

ONTARIO PRE-BUDGET SUBMISSION 2025



The voice of foodservice | La voix des services alimentaires



FOOD SERVICE INDUSTRY AT A PIVOTAL POINT FOR ECONOMIC VIABILITY

- Pre-pandemic, 12% of Canadian restaurant companies were not profitable—today, it's 41%.
- Ontario real per capita spending (2025 dollars) in restaurants is down from \$2,710 in 2019 to \$2,475 (f) for 2025.
- Real per capita spending in Ontario restaurants remains below pre-pandemic levels, yet nationally, all major categories for operating costs have gone up roughly 11-15% over the past two years:
 - Cost of food 12.5%
 - Cost of labour 11.3%
 - Insurance 13.9%
 - Utilities 11.2%
 - Other operating expenses 11.4%
- Crime is putting restaurant workers, guests, and operators at physical, mental, and financial risk.
- Restaurants are still struggling to find workers as many left the industry through COVID, meaning many restaurants can't run multiple shifts to maximize revenue over fixed expenses.
- Consumer behavior is changing—less alcohol consumption in restaurants, greater share of business is take out/delivery (less profitable), cutting restaurant spending is the top thing Canadians are doing to save money during the affordability crisis.

AN INDUSTRY WITH A HUGE IMPACT

- Nearly 42,000 foodservice businesses operating in Ontario.
- More than 14,000 restaurants and bars depend on alcohol sales for part of their revenue.
- 447,500 direct jobs (5.5% of Ontario's workforce) and 102,000 indirect jobs.
- The foodservice industry is the leading first-time employer of Ontario youth.
- Leading employer of youth, women, newcomers, people with disabilities.
- \$47B in industry revenue in Ontario and is 4% of provincial GDP.
- Ontario's restaurants and bars buy \$16.2 billion in food & beverage products every year.
- Restaurants are among the largest supporters of sports teams and other community groups.
- Restaurants are community defining pillars.
- Ontario restaurants serve 10M customers per day.
- Investment in the restaurant industry has a powerful ripple effect across the broader economy. For every dollar spent in the industry, an additional \$2.30 in total economic output is generated—significantly higher than the \$1.90 average across all industries. This multiplier effect reflects how an initial dollar circulates through the economy, spurring further rounds of spending in supply chains, wages, and local businesses.

DELIVERING SAVINGS TO HELP PROTECT JOBS AND CUSTOMERS

- LCBO DISCOUNT PRICING—EXPAND DISCOUNT PRICING ON ALCOHOL FOR RESTAURANTS AND BARS:** Lowering alcohol procurement costs is the most direct and effective way for Ontario to support restaurants and bars, especially independent and alcohol-focused businesses struggling with profitability. We urge the government to use the LCBO's purchasing power to give Ontario restaurants the lowest alcohol prices in Canada and to ensure they never pay more than grocery or convenience store competitors.
- MAKE THE HST BREAK ON RESTAURANT MEALS PERMANENT, OR AT LEAST RAISE THE \$4 PST EXEMPTION:** The \$4 PST exemption for modest restaurant meals has never been indexed, causing more items to be taxed over time as prices rise. We urge the government to raise this outdated exemption—ideally to \$8.99, which would save consumers an estimated \$290 million annually. Our submission includes analysis showing the cost savings and impacts of raising the exemption to various levels.

CRIME

- HELP PROTECT RESTAURANT WORKERS, PATRONS, AND OPERATORS WITH A \$2,500 SECURITY GRANT:** We propose a \$50 million crime-prevention grant program offering up to \$2,500 per business location to help cover security improvements and repairs from criminal damage. This support would ease the financial burden on struggling restaurants and enhance safety for more than 20,000 workplaces.
- WE SUPPORT THE RECOMMENDATION OF THE RETAIL COUNCIL OF CANADA FOR FUNDING OF \$13M FOR A THREE-YEAR JOIN FORCE OPERATION DEDICATED TO REDUCING RETAIL AND HOSPITALITY CRIME ACROSS THE GREATER TORONTO AREA.**

SUSTAINABLE WORKFORCE AND EFFICIENCY

- EXPAND FUNDING AND ELIGIBILITY FOR RETAIL MODERNIZATION GRANTS:** Modelled on the Retail Modernization Project Grant announced by Associate Small Business Minister Nina Tangri, we recommend allocating an additional \$25 million to the program and expanding eligibility to include franchise locations and more business types. The program currently helps restaurants and other businesses adopt productivity-enhancing tools such as digital menu boards, reservation systems, online marketing, and modern POS systems—investments that improve efficiency, manage costs, and protect jobs amid ongoing labour shortages.
- HOSPITALITY SECTOR WORKFORCE ROUNDTABLE:** We ask the government to partner with hospitality industry leaders to create a Hospitality Sector Workforce Roundtable that will recommend strategies to recruit, develop, and retain the talent needed to sustain the sector's economic and social contributions. Early priorities should include expanding job opportunities for young Ontarians and addressing labour shortages in rural and remote communities. The Roundtable would examine training and education, labour and immigration policy, and other factors affecting workforce sustainability.

RESTAURANTS CANADA

Restaurants Canada is the voice of restaurants across Canada. It represents the foodservice industry at all levels of government. We operate the RC Show, Canada's largest tradeshow. We own and operate Groupex Canada, an entity that aggregates the buying power of smaller restaurant companies and brands to deliver them savings. Restaurants Canada also serves as an important hub for industry information, networking, and training.

Our members are diverse, with operations in every province and region of Canada. They include the largest and most iconic restaurant brands operating in Canada, small family-owned diners and pubs, and sizes in-between.

THE CONTRIBUTION OF ONTARIO'S RESTAURANTS AND BARS

Ontario's foodservice industry is a major driver of employment and economic activity, with 41,965 businesses directly employing about 447,500 people (representing 5.5% of the province's workforce) and supporting another 102,900 in related industries. More than 14,000 of these establishments rely on alcohol sales for part of their revenue.

In 2024, the industry generated over \$47 billion in revenue, representing 4% of Ontario's GDP. Restaurants and bars purchase more than \$16 billion in food and beverages annually from local farmers, beverage producers, and suppliers, supporting a wide network of industries such as agriculture, transportation, insurance, marketing, real estate, utilities, and technology. The sector is highly labour-intensive and contributes significantly to provincial revenues through payroll, income, sales, excise, and property taxes, as well as licensing and other fees.

The industry also provides diverse employment opportunities, from entry-level to executive roles, and is a key source of first jobs for students and newcomers who gain valuable skills in teamwork, management, and customer service. Beyond its economic importance, Ontario's restaurants and bars play a vital social role—serving as gathering places for families, friends, and communities, supporting local charities and sports teams, and shaping the cultural identity of neighborhoods across the province. With over 10 million customer visits to restaurants and bars in Ontario each day, these establishments are an essential part of Ontarians' daily and community lives.



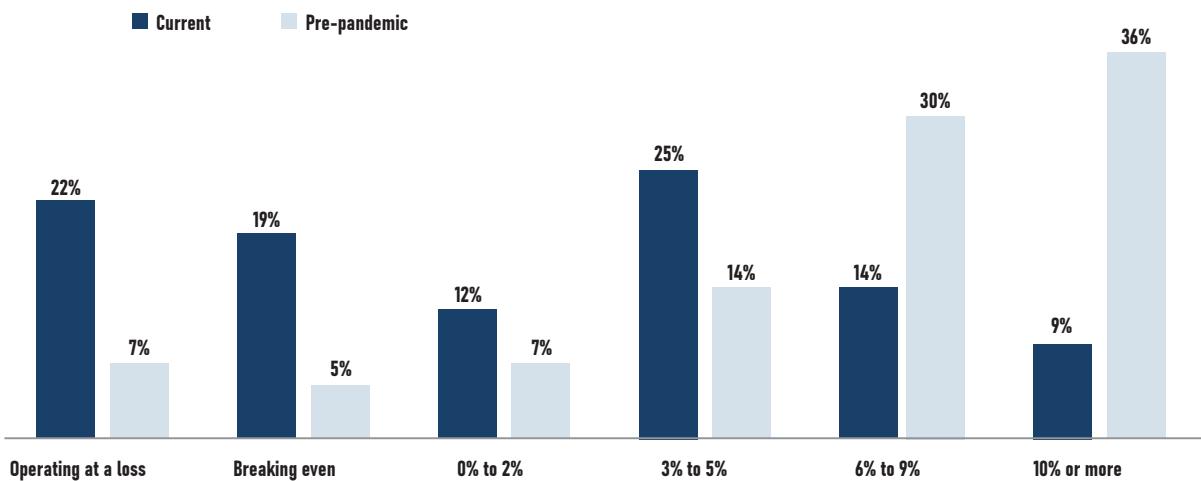
RESTAURANTS ACROSS ONTARIO AND CANADA ARE STRUGGLING

The last several years have proved difficult for the restaurant industry. In 2019, Restaurants Canada member surveys typically revealed that 12% of Canada's restaurants were losing money or barely breaking even. Today, 41% of Restaurants Canada member companies say they are losing money or barely breaking even. This figure would be higher if not for the actions of the Ontario Government, which include but are not limited to, WSIB relief, alcohol tax relief and LCBO discounts, Ontario's funding of HST holiday, and relief to households in the form of direct payments and savings on fees and taxes.



4 IN 10 RESTAURANT COMPANIES ARE OPERATING AT A LOSS OR JUST BREAKING EVEN

Nationally, 41% of restaurant companies report that they are losing money or barely breaking even



Source: Restaurants Canada's Restaurant Outlook Survey

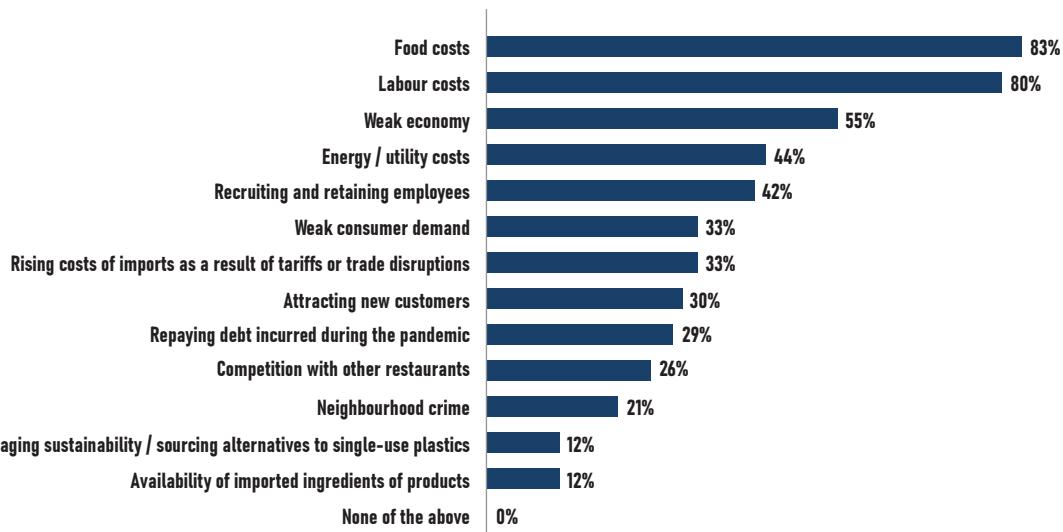
Q: What best describes the current profitability of your overall operations?

WHAT IS DRIVING THIS STRUGGLE TO MAKE PROFIT?

Restaurants are dealing with higher costs while real spending per capita contracts, and they are simply not able to pass on all of their rising costs to consumers. They also struggle with crime, labour shortages, U.S. trade war implications, and other hardships.

TOP CHALLENGES FACING RESTAURANT OPERATORS

(share of respondents)

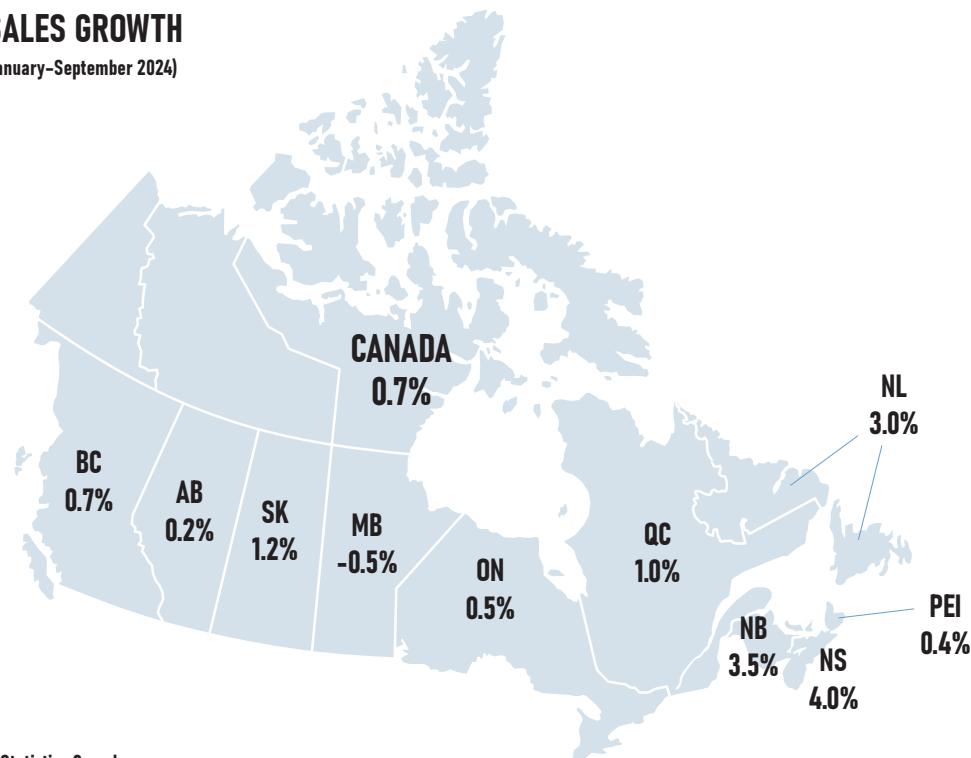


Source: Restaurants Canada's Restaurant Outlook Survey

Q: What are the top challenges currently facing your business? (Please select all that apply)

REAL PER CAPITA SALES GROWTH

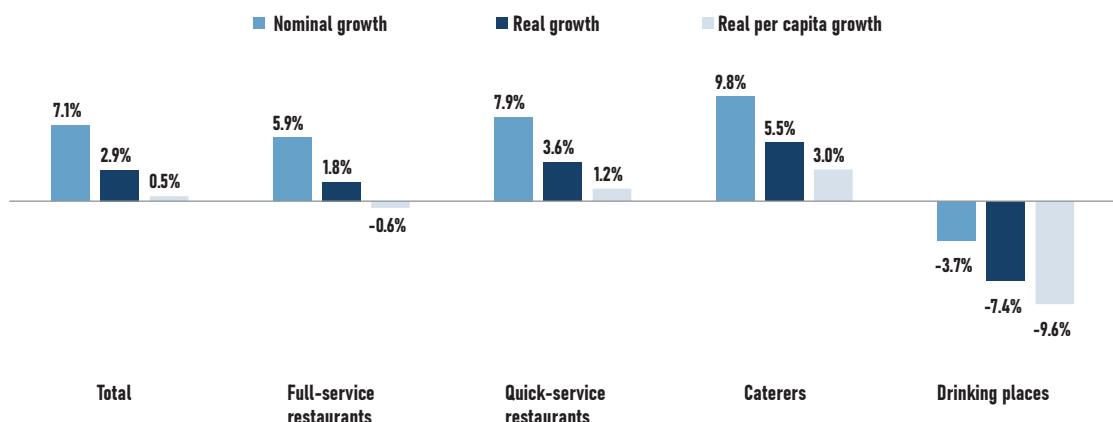
(January–September 2025 over January–September 2024)



Source: Restaurants Canada and Statistics Canada

COMMERCIAL FOODSERVICE SALES – ONTARIO

(January–September 2025 over January–September 2024)

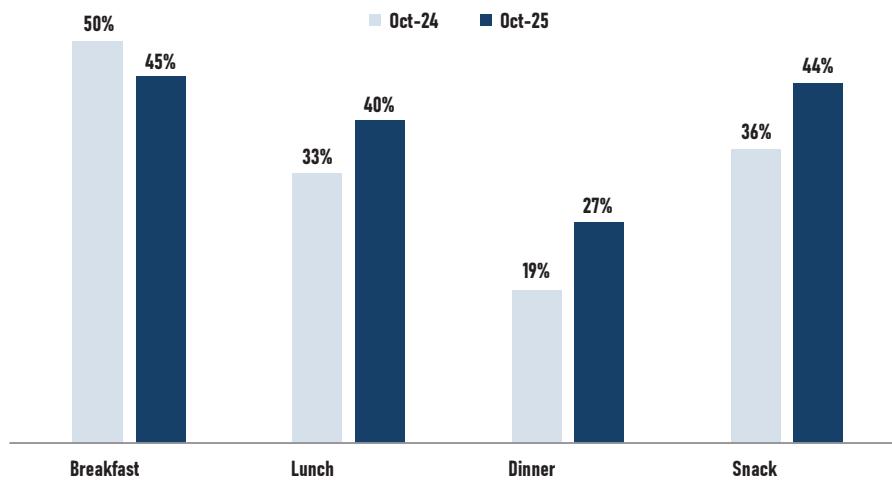


Source: Restaurants Canada and Statistics Canada

*leap year effect removed for February 2024

SHARE OF ONTARIO THAT NEVER PURCHASED THE FOLLOWING FROM A RESTAURANT IN OCTOBER

(Income under \$50,000)



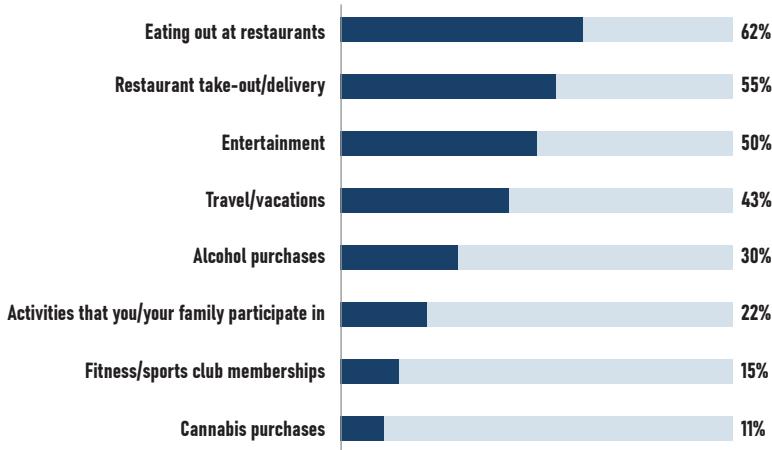
Source: REACT Survey, Restaurants Canada

78%

of Canadians have reduced their nonessential activities and spending to save money.

Decrease in discretionary spending (% of Respondents)

Source: Angus Reid



The affordability crisis is having a detrimental impact on lower income households and their visits to restaurants in Ontario. Based on a survey conducted by Angus Reid, the share of Ontarians with a household income under \$50,000 that never made a purchase from a restaurant jumped across three of the four dayparts in October 2025 compared to 2024. Both lunch and snack occasions saw a seven-percentage point rise in consumers who never dine out, reaching 40% for lunch and 44% for snacks, highlighting growing financial strain during these meal occasions. Dinner saw the largest shift, with an eight-percentage-point increase in consumers who never dine out, rising from 19% to 27%, indicating that many are pulling back from higher cheque-size visits. Nearly half never purchased breakfast from a restaurant.

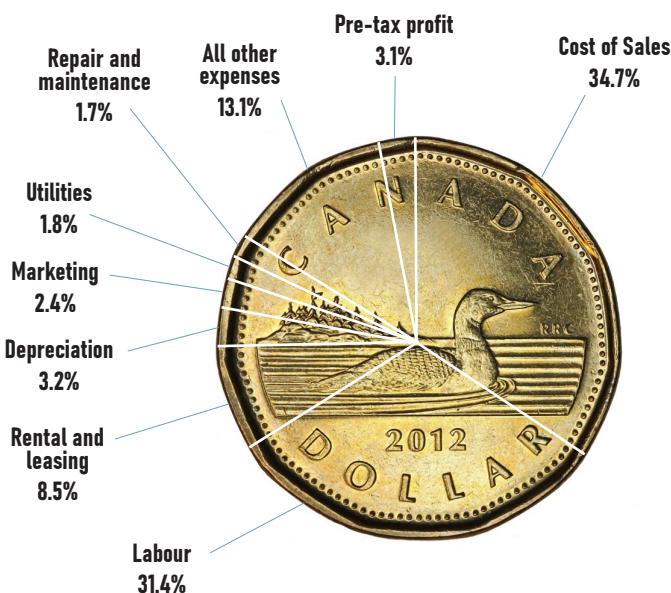
The above data aligns with another survey by Angus Reid which found that 78% of Canadians are cutting back on their discretionary spending. Of the ways they are cutting back, 62% are eating out less often at restaurants and 55% are ordering less take out or delivery from restaurants—representing the number one and number two ways people are cutting their discretionary spending.

While foodservice spending is down, [restaurant costs are up over the past two years](#), particularly in some of the largest spending buckets for foodservice business



FINANCIAL OPERATING RATIOS – ONTARIO

(as a percentage of operating revenue)



Real per capita spending in restaurants is down since pre-pandemic, yet nationally, all major categories for operating costs have gone up roughly 11-15% over the past two years

- Cost of food 12.5%
- Cost of labour 11.3%
- Insurance 13.9%
- Utilities 11.2%
- Other operating expenses 11.4%

Consumers are struggling with affordability. 75% of Canadians say they are eating out less often because of the cost of living (81% for those under 34) and 41% of foodservice businesses are still operating at a loss or just breaking even. This situation threatens foodservice jobs, especially for youth. Affordability constraints are the key reason why the pace at which restaurants are raising prices is far exceeded by how fast their expenses are rising.

The decline in restaurant traffic reflects a broader drop in consumer confidence in Canada, which is at near historic lows due to the high cost of living and the impact of the trade war with the United States.

CONSUMER CONFIDENCE INDEX CANADA

(2014 = 100)



Source: Conference Board of Canada

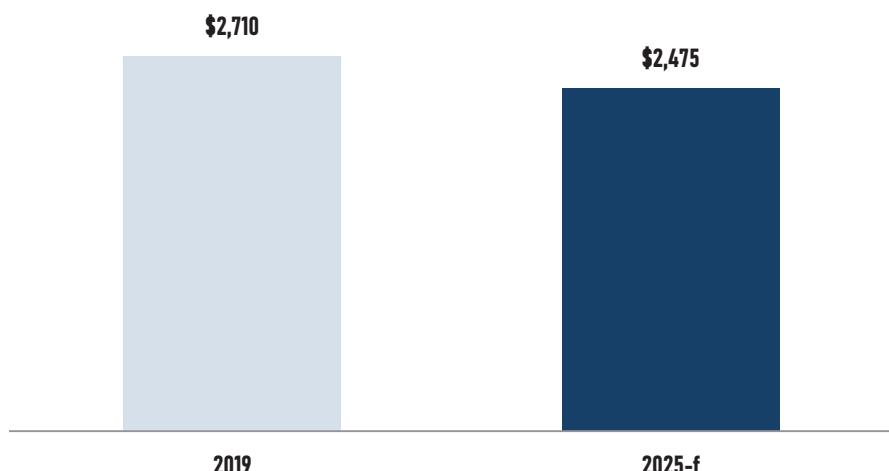


DIGGING A LITTLE DEEPER ON CORE RESTAURANT CHALLENGES

- **WAGE PRESSURE:** Because minimum wage is tied to CPI, it has risen faster than target inflation—especially for servers, whose minimum wage jumped more than 17% in a single year after the server wage was eliminated during COVID. While most restaurant workers earn above minimum wage, increases push overall wages higher. Restaurants feel this pressure more than other employers because they are far more labour-intensive than retailers competing for the same workers.
- **LABOUR SHORTAGE:** Restaurants continue to face shortages in management, supervisory, and especially back-of-house roles such as cooks and chefs. Rural, remote, and seasonal tourism communities struggle most due to smaller youth populations and fewer nearby training institutions, while youth participation overall is declining. Pandemic job shifts and tighter federal immigration policies—prioritizing trades and health care—have further reduced available labour. When key positions like chefs go unfilled, restaurants may cancel entire shifts, costing up to 11 other workers hours or employment and forcing many businesses to reduce operating days or close for lunch.
- **RISING FOOD COSTS:** Food costs now rival labour as restaurants' largest expense. Even with easing inflation, national food prices have risen 12.5% over two years, squeezing margins and causing volatile price swings—especially for produce and proteins. Operators must switch to cheaper suppliers, update menus frequently, adjust POS systems, retrain staff, and disappoint customers when favourite items are removed or replaced. Similar challenges arise from Ontario's removal of U.S. liquor products, which forces operators to choose between higher-cost substitutes or lower-quality options and triggers further menu and operational changes.
- **AFFORDABILITY AND CONSUMER SPENDING:** With rising living costs, 75% of Canadians—including 81% of those under 34—are dining out less. As a result, 41% of foodservice businesses are operating at a loss or just breaking even, putting many jobs, especially youth positions, at risk. Lower-income households, which spend a greater share of income on restaurant meals, are hit hardest by rising food prices. As Canadians face increasing housing, insurance, energy, and other essential costs, restaurant spending becomes an easy cut—reducing traffic and intensifying financial pressure across the industry.

PER CAPITA COMMERCIAL FOODSERVICE SALES IN ONTARIO

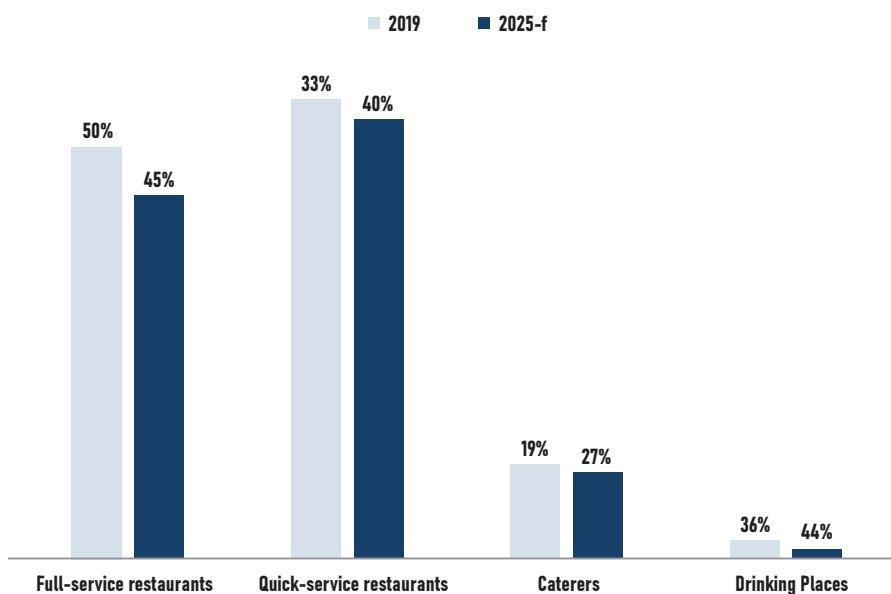
(in 2025 dollars)



Source: Restaurants Canada and Statistics Canada

PER CAPITA RESTAURANT SALES BY SEGMENT IN ONTARIO

(in 2025 dollars)



Source: Restaurants Canada and Statistics Canada

In 2025, real per capita spending among the average diner in Ontario declined by 8.7% compared to 2019. The most significant pullback is occurring at full-service restaurants, where annual per capita spending has dropped from \$1,135 in 2019 to \$1,000 in 2025—a 12% decrease. This trend underscores a growing reality: many Canadians can no longer afford to dine out at the same level they once did, particularly in higher-cost, full-service establishments.



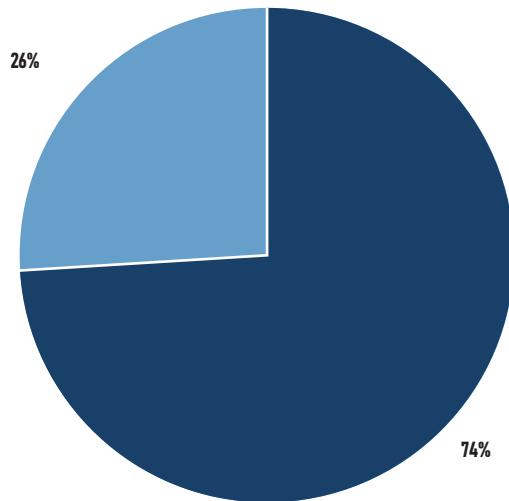
PUBLIC SAFETY: Crime poses a major threat to restaurants. Many operators report patrons, staff, and even owners being threatened, harassed, robbed, or assaulted by individuals with criminal intent or experiencing mental health or addiction issues. These incidents deter customers and staff, increase turnover, and force businesses to absorb higher wages, security expenses, and costs for repairs or stolen goods.

RECENT NATIONAL SURVEYS OF OUR MEMBERS SHOW

74%

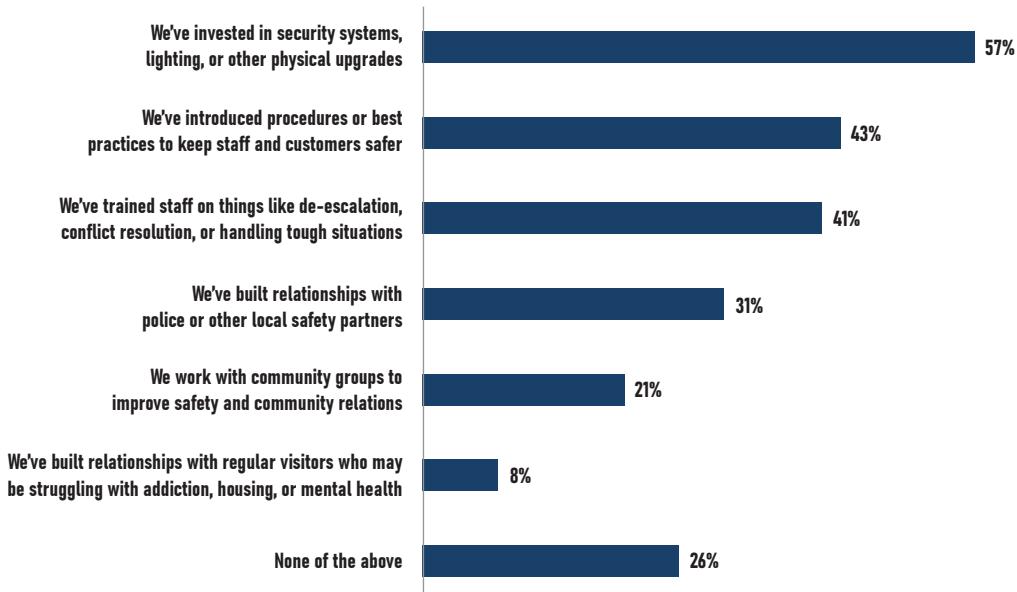
of respondents
said they have been
directly or indirectly
impacted by crime

■ Impacted by crime ■ No impact



Source: Restaurants Canada, survey conducted June 2025

HAVE YOU TAKEN ANY STEPS THAT HELP REDUCE THE IMPACT OF CRIME OR PUBLIC SAFETY ISSUES? (CHECK ALL THAT APPLY)



Source: Restaurants Canada, survey conducted June 2025

1. LCBO DISCOUNT PRICING—Expand Discount Pricing On Alcohol for Restaurants And Bars:

Lowering alcohol procurement costs is the most direct and effective way for Ontario to support restaurants and bars, especially independent and alcohol-focused businesses struggling with profitability. We urge the government to use the LCBO's purchasing power to give Ontario restaurants the lowest alcohol prices in Canada and to ensure they never pay more than grocery or convenience store competitors.

RATIONALE: Ontario's alcohol-serving businesses face heavy pressure from rising insurance costs, the elimination of the server minimum wage, and declining in-house alcohol consumption. After removing the server wage in 2022, the province introduced a 10% LCBO discount for restaurants and bars—estimated to save the sector \$60 million and help limit menu inflation, keeping dining affordable and protecting jobs. In spring 2025, the government increased the discount to 15% to offset costs created by the U.S. trade war and the removal of U.S. alcohol products from LCBO shelves. This temporary increase will revert to 10% on January 1 and remain until a new pricing model is introduced in spring 2026.

More than 14,000 restaurants and bars rely on alcohol sales: full-service restaurants derive 10–30% of revenue from alcohol, while pubs often rely on it for 40–70%, mostly from beer. Because alcohol is a high-margin, low-labour item, every \$15 in discount (at 15%) can generate roughly \$40 in PST revenue, depending on product mix.

Other provinces offer various forms of discount pricing, and Ontario operators pay significantly more for many common spirits and beers than peers in Alberta and B.C. Ontario restaurants and bars are also subject to “licensee pricing,” which requires them to pay more for top-selling beer products than grocers, convenience stores, and even retail consumers. Restaurants Canada believes on-premise operators should not pay more for the same products than their competitors.

2. PST RELIEF ON MODEST PRICED MEALS: The \$4 PST exemption for modest restaurant meals has not been indexed since it was first introduced in the late 1980s, causing more items to be taxed over time as prices rise. We urge the government to raise this outdated exemption—ideally to \$8.99, which would save consumers an estimated \$290 million annually. Our submission includes analysis showing the cost savings and impacts of raising the exemption to various levels.

RATIONALE: In 1989, many restaurants prepared meals consumed by children and many more combo and other meals commonly consumed in restaurants were available in Ontario for prices well below \$4. With nearly 35 years of inflation, meals and menu items never intended to be taxed are now taxed.

By not adjusting the exemption for three and half decades of inflation, restaurant visits/meals that were once exempt from taxation are now taxed. This amounts to a tax hike, by stealth, on lower income workers and families.

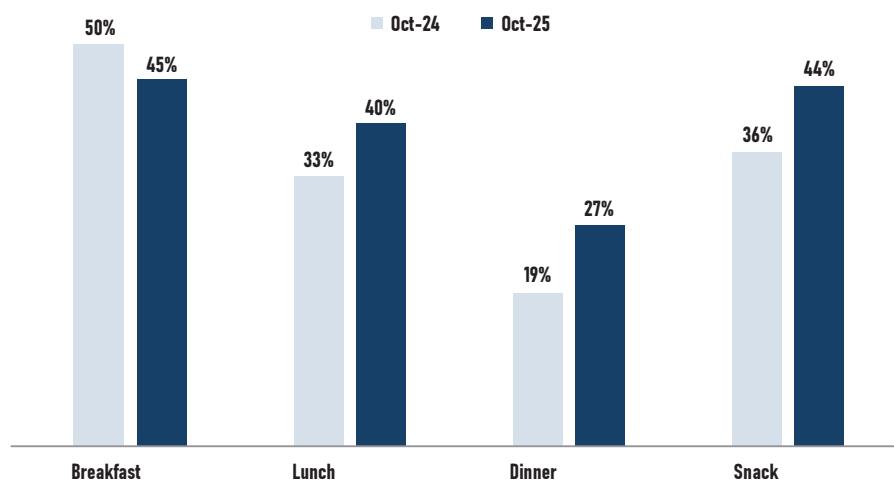
Through the affordability crisis, lower income Canadians have most pulled back on restaurant spending.





SHARE OF ONTARIO THAT NEVER PURCHASED THE FOLLOWING FROM A RESTAURANT IN OCTOBER

(Income under \$50,000)



Source: REACT Survey, Restaurants Canada

We note that exempting meals under any given threshold would help the Government target relief to lower income consumers, while also helping restaurants. As modelled below, moving the exemption to \$8.99 would deliver \$290M in savings to Ontarians per year.



Total party cheque size	Share of dollars	Annual sales (est 2025) no tax or tips	Savings to consumers
Quick-service restaurants	100%	\$19,269,503,000	
Less than 4.00	8%	\$1,522,742,521	
4.00 – 4.99	2%	\$474,082,951	\$37,926,636
Between 5.00 – 5.99	4%	\$767,180,940	\$61,374,457
Between 6.00 – 6.99	3%	\$551,783,783	\$44,142,703
Between 7.00 – 7.99	3%	\$622,563,927	\$49,805,114
Between 8.00 – 8.99	3%	\$668,303,861	\$53,464,309
Between 9.00 – 9.99	3%	\$529,425,207	\$42,354,017
Between 10.00 – 10.99	4%	\$805,770,905	\$64,461,672
Between 11.00 – 11.99	3%	\$489,644,461	\$39,171,557
Between 12.00 – 12.99	5%	\$1,040,268,104	\$83,221,448
All other	61%	\$11,797,736,342	
Full-service restaurants	100%	\$15,976,334,000	
Less than 4.00	1%	\$190,272,997	
4.00 – 4.99	0%	\$73,325,064	\$5,866,005
Between 5.00 – 5.99	1%	\$170,376,485	\$13,630,119
Between 6.00 – 6.99	1%	\$109,652,054	\$8,772,164
Between 7.00 – 7.99	1%	\$101,513,019	\$8,121,041
Between 8.00 – 8.99	1%	\$93,199,452	\$7,455,956
Between 9.00 – 9.99	0%	\$74,549,238	\$5,963,939
Between 10.00 – 10.99	1%	\$176,923,848	\$14,153,908
Between 11.00 – 11.99	0%	\$67,214,027	\$5,377,122
Between 12.00 – 12.99	1%	\$124,670,307	\$9,973,625
All other	93%	\$14,794,637,509	

Source: Restaurants Canada and Statistics Canada

We know that removing the HST on restaurant meals is highly impactful. The recent HST holiday helped drive a boom in restaurant hiring while it was on and it served to drive an increase in restaurant spending that helped protect restaurant locations and jobs. By targeting modestly priced meals the Government of Ontario could contain the up-front cost to the Treasury while providing relief to families and lower income Ontarians.

- HELP PROTECT RESTAURANT WORKERS, PATRONS, AND OPERATORS WITH A \$2,500 SECURITY GRANT:** We propose a \$50 million crime-prevention grant program offering up to \$2,500 per business location to help cover security improvements and repairs from criminal damage. This support would ease the financial burden on struggling restaurants and enhance safety for more than 20,000 workplaces.



RATIONALE: Ontario's retail and hospitality sectors are facing unprecedented levels of crime, violence, and other related safety and security threats. Incidents that are criminal in nature and/or tied to distressed individuals struggling with mental health and addiction are putting our workers and patrons at risk of physical harm and emotional distress and make restaurants and bars places people don't want to visit or work in, let alone have their children work in. While these incidents tend to be most common and most violent near encampments and safe injection sites, they are becoming increasingly "everyday" occurrences in all corners of the province.

The incidents below represent a small sampling of stories shared with me by our Ontario members:

- Restaurant manager assaulted with a butterknife by a patron.
- Bartender assaulted by a patron. The patron was arrested and returned to restaurant four hours later while the victim, who suffered a concussion, was still waiting for hospital care.
- A restaurant was advised by local police to remove its seating to deter problematic guests.
- A female bartender assaulted with a cellphone by a patron who was high on cocaine, with other patrons having to intervene to pull the offender off the injured bartender.
- IV drug user locks self in bathroom and overdoses, with staff unable to unlock the door.
- IV drug users lock selves in bathroom and defecate on walls, in the sink, and on the floor.
- Guest dining on a patio randomly assaulted with blunt object by passerby.
- Break and enter, extensive property damage and stolen products.

When asked how their business is responding to crime, 55% said they are spending more on security (i.e. cameras); 52% are calling the police; 40% are increasing security training for staff; 23% are working harder to retain staff; 23% are installing additional physical security (i.e. bars on windows); 20% are reducing operating hours; 18% are paying more for insurance; 11% are considering closing the business; 8% are hiring security guards; and 3% are closing locations.

A basic security system can cost a business upward of \$7,000 to install, plus operating costs. For a larger restaurant operating late hours, a system could range well into the tens of thousands of dollars.

Grant recipients should be eligible to claim expenses associated with vandalism and physical damage to their businesses caused by criminals and vandals and/or to help offset the cost of measures to secure their businesses, i.e. cameras, fencing, locks, door, security guards, and other security systems (including base cost, installation, and active monitoring). The program should not discriminate against or penalize businesses with high employee counts or revenues (which are not necessarily indicative of profitability) and should be available on a per-location basis.

4. **POLICING:** We support the Retail Council of Canada's request for **\$13 million over three years (\$4.3 million annually)** to fund staffing (3-4 officers and 1 analyst per police service), vehicles and equipment, and one liaison staff member supporting community coordination.

RATIONALE: To address this escalating problem, RCC has proposed the creation of an [Ontario Retail & Hospitality Crime Joint Force Operation](#), supported and funded by the Solicitor General's office. This initiative would unite the three police services and RCC under one operational framework, featuring:

- A shared intelligence and analytics team to track offenders and crime patterns.
- Coordinated investigative and enforcement operations targeting violent, repeat, and organized offenders.
- A dedicated Retail and Hospitality Liaison Officer to strengthen collaboration with local businesses, BIAs, and chambers of commerce.

This initiative represents a proactive partnership between law enforcement, government, and Ontario's business community to enhance public safety and protect local economies. With your support, the Joint Force Operation can deliver measurable reductions in violent and organized retail crime.

5. EXPAND FUNDING AND ELIGIBILITY FOR RETAIL MODERNIZATION GRANTS: Modelled on the Retail Modernization Project Grant announced by Associate Small Business Minister Nina Tangri, we recommend allocating an additional \$25 million to the program and expanding eligibility to include franchise locations and more business types. The program currently helps restaurants and other businesses adopt productivity-enhancing tools such as digital menu boards, reservation systems, online marketing, and modern POS systems—investments that improve efficiency, manage costs, and protect jobs amid ongoing labour shortages.

RATIONALE: Utilizing technology can help foodservice businesses grow their efficiency, customer pools and revenue in ways that protect jobs and improve customer experience. For example, scheduling management software can help ensure staffing needs are met and inventory management software can help drive food cost savings and reduce waste. Technology can also be utilized to help restaurants market their offerings, speed up customer service, manage reservations, and protect their staff and patrons.

Examples of eligible expenses could include: Mobile POS, CRM, Accounting Software, Electronic Shelf Labels, RFID and IOT, Self-Checkout Kiosks, Digital storage, Inventory management, AI customer interaction systems, Loss prevention, Scheduling and labor management, Technology installation.

Potential Eligibility and Cost Sharing:

- Per location model (i.e. for franchises, allow funding per location)
- If capped by employee count, ensure employee counts are appropriate per industry
- Potentially consider different grant size options, with larger grants requiring businesses to pay a greater share of the cost.



6. **HOSPITALITY SECTOR WORKFORCE ROUNDTABLE:** We ask the government to partner with hospitality industry leaders to create a Hospitality Sector Workforce Roundtable that will recommend strategies to recruit, develop, and retain the talent needed to sustain the sector's economic and social contributions. Early priorities should include expanding job opportunities for young Ontarians and addressing labour shortages in rural and remote communities. The Roundtable would examine training and education, labour and immigration policy, and other factors affecting workforce sustainability.

RATIONALE: The foodservice industry faces worsening labour shortages—especially in rural and remote regions and in skilled positions—with Ontario projected to be short more than 37,000 restaurant workers by 2030. Restaurants and bars are major first-job employers, helping young Ontarians fund post-secondary education and build transferable skills such as teamwork, customer service, and problem-solving. They also provide supplemental income for students, early-career workers, and parents seeking flexible, well-paying part-time roles, as well as offering many high-value career paths in both corporate and on-site restaurant roles.

The federal government's abrupt pullback on immigration has intensified shortages, particularly in communities that lack sufficient local labour to fill roles such as cooks, servers, bakers, and even counter staff. Competitive wages alone cannot resolve these gaps, as youth populations are unevenly distributed across the province. For example, markets like Kingston are home to three post-secondary educational institutions and six high schools while grossly underserved communities like Prince Edward County struggle to access hospitality sector workers even as demand from tourists grow.





