UNWTO
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Measuring tourism employment in Europe

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Measuring tourism employment in Europe

On today’s menu:

- Problem statement [1]
- Ingredients and recipe for a ‘quick & cheap’ solution [3]
- Some results [5]
- Take aways, food for thought [1]
“Looking for a job”

- **High policy relevance** of data on tourism employment
  - Job-creation potential, in particular for economically less advantaged socio-demographic groups or regions

- But… **hard to find** official data on the tourism contribution to the labour market
  - Tourism-related jobs are hidden in many different economic sectors, not easily or not uniquely captured by ISIC/NACE
  - Relatively poor implementation of TSA Table 7 (Employment)

- **Need for “creative solutions”** to find tourism jobs
  - Better exploit and combine existing official data sources
Ingredients

- Labour force survey (LFS)
- Annual structural business statistics (SBS)
- Earnings and labour cost survey (SES/LCS)
- Job vacancy statistics

› Harmonised within the European Union → comparability
› Basic statistics available in most countries → replicability
Recipe

- **Absolute figures** on employment in tourism industries
  - Based on SBS, for the identified tourism industries
  - Quantitative assessment (volumes)

- **Characteristics** of employment in tourism industries
  - Based on LFS, for a subset of the tourism industries
  - Qualitative assessment
Coverage in terms of “tourism industries”

→ H491 Passenger rail transport, interurban
→ H4932 Taxi operation
→ H4939 Other passenger land transport n.e.c
→ H501 Sea and coastal passenger water transport
→ H503 Inland passenger water transport
→ H511 Passenger air transport
→ I551 Hotels and similar accommodation
→ I552 Holiday and other short-stay accommodation
→ I553 Camping grounds, recreational vehicle parks & trailer parks
→ I561 Restaurants and mobile food service activities
→ I563 Beverage serving activities
→ N771 Renting and leasing of motor vehicles
→ N7721 Renting and leasing of recreational and sports goods
→ N79 Travel agency, tour operator reservation service and related

→ H51 Airline transport
→ H55 Accommodation
→ H79 TO/TA
Some results - employment

- Economic activities related to tourism employ around **13 million people** in the EU (pre-pandemic, 2019)
  - Industries not necessarily entirely relying on tourism (but also serving ‘locals’)
  - But… other industries linked to tourism are not included (e.g. retail, culture)
  - Applying TSA-based tourism/non-tourism ratios to industries? In practice not easy to implement, and conceptually not necessarily a sound approach.

- These tourism industries **account for 1 in 5 persons employed in the services sector**
  - Greece 55%, Cyprus 42%

⇒ Article on Eurostat website “Tourism industries – employment”
Employment in tourism industries in the EU in 2020 (%)

- Females: 58
- In job for less than 2 years: 29
- Part-time: 23
- Lower education: 18
- Temporary contracts: 18
- Foreign citizens: 13
- Young people (aged 15-24): 9

People employed in tourism:

- People employed in all economic activities:
  - 46
  - In job for less than 2 years: 23
  - Part-time: 19
  - Lower education: 17
  - Temporary contracts: 14
  - Foreign citizens: 8
  - Young people (aged 15-24): 7

In this case, the tourism sector is made up of accommodation, air transport, tour operators and travel agencies.
Some results – labour cost & earnings

Hourly labour cost (2016) and gross hourly earnings (2018), by economic activity, EU

- Total economy: NACE sections B to S (minus O) - industry, construction and services (except public administration, defense, compulsory social security, activities of households as employers and extra-territorial organisations and bodies).
- Total services: NACE sections G to S (minus O) - except public administration, defense, compulsory social security, activities of households as employers and extra-territorial organisations and bodies.
- Selected tourism industries: airline transport (H51), accommodation (I55) and travel agencies / tour operators (N79).
- Air transport: NACE division 51, includes NACE group 512 ‘Freight air transport and space transport’ (accounting for 6.0 % of employment in NACE 51).
- Accommodation: NACE division 55, includes NACE group 559 ‘Other accommodation’ (accounting for 1.7 % of employment in NACE 55).
- Travel agency, tour operator: NACE division 79 ‘Travel agency, tour operator and other reservation service and related activities’.

Source: Eurostat, Labour Cost Survey (online data code: lc_ncostot_r2) and Structure of Earnings Survey (special extraction)
Some results – job vacancy rate

- Possible indicator of staff shortages
  - Not available at detailed level of NACE/ISIC
  - \( JVR = \frac{\text{number of job vacancies}}{\text{(number of occupied posts + number of job vacancies)}} \times 100 \)

Job vacancy rate, "Accommodation and food service activities", EU, quarterly data, 2010-Q4 to 2023-Q2

Last two years: higher job vacancy rate that in the last six pre-pandemic years

Value of Job vacancy rate (SERVICES)

Value of Job vacancy rate (ACCOM&FOOD)

Trendline (moving average, 4 periods)
Some results – job vacancy rate

Job vacancy rate by NACE section, second quarter of 2023 (not seas. adj.)

- Administrative and Support Service Activities: 4.3
- Accommodation and Food Service Activities: 3.7
- Professional, Scientific and Technical Activities: 3.7
- Construction: 3.6
- Information and Communication: 3.1
- Transporting and Storage: 2.6
- Wholesale and Retail Trade: 2.3
- Manufacturing: 2.1
- Real Estate Activities: 2.1
- Water Supply, Sewerage, Waste Management and...: 1.9
- Financial and Insurance Activities: 1.9
- Electricity, Gas, Steam and Air Conditioning Supply: 1.7
- Mining and Quarrying: 1.1
Take away – food for thought

- Employment insights, at **no extra collection cost nor respondent burden**
  - Entirely based on **existing data sources → replicable**, everyone can do it 😊
  - Insights in the **volume** (# persons employed), but also insights in the **quality** of jobs

- **Limitations**
  - Timeliness of the data (OK for LFS, a bit slower for SBS)
  - Pre-selection of tourism industries leads to under-coverage (namely other industries not included) and over-coverage (no distinction if the jobholder serves tourists or not)
  - **But**: more detailed and more timely may be available in the countries

- **Enhanced labour market analysis possible**
  - Earnings and labour cost
  - Job vacancies & job vacancy rates