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Immigration and Workforce Diversity in the Canadian Hospitality and Tourism Sector: An Opportunity Not to be Missed

Introduction

The Canadian tourism sector continues to suffer from a lasting labor gap, that has worsened because of the COVID pandemic. Professional organizations such as the Hotel Association of Canada (HAC) and the Tourism Industry Association of Canada (TIAC) continue to lament recruitment and retention problems that affect service operations for businesses, and ultimately the quality of the experience for visitors. This labor problem represents one of the major issues that threaten the competitiveness of Canada as a tourist destination. One possible solution to the labor gap is to encourage the industry to hire and retain a more diverse workforce and to continue to rely on immigration to supply needed talent. The purpose of this review paper is to discuss the current situation on diversity and immigration in Canada and to suggest recommendations to help improve the tourism sector's labor issues.

Literature Review

Studies about labor and the workforce in hospitality and tourism have historically been limited. Baum et al. (2016), for example, lamented that the workforce literature in tourism is deficient. It is indeed reason for concern to see that so few academic articles address workforce issues, in a sector that provided, directly and indirectly, 333 million jobs in 2019, according to the World Travel and Tourism Council (WTTC, 2022). A similar observation was made by Bernauer et al. (2023) as well as by Kalargyrou and Costen (2017) who found significant gaps between tourism-related diversity scholarship and the general management field. However, topics related to fair and decent work conditions (e.g., Baum & Hai, 2019; Winchenbach et al., 2019) as well as diversity, inclusion, and equity (DEI) (e.g., Manoharan & Singal, 2017; Ponting & Dillette, 2023, Slocum, 2023) appear to be increasingly addressed in the tourism sector. In a Canadian context, even fewer studies have addressed tourism workforce issues: For example, Clark et al. (2017) considered the event sector while Willie et al. (2017) looked into the hospitality sector to discuss labor needs. Joppe (2012) and Wright & Dimanche (2023) investigated migrant labour, and Groschl (2005) examined the situation of people with disabilities in the hotel sector.

Methodology

The objective of this conceptual paper is to present and assess the current situation on workforce diversity, equity, inclusion, and immigration in Canada, and to suggest recommendations to help improve the labor gap issues in the tourism sector.

Results

Canada adopted the *Charter of Rights and Freedoms* (the Charter) in 1982 to enshrine diversity as one of the most important Canadian values. It guarantees equality and prohibits discrimination based on “race, national or ethnic origin, color, religion, sex, age or mental or physical disability.” In addition, Canada passed a national multiculturalism law, the *Canadian Multiculturalism Act*, in 1988. Multiculturalism officially became a fundamental aspect of Canadian society. Those two Acts provide the basis for making diversity and immigration two strong aspects of the tourism sector.

To help businesses to implement equity initiatives, the federal government has launched the '30/50 Challenge' (Innovation, Science and Economic Development Canada, 2023) to encourage organizations to address two goals: Gender parity on Canadian boards and/or in senior management, and significant representation (30%) on Canadian boards and/or senior management of members of other equity-deserving groups, including those who identify as Black, Indigenous and/or people of color (BIPOC), people with disabilities (including invisible and episodic disabilities), and LGBTQ2S+ (Lesbian, Gay, Bisexual, Transgender, Queer or Questioning, and Two-Spirit).

Despite Canada's diverse workforce and ambitious goals, the tourism sector does not achieve yet diversity and inclusion goals. At Canada's 16th annual Top Diversity Employers Awards, not a single hotel and tourism company managed to be ranked (Mediacorp, 2023). Women, immigrants, people with disabilities, and members of the BIPOC and LGBTQ2 community constitute a potent, albeit under-utilized part of the labor pool in the sector. Given the benefits of diversity (Hunt et al., 2018), it is in the tourism sector's interest to do better.

The pandemic has had dire consequences on minorities. Federal regulations that required businesses to close, and media coverage that led to a fear of traveling (McClinchey & Dimanche, 2023) and to heavy job losses (OTEC – Tourism HR Canada, 2022). Front line employees, women, many of whom racialized minorities, suffered because of the precarity of their jobs (Perzyna, 2022).

Conclusion and Discussion

Much of Canada's economic strength comes its ability to attract immigrants. Immigration is projected to account for 100% of population growth by 2032 (IRCC, 2022). However, current Canadian immigration policies have been criticized for having some negative side-effects on the hospitality sector (Wright & Dimanche, 2023). In addition, the Canadian multicultural and tolerant societal model is still facing opposition. The tourism sector, through its major professional associations, is making efforts to address the labor gap, but it does not appear to be enough. The industry must improve the image and the reputation of a sector that does not make high schoolers (and their parents) dream anymore. The pandemic has brought to light some of the shortcomings of the tourism sector that currently lead to recruitment and retention challenges across the industry, such as work-life balance (Wong & Ko, 2009), indecent work conditions and low wages (Winchenbach et al., 2019), not providing opportunities to grow within the sector, and not developing a skilled workforce at all levels.

Targeted immigration policies and encouraging businesses to embrace the possibilities that diversity brings are necessary to help address the ongoing labor shortages and should be key to the future success and competitiveness of Canadian tourism. A determined effort is required to improve the current labor situation and to recruit, train and retain tourism workers. The challenge is not only resting on industry leaders. Higher education programs also need to work towards training ethical and responsible managers that will be aware of and sensitive to the industry's workforce and labor challenges. Failing this challenge will have dire consequences for the Canadian tourism sector.

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