

The Case for Extending Ontario's Apprenticeship Training Tax Credit (ATTC) to Foodservice Trades

Ontario's tourism and hospitality sector is facing well documented challenges in developing and retaining a skilled labour force in the face of a highly competitive international tourism industry and an ongoing economic recession.

Similar to the eligibility criteria for the federal Canada Apprenticeship Job Creation Tax Credit, **ORHMA calls on the McGuinty government to extend the benefits of the provincial Apprenticeship Training Tax Credit (ATTC) to all hospitality businesses that hire a Red Seal recognized Baker or Cook apprentice.**

Addressing Labour Shortages

The Conference Board of Canada predicts that by 2025 Ontario's tourism industry faces a labour shortage that could reach nearly 98,000 full-year jobs. The Food and Beverage sector is forecasted to suffer the largest labour shortage among all the tourism industries. Not surprisingly, occupations – such as **cooks** – will experience the greatest labour shortages among tourism occupations.

Promoting Careers in Ontario's Tourism Industry

Ontario's tourism industry directly employs about 194,000 people and generates \$22 billion in revenue. It's also the largest employer of Ontario's young people and the largest seasonal employer.

In his "Discovering Ontario - Tourism Competitiveness Report", MPP and former Finance Minister Greg Sorbara not only acknowledges the considerable labour shortages in the tourism industry, but also sees the potential for job creation in this industry if government investments are made. He believes Ontario must work to develop the tourism workforce and should become an international leader in tourism training and education. Specifically, he recommends providing incentives to employers such as training credits.

"There is potential for job creation in this industry – and there is potential for more jobs to become year-round. When more of us come to understand how vital this industry is to our economy and to the very identity of our province, I am convinced more people will be drawn to tourism careers."

- Greg Sorbara, MPP and author of "Discovering Ontario: Tourism Competitiveness Report"

Supporting Retraining Initiatives

Ontario's Second Career Program provides funding to displaced workers for retraining in hospitality careers which have been deemed 'in demand'. The educational component of the retraining process is only the first step. Government must also provide the incentive to employers, especially during a recession, to provide and retain job opportunities for apprenticeships once they complete their training. Failure to do so undermines the very goal of the retraining process - securing long-term, viable employment.

"I was laid-off from the auto sector, and now I'm in the Second Career Program. ... My future and my career that I'm getting from Second Career Program is actually within the Culinary Management field. ... It's been kind of a second breath at life, giving me an opportunity to have a career, not just a job"

- Jason Boylan, Second Career program participant

What Ontario's foodservice industry is saying about the Apprenticeship Training Tax Credit (ATTC) ...

"Ontario can take immediate steps to strengthen apprenticeship training. For example, the province can extend the Apprenticeship Training Tax Credit to include programs currently not covered in areas such as hospitality."

- Ontario's Workforce Shortage Coalition

"The alternative, if apprenticeship placements are lean or less desirable in Toronto, Niagara or Ottawa, for example, is that our future chefs will begin to filter out of province to Vancouver, Montreal, New York, overseas. By supporting a culture of robust and desirable apprenticeship placements ... Ontario's hospitality industry can harvest the benefits of the educational seeds it has sown."

- Sharon Bergey, Event Chef, Jamie Kennedy Kitchens

"The trades of cooking and baking are some of the oldest in the world and should be included in the Tax Credit with the other apprenticeable trades. We, as Ontarians, should do all we can to promote "cuisine" within our province as to all our visitors from next door and abroad. A properly trained cook and baker will do much to further this effort and render Ontario the first choice for visitors."

- Niels Kjeldsen, Culinary Director, Prime Restaurants of Canada

"Proper funding, similar to those careers which qualify for the subsidy programs would offset much of the risk of hiring and training new employees, it would incent employers to continue hiring new staff, and would allow trained staff to provide better value and higher quality to their employers and ultimately, the customer."

- Jan-Willem Stulp, Executive Chef, Vineland Estates Winery

"Small business owners in small kitchens take on the burden of passing on the real art of cooking. These same small businesses deserve the support of our government, financially, to continue with this important work."

- Olaf Mertens, Küchenmeister, HIP Restaurants

"The current economic climate presents challenges for apprentices in attaining the hours needed to complete their practical training requirements. Our industry partners tell us that since labour is the major operating cost for food providers, entry level apprentices have been laid off as a cost saving measure. Extending the tax credit program would encourage new job creation and sustained employment over non-peak business levels."

- Dan Patterson, President, Niagara College

"The approval of the ATTC would help to support the training costs for a highly demanding resource in the hospitality industry. With the current changes to the economy and to decrease in business levels, we as other business have had to realign our hiring practices. The approval of the training credit would provide Vintage Hotels the opportunity to hire and provide an in depth training program."

- Dianna Dymond, Human Resources Manager, Vintage Hotels

"It is the Ontario Hospitality Institute's sincere hope that the government sees fit to extend the eligibility of the ATTC to the Red Seal certified cook and baker trades and in turn provide the industry a critical measure of support in order to keep our hospitality and culinary sectors viable sources of life-long employment and enhanced revenue."

- J. Charles Greico, Chair & President, Ontario Hospitality Institute