

Employment in the tourism sector (*hotels & restaurants as a proxy*)



- ⇒ Labour-intensive and fast growing sector not influenced by the crisis
- ⇒ A source of employment for youth, women and migrants (as very often little or no formal training needed)
- ⇒ Stimulates the creation and growth of new enterprises and development within the supply chain
- ⇒ Politically a very important industry, **but** the working conditions very often are precarious and should be improved (seasonality, long working hours, low wages, low union density, no training provided, etc) – has an impact on sector’s image, service quality, commitment, etc

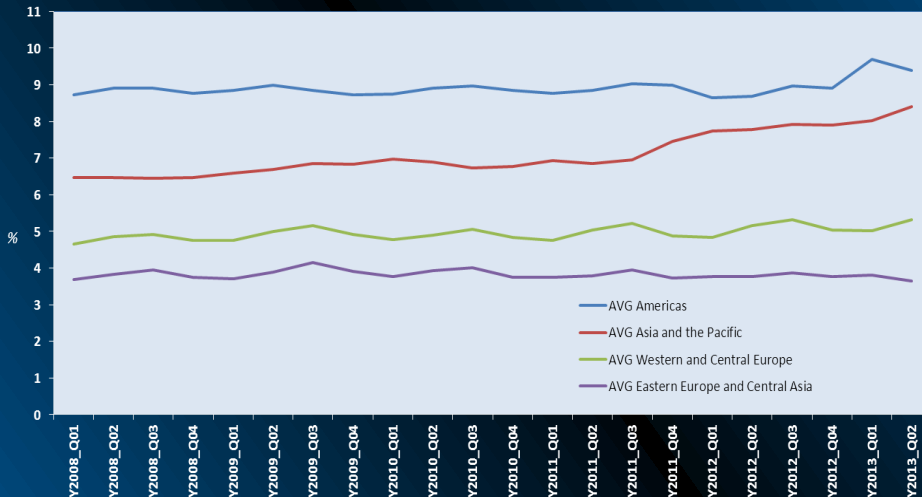


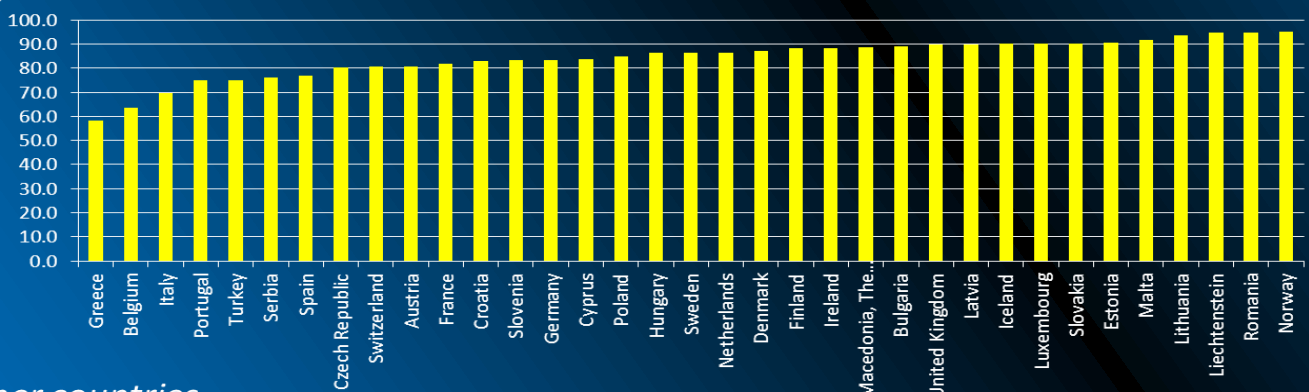
Figure 1. Share of employed in hotels & restaurants in total employment, selected countries

1. High seasonality (creates high turnover of employees, less job commitment and lack of quality training at workplace)
2. The sector was not hit by the crisis unlike others, or at least is recovering fast.

Figure 2. Share of paid employment in hotels & restaurants in the total employment in hotels & restaurants, selected countries, 2012, %

1. Europe has high rates of paid employment (from 58% in Greece to around 95% in Norway)
2. Other countries have the high variability from 5.1% in Benin to almost 96% in Hong Kong, China (« vulnerable employment » of own-account workers and contributing family workers might take place, as they have the lower likelihood of having formal work arrangements)

Europe



Other countries

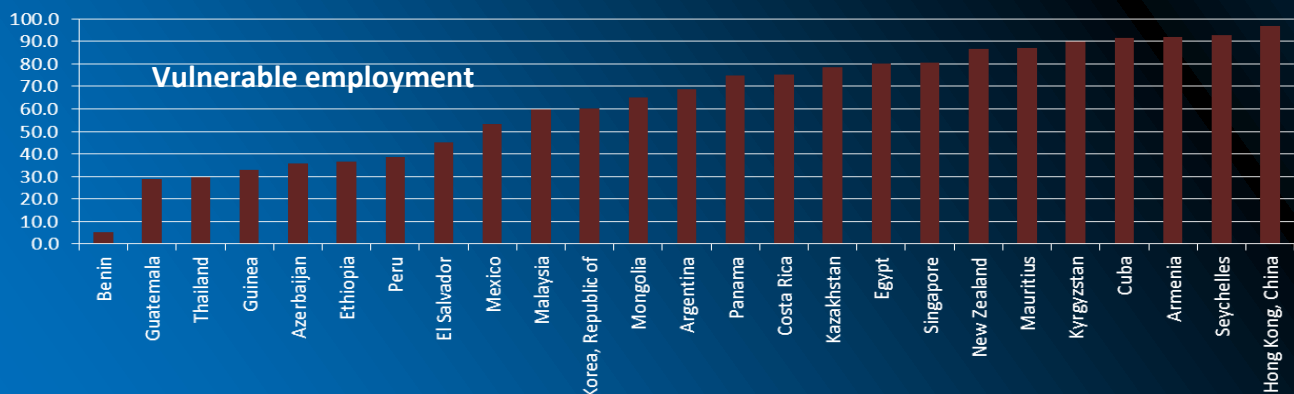


Figure 3. Average weekly actual hours of work and monthly nominal wages (hotels and restaurants sector in comparison with total economy) in selected countries, latest data available

Countries were selected on the basis of extremely high average hours of work in hotels and restaurants sector and compared to average hours of work in the economy of the selected countries, and the result indeed shows that hours of work are higher in the sector of hotels and restaurants. However, higher hours of work did not lead to higher wages in this sector, and the last column defines the outrageous result of lower average wages in this sector than in the economy as a whole for the selected countries.

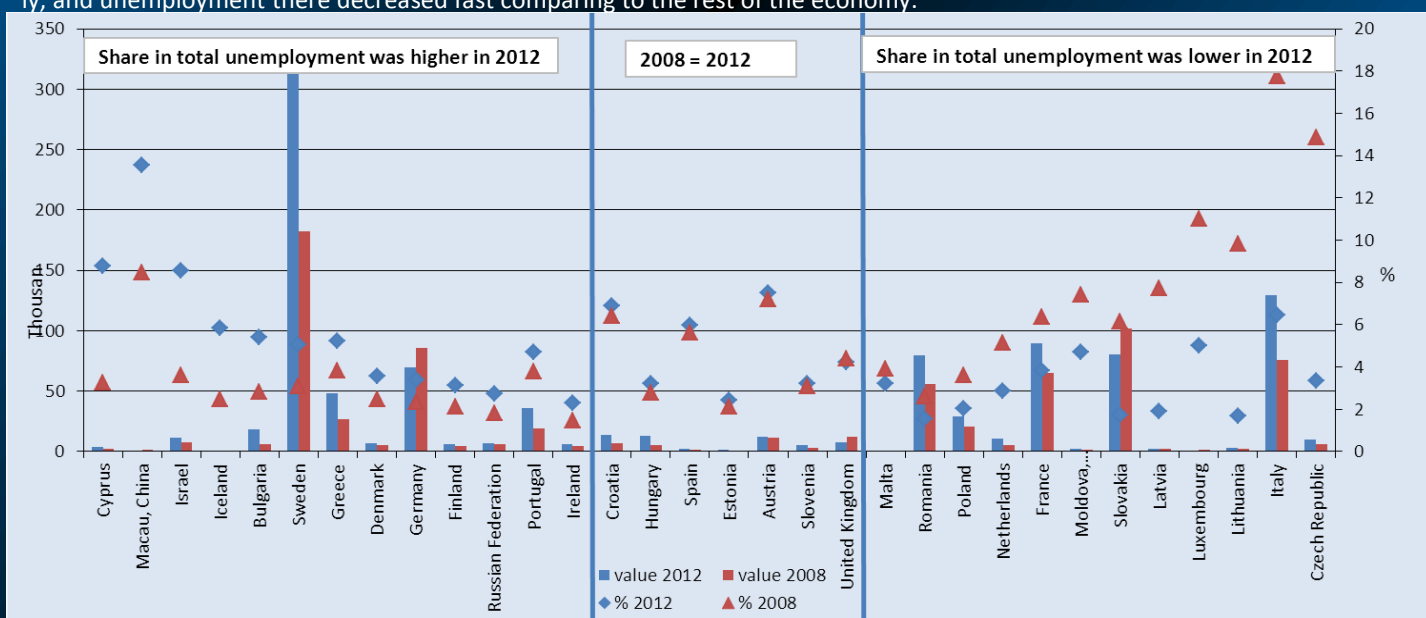
	Hotels and restaurants, hours	AVG in the economy, hours	Higher hours of work in hotels and restaurants sector, %	Lower wages in hotels and restaurants sector, %
Macau	48	47	2.1	-21.3
Paraguay	51.3	45.2	13.5	-5.5
Egypt	52.3	45.8	14.2	-47.6
Greece	47.4	41.2	15.0	-26.3
Indonesia	46.9	40.1	17.0	-17.0
Philippines	48.5	40.6	19.5	-41.8
Turkey	59.4	48.1	23.5	-18.5
Sri Lanka	54	41.2	31.1	-1.8
Armenia	52	36	44.4	-34.0

Figure 4. Unemployed persons previously employed in hotels and restaurants sector, level and share of the total unemployment, 2008 and 2012, selected countries

Data for unemployment were analysed excluding first-time job-seekers. Comparing data for 2 years (2008 and 2012): absolute numbers of unemployed previously employed in this sector as a bar chart (left axis), and the share of unemployed previously employed in this sector in total unemployment in the economy as the scatter chart (right axis), we can see the trend and analyse the situation with the job loss in this sector (either the unemployment of previously employed in this sector growing faster/slower than general unemployment).

The best scenario (in green) for the tourism sector is: if share of unemployed previously employed in hotels and restaurants is lower in 2012 and the absolute value is lower as well, that would mean that unemployment by previous sector (hotels and restaurants) was decreasing more rapidly than general level of unemployment (it is the case for a couple of countries).

This also can mean that this sector could be attractive for people seeking employment as it was not hit by the job loss extensively, and unemployment there decreased fast comparing to the rest of the economy.



if share is higher in 2012 and the value is higher in 2012, then unemployment by previous sector (hotels and restaurants) is increasing more rapidly than general unemployment
if share is lower in 2012 and the value is lower in 2012, then unemployment by previous sector (hotels and restaurants) is decreasing more rapidly than general level of unemployment
if share is higher in 2012 and the value is lower in 2012, then general level of unemployment is decreasing more rapidly than unemployment by previous sector (hotels and restaurants)
if share is lower in 2012 and the value is higher in 2012, then general level of unemployment is increasing more rapidly than unemployment by previous sector (hotels and restaurants)
if share is equal and the value is higher, then the levels of unemployment by previous sector (hotels and restaurants) is increasing in line with general unemployment
if share is equal and the value is lower, then the level of unemployment by previous sector (hotels and restaurants) is decreasing in line with general unemployment

Source: ILO calculations based on the data from National Statistical Offices published on the website of the Department of Statistics: <http://www.ilo.org/ilostat> in close collaboration with SECTOR: www.ilo.org/tourism