



ORGANISATION MONDIALE DU TOURISME  
WORLD TOURISM ORGANIZATION  
ORGANIZACIÓN MUNDIAL DEL TURISMO  
ВСЕМИРНАЯ ТУРИСТСКАЯ ОРГАНИЗАЦИЯ  
منظمة السياحة العالمية

## 5<sup>th</sup> UNWTO International Conference on Tourism Statistics "Tourism: An Engine for Employment Creation"

Bali, Indonesia, 30 March – 2 April 2009

### THE BALI CONFERENCE: UNWTO FINDINGS AND EVALUATION

#### INTRODUCTION

This Conference was the fifth of the UNWTO International Conferences on Tourism Statistics that have been held during the past two decades. In the previous four Conferences, held in Ottawa (1990), Nice (1999), Vancouver (2001) and Iguazu (2005), the core components of tourism statistics have been defined and established. They have included a number of key concepts, definitions, classifications and indicators, which are viewed as the foundation of the System of Tourism Statistics (STS).

This fifth Conference marked a very significant milestone in tourism statistics, following the ratification by the United Nations Statistical Commission of the *International Recommendations for Tourism Statistics* (IRTS 2008) in February 2008.

The Conference had two main objectives. The first was to discuss the way forward following the ratification of the new recommendations, as well as the adoption of the *Tourism Satellite Account: Recommended Methodological Framework* (TSA:RMF) 2008. The second objective was to address the issue of the measurement and quality of employment in the tourism industries.

**The Conference comprised six Technical Sessions and three Ministerial Sessions.** Over 50 speakers presented to nearly 450 delegates from 70 countries and 9 international organizations.

The six **Technical Sessions** referred to (i) Developing National Systems of Tourism Statistics, (ii) Integrating Tourism Statistics into a Broader Framework, (iii) Employment in the Tourism Industries: Measurement Issues and Case Studies, (iv) Tourism Labour Market in the Asia Pacific Region, (v) Measuring the Economic Contributions of Tourism: from the TSA to Alternative Modelling Techniques, and (vi) Using TSA Data for Business and Policy Analysis.

The Conference also included three **Ministerial Sessions** with presentations on (i) Tourism and Employment: Issues and Challenges, (ii) The ILO Employment and Decent Work Agenda and its application to tourism, and (iii) UNWTO preliminary guidelines: Fostering Employment in Tourism Industries.

The Agenda of the Conference provided a very innovative program which:

- enlarged the debate to other issues besides statistics, linking technical themes and political issues;
- avoided a too formal and bureaucratic approach;
- proposed very concrete and proactive objectives: to stress the crucial role of tourism, and to formulate a platform for future developments not only in terms of a statistical program, but also in terms of "consciousness " of the multifaceted potentialities of the sector as well as of its political recognition;
- promoted a "new way of thinking" which can be summarized through two key concepts: the multilateralism and the collaborative approach. This is evident from the many international organizations involved as active partners both in producing credible and reliable information and in sharing the process with a clear understanding that each partner institution has to play the role for which it is in the better position. Furthermore, the willingness to share experience and, in particular, the pros and cons of the adopted solutions for specific problems is demonstrated by the rich diversification of the topics covered and the general quality level of the papers;
- recognized the importance of considering the most effective tools to protect the TSA as a recognized brand through the definition and clarification of objective standards; and
- regarding the development of tourism statistics, the agenda recognized the importance of the sub-national level.

## TECHNICAL SESSIONS:

### 1. Developing National Systems of Tourism Statistics

The ratification by the United Nations Statistical Commission of the IRTS 2008 marked a major milestone in the development of a System of Tourism Statistics (STS).

The ratification, together with the development of the TSA:RMF 2008, followed many years of development. The previous recommendations, the 1993 *Recommendations on Tourism Statistics*, were no longer sufficient to meet the developing needs for tourism statistics of a high quality which would be compatible with other international standards for economic statistics. More specifically, refinements were needed to be compatible with the revision of the System of National Accounts 1993 (SNA93) and the Balance of Payments Manual, fifth edition (BPM5).

The development of the new recommendations involved intensive work by the UNWTO, in conjunction with other international agencies, including: OECD, Eurostat, UN Statistics Division, WTTC, IMF, World Bank, ILO, UN Regional Commission for America and the WTO. This comprised, throughout the period 2005-2007, the following initiatives:

- (i) the creation and working of the Inter-Agency Coordination Group on Tourism Statistics,
- (ii) the implementation of the UNWTO electronic forum,
- (iii) the conducting of the International Workshop on Tourism Statistics,
- (iv) the organisation of the dedicated meetings of the UNWTO Committee on Statistics and the Tourism Satellite Account,
- (v) a meeting of the United Nations Expert Group to review and endorse the provisional draft of the IRTS 2008, and
- (vi) worldwide consultations with national statistical offices and national tourism administrations.

With the ratification of the new IRTS 2008, it is important that countries move to implement them as soon as possible. This is necessary to ensure that tourism statistics are integrated into the countries' National Statistical Systems, providing comparability with statistics in other economic areas and also comparability between countries' tourism statistics.

To assist with this, the UNWTO has developed a Statistics Capacity Building Program prototype. This Program has commenced in Europe, hosted by Austria, and in Africa, hosted by South Africa. In Europe, 12 selected countries are participating in the series of four Workshops, spread over two years. In Africa, 13 selected countries are participating in the four workshops, also being held over two years. In both regions a Regional Seminar will also be held, to which all interested countries in the regions will be invited. A similar program is being organised for the Middle East (hosted by Saudi Arabia) and Asia (hosted by Australia and New Zealand, but to be held in Thailand and the Philippines).

The UNSD and UNWTO will also join efforts to complement these Programs around the world with sub-regional Seminars.

The ratification of the new IRTS 2008, together with editorial improvements and clarifications of the TSA official document (TSA:RMF 2008), represents a major development in the field of tourism statistics, and for the first time provides a comprehensive and integrated framework for a System of Tourism Statistics (STS). It is now necessary to ensure that these international recommendations are implemented. As a major tool to achieve this, the UNWTO has developed a prototype of Statistics Capacity Building Program which will be implemented in all regions around the world.

## **2. Integrating Tourism Statistics into a broader Framework**

The IRTS 2008 and the TSA:RMF 2008 constitute the international recommendations for tourism statistics. Both documents are mutually consistent in terms of concepts, definitions and classifications.

Consequently, the conceptual background for developing tourism statistics is consistent with that of the TSA, which is the unifying framework for most of tourism statistics.

For the first time, tourism statistics recommendations are compatible with other international standards for economic statistics, including National Accounts and Balance of Payments.

The IRTS 2008 clearly indicates that tourism must be understood in its relationship with other macroeconomic frameworks such as the Balance of Payments and the National Accounts. Also, the link of tourism statistics at the national and sub-national levels as well as with the sustainability agenda are key remarks on the future extensions for the new recommendations.

## **3. Employment in the Tourism Industries: Measurement Issues and case Studies**

The Bali Conference moved the debate from the physical dimension (arrivals and nights) of the phenomenon and the statistical evaluation of its economic importance, to the analysis of tourism

employment, a variable which is crucial not only because it reinforces the economic role of tourism, but also because it gives information on the “social impact” of the sector.

The United Nations considers, in the implementation of the Millennium Development Goals established by the UN General Assembly nearly ten years ago, that it is essential to develop a better knowledge of employment in tourism. World poverty cannot be reduced without creating large numbers of jobs in the least developed countries. The current world economic crisis gives added urgency to the role of tourism in alleviating the growing unemployment in many tourism-related industries worldwide. Tourism can particularly play a role in providing employment for women as well as such vulnerable population groups as youth and low-skilled workers.

While tourism’s job creating potential has long been recognised, employment in the tourism industries has up to now been one of its least studied aspects. Only a handful of countries produce meaningful statistics.

With these issues in mind, the UNWTO has recently signed a framework cooperation agreement with the International Labour Organization (ILO), which includes a specific initiative regarding statistics: the *ILO/UNWTO Joint Project on Employment in the Tourism Industries*, to collaborate in the measurement of employment and decent work in tourism. This collaboration includes:

- Preparation of the recommendations on measuring employment in the tourism industries (IRTS 2008, Chapter 7);
- Production of the joint publication *Sources and Methods in Labour Statistics – Employment in the Tourism Industries (Special Edition)*;
- Promotion of the above international recommendations for their application in a growing number of member States;
- Preparation of a *Technical Guide on Best Practices of Measuring Employment in the Tourism Industries*;
- Organisation of joint seminars/workshops with technical contributions from national experts from countries with highly developed statistics on employment in the tourism industries; and
- Ultimately, collaboration on the development of the tourism industry-relevant Decent Work indicators, preparation of indicator-specific definitions and guidance on their application and interpretation.

The measurement of employment in the tourism industries is technically complex. Many jobs created in tourism industries can be linked with both tourism-characteristic and non-tourism activities, many are seasonal and/or part-time, permanent or casual, high-skilled or low-skilled, formal or informal, found in large or very small businesses, contractual or non-contractual, and in some cases such jobs may be clandestine. Despite all this, it is essential to make progress both in their quantitative and qualitative measurement.

With the increasing recognition of tourism’s ability to provide employment, it is necessary that a greater focus is placed on its measurement and research regarding both the number and types of jobs and persons employed in the tourism industries. This is necessary to ensure that the full potential of tourism providing decent work opportunities be achieved. Since recently, the UNWTO and the International Labour Organization have been working in partnership in a number of areas to address this problem. The two organisations are committed to continue working in this direction in close partnership.

#### 4. Tourism Labour Market in the Asia Pacific Region

Tourism in Asia has shown one of the fastest growth rates of all the world's regions in recent times. However, despite tourism's growing importance, tourism employment is an under-researched area, and obtaining data on the labour dimension of tourism in the region is challenging.

Despite the rapid economic growth in Asia in recent times, there are still too few jobs being created for the available population, and there is a need to look at new ways for job creation. The growing realisation of the need to make growth economically, as well as socially and environmentally sustainable has provided opportunities for advocating tourism as a sector that can deliver on smart growth.

The lack of a skilled tourism labour market has placed restraints on the potential of the tourism industries for growth and productivity. In fact, the gap between skilled labour supply and demand is primarily attributable to the inherent characteristics and features of the tourism industries, e.g., poor wages and working conditions, lack of career opportunities and negative perceptions of employment in those industries. These factors have most noticeably affected professional and managerial levels, particularly in the accommodation and food and beverage sectors. These factors make it difficult for the industries to attract skilled workers, and result in some skilled workers leaving the industries to work in other areas of the economy.

The tourism industries offer a wide variety of employment opportunities from unskilled to professional positions, permanent full-time to part-time, casual and temporary employees. While this offers opportunities for certain demographic sectors such as women and young people, there is little or no job security.

The most appropriate strategy to address supply issues and meet the demand for skilled labour is through education, training and skills development. While many countries in the region have well established tourism education and training systems, these still do not provide sufficient capacity to meet the demand for skilled labour. Additional capacity in education and training at all levels from post-graduate university studies is required to meet the needs of professional and management roles, to occupational, skill specific training programs.

While national governments are considered to be quite supportive of facilitating skill development for the tourism industries, the tourism industries themselves are less responsive to skill development and training. Training tends to be ad hoc, on the job and undocumented. This is particularly the case for SMEs, as larger organisations tend to be much more pro-active with well established and successful training initiatives.

Some countries in the region employ migrant labour to meet shortages. To meet demographic changes in the future in other countries, carefully managed migration strategies could be adopted to meet expected shortages.

There is widespread support in the region for tourism as a vehicle to contribute to the alleviation of poverty. SMEs, in particular, can have a greater and far more valuable impact as they are more likely to be locally owned, buy from local suppliers, have less negative socio-cultural impacts, adapt quickly to changes in demand and develop products that are overlooked by large organisations.

The tourism sector in countries within the Asia region face diverse situations regarding the labour market. In some countries the sector experiences labour shortages, particularly in the area of skilled workers. In other countries the supply of labour, specifically unskilled labour, vastly exceeds the number of jobs the sector

can provide. The problem of attracting workers, particularly skilled workers, in some countries is hindered by a negative perception of the sector as a good employer, or as a field in which to plan a career. The industry needs to improve its education, training and skills development opportunities to improve its perceived status as a place to work in.

## 5. Measuring the Economic Contributions of Tourism: from the TSA to Alternative Modelling Techniques

Currently, some 70 countries around the world have already created a TSA or intend to have one in the near future. However, the quality of these exercises varies considerably and consequently, international comparability of data is limited. We must all persevere in addressing this situation and recognise that it is a long-haul task that will not be achieved in the short-term.

The TSA represents one of the UNWTO's priorities in its work programs and in fact, the Organization has committed on the following minimum targets in its "Agenda 2010":

- two-thirds of member countries using the UN guidelines on tourism statistics within this time horizon;
- two-thirds of the countries of the world regularly providing the statistical data of the UNWTO's *Compendium*;
- at least one-third of the member countries developing a tourism satellite account in accordance with the UNWTO and United Nations guidelines;
- one-third of the member countries publishing significant data on tourism employment, within the framework of the cooperation between the UNWTO and the ILO;
- and lastly, one-third of the member countries being engaged in efforts to improve their knowledge of the "travel" item in the balance of payments, within the framework of the cooperation between the UNWTO and the International Monetary Fund.

It is important to improve the measurement of tourism receipts as they appear in the Balance of Payments of each country. The UNWTO has already begun cooperation with the International Monetary Fund (IMF) in this regard, and this cooperation will continue to be actively pursued.

Increasingly, throughout the world, tourism is being viewed as a decisive factor in local, i.e., sub-national, development. Building on the achieved success in developing tools for the reliable and credible measurement of tourism at the national level, it is now important to develop tools for such measurement at the local level.

The development of the TSA agenda in an increasing number of countries has led to a variety of organisations producing measures of tourism economic activity which are given the title of "Tourism Satellite Account". In many of these cases, the exercise does not conform to the concepts, definitions and classifications of the TSA:RMF. As a consequence the value of the TSA brand is in danger of being undermined through misrepresentation and misappropriation. Misrepresentation of the TSA occurs when researchers describe the TSA structure and results in misleading terms. This raises false expectations among potential users and weakens the TSA brand. Misappropriation of the TSA brand occurs when reports are released based on methodologies purporting to 'simulate' TSAs for countries and sub-national areas. These generally serve to exaggerate the direct tourism contribution to economies.

The extraordinary success of the TSA project in recent years has resulted so far in around seventy countries in the world having, or planning to soon have, a TSA. However, there is an increasing need to protect the TSA “brand”. Some countries and organisations are referring to exercises in the economic measurement of tourism as a TSA when the model used does not conform to the recommendations of the TSA:RMF 2008 (or the earlier 2000 recommendations). This practice undermines the status and credibility of the TSA proper. It is necessary for countries, and international organisations, all to work to ensure that this practice is minimised, if not eliminated. One important area where there is widespread demand to expand the TSA into is the measurement of tourism at a sub-national level. A number of countries have made progress in this area and UNWTO will provide guidance and establish basic principles for sub-national TSAs development.

## 6. Using TSA Data for Business and Policy Analysis

The benefits of a TSA are increasingly being recognised by the private and public sectors. An OECD survey shows that businesses and tourism associations use the TSA to obtain knowledge of tourism industry developments, for policy analysis for establishing strategies, addressing tourism infrastructure, advocacy, media interactions and for speaking on behalf of their sector. Government policy decision-makers use the TSA data to help understand the size and importance of the tourism sector, to provide targets in national tourism policies and strategies, to support tourism policy papers and official statements on the size of the sector. There is also growing interest in using the TSA as a platform for dynamic modelling and for the development of indicators on a more timely (e.g. quarterly) basis.

But this success also brings a number of negative aspects that are part of the proliferation of TSAs around the world. These include: a feeling that the TSA might have been ‘oversold’ as a solution to all problems, lack of knowledge and understanding of TSA data, lack of timeliness and lack of data at the micro and business levels, and lack of regional level data. For some of these, and other, reasons, the TSA is considered to be underutilised in terms of the purposes it can serve. Producers of the TSA need to work more closely with users and potential users to better communicate the results of the TSA and what the TSA can and cannot do.

A challenge that faces tourism statisticians is the conflict between conducting with rigour the necessarily long and costly work required for the production of good quality statistics and the development of reliable measurement methodologies in compliance with recognised international recommendations and standards, with, on the other hand, meeting the demands, often urgent, of governments and tourism businesses for timely data on the sector. For this reason it is necessary to invent a new tool which meets these demands. To address this, the UNWTO has been working to develop a series of Indicators which use available data, in any particular country, and which are consistent with each other and fully compatible with the fundamental principles, that would not take the place of the TSA but which could be made available faster than annual TSA iterations.

Other areas, related to tourism, such as the meetings’ industry, time-sharing, and second homes, which generally suffer from lack of sound research, are areas for which we are learning much more about capturing their economic values. This work of improving our understanding of these and other areas needs to continue in the future.

The work of the UNWTO, together with other international organisations, in developing and promoting the TSA has resulted in a very widespread recognition of the existence of the TSA. Increasingly, more and more countries want to produce their own TSAs. However, this recognition of the TSA is not always matched by an understanding of what the TSA can and cannot do. There is a need for tourism statisticians to better educate public and private sector managers and policy makers to understand how they can maximise their use of the TSA. The lack of understanding of what a TSA actually is has often resulted in its underutilisation. Unrealistic expectations of what a TSA can do have often led to disillusionment when the TSA has been produced.

A related issue facing statisticians is the conflict between the time it takes to produce a TSA – a medium to long-term project – and the needs of users to have up-to-date data on the state of the tourism sector. To address this issue, the UNWTO has been working on developing a set of Indicators, which use currently available data in any country. These provide prompt measures and are consistent with fundamental principles of economic measurement. These Indicators would complement the TSA project.

## MINISTERIAL SESSIONS:

### 1. Tourism and Employment: an Overview by UNWTO and ILO

#### (i) Tourism and Employment: Issues and Challenges

Tourism is often recognised as a major job generator. However, there have been very few studies on the real contribution of tourism in terms of jobs. As a preliminary work, UNWTO has conducted a global survey among its Member States. The level of replies was lower than expected, but it allows drawing a few conclusions on the main issues, challenges and concerns regarding tourism and employment, as expressed by 40 countries.

The complete results of the UNWTO survey can be consulted in the following document: [http://www.unwto.org/statistics/bali/yunis\\_text.pdf](http://www.unwto.org/statistics/bali/yunis_text.pdf) . The main conclusions of this survey can be summarised as follows:

- The importance of **further studying the employment implications of tourism** has been fully recognised by a large majority of countries.
- The **quantification of employment** should follow international standards and recommendations (IRTS 2008) and technical guidance for collecting and analysing data to be provided by ILO, within the framework of the ILO/UNWTO joint project.
- It is generally acknowledged that rates of **youth and women employment** in tourism are higher than in other sectors, and that this is related to the demand for relatively unqualified workers.
- Many jobs in tourism are recognised to be quite easily accessible as far as **skills and qualifications** are concerned. However, as the competition grows among different destinations worldwide, the importance of raising quality in services is urging tourism managers to look for a workforce adequately trained or with particular skills in order to reach or even exceed internationally recognised standards.
- Many countries recognise that, in line with the relatively low level of qualifications required, tourism does not offer high **wages**, both in developed and developing countries.

- Generally speaking and particularly in developed tourism destinations, **seasonal fluctuations** create an irregular use of the potential workforce, resulting in seasonal unemployment and in a heavy burden to the unemployment insurance.
- When it is the free choice of workers, **part-time jobs** can be viewed as positive, because they can combine their job with either studies or other activities, including rural occupations and even work at home. However, many workers are not part-time by choice and are deemed to be under-employed, thus, seeking more pay through more hours. The nature of part-time/casual employment entails poorer conditions of work, high staff turnover, and in some instances less work commitment.
- **Employment in tourism is regulated by general labour laws** in the very large majority of countries. However, some particularities exist in terms of special licences for some tourism activities, such as those requiring sanitary conditions, some specialised guides and a few others.
- Most countries have set up **Human Resource Development (HRD)** programmes for tourism workers. HRD programmes are often composed of an evaluation of needs of the sector and then of a range of training mechanisms that intend to respond to those needs. Training can cover the whole sector (e.g. on sales or marketing aspects) or only some-subsectors (e.g. hotel and restaurant).

This preliminary survey has helped UNWTO to draw some preliminary guidelines (see 2. (iii) below).

#### (ii) The ILO Employment and Decent Work Agenda and its application to tourism

The **Decent Work agenda** has been developed by ILO and widely accepted by the UN system and the international community, including many inter-governmental bodies at the regional and international levels.

The ILO took the lead in developing a **Toolkit for Mainstreaming Employment and Decent Work** but this was jointly developed by the UN agencies, including the Bretton Woods institutions. Many public and private actors have now taken the concept as their own, turning it into concrete policy actions.

Decent work is not only related to dignity and values. It is also closely related to production and productivity. It has **four interrelated dimensions**:

1. Decent work means creating jobs and promoting enterprises;
2. It also means guaranteeing rights at work;
3. It means extending social protection and social security;
4. Decent work also means adequate social dialogue and conflict resolution.

These four dimensions are closely connected to poverty reduction, social inclusion, governance and income distribution and equity issues.

The Decent work agenda was welcomed in the international community and at the national levels long before the present **crisis**. This was so because a job crisis was already ongoing long before. The Decent work agenda is now a concrete answer to this major crisis. The world is realizing that very few things affect more our lives than having a decent work.

A significant downturn in employment and incomes may spark individual pressures on adverse practices (child labour, forced labour, etc.). These strategies to cut costs are not only against human rights: they also are obstacles to get profits.

The **Global Jobs Pact** recently launched by employers, workers and governments within the ILO has been designed to guide national and international policies aimed at stimulating economic recovery, generating jobs and providing protection to working people and their families. The Pact urges measures to retain persons in employment, to sustain enterprises and to accelerate employment creation and jobs recovery combined with social protection systems, in particular for the most vulnerable, integrating gender concerns on all measures. It urges governments to consider options such as public infrastructure investment, special employment programmes, broadening of social protection and setting-up of minimum wages.

The **tourism sector** is one of the largest and most dynamic in today's global economy. It accounts for a high percentage of the world's GDP and for hundreds of millions of jobs worldwide. The established resilience of tourism can help alleviate the effects of the downturn in other economic sectors resulting from the current financial and economic crisis.

However, the potential of the tourism sector to contribute to the recovery of our economies should be reinforced. One internationally recognized aspect is the need to strengthen the workforce skills in the tourism sector and, in this regard, the Decent work agenda helps us to identify some key facts:

- human resource development (HRD) is needed through training for tourism workers, and
- a social frame is required for this HRD to be effective.

Therefore, public and private tourism stakeholders should commit to decent work, also because good working conditions are crucial as productive factors. They are closely related to productivity, competitiveness and success. In this regard, special consideration should be given to a wider ratification of the **ILO Convention No. 172** on Working Conditions (Hotels and Restaurants) by countries. This would enable the sector to boost its own capacities to confront the present economic crisis in a better and modern world.

UNWTO and ILO will further intensify their efforts in deepening knowledge regarding employment in tourism and its concrete application within adequate tourism policies, taking into account the guidance established by the ILO Decent Work Agenda.

## 2. Employment in the tourism industries: policy issues

### (iii) UNWTO preliminary guidelines: Fostering Employment in Tourism Industries.

Based on the issues identified through the survey it conducted, the various case studies presented and the debates held during the Conference, UNWTO has proposed the following ten challenges and policy issues that need to be addressed by governments and the tourism industries:

1. To include **tourism employment creation objective** more explicitly and in quantitative terms in the national and local tourism development strategies and programmes.

2. To develop **new tourism products and services**, with a high labour content, a high labour multiplying impact, a high level of sustainability, achieving at the same time good price competitiveness.
3. To identify not only the direct, but also the **indirect types of jobs** that can be generated in such a diverse sector that includes so many different activities, products, services, locations and size of companies, from the very small to the huge multinational, and that has many upstream implications;
4. To define **standards for the quality** of work and for work organization, and induce employers and workers to adopt such standards in order to ensure, at the same time, decent work and high tourist satisfaction;
5. To cope with the rapid speed of **technological changes** and the impacts these may have on labour productivity.
6. To cope with the impacts of **globalization** and more specifically with the **labour mobility** across frontiers, i.e. immigrant workers, that are becoming common in all regions of the world.
7. To establish **fair and decent remuneration** levels and raise **labour competitiveness** in the sector as compared to other economic activities.
8. To examine carefully the need to establish **special regulations** applicable to employment in the tourism industries: if found necessary, to determine which type of regulations (e.g. regarding working hours, flexible schedules, safety at work, etc) and to establish a concerted process for consulting employers and employees.
9. To adapt **educational curricula and capacity building policies and programmes** to the evolving needs of the tourism industries.
10. To establish **statistical and monitoring systems** for measuring in a periodical and reliable manner at least the following variables: employment numbers by age, gender, etc. quality levels, productivity levels, remunerations, training needs, etc.

Governments, including the administrations responsible for tourism, for employment and for education, should work together and with employers and employees of the various tourism industries and their segments in order to anticipate the changes in the role of people in the production, marketing and delivery of tourism services, and to subsequently determine the implications of such changes in terms of human resource development for the coming years.

An overwhelming objective should be to satisfy all the conditions to ensure decent work, as stipulated by ILO across the UN system for all sectors of economic activity.

National governments and the tourism private sector should be in a position in the next few years to place employment, together with sustainability, at the heart of tourism development policies, thus ensuring that tourism fully contributes to the MDGs.

## BALI STATEMENT

The participants of the 5<sup>th</sup> UNWTO International Conference on Tourism Statistics agreed on a common statement recalling all the progress achieved through the previous conferences of this type and the main issues to be further addressed by the tourism community. This document also advocates for:

- a strengthened partnership between international and regional organizations, governments and other stakeholders involved in TSA developments, and
- a stronger commitment in applying the TSA, including labour market information.

The full version of the Bali Statement is annexed to this report.

## **VOTE OF THANKS**

Finally, UNWTO wants to express its deep appreciation to the Indonesian Ministry of Culture and Tourism for the excellent organisation of the Conference and for providing such a beautiful venue. In particular, the excellent hospitality provided by the Indonesian hosts is very gratefully appreciated.

## ANNEX

### BALI STATEMENT ON TOURISM STATISTICS AND EMPLOYMENT

Convened by the World Tourism Organization (UNWTO), with the support of the UN Statistics Division (UNSD) of the Department of Economic and Social Affairs (DESA), the International Labour Organization (ILO), the Organization for Economic Cooperation and Development (OECD) and attended by ministers of tourism, culture and labour, senior officials from national tourism administrations, national statistical offices and ministries of labour, numerous stakeholders representing government and non-government tourism organizations, labour organizations, entrepreneurs and academic institutions, the *5<sup>th</sup> UNWTO International Conference on Tourism Statistics – Tourism: an Engine for Employment Creation* was hosted by the Government of the Republic of Indonesia from 30 March to 2 April 2009.

**Consciously recalling** mention of the need for special module on employment as an extension to the TSA in the seminal paper presented to the *Ottawa Conference on International Tourism Statistics* (Ottawa 1991), as well as, the crucial decision of the *Enzo Paci World Conference on the Measurement of the Economic Impact of Tourism*, (Nice, June 1999) in which for the first time the need for developing a Tourism Satellite Account (TSA) including the measurement of employment in the tourism industries, gained official recognition at the international level;

**Taking into account** the conclusions made in the *Vancouver Conference on TSA: Credible Numbers for the Good Business Decisions* (May 2001), that employment was an important component of the economic analysis of tourism and the need for developing a human resources' module was agreed upon;

**Recognising** the challenges encountered by countries and national tourism administrations in the statistical calculation of tourism's contribution to employment owing to its multifaceted and cross-cutting nature; and

**Responding** to the current status of tourism and employment issues worldwide, we agree on the following points:

1. Tourism continues to be one of the most dynamic sectors of economic activities in modern times, generating a wide range of benefits for tourism host and generating countries and destinations, including employment generation, foreign exchange earnings and contribution to GDP.
2. The established resilience of tourism can help alleviate the effects of the downturn in other economic sectors resulting from the current financial and economic crisis. Thus, tourism can and should be used by governments and international financial institutions to reactivate the economies of countries affected by the current recession, especially by offering fresh and decent job opportunities.
3. The measurement of tourism's contribution to national economies and to the overall employment has been made possible through the application of the TSA, and its expansion should be extended to as many countries as possible, with UNWTO support.

4. The development of the national system of tourism statistics actually serves as the fundamental basis for applying the TSA. Hence, governments are encouraged to devote stronger efforts and resources to this task. Both the national statistical offices central bodies and national tourism and labour administrations are encouraged to improve the quality of their tourism-related statistics to be more comprehensive, accurate, and timely, considering additional data sources supporting the given objectives.
5. In order to guarantee the sustainability of all these efforts, UNWTO calls upon NTAs to allocate sufficient budget for these initiatives in the field of statistics as well as tourism economic analysis.
6. As tourism has been recognised to be one of the largest generators of employment, especially for those segments of the population with less access to labour market, such as women, young people, immigrants and rural populations, there is a need for accurate, timely and comprehensive data on employment in the tourism industries. To this end, governments and the private sector should cooperate to ensure the proper measurement of employment in the tourism industries in general, the number of jobs directly generated by tourism, as well as other variables such as hours of work, compensation and the seasonality of employment, and its distribution by gender, age, occupation, business type and size, etc.
7. Governments and the private sector should also collaborate in order to improve employment regulations and working conditions in the tourism industries, in line with the Employment and Decent Work agenda originally developed by ILO and then accepted widely by the UN system. Special consideration should be given to ensuring appropriate provision of safety, equality and human dignity as well as adequate levels of remuneration in tourism employment, framed in a wider ratification of the ILO Convention No. 172 on Working Conditions (Hotels and Restaurants) by countries.
8. Human resource development in tourism should be given priority attention by tourism businesses and their trade associations, in close collaboration with and supported by governments and educational institutions. People entering the tourism labour market should be given the opportunity to develop a rewarding career, to advance their professionalism and, altogether, to ensure them a decent work. Improved labour market information can play a crucial role in all these developments.
9. The dissemination of available information on employment and the human resource dimension of tourism development would benefit from increases communication and improved coordination.

In line with the importance of the TSA in measuring tourism's economic contribution, and in particular measuring tourism employment, ministers, government representatives and other stakeholders present at this conference

- Recommend international and regional organizations, including UNESCAP, UNWTO, ILO, OECD and Eurostat, to pursue and strengthen the cooperation to promote TSA, protect the TSA brand and expand the use of TSA for business and policy actions. This should be done in close partnership with governments and other stakeholders involved in TSA developments.

- Declare their commitment to take necessary measures for further application of the TSA, particularly for labour market information, and to work more closely with the governing organs of UNWTO, ILO, OECD and Eurostat and the corresponding trade and labour associations for assistance in obtaining government's/parliament's funding support.

Bali, 2 April 2009