



Tourism & Hospitality
Emergency Recovery



Labour Force Survey: Summary Report October 2021



Tourism **HR**
Canada



RH Tourisme
Canada

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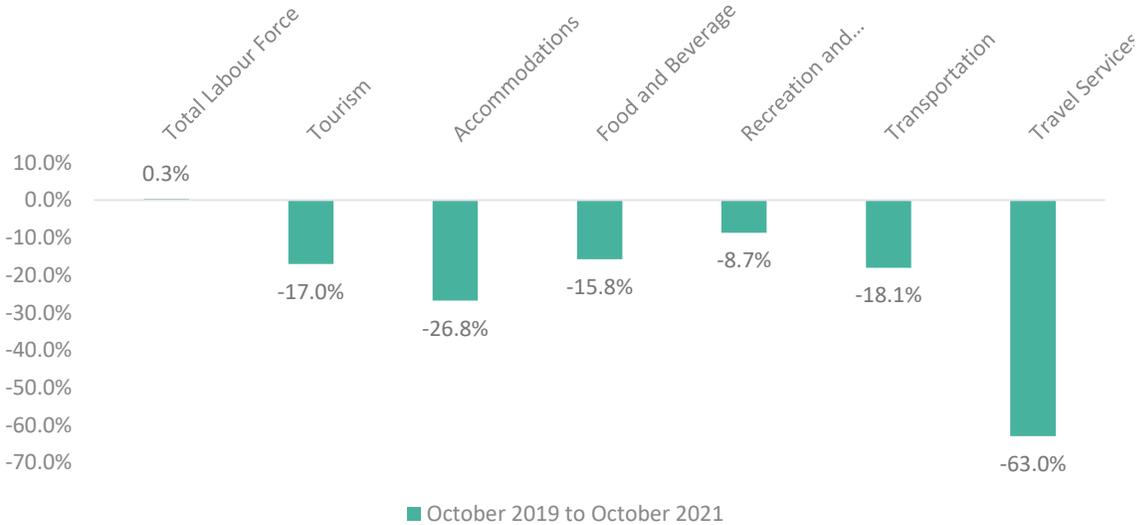
Tourism Employment Remained Suppressed in October

Despite the lifting of health restrictions and the reopening of the border, tourism employment remains suppressed. Overall, total employment in Canada had recovered to pre-pandemic levels, but employment within the tourism sector remains significantly suppressed.

Employment Gain/Loss by Industry Group

Total employment in Canada was up 0.2% compared to October 2019 (see Figure 1). However, compared to October 2019, tourism employment remains down 17.0%. Employment remains the most suppressed in industry groups that rely on international travel for a significant amount of demand. Notably, the travel services group has seen the most significant employment drop by 63.0% since October 2019.

Figure 1: Employment Gain/Loss by Industry Group ¹



¹ Statistics Canada, Labour Force Survey, customized tabulations

Vacancies

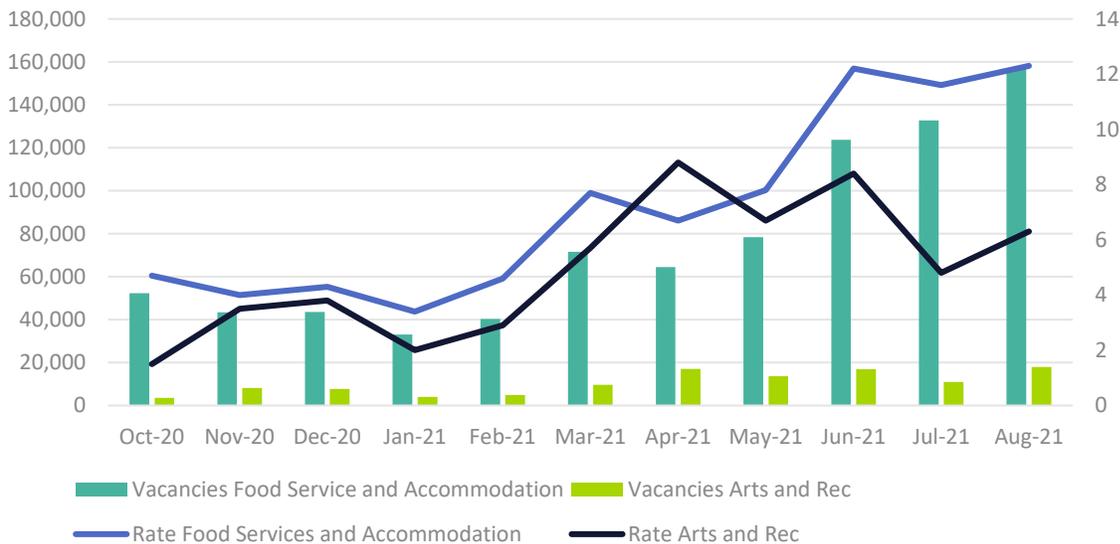
The number of job vacancies in the accommodation and food service sector across Canada reached 156,755 in August 2021, up greatly from July, reaching the highest level of job vacancies of the year 2021 (see Figure 2). The vacancy rate increased in August 2021, after a slight decrease in July.

As for the arts, entertainment, and recreation sector, the number of job vacancies has been fluctuating since March 2021 (see Figure 3). In August, job vacancies bounced back to the April and June levels, reaching 17,875.

The vacancy rate in the accommodation and food service sector has consistently been higher since June. However, in both sectors, vacancy rates are at historically high levels.

The vacancy rate in accommodation and food services is the highest job vacancy rate for any sector of the economy since Statistics Canada began tracking vacancies using the job vacancy and wage survey in 2015.

Figure 2: Job Vacancies and Job Vacancy Rate in Tourism Related Sectors²



Change in the Tourism Labour Force

The tourism labour force is the combined number of employed tourism workers, and former tourism workers who have been unemployed for less than a year and are actively seeking work. The data in

² Statistics Canada. Table 14-10-0372-01 Job vacancies, payroll employees, and job vacancy rate by industry sector, monthly, unadjusted for seasonality

Figure 3 is seasonally adjusted to account for the seasonal swings in employment within the tourism sector. Applying these adjustments makes it clear that tourism’s labour force has been severely reduced since the start of the pandemic. In the initial months of the pandemic, employment dropped precipitously. Unemployment only grew later, as those who had lost their jobs started to seek work actively. Since then, the overall size of the tourism labour force has trended downwards. There was growth leading into summer 2021, but this growth peaked in July and has since receded. In July 2021, the tourism labour force was 19.3% smaller than in July 2019. As of October, the labour force was 16.5% smaller than in October 2019. This indicates that tourism’s seasonal decline in employment is smaller in 2021 than in 2019, a small piece of good news. However, the broader story is that the tourism labour force has lost 374,000 people since the pandemic struck Canada as of October.



Figure 3: Change in Tourism Labour Force – Seasonally Adjusted³



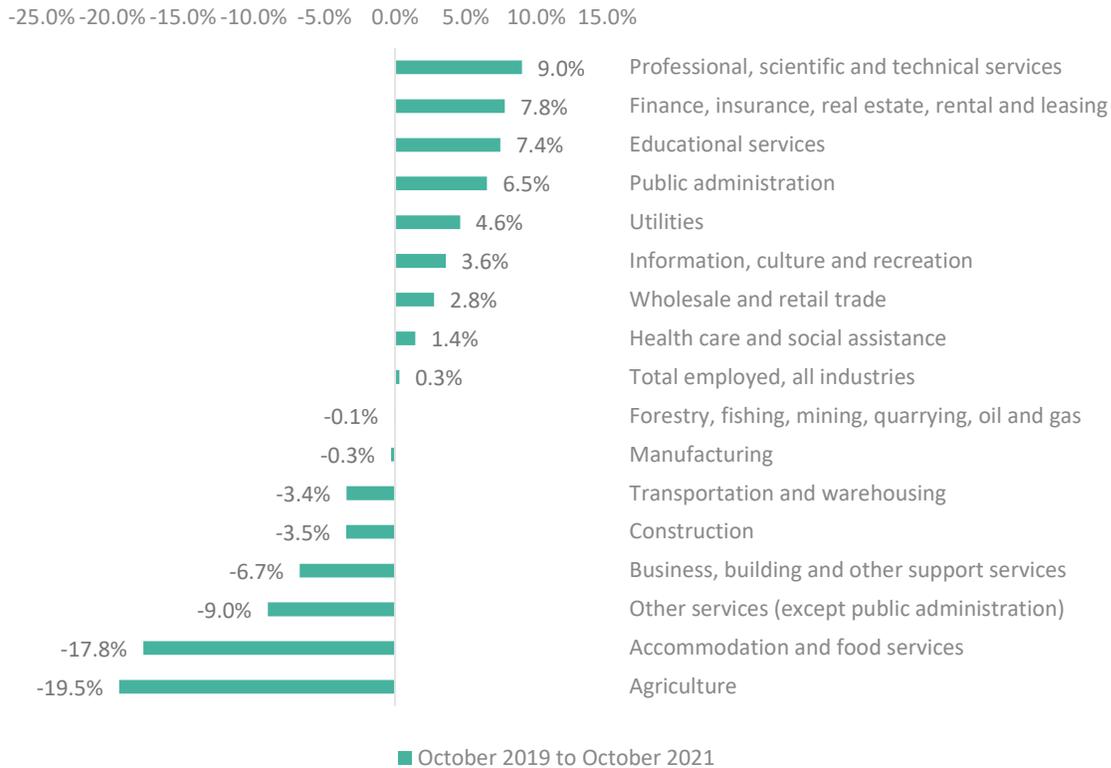
Change in Employment by Industry

Seasonally unadjusted employment in Canada was up 0.3% from October 2019 (see Figure 4). Overall, seasonally unadjusted employment in Canada had recovered to pre-pandemic levels.

As of October, employment went up in professional, scientific and technical services (9.0%), followed by Finance, insurance, real estate, rental and leasing (7.8%), and educational services (7.4%) compared to 2019. A significant drop was found in agriculture (-19.5%) and accommodation and food services (-17.8%).

³ Adapted from Statistics Canada, Labour Force Survey, customized tabulations

Figure 4: Employment Change by Industry October 2021 to October 2019 (seasonally unadjusted) ⁴



Total Labour Force Growth (Seasonally Adjusted and Unadjusted)

Although employment has returned to pre-pandemic levels, it is important to remember that the total labour force has also grown since that time. There are more employed workers than there were two years ago, but more people are also looking for work. Since October 2019, the seasonally unadjusted labour force had grown by 267,200 (see Figure 5). Compared to February 2020, the labour force was elevated more significantly, with a growth of 421,100. Although the labour force declined at the beginning of the pandemic, it had recovered this October. Seasonally adjusted data, which accounts for regular changes in the labour force, such as the addition of student workers in the summer, shows an increase of 252,000 workers since February 2020 and 310,800 workers since October 2019.



⁴ Statistics Canada. Table 14-10-0022-01 Labour force characteristics by industry, monthly, unadjusted for seasonality (x 1,000)

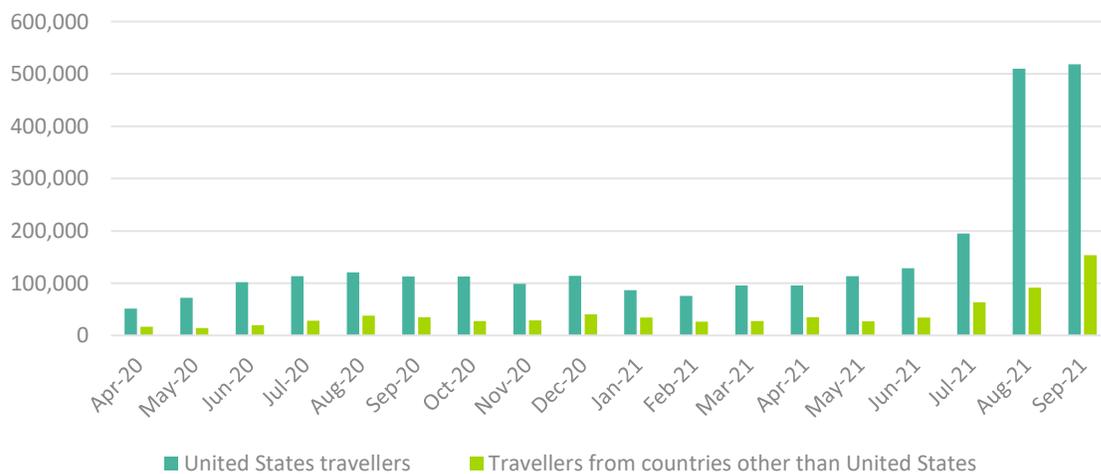
Figure 5: Labour Force Growth (seasonally adjusted and unadjusted)⁵



Travellers in Canada

Since April 2020, less than 200,000 United States travellers have arrived in Canada each month (see Figure 6). However, 509,669 United States travellers visited Canada in August 2021, the first month in which border restrictions began to lift. This was 161.6% more than in July, and arrivals increased further in September. The number of travellers from countries other than the United States rose to 153,439 in September 2021. Relative to the months in which the border was closed, arrivals are increasing. However, when looking at this apparent recovery, it must be kept in mind that international traveller arrivals were down 78.6% compared to September 2019.

Figure 6: International Tourist Arrivals in Canada by Month⁶



⁵ Statistics Canada. Table 14-10-0287-01 Labour force characteristics, monthly, seasonally adjusted and trend-cycle, last 5 months & Statistics Canada. Table 14-10-0017-01 Labour force characteristics by sex and detailed age group, monthly, unadjusted for seasonality (x 1,000)

⁶ Statistics Canada. Table 24-10-0041-01 International travellers entering or returning to Canada, by type of transport