

# the JOB RESOURCE CENTRE BOW VALLEY LABOUR MARKET REVIEW

SPRING 2013

## Employee Turnover - The Ongoing Challenge

**High employee turnover** costs Bow Valley employers thousands of dollars every year. Being that tourism is so important to our economy, this comes as no surprise – for the tourism industry as a whole, with its mobile young workforce and seasonal nature, is known to have the highest turnover rates in the country. Losing 70, 100, or even 300% of workers in a year (meaning that a position turned over three times!) is not unheard of.

### The Cost of Turnover

A continuously revolving door of employees coming and going is worth caring about as it is more costly than most people realize. In addition to being a tremendous drain of time and financial resources, it is often damaging to workplace morale, productivity, and customer satisfaction.

The cost to replace one experienced front desk attendant has been estimated to be 30% of annual full-time wages. Assuming the going wage of \$13.50 per hour, that works out to a loss of roughly \$8,400. The loss of a few workers in a year - and perhaps a manager, which is costlier still - and the damage to the bottom line quickly accumulates.

Using a relatively quick calculation, employers can see for themselves just how detrimental an ongoing cycle of losing and replacing workers can be to their bottom line. Helpful tools for determining turnover costs can be found in *Finders & Keepers*, a Government of Alberta publication available at the Job Resource Centre, and online at the Canadian Tourism Human Resource Council website: [www.employersofchoice.ca](http://www.employersofchoice.ca).

### Why Employees Leave

To understand turnover at a local level, we recently polled 100 job seekers at the Job Resource Centre in Banff and

Canmore to find out why they left their most recent job. While they gave us a variety of reasons, including the job not being what was expected, a lack of training, and concerns about workplace safety, these five factors were cited the most often:

- Not enough hours
- Low pay
- Not enough challenge
- Felt under appreciated
- Relationship with boss

### Change for the Better

While completely eliminating employee turnover is not possible, avoiding much of it is. What follows is a few of the many practices, some requiring little or no cost, that many have found effective in improving staff retention and in turn, business profitability:

- Ensuring that wages, benefits and perks are the same or better than what competitors pay
- Making more of an effort to recognize employees for a job well done
- Being candid during hiring interviews about working hours, term of employment and aspects of the job new hires sometimes find disappointing
- Providing employees with the necessary tools and training to do the job
- Investing more effort in coaching and mentoring.
- Promoting employees based on performance rather than seniority
- Implementing more rigorous employee selection processes, including postponing hiring until the right person can be found

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# BOW VALLEY LABOUR MARKET REVIEW

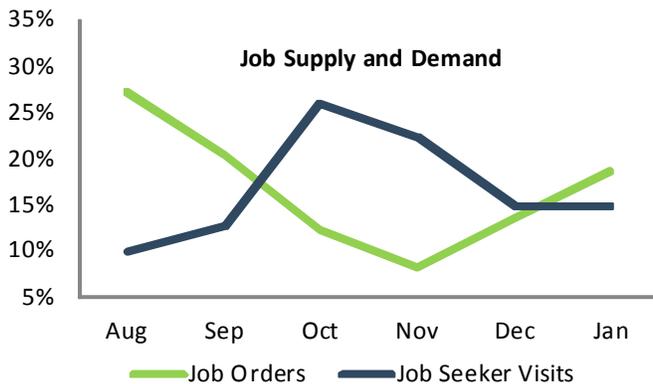
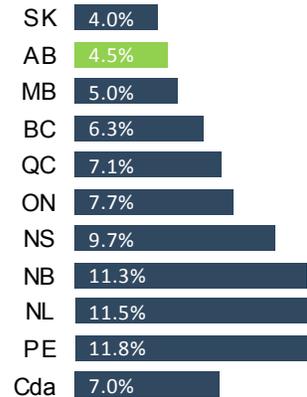
## Labour Market Trends

**Unemployment Rates:** This January, Alberta's unemployment rate was 4.5%, a decrease of 0.4% from this time in 2012 and the second lowest in the country after Saskatchewan. While historically the Banff/Jasper/Rocky Mountain House Region's rate has been lower than the province's, this year it was slightly higher at 4.8%. (Statistics Canada)

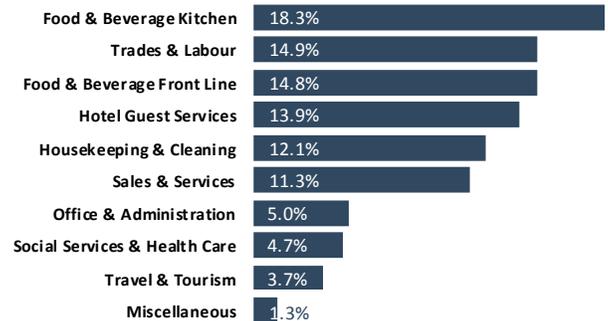
**Occupational Demand:** Between August 2012 and January 2013, the Job Resource Centre received 1,190 job orders from 306 employers for a total of 2,212 positions. Compared to one year ago, total job orders decreased by 15%. Demand was strongest in the Food & Beverage Kitchen sector, particularly for line cooks and qualified chefs.

**Average Wages:** Based on the Job Resource Centre job board, the average wage for Banff and Canmore was \$14.89 per hour. The highest average wage was in Trades & Labour at \$19.09 per hour, followed by Office & Administration at \$17.23. The lowest wages were in Food & Beverage Front Line at \$11.77 per hour before gratuities.

### Provincial Unemployment Rates January 2013



### Occupational Demand August 2012-January 2013



## BOW VALLEY AVERAGE WAGES

	NUMBER OF JOB ORDERS*	AVERAGE WAGE Aug - Jan 2013	AVERAGE WAGE Aug - Jan 2012
Food & Beverage Front Line ( <i>servers, hosts, bus persons, delivery drivers</i> )	176	\$11.77	\$10.68
Housekeeping & Cleaning ( <i>room attendants, housemen, laundry, cleaning</i> )	144	\$13.02	\$13.19
Food & Beverage Kitchen ( <i>cooking jobs, dishwashers, kitchen helpers</i> )	218	\$13.75	\$12.77
Trades & Labour ( <i>apprentices, hotel maintenance, labourers, landscaping</i> )	177	\$19.09	\$16.61
Miscellaneous ( <i>security, fitness instructors, pet groomers</i> )	15	\$15.45	\$14.47
Sales & Services ( <i>grocery, retail, hairstyling, esthetics, marketing</i> )	135	\$13.81	\$12.05
Office & Administration ( <i>clerical, reception, data entry, computer support</i> )	60	\$17.23	\$16.93
Hotel Guest Services ( <i>front desk agents, night auditors, bellmen, hotel security</i> )	165	\$13.40	\$12.93
Social Services & Health Care ( <i>social workers, caregivers, massage therapists</i> )	56	\$16.60	\$11.33
Travel & Tourism ( <i>parks interpreters, guides, tour operators, bus/van/taxi drivers</i> )	44	\$14.82	\$14.10
<b>Total</b>	<b>1,190</b>		

\*Based on job orders placed with the Job Resource Centre in Banff and Canmore  
(August 2012- January 2013)

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## Upcoming Events

### Workshops for Employers

- **Occupational Health and Safety**

Gain a better understanding of your responsibilities as an employer under the Alberta Occupational Health and Safety Act in this short, but practical workshop.

Thursday, March 28 in Canmore, 9 to 11 a.m.  
Free-of-charge. Pre-registration is required.

- **Alberta Employment Standards for Small Business**

Brush up on what every employer needs to know about their rights and obligations under the Employment Standards Code. A representative from the Government of Alberta will be on hand to share important information about payroll, overtime pay, vacation pay, maternity leave, general holidays and more. This half day workshop is ideal for small business owners, managers, and payroll personnel.

Thursday, April 11 in Canmore, 9 a.m. to noon  
Free-of-charge. Pre-registration is required.

**To Register for these workshops:** Call the Job Resource Centre at 403-678-6601.

### Spring Hiring Fair

The Job Resource Centre's annual spring hiring fair will be taking place on Thursday, May 9 from 2-4 p.m. at the Cascade Plaza in Banff. If you are looking for work, this free-of-charge event is an excellent opportunity to secure a summer or year-round job with one of the Bow Valley's top employers. To find out more, call 403-760-3311.



Job seekers and employers making connections at the Fall 2012 Ski Hiring Fair in Banff. Photo courtesy of The Banff Crag & Canyon

## Bow Valley Rental Market

- **Taken as a whole, average base rents in Banff** have been on a downward trend, 6% in the past year and 15% since the global economic recession five years ago. This trend however, has not been consistent across all categories of rental housing. While the average cost to rent 2 and 3 bedroom units is down 25% and 32% respectively since 2008, average rents for studio/bachelor units have gone up by 13%. Average rents for 1 bedroom units and shared accommodation remained relatively unchanged.

- **Shared accommodation continued** to be the most frequently advertised rental option in Banff. In Canmore, 2 bedroom units appeared to be most abundant.

AVERAGE RENTAL RATES	BANFF	CANMORE
1 Bedroom	\$ 981	\$1,074
2 Bedroom	\$1,044	\$1,314
3 Bedroom	\$1,606	\$1,627
Studio/Bachelor	\$1,017	\$ 775
Roommate/Shared	\$ 615	\$ 565

(Based on a survey of 1,214 rental housing listings between August 2012 and January 2013 in Banff and Canmore)

- **Average base rents in Canmore** overall, stayed level with last year and were lower in every category compared to five years ago. The five-year decrease in average rents ranged from 18% for 2 bedroom units and 14% for 3 bedroom units, to about 6% for studio/bachelor and shared accommodation.

## New Resource for Employers

**Retaining Your Staff** - Read about strategies HR experts have successfully used to retain staff in this soon to be released Alberta Government publication. Drop in or call Bethany at the Job Resource Centre 403-678-6601 to reserve your copy and to find out about other free-of-charge publications and resources that are available for employers.

## ALBERTA MINIMUM WAGE

The general minimum wage for most employees is \$9.75 per hour.

For employees who serve alcohol as part of their regular job the minimum hourly wage is \$9.05.

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## Development News

### Banff

- **Commuting between Banff and Canmore** became much easier in early December 2012 with the long anticipated launch of an inter-community bus service, Roam Transit. (*Banff Crag & Canyon, December 26, 2012*)
- **Chinese tourism has been on the rise** since December 2009 when the Chinese government granted “Approved Destination Status” to Canada. The biggest lure is the Rocky Mountains and destinations like Banff, Lake Louise and Jasper. A spokesperson for Banff Lake Louise Tourism said that while Chinese visitor numbers are up significantly, it’s still difficult for local hotels and attractions to find staff with Chinese language skills. (*Calgary Herald, January 11, 2013*)
- **Summer 2012 tourism numbers** are pointing to an industry rebound from the economic downturn. From April to September, Parks Canada statistics show a 2.3% increase in the number of visitors through the park gates. As well, businesses in Banff say they had a strong season. (*Calgary Herald, October 29, 2012*)
- **The plan to give three popular Parks Canada hot springs**, including the Banff Upper Hot Springs a spa-style makeover by transferring their operations to private companies is plowing ahead despite concerns from critics who say the plan will cost parks staff their jobs and increase costs for visitors. A bidding process to lease the hot springs is expected to start within the next three months. (*Calgary Herald, January 10, 2013*)

### Canmore

- **Running counter to the province-wide trend** of declining rental apartment vacancy rates, the vacancy rate in Canmore rose to 1.6% from 0% the previous year. Declining vacancy rates throughout Alberta were attributed to strong job creation and an influx of new migrants. (*Canada Mortgage and Housing Corporation, Rental Market Report, Fall 2012*).
- **With the potential redevelopment** of several pieces of municipal infrastructure, the opening of a new multi-purpose facility and the possibility of getting Three Sisters Mountain Village out of receivership, the Town of Canmore could see some big changes in 2013. (*Rocky Mountain Outlook, January 17, 2013*)
- **Canmore’s new \$39 million Elevation Place** will bump up the immediate Town of Canmore staffing complement by nine full-time equivalent positions. The new jobs include aquatics, front desk, and facilities and maintenance. Another 8.75 positions were anticipated for 2013. (*Canmore Leader, October 19, 2012*)
- **Canmore Community Housing Corporation** released its business plan which was described as a road map for addressing the housing affordability gap. Low wage employment, high market housing costs, a lack of affordable options and an overall high cost of living were identified as factors contributing to the problem. (*canmorehousing.ca*)

## About The Job Resource Centre

**We specialize in helping people find jobs and new careers.** As well, we are dedicated to supporting employers in their efforts to hire, develop and retain employees. Services are available in English and French and are *free-of-charge*.

**Services for Job Seekers:** job search assistance, professional resume writing assistance, a job board with local opportunities, career coaching, student advice, training information, access to computers, fax machines, telephones and a resource area.

**Services for Employers:** free-of charge job posting service, HR guidance, hiring fairs, workshops, labour market information, and an interview room for employer use.



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the **JOB**  
RESOURCE  
CENTRE

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