

## Building Canada Strong; Youth in the Labour Market

Input submitted to ESDC on December 17, 2025

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### Introduction

Canada's tourism sector is one of the country's most important employers of youth. According to Tourism Human Resources Canada (THRC), youth make up 33% of the tourism workforce, with 18% of those youth workers employed in the hotel industry.<sup>1</sup> Hotels offer accessible entry-level employment across Canada while building transferable skills and clear pathways to long-term careers. Many senior hotel executives started in entry-level roles, demonstrating the industry's culture of promoting from within and developing its workforce. Despite these strengths, workforce shortages remain a pressing challenge facing Canada's hotel industry, with 41% of hoteliers reporting shortages during peak season in 2025.<sup>2</sup> Encouraging young Canadians to explore careers in the hotel industry can stabilize the workforce and build long-term resilience for the industry. With targeted youth programs and industry training, the hotel industry can continue to grow as a vital contributor to Canada's economy.

### What are barriers and incentives to hiring youth?

#### Steps taken to attract youth

Each year, HAC surveys its members in both the spring and fall to better understand the workforce challenges they face. Results show that hoteliers are investing in new approaches to make hospitality careers more appealing to young Canadians. Data from HAC's 2025 Fall Workforce Survey shows the industry is actively recruiting youth by:

- Offering flexible hours (45%)
- Increasing wages (42%)
- Providing more training and development opportunities (34%)

These efforts reflect a broader shift in how hoteliers view and support their employees – focusing not just on filling positions, but on building lasting careers. By creating more flexible and growth-oriented workplaces, the industry is helping the next generation see hospitality as a platform to build their future. Despite best efforts by hoteliers, workforce pressures remain widespread.

#### Barriers to Youth Employment in Hotels

While the hotel industry offers valuable opportunities, young Canadians remain hesitant to view hospitality as a long-term career path. According to HAC's Fall 2025 Workforce Report:

- 60% of hoteliers say low interest in hospitality careers continues to limit youth recruitment
- 45% report that young Canadians find hotel work hours undesirable or inconvenient

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<sup>1</sup> THRC, 2024 Labour Force Survey

<sup>2</sup> HAC Fall 2025 Workforce Report



Additionally, only 39% of youth view the industry as offering excellent career opportunities<sup>3</sup> – highlighting how many underestimate the value of hospitality careers. The result is a persistent youth participation gap at a time when the industry is eager to hire and needs young workers most.

### **What have you found to be the most effective or helpful programs or activities to help put youth on successful employment pathways?**

Federal programs are a cornerstone in creating pathways for youth to gain meaningful early work experience, yet their potential impact on the hospitality sector remains underleveraged. Programs, such as the Canada Summer Jobs, the Student Work Placement Program, and the Youth Employment and Skills Strategy, play a vital role in connecting youth with early work experience. The following recommendations can help make federal programs more inclusive and effective for hotels:

- **Expand eligibility:** Include hotel-related careers that are not traditionally part of apprenticeship programs but require significant training and specialized expertise.
- **Increase program flexibility:** Make program timelines and funding more flexible to align with the seasonal demands and labour market realities of hotels.
- **Streamlining application process:** Simplify the application process so independent and small-to-medium hotels can participate more easily.

### **What is the top priority to focus on immediately to drive down youth unemployment and ensure youth have the skills and opportunities to succeed in the changing labour market?**

Stable, long-term funding for Tourism HR Canada (THRC) is essential to strengthening youth employment in the hotel sector and building a sustainable talent pipeline. Continued investment in THRC through the **Youth Employment and Skills Strategy (YESS)** and the **Workforce Alliances and Sectoral Workforce Investment Fund** would enable the organization to deliver industry-led workforce solutions, including:

- **Ready to Work Program:** the program would connect over 2,000 youth, newcomers, and underemployed Canadians with permanent tourism jobs.
- **Discover Tourism:** a national campaign that promotes tourism as a viable career path by highlighting the diversity of roles available and showcasing clear progression opportunities beyond entry-level positions.
- **Emerit Skills Training and Certification:** a program that equips young workers with practical, job-ready skills and provides industry-recognized credentials to support long-term career development.

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<sup>3</sup> THRC, 2024 Labour Force Survey





### **Conclusion**

The hotel industry plays an essential role in introducing young Canadians to the workforce. However, the declining interest among youth in hotel industry careers is a warning sign: *Without stronger engagement, Canada risks losing a key channel for early workforce participation.* Addressing this requires continued partnership between industry and government to reshape how young Canadians view hospitality careers – not just as short-term work, but as a gateway to lifelong employability and career growth.

### **About the Hotel Association of Canada**

The Hotel Association of Canada is a national association dedicated to identifying and understanding the most critical challenges faced by our industry. We bring together hospitality leaders and key stakeholders to collaboratively problem-solve and mobilize for action.

We translate complex industry data into actionable insights. Through strategic advocacy efforts, we advocate for legislative solutions that create policy impact, while elevating our membership base through innovative and sustainable programming to ensure our industry's continued growth and success.

A cornerstone of Canada's tourism sector, the hotel industry generates \$30 billion in annual revenue, \$12 billion in government taxes across all three levels, and employs over 320,000 Canadians.

