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## *“Hiring Canadians **FIRST**: What our industry is doing to hire unemployed and underrepresented Canadians **FIRST**”*

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### Introduction

In the wake of ongoing public concern in regard to Canadian unemployment levels, opportunities for Canadian youth, and work prospects for groups of Canadians who are underrepresented in the Canadian labour force, Restaurants Canada (formerly the Canadian Restaurant and Foodservices Association) decided to survey its more than 30,000 members with use of an online questionnaire to learn what our industry is doing to hire unemployed and underrepresented Canadians **FIRST**.

In addition, as we know our industry has provided an interesting and rewarding career path for tens of thousands of Canadians over the years, we decided to include a section on the training and career prospects offered by the restaurant and foodservices sector.

Our industry is the country's fourth largest employer, employing more than 1.1 million Canadians. This number is expected to grow to almost 1.3 million by 2015, an increase of 11.3% over the five year period from 2010.

The 70 responses received represent the opinion and experience of more than 5,000 separate restaurant establishments. Respondents include several corporate head offices of nation-wide chains, and both their corporate owned and franchisee operators, as well as independent business owners.\*

As our industry's association, we already knew it is our members' very clear preference to hire Canadians **FIRST** whenever possible. Nonetheless, it was a revelation to learn the extent employers in our industry are already hiring important numbers of individuals from underrepresented groups in the Canadian labour market, and the lengths to which they go to locate potential employees from these groups.

Our industry faces a long-term labour deficit, with a shortage of 136,720 workers in the restaurant industry by 2030, according to a study prepared for the Canadian Tourism Human Resource Council. An acute situation already exists in the West because of the strength of the regional economy. To meet their staffing needs, our members have every incentive to hire Canadians **FIRST** because of the cost and complexity of using programs such as Temporary Foreign Workers as a recruitment solution.

Restaurants Canada looks forward to working with all interested parties – government, social and non-profit organizations, our members and our industry – to develop the best policy framework possible to ensure Canadians are hired **FIRST** in our business.

# Restaurants Canada membership hiring of “underrepresented” Canadians

Our industry is the No. 1 employer providing Canadians with their first job. For some quick service operations, 50% and more of the employees can be 18 year of age or younger. This is a demographic group that has already reached its peak, and has now started what will be a decade-long decline.

Faced with a reality of shifting demographics, our questionnaire reveals that employers in our industry are actively recruiting domestic employees from a range of new labour pools – and turning, in large part, to groups currently underrepresented in the Canadian labour market.

Staff numbers from underrepresented groups has grown significantly over the past five years, according to 50% of our

respondents. Their comments on the issue included:

- *“50% of our staff now versus 20% five years ago are from underrepresented groups”*
- *“For us, underrepresented groups have increased by 100%”*
- *“We’ve had about a 75% growth in employee numbers over the past five years”*

Our members are turning to underrepresented groups to meet their staffing requirements because, in the words of one commentator: “We have tapped into all areas of (customary) employment availability in order to have enough team members to run our restaurant properly” – but their operation is still short-staffed.

<b>Percentage of respondents who employ individuals from the following “underrepresented groups” in the Canadian labour market.</b>	
<b>ANSWER</b>	<b>RESPONSE PERCENT</b>
Aboriginal peoples/First Nation	<b>75.8%</b>
Immigrants (Landed immigrant, a person with permanent Canadian residency)	<b>90.3%</b>
New entrants and re-entrants to the labour market (New Entrant – person, not a youth, taking their first job. Re-entrant – person reentering the labour force and taking a job after a notable absence)	<b>75.8%</b>
New immigrants (Newcomers who have not yet received permanent resident status)	<b>83.9%</b>
Older workers (Aged 55 plus)	<b>85.5%</b>
Persons with disabilities/Other-abled	<b>79.0%</b>
Social assistance recipients (The hiring of a person previously receiving social assistance)	<b>59.7%</b>
Underemployed individuals (The hiring of someone desiring full-time work)	<b>67.7%</b>
Unemployed individuals (The hiring of a person previously unemployed)	<b>71.0%</b>
Youth (15 to 24 years of age)	<b>96.8%</b>

Other than the remarkable quickly growing employment of individuals from underrepresented groups in our industry, and taking a predominate role with some operations, it should be noted these individuals' employment was spread across a majority of our respondents.

Of those responding to the issue, 27% of Restaurants Canada members said their employment of underrepresented groups had grown by up to 25% during the past five years. A further 35% of members said staff numbers had increased by 26 to 50% during the same time period, 15% reported a 51-75% increase. Finally, a full 25% of respondents reported their employment of

underrepresented groups had grown by 76-100%.

Our members meantime are often making changes to their operational methods to accommodate these new employees, taking care – for example – to closely tailor and match skill sets, aptitude and other factors such as physical ability, to the roster of work that needs to be done.

Undoubtedly, this process now started will continue: for those that said they employ underrepresented Canadians, 65% of respondents expect the demand for these workers will increase in the coming years.

## Employer outreach to “Hire Canadians *FIRST*”

Despite being the leading industry providing Canadians with their first job, employers often face a challenge attracting potential employees to do restaurant work. The reasons can be many, and meeting the challenge can be all the more difficult in regions of the country experiencing tight labour markets.

Nevertheless, our members want to hire Canadians *FIRST* not just because it is “the right thing to do”, but also because recruiting domestic employees is a far simpler staffing solution for a busy business operation such as a restaurant. In that vein, employers in our industry are seeking to

hire individuals from new labour pools such as underrepresented Canadians, than transverse a complex and potentially costly program such as signing on temporary foreign workers.

Reflecting this preference to recruit domestically, our members have moved far beyond simple job postings in their efforts to attract potential employees. In the search for candidates from among underrepresented groups, our members are using a wide range of outreach methods, and often more than several at a single time, as illustrated by the following table:

<b>Outreach methods used to locate potential employees from underrepresented groups. (Percentage of respondents using one or more of the listed outreach methods)</b>	
<b>ANSWER</b>	<b>RESPONSE PERCENT</b>
Advertising – radio, TV, newspapers	87.1%
Community-government partnership groups/organizations	72.6%
Community groups	51.6%
Government relations (working directly with government departments/agencies)	43.5%
In restaurant (notices, flyers, at point of purchase)	80.6%
Job boards/Internet	96.8%
Job Fairs	62.9%
Media relations/news stories	12.9%
Open houses	16.1%
Referrals (employee, personal)	95.2%
Retirement Groups	19.4%
Schools/High Schools/Colleges	64.5%
Signs/billboards	58.1%
Social agencies	35.5%
Social media	45.2%
Other:	9.7%
<ul style="list-style-type: none"> <li>• <i>For example, Recruitment agencies</i></li> </ul>	

Interestingly, no single outreach method was cited by respondents as being a leading means of sourcing potential employees and eventual hiring success. Probably as a result of the time and effort required to

recruit staff, a number of questionnaire commentators cited employee retention as a major business operation objective. More on this issue is discussed in the next section.

## A satisfying and rewarding career path for talented individuals

The Canadian restaurant and foodservices industry is often characterized in the media and elsewhere as being one comprised of primarily low or unskilled jobs.

Our questionnaire respondents, however, made it clear:

- *They offer training to staff that develops skills useful not only for entry-level restaurant employment, but also a wide range of potential future jobs: customer service skills, money handling, trade apprentice for positions such as chef, food safety, first aid training, along with learning basic job skills as punctuality and teamwork;*
- *Taking steps to ensure staff retention, like training program and promoting from within the operation, are key to ongoing success.*

Virtually all of the questionnaire respondents gave examples of how staff members “came up through the ranks” to be promoted to managerial positions:

- “A good number of my staff has moved up from serving positions to become

manager, general manager and franchisees of their own operation”;

- “Cooks have become supervisors and kitchen managers”;
- “ALL of our management, including three managers, two assistant managers and six supervisors, started as food counter attendants and have grown and been promoted. Other than one of these managers, the rest are a mixture of individuals belonging to an underrepresented group of Canadians”;
- “We now operate six restaurants and all but one of our management team members started at an entry position and worked their way up. This has resulted in many high paying careers for our team members!”

The restaurant industry, particularly at the early career stage, can be hard and physical work certainly not suited to everyone. But it can provide a comfortable livelihood for dedicated and determined individuals. And according to our respondents' comments, Canadians from underrepresented groups in the national labour market are beginning to claim a bigger share of our industry's success stories.

## Summary

The Canadian restaurant and foodservice sector wants to hire Canadians **FIRST**, and indeed has an excellent track record and reputation on the matter: we are the leading industry providing Canadians with their first job.

But time brings change, and the experience of members in our association as employers is no different. A key demographic of traditional employees, individuals between the ages of 15 and 24, is now in a substantial decline that will last a decade or more. Employment aspirations have also changed, and many Canadians – even those without work – will not consider pursuing an entry-level position in our industry.

Combined with a tight labour market in some regions of the country, and competing employment opportunities in those geographical areas that can pay a higher starting wage than our industry, the recruitment challenge for Canadian restaurant operators is clear.

Nevertheless, all aspects considered, our members want to hire Canadians **FIRST**.

Our questionnaire, although not scientific but representing the experience and opinion of more than 5,000 separate restaurant establishments, gives an illustration of the lengths we go to to hire Canadians **FIRST**, before turning to recruitment possibilities such as the Temporary Foreign Workers program.

Our respondents also made clear their willingness, increasing active use – and embracing – of hiring from new pools of domestic labour and Canadian workers, such as First Nation, disabled, recent immigrants, older individuals and social assistance recipients. Significantly, our members say hiring of individuals from these underrepresented in the labour market is set to continue to grow in importance during the years to come.

Our association and industry welcomes the opportunity to work with government and other interested groups and organizations, to ensure these new hires have the same chance of a rewarding restaurant industry career, if that is their desire, as any other Canadian.

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**\* Footnotes:**

*Of the 70 responses, five were from corporate head offices, two were from a corporate owned operation, 61 from franchisees, and two from independent business owners.*