Scott Meis
Canadian Tourism Commission (CTC)

The Research Viewpoint

Tourism employment – real research for harder numbers

At the Canadian Tourism Commission research department we often get complimented on the thoroughness of our work and the completeness of our numbers. We are doing a lot of detailed research and producing a lot of numbers, and people notice it. This is one of the reasons Canada has earned a reputation as a world leader in the area of tourism research and statistics.

There is one place, though, where there's still room for improvement, and that is in tourism employment. In fact it is a real weaknesses in our data production. At present we rely on base data for tourism employment numbers mostly on the Labour Force Survey (LFS), a Canada-wide monthly household survey which has limitations when measuring small populations or sub groups.

For tourism these numbers are gathered by means of the Tourism Satellite Account (TSA) and the National Tourism Indicators (NTI) into quarterly and annual estimates of tourism related jobs, for each of the major industry groups, inside and outside the tourism sector.

This is not good enough. Information on tourism employment is important, not only because of the perception of tourism as an industry that generates a lot of jobs – with the obvious political ramifications that flow from that – but also because businesses and labour both need data when evaluating access to workers and jobs, respectively.

As an example, in Canada there are currently different estimates of tourism employment being bandied about. The one we use, which is derived from our NTI database, pegs the number of jobs in the sector at about 580,000. Other estimates, derived from a variety of sources, put the figure at more than a million. It depends on what is measured as a 'tourism job' and what is counted as a 'tourism business' and what is reported as a 'tourism industry.' The employment categories and percentages can vary enormously.

This is why we have begun a new initiative in the research department. We are building a new analytical tool called the Human Resource Module (HRM). It will be a new database measuring all the transactions between employers and employees. For the first time, we will be looking at characteristics of both tourism jobs (occupations, pay, etc), and tourism job holders (age, sex, education, etc) and employers (industry) large, medium and small.

The methodology for the measurements will be new. Estimates of employment, average income and hours worked will use information gleaned from the Labour Force Survey (LFS),

Input-Output tables (I-O) and the Survey of Employment, Payrolls and Hours (SEPH), as well as the Canadian census and business surveys. Data from the household-based LFS will be reconciled with data from SEPH, an employer and tax-based survey, by subtracting non-relevant industries and workers, and adding multiple job holders.

The pilot for the project focused on two industries, accommodation and air travel. To derive tourism's share of employment in the industry, a ratio of 73 per cent was applied to air transportation businesses, and 66 per cent to accommodation firms. A list of 25 tourism related occupations was drawn up by the group designing the analysis.

The result will give us at least three things: a more credible and more detailed picture of the sector, an improved reliability of data when describing tourism employment, and improved timeliness of the data.

One of our main goals is to be more objective with our figures. We plan to base our employment module on the industry as it is, and as a result produce very hard and reliable numbers. The result will be two-fold. It will provide the common terrain needed for public policy workers to plan for policy, and it will add credibility to our data. In this age of information, when half baked numbers can sometimes be circulated without much real research behind them, this last point is worth noting.

As an incidental result, we will further Canada's reputation as a world leader in tourism research. This new database, after all, will be built on the already-extensive infrastructure of tourism research that we have built in Canada, and which includes the Canadian Travel Survey (CTS), the International Travel Survey (ITS), the National Tourism Indicators (NTI) and the Tourism Satellite Account (TSA).

Painting a detailed picture of the job scene in the tourism sector is a long term challenge. In our aging society, we know with a fair amount of certainty that some jobs that require younger workers will go begging, and competition for some skilled workers – such as chefs – will increase. The whole area of tourism employment will continue to be talked about. We are on track to build the HRM over the next five to ten years. When it comes onstream, I predict the numbers it produces will be watched closely by data users!

Others are working on similar projects. Most notably in the Netherlands. Who knows – we might even be able to compare tourism employment figures internationally with some degree of confidence.