

Gender equality and youth employment: Travel & Tourism as a key employer of women and young people

New research from the World Travel & Tourism Council (WTTC) and Oxford Economics shows that Travel & Tourism employs a higher proportion of women and young people than is represented in the workforce as a whole. It is a sector that thrives on entrepreneurship and as such offers women prospects for self-employment which are less accessible in other sectors. Its flexible nature, requirement for skilled and unskilled employees, and strong growth prospects also means Travel & Tourism holds real opportunities for job creation to address the youth unemployment problems faced by countries across the world. Turkey, in particular, is expected to see especially significant shifts in both women and youth employment, and the proportion of both groups in Travel & Tourism will noticeably outpace that in the workforce as a whole.

These realities of high proportions of women and youth in the industry are forecast to remain the case for the next ten years.

Background context

Travel & Tourism is a key job creator across the world. According to the WTTC 2013 Economic Impact Report, Travel & Tourism directly supported over 101 million jobs, representing 3.4% of total employment. Including jobs indirectly supported by the industry, Travel & Tourism supports 1 out of 11 jobs in the world. These figures are expected to grow strongly over the next ten years, with an additional 24 million direct jobs in the industry forecast by 2023. The rise in emerging-market destinations explains some of this growth. As countries move away from manufacturing and agriculture towards more labour-intensive service industries, so the share of employment in Travel & Tourism out of total employment is likely to increase.

Beyond the total impact on employment, Travel & Tourism is also an important employer for population groups which can often be underrepresented in the labour market. This is true for both women and youth.

Previous studies show that Travel & Tourism provides unique work opportunities for females. For example, in 2010 the World Tourism Organisation (UNWTO) and UN Women published a Global Report on Women in Tourism. This developed a series of indicators to monitor the role of women in tourism in developing regions. A first round of monitoring found, among other conclusions, that women's pay in hotels and restaurants is closer to that of men than in other sectors and that Travel & Tourism provides opportunities for women as employers and for self-employed work.

Considering the opportunities Travel & Tourism provides for women across the world, the industry thus also has an important role to play in achieving the UN's Millennium Development Goals (MDG), the third of which is to promote gender equality and empower women.

Travel & Tourism is also an important employer for young people. This is especially important in today's world, where youth unemployment is a significant concern for many countries. According to the International Labour Organization (ILO), 40% of the world's unemployed are between 15 and 24 years old. In a report released in May 2013, the ILO estimated that 73 million young people are unemployed in 2013 and the organisation expects the worldwide youth jobless rate to increase from 12.4% in 2012 to 12.8% by 2018. Considering the potential long-term economic and social costs of this unemployment, this reality undermines not only the individual youths' futures but also the economies' overall growth potential.

And the issue of youth unemployment is far from limited to developing countries. According to the Organisation for Economic Co-operation and Development (OECD), youth unemployment rates among the OECD member states ranged from 7.9% in Japan to 55.3% in Greece. Across the OECD, the average unemployment rate was 16.3% of the youth labour force.

The ILO report on youth employment trends found that in the regions with the highest youth unemployment, young women were even worse hit than their male counterparts. Thus Travel & Tourism's characteristic of offering more opportunities for females than other sectors is relevant also in terms of youth employment.

In order to better understand the role that women and youth play in the Travel & Tourism industry, WTTC and Oxford Economics conducted an analysis of employment in the Travel & Tourism industry relative to the overall economy on the bases of gender and age.

Considering that unemployment is usually most pronounced among women and young people, a close examination of the Travel & Tourism's employment composition can illustrate how the industry meets key employment needs in various global markets.

The research focused on five countries: Australia, France, Germany, South Africa, and Turkey. These countries cover a wide geographic range, represent both mature and emerging tourism markets and for each there is also sufficient data availability to allow accurate and comparable analysis.

Travel & Tourism as an Employer of Women

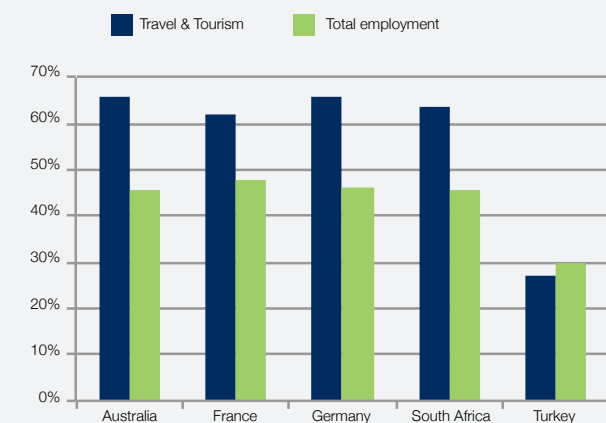
One element of the research analyses the proportion of women in the workforce.

In four of the countries analysed, Travel & Tourism has a significantly higher proportion of female workers than the overall economy. In each, women make up less than half of the total workforce yet represent over 60% of Travel & Tourism employment. Australia has the highest proportion of females working in Travel & Tourism (66%), which is over ten percentage points above the rate for the workforce as a whole.

The only exception was found for Turkey, where a noticeable different employment distribution is observed. A much smaller proportion of Turkish women is employed, and females are even more underrepresented in the Travel & Tourism at 27.3% (compared to 29.8% of the total workforce).

In looking at this data, it is relevant to keep in mind that, according to the UNWTO and UN Women report, women are overly represented in the informal sector for Travel & Tourism. Therefore, the total number of women working in the industry may actually be underrepresented in these numbers.

Proportion of women employed in economy and in Travel & Tourism in 2013



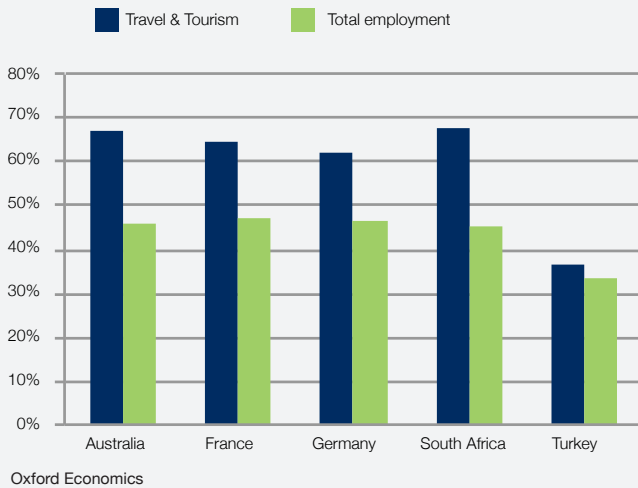
Oxford Economics

Proportion of women employed in selected industries



Oxford Economics

Proportion of women employed in economy and in Travel & Tourism in 2023



Human health and social services is the only sector which employs a higher percentage of women than Travel & Tourism in all five countries studied.

The report also looked at how the employment distribution will change in the next decade. In most countries, the gender distribution in both Travel & Tourism and the economy as a whole will not change dramatically over the next ten years. Turkey is once again the exception. For the other countries, where women make up nearly half of the working population, the proportion of women in the total workforce is not expected to change more than 0.5 percentage points.

In Turkey, the proportion of women in the workforce is growing faster than in the other countries, though it will still be the lowest of the five in 2023. Female representation in the Travel & Tourism industry is growing especially rapidly and forecast to increase by 9.2 percentage points to 36.5% in 2023. This means that the Turkish Travel & Tourism industry will join that of the other countries studied with a higher proportion of women than in the rest of the economy.

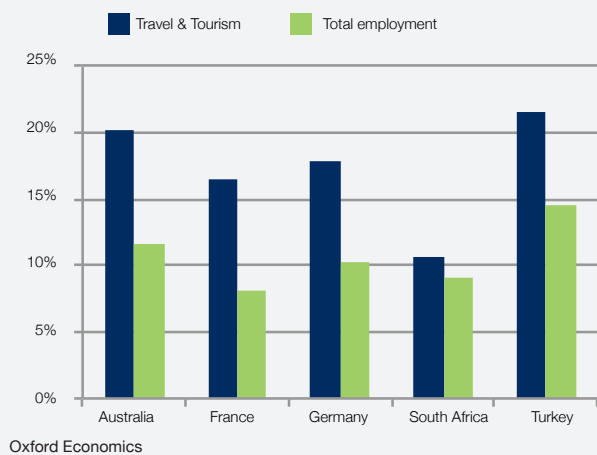
Travel & Tourism as Employer of Youth

The second element of the study analyses the age distribution in Travel & Tourism, especially the proportion of young people the industry employs in comparison to other sectors.

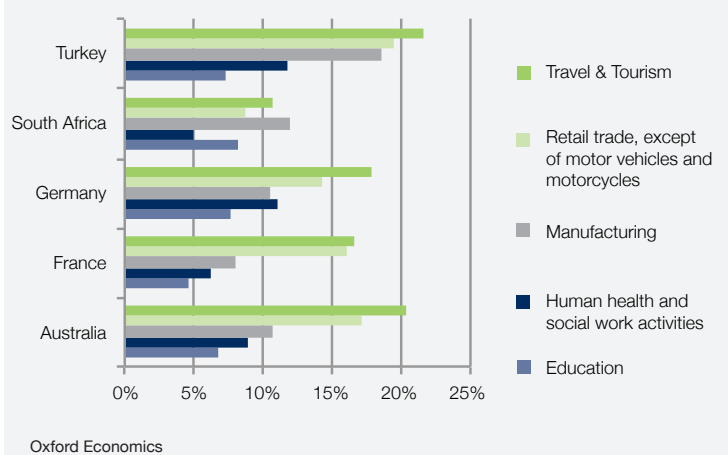
Across all the five countries studied in the report, the Travel & Tourism sector has a significantly higher youth employment rate than the overall labour market. The difference is largest in France, where Travel & Tourism employs more than double the percentage of young people as do all industries combined. Turkey has a relatively young workforce in general but even there the proportion of youth employment in Travel & Tourism is over seven percentage points above the average.

When comparing to four other major employment sectors, Travel & Tourism generally shows the highest proportion of young workers. The one exception is South Africa, where the percentage of youth working in manufacturing is slightly ahead of Travel & Tourism.

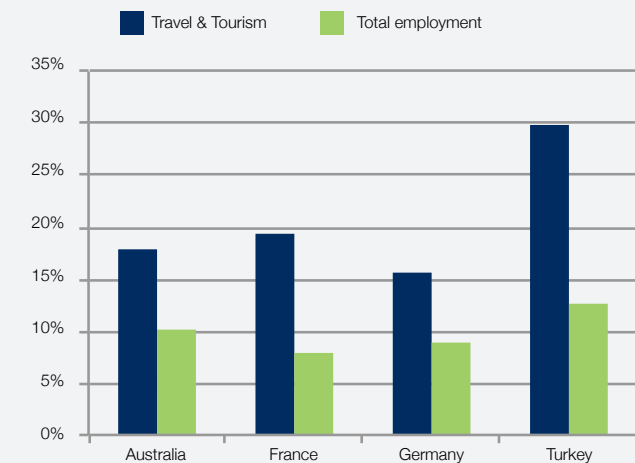
Proportion of youth (15-24) employed in economy and in Travel & Tourism in 2013



Proportion of youth (15-24) employed in selected industries



Proportion of youth (15-24) employed in economy and in Travel & Tourism in 2023



Oxford Economics

Looking into the future, the percentage of young workers in the labour force is expected to decrease slightly in all countries analysed. This is consistent with international trends, influenced largely by the aging populations of many countries. Other factors also play a role, such as people continuing to work to a higher age, talent and skills shortages, and employers' focus on retention rather than new hiring. The trends for youth employment in Travel & Tourism are more mixed. While Australia and Germany will see slight decreases in youth employment rates in the industry, increases are expected for France and, most significantly Turkey. In the latter, the percentage of young people employed in Travel & Tourism will grow by 38%, so that by 2023 30% of the employees in the industry will be between 15 and 24 years old.

Conclusion

Travel & Tourism is a key job creator across the world, representing 3.4% of total employment, or, when including jobs indirectly supported by the industry, 1 out of every 11 jobs in the world.

The research in these five countries thus shows that Travel & Tourism does tend to employ a significantly higher proportion of women and young people than the labour market as a whole and this relationship is forecast to remain relatively consistent over the next ten years.

While sectors like human health and education are ahead of Travel & Tourism in terms of proportion of women employed, the industry employs some of the highest percentages of people between 15 and 25 years old.

The industry is a key employer for both women and young people and makes an important contribution to addressing the issues of gender equality and youth unemployment, two priority issues for countries across the world.

The World Travel & Tourism Council (WTTC) is the global authority on the economic and social contribution of Travel & Tourism. Each year WTTC and research partner Oxford Economics produce data on the economic contribution of Travel & Tourism to the world, regional and national economies. Data for 184 countries and 24 regional groupings, released each year in March, is available for download at www.wttc.org. For enquiries please contact research@wttc.org.

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