176	1533	1162
Change from 2005	13%	10%	15%	15%
Projected 2015	3413	3494	1686	1249
Change from 2010	7%	10%	10%	8%
Squamish-Lillooet, excluding Whistler Estimated Employment in Key Tourism Related Industries				
	Accommodation Services	Food & Beverage Services	Amusement & Recreation	Retail Trade
2001 calculated	350	425	390	1195
2005 calculated	410	468	429	1338
Change from 2001	17%	10%	10%	12%
Projected 2010	492	536	515	1539
Change from 2005	20%	15%	20%	15%
Projected 2015	539	603	579	1693
Change from 2010	10%	13%	13%	10%
Source: Calculations for project, based on demand, activity levels and comparisons with BC & other regions				

Whistler - Employment, Labour Supply and Imbalances					
	Estimated Employment in 2001	Resident Workforce (Census)	Req'ts beyond Whistler Labour Force	Workers from Squamish/ Lillooet	Imbalance (basic shortage in year)
All occupations in Accomodation, Food & Beverage, Recreation & Retail Trade Industries	8150	3360	4790	1345	-3445
Restaurant and food service managers(A221)	597	260	337	0	-337
Accommodation service managers (A222)	409	140	269	24	-246
Program leaders & instructors in recreation & sport (F154)	308	160	148	6	-141
Food service supervisors (G012)	117	35	82	5	-77
Executive housekeepers (G013)	63	25	38	6	-32
Retail salespersons and sales clerks (G211)	629	310	319	28	-291
Cashiers (G311)	78	25	53	54	1
Chefs (G411)	185	180	5	19	14
Cooks (G412)	546	150	396	45	-351
Maitres d'hôtel and hosts (G511)	91	30	61	10	-51
Bartenders (G512)	217	80	137	61	-77
Food and beverage servers (G513)	864	365	499	62	-437
Hotel front desk clerks (G715)	347	125	222	102	-119
Tour and travel guides (G721)	24	15	9	24	15
Outdoor sport and recreational guides (G722)	55	35	20	58	38
Operators & attendants in amusement, recreation & sport (G73)	135	75	60	28	-32
Other attendants in accommodation and travel (G732)	52	30	22	4	-18
Cleaners (G93)	852	215	637	427	-211
Food counter attendants, kitchen helpers & related (G961)	639	135	504	143	-361
Total Selected Key Occupations	6208	2390	3818	1105	-2713

◆ Impact of 2010 Olympic Games

The impact of the 2010 Winter Olympic Games on tourism and hospitality employment demand must also be taken into consideration. As Roslyn Kunin’s report³ for the 2010 HR Planning Committee points out, demand for tourism and hospitality employees will increase significantly throughout the province, even without the 2010 Olympics. The Games will only accelerate that demand. The report further notes that given the significant size of tourism-related sectors (transportation, accommodation, food and recreation, and retail trade) even small increases in demand for employees will result in large numbers of labour shortages.



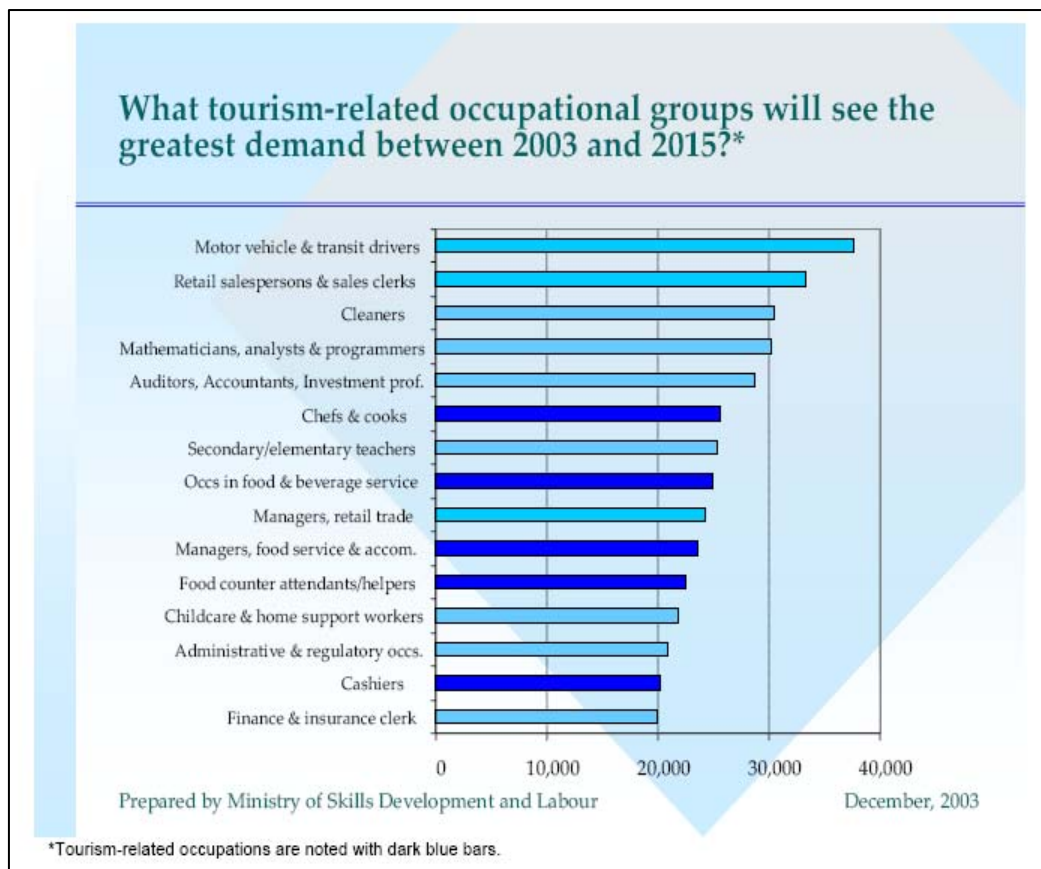
³ “Planning for Gold: Maximizing 2010- Related Employment & Skills Opportunities in British Columbia: Connecting Labour Market Supply and Demand – December 2003”, Roslyn Kunin, December 15, 2003

The average incremental growth in demand for employees across all sectors due to the 2010 Games (plus the three other capital projects) is estimated at 14% over base openings. The average in tourism-related sectors is estimated at 24%. For the key tourism-related sectors, growth over base is as follows:

- Accommodation, food and recreation services: 43.4% above base growth
- Retail trade: 9.5%
- Transportation: 14.5%

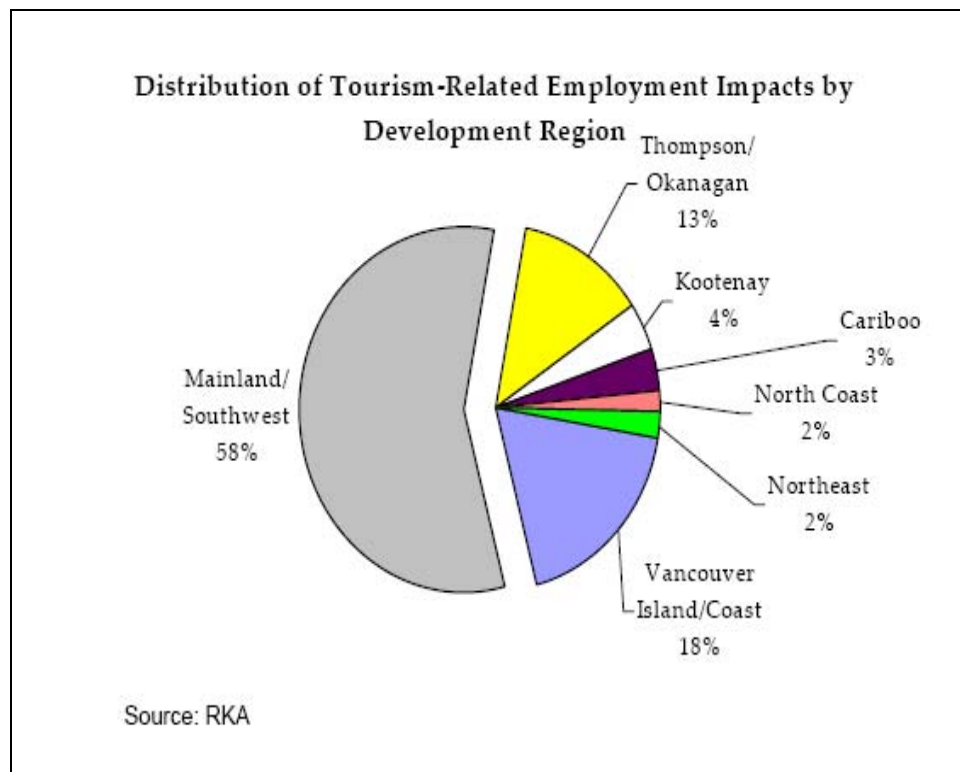
The report also estimates that 42% of incremental job openings in tourism-related sectors will be in areas outside of the Lower Mainland.

The report further notes that many foodservice jobs, such as chefs and cooks, foodservice managers, counter attendants and other food and beverage occupations are on the list of top 15 high-growth occupations for 2003-2015:



“Over the period 2003-2015, tourism-related job openings represent 51% of the incremental increase in jobs. While the greatest impact on job growth will occur around 2010, there are lasting impacts for the tourism sector. According to RKA, as one looks out in time, the tourism sector impacts accounts for a greater share of total impacts of anticipated employment opportunities. In 2006, tourism is 12% of total new jobs, while in 2015, tourism accounts for more than 70% of incremental new jobs.

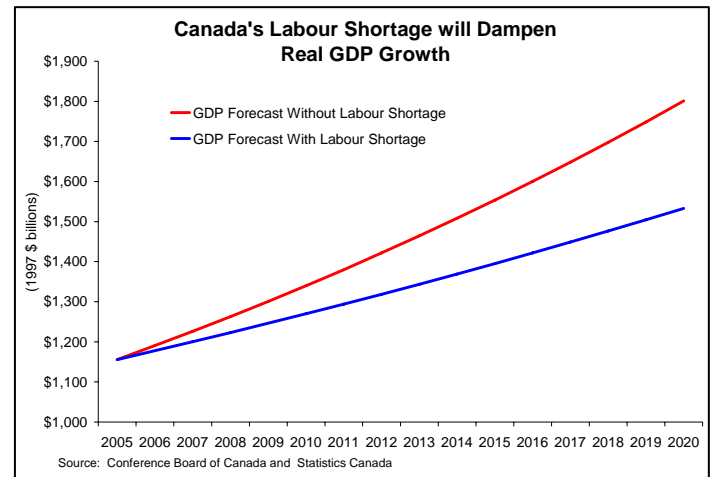
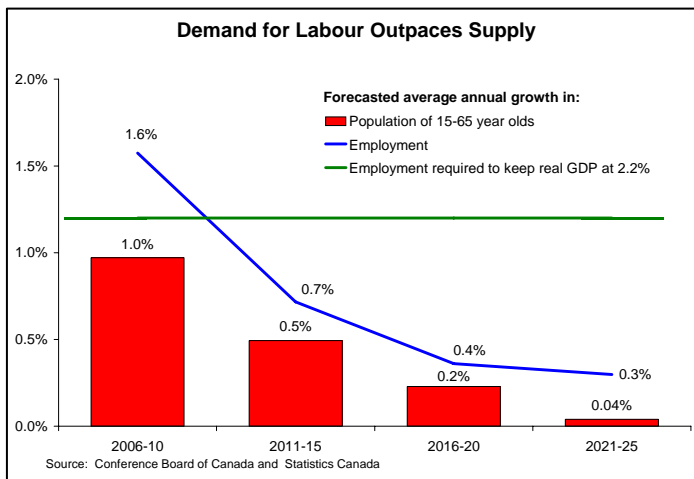
One issue that neither RKA nor the Committee had time to thoroughly investigate was the need to take into account that estimates are identified in how “person-years” translates into actual job openings during a given interval within the larger time period examined. In reality, the impacts at the firm level may be more dramatic in terms of people needed (i.e. work could be part-time and the demand therefore much longer than a calendar year). Alternatively, a new person-year may actually reflect several positions (and people needed), but only be required for shorter spells.”





The Labour Shortage and the Economy: A Look Ahead

For Canada’s economy to maintain modest real GDP growth of 2.2% per year over the next 20 years, employment would need to expand 1.2% annually, assuming a 1.0% increase in productivity. The Conference Board of Canada estimates average annual employment growth of just 0.3% -- or one quarter of the required growth rate - resulting in a shortfall of more than 950,000 workers in Canada by 2020.⁴ Population projections by Statistics Canada show the number of 15 to 65-year-olds will slow from the current 1.0% annual growth to just 0.04% by 2025.



Forecasting company Global Insight estimates that the slowdown in employment will reduce potential GDP from 3% annual growth to less than 2% over the next decade.⁵ As a result, Canada’s GDP will be 15% lower in 2016 because of the labour shortage.

While some might argue that productivity increases could offset the labour shortage, productivity would have to grow by a robust 1.7% just to maintain 2% real GDP growth. Historically, productivity growth in Canada has been modest, averaging just 1.1% annual growth between 2000 and 2005.

⁴ “Wanted: Skilled Workers to Fill the Upcoming Labour Shortage,” Performance and Potential 2000-2001, Conference Board of Canada

⁵ Global Insight (Canada) Inc. study, quoted in “Aging boomers to slow growth, study says,” The Globe and Mail, March 15, 2006



Solutions

British Columbia's labour shortage is a complex challenge that requires bold and innovative solutions from both business and government. Business must be more flexible and imaginative in recruiting new workers and must place a higher priority on retaining existing employees. Government must remove the structural impediments in the labour market by changing employment and immigration policies that were developed in an era when unemployment was the challenge.

CRFA has met with the Federal Minister of Citizenship and Immigration as well as with senior officials from both Human Resources and Social Development Canada, and Citizenship and Immigration Canada to discuss the federal recommendations listed in Appendix 1 of this submission, and these two federal departments are addressing the association's recommendations. Unfortunately, many of the policy changes these departments are working on will take at least one or two years to implement.

The British Columbia government, through its Provincial Nominee Program for foreign workers, has the ability to respond quickly to help alleviate the growing labour shortage in British Columbia's tourism and hospitality industry. This is especially true in light of the fact that the federal government has eliminated the cap on the number of immigrants entering British Columbia through the Provincial Nominee Program.

CRFA recommends that the British Columbia government encourage labour mobility, adjust regulations and legislation to suit the new labour market, accredit private training institutions so that students enrolled at these institutions can participate in the Foreign Student Off-Campus Work Program, and invest in more seats for hospitality programs and apprenticeships at post secondary institutions.

Expanding the scope of British Columbia's Provincial Nominee Program to include less skilled tourism and hospitality occupations as strategic occupations, however, is CRFA's priority labour shortage recommendation to the Government of British Columbia and the Ministry of Economic Development.



British Columbia's Provincial Nominee Program

British Columbia's Provincial Nominee Program (PNP) currently focuses on attracting permanent immigrants to highly qualified, strategic occupations where employers have identified a shortage of qualified professionals in Canada. Unfortunately, most hospitality and service industry jobs have not been considered under British Columbia's PNP since these jobs require less formalized education and training. By allowing only skilled occupations that fit into the National Occupation Classification Matrix skill levels O, A or B, British Columbia's PNP is of little assistance to the tourism and hospitality industry's labour crisis.

While we understand the PNP has recently softened its requirements somewhat to include some tourism and hospitality occupations where these occupations have "a clear path to management," it does not help the industry fill those occupations where the labour shortage is the greatest. The pressing labour market need is for cooks, counter help and other less skilled occupations.

The utility of British Columbia's PNP has also been limited by the relatively low number of immigrants allowed due to federal/provincial negotiated caps. These caps have allowed only hundreds of immigrants per province when the need is for thousands. We understand these caps are being removed as new federal/provincial agreements are negotiated and we encourage British Columbia to use these valuable placements for both skilled and unskilled workers.

CRFA also recommends British Columbia's PNP consider following Manitoba's lead of requiring a family or relational tie to the province, instead of education and professional qualifications, as a PNP category. This would provide a new pool of labour for the tourism and hospitality industry and help integrate immigrants into their communities through their families.

Finally, since two thirds of tourism and hospitality businesses are small, independent businesses with limited time and resources, CRFA recommends that British Columbia's PNP work with an organization such as Go2 (BC's Tourism Human Resources Organization) to provide the PNP with bulk applications on behalf of the industry's small employers who do not have the time and resources to apply on their own.

PRIORITY RECOMMENDATION #1

CRFA recommends that the British Columbia Provincial Nominee Program expand and increase the allocation of spaces for immigrants to fill less skilled tourism and hospitality positions.

Labour Mobility

Unemployment rates in British Columbia are at record lows. The British Columbia government should provide incentives and resources to help Canadians and British Columbians migrate, on a temporary or permanent basis, from high unemployment regions to regions experiencing chronic labour shortages.

A recent C.D. Howe report looked at the growing gaps between regional unemployment rates and the national unemployment rate. This study highlighted a lack of movement by job seekers not only between regions, but also within certain provinces or sub-national regions, where the unemployed are reluctant to change locales in search of work. The report assigns blame to the EI system and the pilot EI programs that have been introduced since 1997 and inhibit the intra- and inter-regional mobility of workers:

"By raising the total income associated with seasonal and sporadic work patterns, they encourage workers with precarious labour market attachment to stay put. Despite good recent economic performance and a generally healthy labour market, there is evidence that Canada could be doing even better if talent moved more fluidly between and within regions. The EI program hinders such fluidity by tying eligibility and generosity to local unemployment rates, in effect discouraging the recurrently unemployed from seeking more stable employment elsewhere. Regionally neutral eligibility and benefit rules would remove this labour market distortion and help promote a more efficient Canadian labour market."⁶

RECOMMENDATION #2

CRFA recommends that the British Columbia government provide incentives and resources to help Canadians and British Columbians migrate, on a temporary or permanent basis, from high unemployment regions to regions experiencing labour shortages.

⁶ Yvan Guillemette, "Misplaced Talent: The Rising Dispersion of Unemployment Rates in Canada," C.D. Howe Institute, July 19, 2006

Labour Market Flexibility

Changing current government regulations and legislation to match the new labour market will help expand the labour force. For example, amending employment standards legislation to reduce minimum call-in periods and hours of work restrictions would provide greater scheduling flexibility to employers and increase the number of available workers in foodservice and other industries.

RECOMMENDATION #3

CRFA recommends that the British Columbia Government amend regulations and legislation to suit the new labour market and help expand the labour force.

Hospitality Industry Programs and Apprenticeships

While CRFA appreciates the British Columbia Government's commitment to add 25,000 student spaces to the public post-secondary system by 2010 and targeting a portion of those 25,000 student spaces to specific strategic skill programs, tourism and hospitality programs are not identified as targeted strategic skill programs. Currently there are many more applicants than spaces in hospitality programs both at the secondary and post-secondary level. New apprenticeship models for foodservice and hospitality positions and more apprenticeship, co-op and hospitality program seats are needed to alleviate skills shortages in the foodservice sector.

RECOMMENDATION #4

CRFA recommends that the British Columbia government identify hospitality programs as strategic skill programs and invest in more seats for hospitality programs and apprenticeships at post-secondary institutions.

Foreign Student Off-Campus Work Program

CRFA and British Columbia's tourism and hospitality industry were pleased with the April, 2006 announcement that removed most restrictions on foreign student permit holders working off campus while attending school. This initiative will add nearly 100,000 potential part-time employees to the labour market. However, this is limited to students attending publicly funded educational institutions. We believe this initiative should be extended to students attending private learning institutions, many of which focus on tourism and hospitality education. The British Columbia government needs to evaluate these private institutions and provide accreditation to those that meet provincial standards so that students attending these accredited institutions can be included in the Foreign Student Off-Campus Work Program.

RECOMMENDATION #5

CRFA recommends that the British Columbia government evaluate private training institutions and provide accreditation to those that meet provincial standards so that students attending accredited private institutions can be included in the Foreign Student Off-Campus Work Program.

Creative ideas are also necessary to address the issue of accommodation and affordable housing in some markets. While this issue is beyond the scope of this submission, it is recognized as a key concern requiring a comprehensive solution.

Conclusion

Addressing British Columbia's tourism and hospitality labour shortage is vital to ensuring economic growth in the industry and the province, especially considering the labour intensive nature of the industry. British Columbia's tourism and hospitality industry is already experiencing a severe shortage of both skilled and unskilled labour that is projected to worsen in the months and years ahead.

Some foodservice operators have been forced to close their businesses or reduce their hours of operation due to lack of staff. A restaurant that is short-staffed cannot provide the same level of service as a fully staffed restaurant, resulting in lost business, a decrease in tourism, a reduction in investment, and diminished growth for the overall economy.

While the foodservice industry has faced its share of challenges over the years, nothing will affect the industry more than a labour shortage. The Canadian Tourism Human Resource Council reports that demand for foodservice employment in British Columbia will grow by an average 2.3% per year between 2005 and 2015, representing the need for an additional 32,170 foodservice employees. That is a conservative prediction with other studies indicating a shortage of more than 44,000 by 2015. To avoid labour shortages in the province's foodservices industry, British Columbia's working age population would have to expand by 2.3%, more than triple the current projection of 0.7%.

Urgent action is required to lessen the impact of a labour shortage. Federal and provincial governments must:

- ◆ Introduce incentives to encourage worker mobility from regions of high unemployment to regions of low unemployment.
- ◆ Remove the structural impediments embedded in legislation and policies that were created to deal with outdated labour market conditions.
- ◆ Overhaul immigration and foreign worker programs to expedite applications from both temporary and permanent workers.

CRFA recommends that officials from British Columbia's Ministry of Economic Development and Provincial Nominee Program work closely with CRFA and its tourism and hospitality industry partners on initiatives to help alleviate the severe labour shortage developing in the tourism and hospitality industry. The quickest and most effective way to do this is to expand British Columbia's Provincial Nominee Program and the allocation of spaces for immigrants to fill less skilled tourism and hospitality positions.

Summary of Recommendations

- 1. CRFA recommends that the British Columbia government expand the Provincial Nominee Program and the allocation of spaces for immigrants to fill less skilled tourism and hospitality positions. Specifically, CRFA recommends that the British Columbia Provincial Nominee Program expansion incorporate a family or relational category similar to Manitoba's and a process for accepting bulk applications from smaller operators.**
- 2. CRFA recommends that the British Columbia government provide incentives and resources to help Canadians and British Columbians migrate, on a temporary or permanent basis, from high unemployment regions to regions experiencing labour shortages.**
- 3. CRFA recommends that the British Columbia government amend regulations and legislation to suit the new labour market and help expand the labour force.**
- 4. CRFA recommends that the British Columbia government identify hospitality programs as strategic skill programs and invest in more seats for hospitality programs and apprenticeships at post-secondary institutions.**
- 5. CRFA recommends that the British Columbia government evaluate private training institutions and provide accreditation to those that meet provincial standards so that students attending accredited private institutions can be included in the Foreign Student Off-Campus Work Program.**

PRIORITY RECOMMENDATION:

CRFA recommends that the British Columbia Provincial Nominee Program expand and increase the allocation of spaces for immigrants to fill less skilled tourism and hospitality positions. British Columbia's Provincial Nominee Program should also incorporate a family or relational category similar to Manitoba's Provincial Nominee Program and a process for accepting bulk applications from smaller operators.



The Canadian Restaurant and Foodservices Association

The **Canadian Restaurant and Foodservices Association** (CRFA) is the largest hospitality association in Canada and in British Columbia. Since its founding in 1944, CRFA has grown to more than 33,500 members nation wide. Members include full-service and quick-service restaurants, bars, pubs, hotels, caterers, institutions, educators and foodservice suppliers.

In May 2006, CRFA's Board of Directors formed a Labour Shortage Task Force to identify and pursue public policy changes to increase the supply of skilled and unskilled labour available to Canada's foodservice industry. The Task Force is comprised of both independent and chain foodservice operators representing different sectors of the industry and different regions of the country.

The association is funded by membership fees and non-dues income from member services and trade shows. CRFA's mission statement expresses our function: "*We will create a favourable business environment and deliver tangible value to our members in all sectors of Canada's foodservice industry.*" Creating a favourable business environment includes working to influence government policy in a fashion that will allow our industry to grow and employ Canadians.





Appendix 1: Recommendations to the Federal Government

1. CRFA recommends that the federal and provincial governments provide incentives and resources to help Canadians migrate, on a temporary or permanent basis, from high unemployment regions to regions experiencing labour shortages.
2. CRFA recommends that the federal and provincial governments collaborate on ways to allow more flexible employment. For example, amending Canada Pension Plan rules so semi-retired people are not penalized for working part-time and amending employment standards legislation to allow for more employment flexibility.
3. CRFA recommends that provincial governments invest in more seats for hospitality programs and apprenticeships at post-secondary institutions.
4. CRFA recommends that the federal government revise the immigration point system to remove the barriers and restrictions for lower skilled workers willing to work in Canada.
5. CRFA recommends that provincial governments expand Provincial Nominee Programs and the allocation of spaces for immigrants to fill less skilled tourism and hospitality positions.
6. CRFA recommends that the federal government introduce a streamlined tourism/ hospitality-specific temporary foreign worker program allowing for bulk applications, an efficient and fast process, permit duration of one year, and a process that could be facilitated by third-party organizations such as the Canadian Tourism Human Resource Council.
7. CRFA recommends that the federal government introduce a new tourism/hospitality-specific foreign worker permit, with a duration of three to four years, that would serve as a bridge program to permanent residency. Workers in this program would be able to apply for permanent residency during the permit period, without leaving the country based, in part, on their work record.
8. CRFA recommends that the federal government expand the Working Holiday Program through negotiation of a larger "cap" and longer permit periods with exchange countries, allowing more young people (18-30) to come to Canada on a working holiday. In addition modifications to the program are recommended that would allow repeat working holiday permits.
9. CRFA recommends that the federal and provincial governments expand the foreign student work programs to include private training institutions and encourage more students to study and work in Canada by facilitating a process for permanent residency once students receive credentials.