

2026

ANNUAL WORKFORCE REPORT

1. Research Objective
2. Key Takeaways
3. Key Insights
 1. Shifting public sentiment is reshaping immigration policy
 2. Immigration policy will reduce labour supply
 3. Hotels face structural workforce pressures
4. Workforce Best Practices
5. Insights from the 2026 Conference
6. Taking Action
7. Workforce Wins
8. Appendix

The 2026 Workforce Report provides an overview of Canada's hotel workforce and the implications of recent immigration policy changes. Drawing on insights from Hotels Canada's (formerly the Hotel Association of Canada) Spring and Fall Workforce Surveys, national employment data, and federal policy developments, the report examines ongoing workforce pressures facing hoteliers and highlights Hotels Canada's advocacy efforts to support a stable and sustainable workforce.

Farhina Balayet

Manager, Research and Data Visualization

01

SHIFTING PUBLIC SENTIMENT IS RESHAPING IMMIGRATION POLICY

Public attitudes toward immigration have become more cautious in recent years, influencing policy and contributing to reductions in temporary residents and work permits.

02

IMMIGRATION POLICY WILL FURTHER CONSTRAIN LABOUR SUPPLY

Canada's 2026–2028 Immigration Levels Plan aims to reduce the temporary resident population, with projected declines in work permit holders expected to tighten labour availability across industries.

03

HOTELS FACE STRUCTURAL WORKFORCE PRESSURES

Hotels rely heavily on international workers, and with workforce shortages already widespread, especially in rural and resort properties, reduced labour supply will further limit operations and growth.

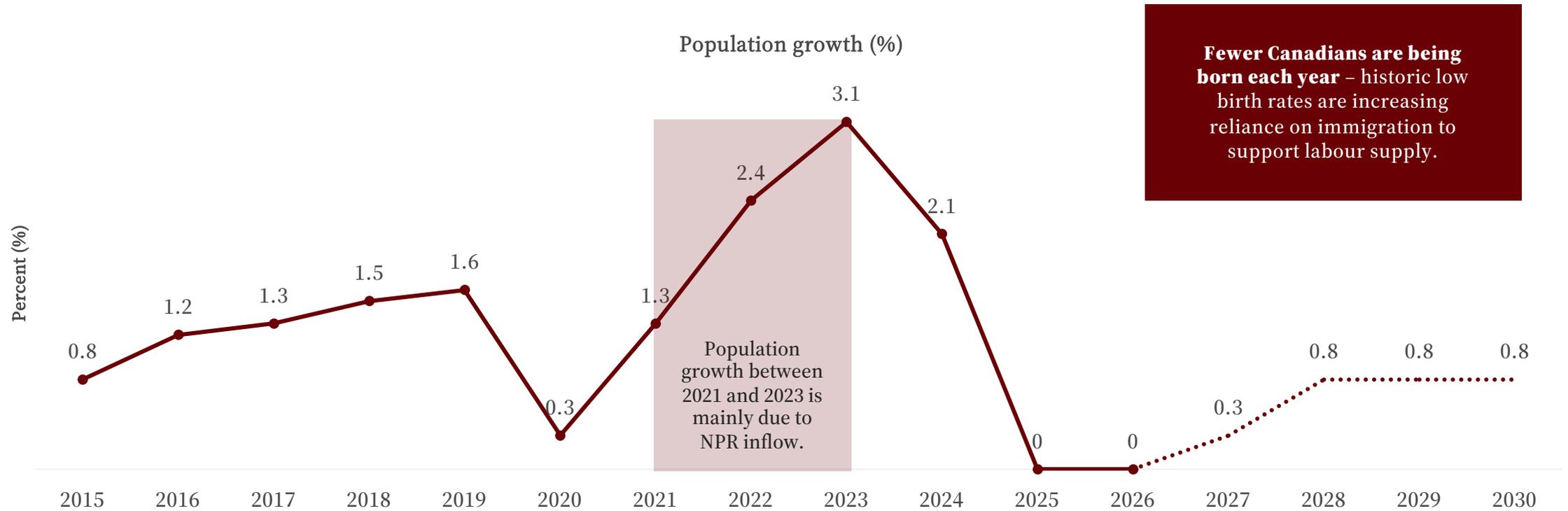
Key
INSIGHTS

SHIFTING PUBLIC SENTIMENT IS RESHAPING IMMIGRATION POLICY

Public attitudes toward immigration have become more cautious in recent years, influencing the policy environment and contributing to reductions in temporary residents and work permits.

CANADA'S POPULATION GROWTH HAS STALLED

Population growth peaked at 3.1% in 2023, driven by non-permanent residents (NPRs). As immigration levels decline, growth is expected to slow, reducing labour supply.



Source: PBO

PUBLIC SUPPORT FOR IMMIGRATION IS WEAKENING

Canadians have long seen immigration as beneficial, but views are shifting. Confidence in its economic value is declining, while concerns about levels and job impacts are rising.

DECLINING CONFIDENCE



70%

of Canadians in 2025 believed that
*“Immigration is good for
the Canadian economy”*

(Down from 85% in 2022)

RISING CONCERNS



56%

of Canadians in 2025 believed that
*“There is too much
immigration to Canada”*

(Up from 27% in 2022)



35%

of Canadians in 2025 believed that
*“Immigrants take away jobs
from Canadians”*

(Up from 19% in 2020)

These changing public perceptions have shaped the policy environment and created a highly politicized climate around immigration.

** Detailed graphs are included in the appendix.*

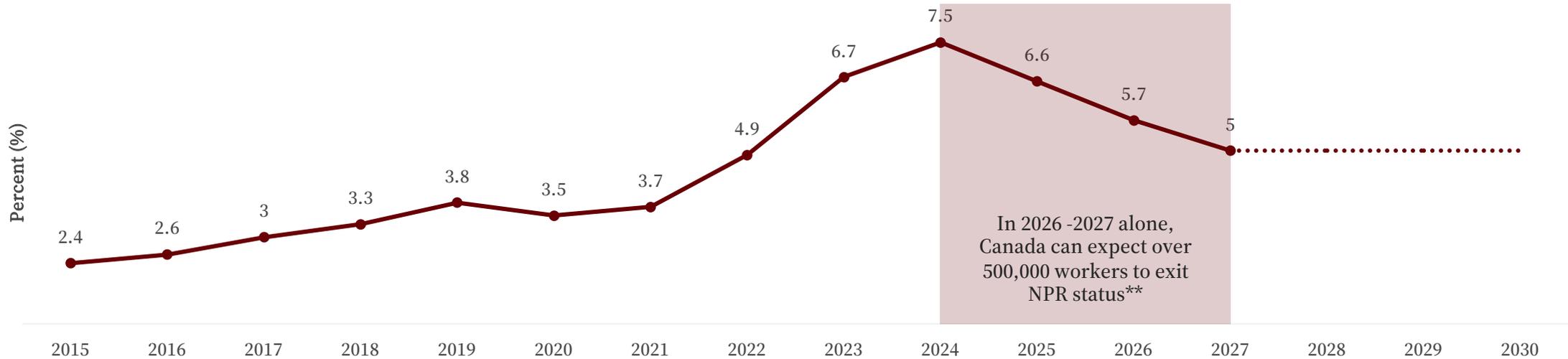
IMMIGRATION POLICY WILL REDUCE LABOUR SUPPLY

Canada's 2026–2028 Immigration Levels Plan aims to reduce the temporary resident population, with projected declines in work permit holders expected to tighten labour availability across industries.

IMMIGRATION CUTS SHRINK CANADA’S AVAILABLE WORKFORCE

Canada’s 2026–2028 Immigration Levels Plan⁺ will reduce the temporary resident population below 5%. Analysis from the Parliamentary Budget Officer (PBO)^{*} shows most of those leaving are work permit holders – further shrinking the labour pool.

Non-permanent residents (i.e.: TFWs, work/study permit holders) as a share of Canada’s total population



Source: PBO

**While some NPRs will transition to permanent residency, a significant share are expected to leave Canada, reducing the pool of available temporary workers.

+ A summary of the 2026-2028 Immigration Plan is included in the appendix.

* A summary of the PBO study is included in the appendix.

HOTELS FACE STRUCTURAL WORKFORCE PRESSURES

Hotels rely heavily on international workers, and with workforce shortages already widespread, especially in rural and resort properties, reduced labour supply will further limit operations and growth.

JOB VACANCY RATES ARE EASING, BUT WORKFORCE PRESSURES REMAIN

In 2025, the tourism sector's job vacancy rate declined to 3.9%, down from 4.2% in 2024, signaling some improvement. **While vacancy rates are easing, this does not necessarily mean staffing challenges have disappeared.**

Tourism Job Vacancy Rate (%)



Source: DC & THRC

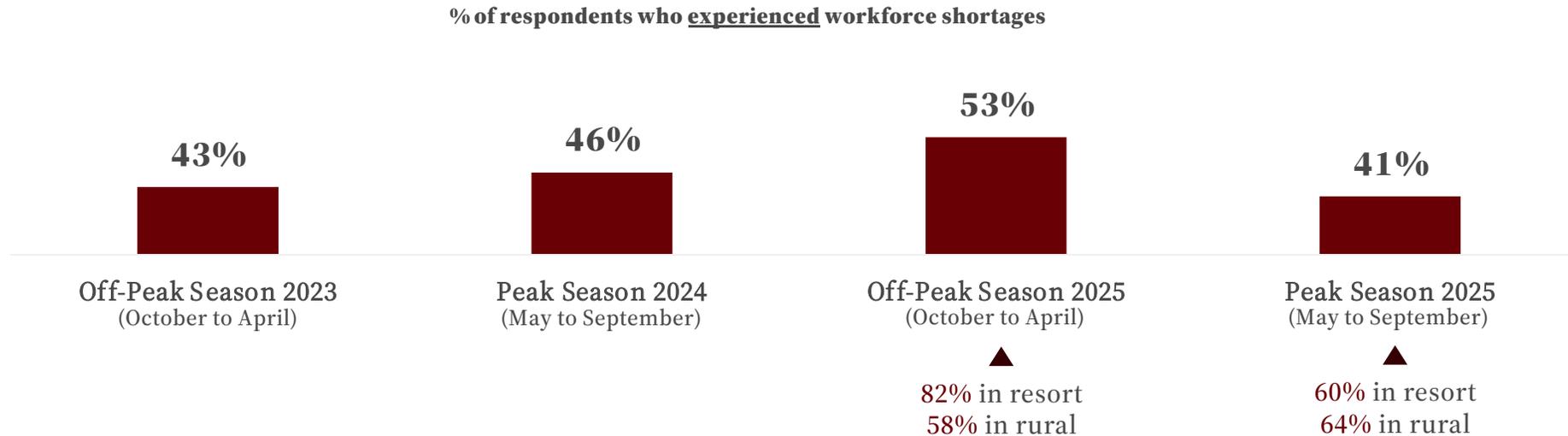
KEY DEFINITIONS

Job vacancy rate: The share of jobs employers are actively trying to fill. When the vacancy rate goes down, it usually means hiring is getting easier or employers have foregone looking for candidates to fill the position.

Workforce Shortage: When there are not enough workers available to fill jobs

WORKFORCE SHORTAGES PERSIST, ESPECIALLY IN RURAL & RESORT HOTELS

Workforce shortages remain a challenge for hotels, with rural and resort properties facing heightened pressure due to limited access to local labour.



Source: HAC Workforce Survey

LIMITED LOCAL LABOUR POOLS ARE CONSTRAINING HIRING IN RURAL & RESORT HOTELS

Resort hotels face ongoing challenges in attracting workers due to limited local labour supply and low interest in hotel jobs. Hiring challenges in these regions are driven by structural labour supply constraints, not short-term factors.

Rural hotels also face disproportionately high hiring challenges compared to urban properties.

KEY BARRIERS TO HIRING AMONG RESORT HOTELIERS

Difficulty attracting workers due to the limited local population

82%

Low interest in hotel jobs among local workers

73%

Difficulty finding staff during peak season

64%

Source: Spring 2025 HAC Workforce Survey

Findings are based on a small sample size.

WORKFORCE SHORTAGES ARE IMPACTING THE BOTTOM LINE

Hotels are adapting operations to manage ongoing staffing shortages, often at the expense of service levels, capacity, and revenue.

TOP OPERATIONAL IMPACTS OF WORKFORCE SHORTAGES IN RURAL & RESORT REGIONS



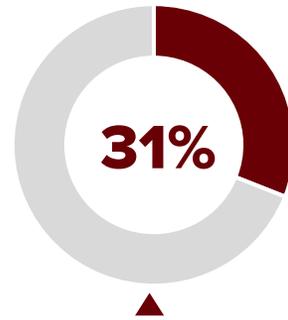
Source: Spring 2025 HAC Workforce Survey

Findings are based on a small sample size.

POLICY CHANGES ARE ALREADY REDUCING HOTEL WORKFORCE SUPPLY

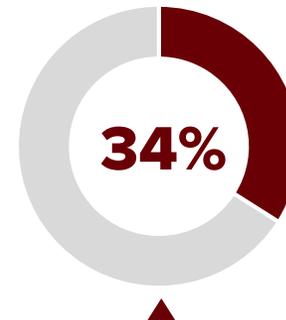
Even before the 2026-2028 Immigration Levels Plan takes full effect, 46% of members were negatively impacted by stricter TFWP caps, rising to 64% among resort hotels.

% of hotels who lost
Temporary foreign workers



57% in resort

% of hotels who lost
International students



50% in resort

Source: 2025 Fall Workforce Survey

Over half of hotels rely on international students (54%) and temporary foreign workers (52%), meaning immigration policy changes will affect a large share of the hotel workforce. Already, about one-third of members report losing access to these workers, with losses expected to worsen as the Plan is rolled out.

Workforce

BEST PRACTICES

BUILDING STABLE CAREERS IN RURAL CANADA

HOTELS IN ACTION

At Pomeroy Lodging, an international recruitment initiative brought 28 hospitality workers to Canada in 2013. Ten years later, 11 remained with the company, many advancing into leadership roles and building lives in their communities.

Hotels operating in smaller and tourism-driven communities are strengthening workforce stability by investing in employee engagement, development, and long-term retention.

Best practices include:

- Prioritizing employee engagement, mentorship, and internal advancement.
- Investing in long-term career pathways.
- Leveraging experienced employees to train and support new staff.

If you have stories to share with Hotels Canada, please contact [Farhina Balayet](#).

CREATING INCLUSIVE, CAREER-FOCUSED HOTEL WORKPLACES

Hotels are fostering inclusive environments that support employee growth, recognition, and long-term career development.

Best practices include:

- Offering structured onboarding, training, and cross-departmental mobility
- Implementing recognition programs and performance feedback systems
- Promoting inclusive, respectful, and team-oriented workplace cultures
- Investing in partnerships with schools and employment branding initiatives

If you have stories to share with Hotels Canada, please contact [Farhina Balayet](#).



HOTELS IN ACTION

Fairmont Hotels & Resorts, in partnership with Giant Steps, launched a first-of-its-kind neuroinclusive hiring initiative in Canada, supporting autistic individuals through job training, coaching, and workplace integration. The program helps address labour shortages while opening opportunities for a previously underrepresented talent pool.

SUPPORTING EMPLOYEES BEYOND THE WORKPLACE

HOTELS IN ACTION

Coast Hotels supports employees through programs that enhance daily life and wellbeing, including transit pass discounts, staff meal programs, and recognition initiatives.

Hotels are improving retention and workforce stability by supporting employees' day-to-day needs and helping them integrate into their communities.

Best practices include:

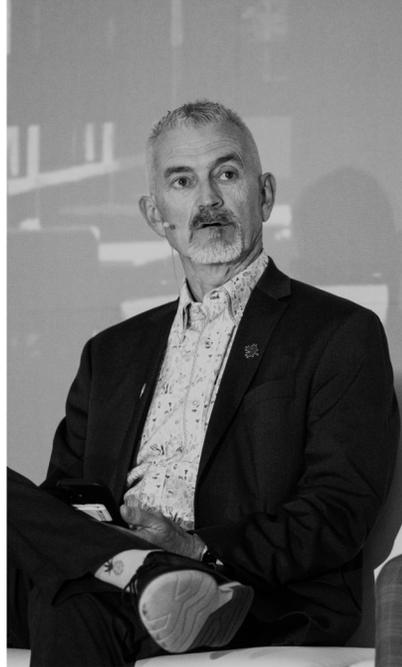
- Providing supports that improve financial wellbeing and daily life (e.g., transit discounts, staff meals)
- Offering recognition programs and team engagement initiatives
- Supporting employees as they settle into communities, particularly in high-cost or rural areas

If you have stories to share with Hotels Canada, please contact [Farhina Balayet](#).

Insights from
THE 2026 CONFERENCE

Insights from
**THE 2026
CONFERENCE**

*The Future of Hotels
is Human: Workforce
Planning*



PETER LEWIS

Dual General Manager
**Homewood Suites/Hilton
Garden Inn
Toronto/Mississauga**



MIKE JACKSON

Director, Talent
Strategy
Deloitte



WAYNE SMITH

Director, Institute for
Hospitality & Tourism
Research
**Toronto Metropolitan
University**



01

Other sectors are targeting tourism talent

- Other sectors (e.g., public sector, construction, tech) are actively recruiting from the same talent pool, increasing competition for workers.
- Hotels can strengthen recruitment by leveraging employees as ambassadors and highlighting clear career pathways in hospitality.



02

Culture and community drive retention

- Strong employers create workplaces people want to stay in by building connection, purpose, and community.
- Strong workplace cultures don't happen by chance; they are deliberately shaped by General Managers and leadership teams.

03

Hospitality's competitive edge is the human element

- While other sectors may offer higher wages, hospitality offers connection, purpose, and people-first experiences.
- Hospitality employers need to lean into what makes us unique – meaningful, human-centered work.
- Untapped talent pools (e.g., people with disabilities, non-traditional candidates) present real opportunities.

04

AI will reshape work, not replace it

- AI will change how work is done, but human interaction remains central to hospitality.
- Technology should support staff to reduce mundane tasks, and enhance the guest experience, not replace it.

Taking
ACTION

RESPONDING TO WORKFORCE PRESSURES

Together, these efforts focus on short-term policy fixes while building long-term, sustainable workforce solutions for the industry.

ADVOCATING FOR WORKFORCE SUPPORT

1. **Advocating for exemptions to TFW and international student caps, especially in rural and resort regions.**
2. **Pushing for more youth employment programs.**

CANADIAN CHAMBER OF COMMERCE'S (CCC) IMMIGRATION COUNCIL

Hotels Canada is a founding member of the CCC's Immigration Council, **helping bring a unified industry voice to immigration policy discussions and workforce solutions.**

CHAMPIONING LONG-TERM IMMIGRATION SOLUTIONS

Co-developed the **Reimagining Immigration** paper, which advocates for seasonal and permanent immigration pathways for low-skilled workers through the proposed **Canadian International Workforce Program (CIWP).**

PARTNERING WITH INDUSTRY & GOVERNMENT

As **co-chairs of Employment and Social Development Canada's (ESDC) Temporary Foreign Worker Hotel, Restaurant, and Tourism working group**, Hotels Canada partners to address workforce challenges and shape program priorities.

Workforce **WINS**

**RECENT POLICY WINS FOR TOURISM
WORKFORCE DEVELOPMENT.** These
investments provide targeted relief while supporting
long-term workforce development.



01

Progress on a key priority: improving workforce access in rural and remote regions

Recent changes to the Temporary Foreign Worker Program (TFWP) provide added flexibility for rural hotels to maintain and modestly increase access to temporary foreign workers, supporting workforce stability in these regions.

[Click here for the detailed article.](#)



02

Stronger workforce insights to guide hiring and planning

New funding strengthens Tourism HR Canada's labour market data and workforce tools, helping hotels better understand trends and plan hiring.

[Click here for the detailed article.](#)



03

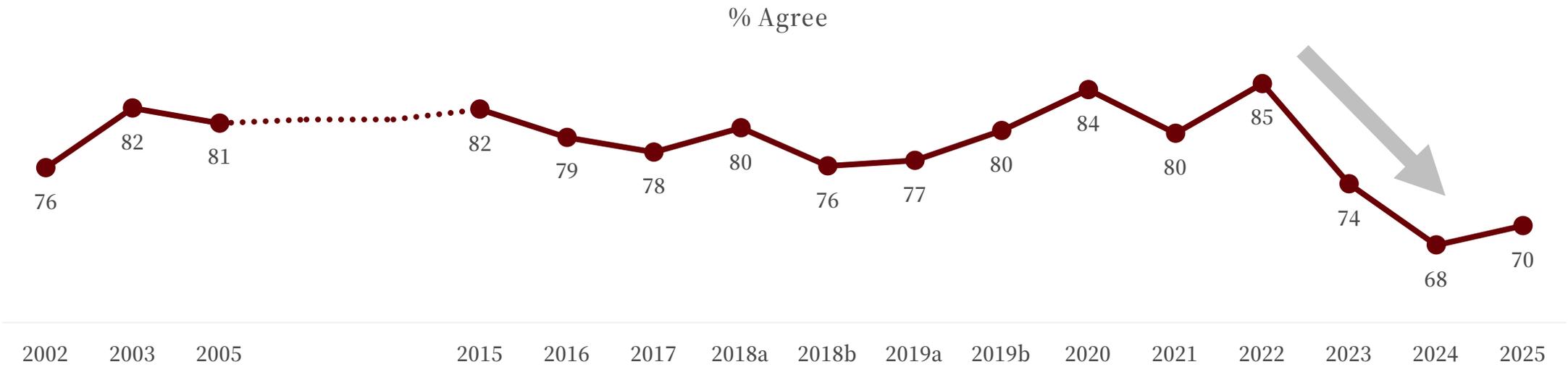
\$1.5B invested in youth employment programs to support tourism hiring

- Canada Summer Jobs supports seasonal hiring and helps fill workforce gaps
- Student Work Placement Program (i.e.: Propel) lowers hiring costs and builds talent pipelines

APPENDIX

PUBLIC OPINION ON IMMIGRATION (1/3)

Is immigration good for the Canadian economy?

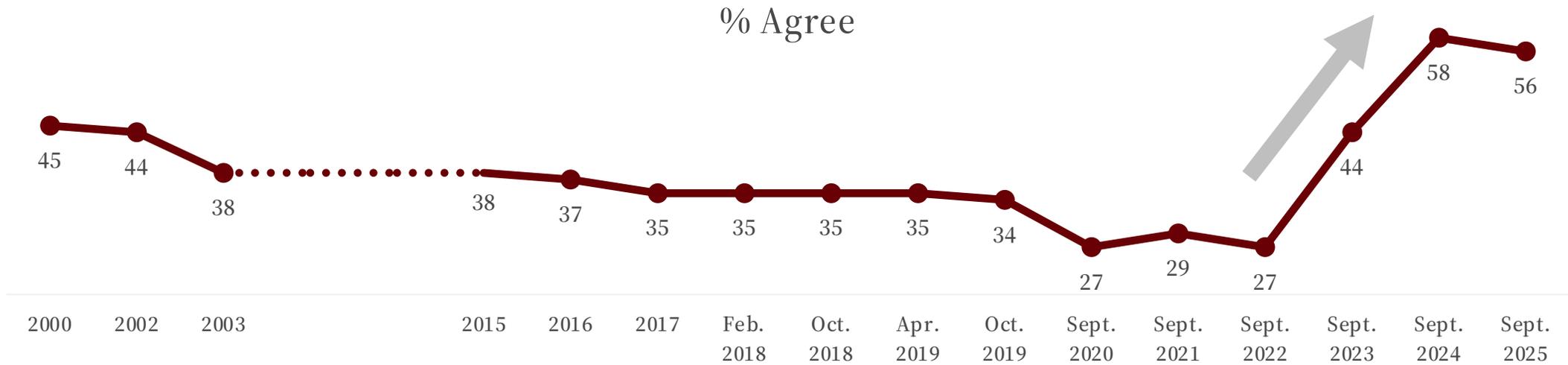


Source: Environics Institute

[Click here for the detailed report.](#)

PUBLIC OPINION ON IMMIGRATION (2/3)

Is there too much immigration to Canada?

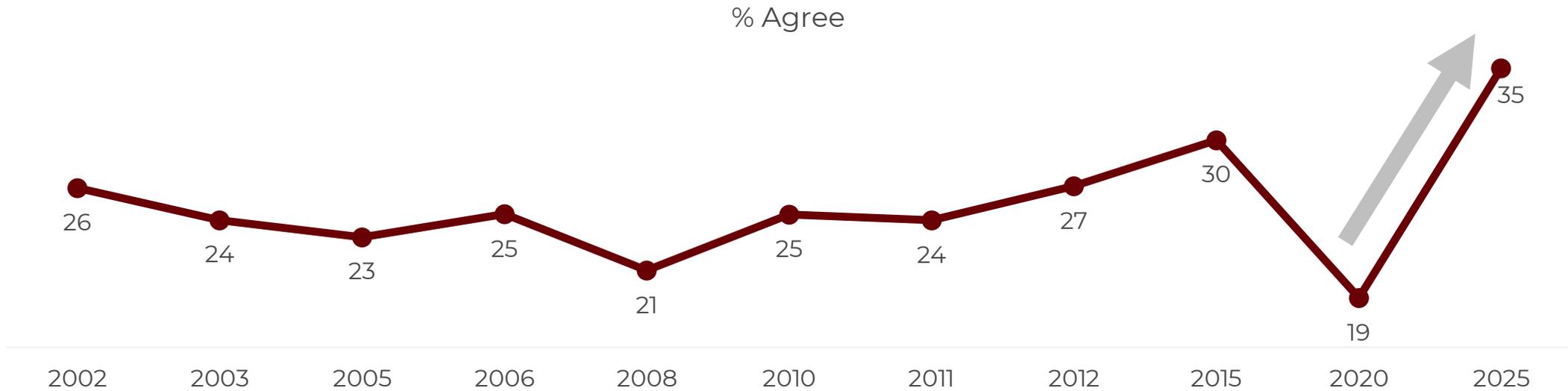


Source: Environics Institute

[Click here for the detailed report.](#)

PUBLIC OPINION ON IMMIGRATION (3/3)

Do immigrants take away jobs from other Canadians?



Source: Environics Institute

[Click here for the detailed report.](#)

OVERVIEW OF 2026-2028 IMMIGRATION PLAN

The federal government plans to **reduce the temporary resident population to below 5% and stabilize permanent resident admissions to less than 1% by 2027.**

Priority shifted to attracting "top talent" to support Canada's economy and to delivering support to sectors and communities facing persistent workforce shortages, including in rural and remote regions.

Additionally, a one-time initiative was introduced to accelerate the transition of 33,000 skilled temporary workers to permanent resident status.

		2025	2026	2027	2028
OVERALL ARRIVALS	2025-2027 Plan	673,650	516,600	543,600	--
	2026-2028 Plan	--	385,000	370,000	370,000
WORKERS (TOTAL)	2025-2027 Plan	367,750	210,700	210,700	--
	2026-2028 Plan	--	230,000	220,000	220,000
INTERNATIONAL MOBILITY PROGRAM	2025-2027 Plan	285,750	128,700	128,700	--
	2026-2028 Plan	--	170,000	170,000	170,000
TEMPORARY FOREIGN WORKER PROGRAM (TFWP)	2025-2027 Plan	82,000	82,000	82,000	--
	2026-2028 Plan	--	60,000	50,000	50,000
STUDENTS	2025-2027 Plan	305,900	305,900	305,900	--
	2026-2028 Plan	--	155,000	150,000	150,000

Source: IRCC

SUMMARY OF PBO STUDY: DEMOGRAPHIC IMPLICATIONS OF THE 2026-2028 IMMIGRATION LEVELS PLAN

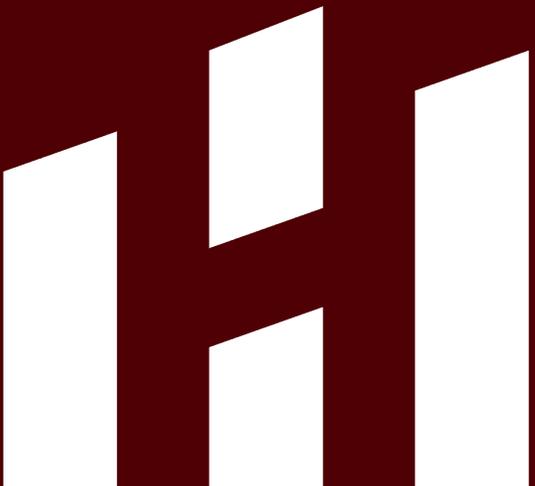
- 01** **Immigration targets are being stabilized**
 - Canada is on track to meet its target of reducing NPRs to below 5% of Canada's population by 2027 (from 7.6% in 2024).

- 02** **Population growth will remain flat**
 - Canada's population has relied heavily on immigration in recent years.
 - Slowing immigration will flatten population growth in Canada.
 - PBO projects population growth to stabilize around 0.8 per cent annually, which is below its historical average of 1.1 per cent per year.

- 03** **Labour supply growth will slow**
 - With fewer temporary residents entering or remaining in Canada, labour force growth is expected to slow.

- 04** **The majority of outflow (those leaving Canada) is made up of work permit holders**
 - In 2026 and 2027, new outflows are expected to be driven mainly by work permit holders (80%), rather than international students (10%).
 - NPR outflows include transitions to permanent residency in addition to departures from Canada.

[Click here for the detailed report.](#)



QUESTIONS OR FEEDBACK?

Farhina Balayet

Manager, Research & Data Visualization
fbalayet@hotelassociation.ca