Tourism in Israel-
an outline
& Employment in Tourism Industries

"Committee on Statistics and Macroeconomic Analysis in Tourism"
8th meeting 26-28/3/2007
Esther Sultan – Israel Ministry of Tourism,
Tilda Khait – The CBS
Why Israel?

“Israel has an unmatched concentration of unique attractions in a small geographic area. The country’s wealth of historical, cultural and religious sites as well as varied terrain, climate and natural surroundings position it as a one-of-a-kind destination”
Israel and EU-countries

GDP per Capita (in Euro 1000) 2005

BG  RO  TR  LV  LT  PL  HR  SK  EE  HU  CZ  MT  SI  PT  EL  CY  ES  IL  EU  IT  DE  FR  BE  AT  UK  FI  NL  SE  DK  IE  CH  IS  NO  LU
A little bit of history –

Tourist Arrivals 1976-2006, millions

- 1982: War with Lebanon
- 1991: Persian Gulf war
- 2000: Hostilities with Lebanon
- Intifada-I
- Intifada-II
2006 – recovery expected - 1

Tourist Arrivals by Air, monthly average in 1,000, 1992-2006
2006 – recovery expected - 2
By Purpose of visit - 1

![Bar chart showing percentages of holiday, business, and other purposes of visits by year: 2000, Avr 01-04, and 2005. The chart indicates a trend with a decrease in holiday visits and an increase in other purposes of visits.](chart.png)
By Purpose of Visit – 2

Pilgrimage & Touring

- 70% in 2000
- 35% in avr01-04
- 45% in 2005
Employment in Tourism Industries in Israel

There are two main sources for collecting statistics on labor and employment in Israel by The CBS:

- The first is, the Labor Force Survey;
- The second is based on reports of the National Insurance Institute and other administrative sources.

The third source for determining the number of hotel employees only, is:

- “A special survey for collecting data on revenue, employees and wages in hotels.”
First Source: Labor Force Survey

- **The survey population:** De Jure population of Israel aged 15 years old and over.
- **The framework:** The sample is drawn from
  - a. towns and cities
  - b. Intra municipal areas with some rural localities.
- **The sample:** is drawn in two stages: according the locality, and then by dwelling unit. Each quarterly covers about 12,000 households.
Second Source: Employment and wages based on Administrative sources

- **The survey population:** Employers
- **The framework:** file of employers at the National Insurance Institute and other administrative sources
- **The sample:** the sample includes about 9,500 active establishments accounting 64% of the employee positions in the population.
Table 1. Employed persons in sectors connected with tourism activities

<table>
<thead>
<tr>
<th>Code</th>
<th>Economic Activity</th>
<th>2005 (in thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>F</td>
<td>Accommodation Services and Restaurants:</td>
<td></td>
</tr>
<tr>
<td>55</td>
<td>Accommodation services</td>
<td>27.9</td>
</tr>
<tr>
<td>550</td>
<td>of these: Hotels and Guesthouses</td>
<td>24.4</td>
</tr>
<tr>
<td>560</td>
<td>Restaurants, Cafes, Pubs</td>
<td>63.7</td>
</tr>
<tr>
<td>G</td>
<td>Transport, Storage and Communication:</td>
<td></td>
</tr>
<tr>
<td>600</td>
<td>Buses, Subways, Railways, Cable Cars</td>
<td>24.9</td>
</tr>
<tr>
<td>601</td>
<td>Taxis</td>
<td>15.7</td>
</tr>
<tr>
<td>620</td>
<td>Air Transport</td>
<td>7.7</td>
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<tr>
<td>631</td>
<td>Airport Services</td>
<td>5.7</td>
</tr>
<tr>
<td>632</td>
<td>Shipping Agencies, Air Transport Agencies, Customs Clearing Agencies</td>
<td>5.4</td>
</tr>
<tr>
<td>633</td>
<td>Travel and Tourist Agencies</td>
<td>14.3</td>
</tr>
<tr>
<td>E</td>
<td>Wholesale and Retail Trade and Repairs:</td>
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<tr>
<td>520</td>
<td>Retail Sale of Food, Beverages, Tobacco</td>
<td>66.9</td>
</tr>
<tr>
<td>521</td>
<td>Retail Sale of Pharmaceutical Goods, Cosmetics</td>
<td>11.8</td>
</tr>
<tr>
<td>522</td>
<td>Retail Sale of Textiles, Clothing, Footwear</td>
<td>38.4</td>
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<tr>
<td>525</td>
<td>Retail Sale of Other Goods</td>
<td>27.0</td>
</tr>
<tr>
<td>526</td>
<td>Retail Sale in Non-Specialized Stores (Mixed Goods)</td>
<td>5.2</td>
</tr>
<tr>
<td>M</td>
<td>Community, Social, Personal and Other Services:</td>
<td></td>
</tr>
<tr>
<td>943</td>
<td>Dramatic Arts, Music, Arts Activities</td>
<td>19.6</td>
</tr>
<tr>
<td>945</td>
<td>Museums, Libraries, Cultural Activities</td>
<td>9.8</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>368.4</td>
</tr>
</tbody>
</table>
Table 2. Employed persons in Industries mostly related to tourism activities

<table>
<thead>
<tr>
<th>Code</th>
<th>Economic Activity</th>
<th>2005 (in thousands)</th>
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<tbody>
<tr>
<td>F</td>
<td>Accommodations and Restaurants:</td>
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<td>560</td>
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<td>63.7</td>
</tr>
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<td>G</td>
<td>Transport, Storage, Communication:</td>
<td></td>
</tr>
<tr>
<td>600</td>
<td>Buses, Subways, Railways, Cable Cars</td>
<td>24.9</td>
</tr>
<tr>
<td>601</td>
<td>Taxis</td>
<td>15.7</td>
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<td>Airport Services</td>
<td>5.7</td>
</tr>
<tr>
<td>632</td>
<td>Shipping Agencies, Air Transport Agencies, Customs</td>
<td>5.4</td>
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<td></td>
<td>Clearing Agencies</td>
<td></td>
</tr>
<tr>
<td>633</td>
<td>Travel and Tourist Agencies</td>
<td>14.3</td>
</tr>
<tr>
<td>M</td>
<td>Community, Social, Personal and Other Services:</td>
<td></td>
</tr>
<tr>
<td>945</td>
<td>Museums, Libraries, Cultural Activities</td>
<td>9.8</td>
</tr>
<tr>
<td></td>
<td>Subtotal</td>
<td>199.5</td>
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Table 3. Employed persons in Industries mostly related to non tourism activities

<table>
<thead>
<tr>
<th>Code</th>
<th>Economic Activity</th>
<th>2005 (in thousands)</th>
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<tr>
<td>E</td>
<td><em>Wholesale and Retail Trade and Repairs:</em></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>520</td>
<td>Retail Sale of Food, Beverages, Tobacco</td>
<td>66.9</td>
</tr>
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<td>521</td>
<td>Retail Sale of Pharmaceutical Goods, Cosmetics</td>
<td>11.8</td>
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<tr>
<td>522</td>
<td>Retail Sale of Textiles, Clothing, Footwear</td>
<td>38.4</td>
</tr>
<tr>
<td>525</td>
<td>Retail Sale of Other Goods</td>
<td>26.0</td>
</tr>
<tr>
<td>526</td>
<td>Retail Sale in Non-Specialized Stores (Mixed Goods)</td>
<td>5.2</td>
</tr>
<tr>
<td>M</td>
<td><em>Community, Social, Personal and Other Services:</em></td>
<td></td>
</tr>
<tr>
<td>943</td>
<td>Dramatic Arts, Music, and Arts Activities</td>
<td>19.6</td>
</tr>
<tr>
<td></td>
<td>Subtotal</td>
<td>167.9</td>
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Table 4. Employed persons in Tourism according to MRIO Model

<table>
<thead>
<tr>
<th>Sector</th>
<th>Total Employees 2005 (a)</th>
<th>Employees in Tourism (estimated number) (b)</th>
<th>% Share of Total</th>
</tr>
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<tbody>
<tr>
<td>Food products</td>
<td>53,600</td>
<td>643</td>
<td>1.2</td>
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<tr>
<td>Refined petroleum</td>
<td>2,400</td>
<td>290</td>
<td>12.1</td>
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<tr>
<td>Textiles, wearing apparel, footwear, leather, wood, paper, publishing, plastic, furniture</td>
<td>96,500</td>
<td>3,700</td>
<td>3.8</td>
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<tr>
<td>Other manufacturing</td>
<td>249,800</td>
<td>2,748</td>
<td>1.1</td>
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<tr>
<td>Electricity and water supply</td>
<td>21,300</td>
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<tr>
<td>Construction</td>
<td>127,100</td>
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<td></td>
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<tr>
<td>Land transport, auxiliary transport activities, storage, parking lots and freight terminals</td>
<td>101,800</td>
<td>8,100</td>
<td>8.0</td>
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<tr>
<td>Water transport</td>
<td>1,300</td>
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<tr>
<td>Air transport</td>
<td>7,700</td>
<td>1,560</td>
<td>20.3</td>
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<tr>
<td>Postal and telecommunication</td>
<td>52,800</td>
<td>264</td>
<td>0.5</td>
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<tr>
<td>Banking, insurance, business, public administration, education, health and welfare, community services</td>
<td>1,229,900</td>
<td>15,988</td>
<td>1.3</td>
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<tr>
<td>Wholesale, retail, trade</td>
<td>337,200</td>
<td>9,440</td>
<td>2.8</td>
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<tr>
<td>Accommodation</td>
<td>27,900</td>
<td>25,100</td>
<td>88.8</td>
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<tr>
<td>Restaurants</td>
<td>87,200</td>
<td>25,288</td>
<td>29.2</td>
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<tr>
<td>Total</td>
<td>2,493,600</td>
<td>93,121</td>
<td>3.7</td>
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</table>
Table 5. Employed persons in Tourism according to TSA

<table>
<thead>
<tr>
<th>Goods/Services</th>
<th>Employees 2005 (thousands)</th>
<th>Tourism ratio on supply %</th>
<th>Employees in Tourism (thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Males</td>
<td>Females</td>
</tr>
<tr>
<td>1. Total Tourism Industries</td>
<td>231.0</td>
<td>159.6</td>
<td>71.5</td>
</tr>
<tr>
<td>Hotels and accommodation services</td>
<td>28.0</td>
<td>15.0</td>
<td>13.0</td>
</tr>
<tr>
<td>Restaurant and dining services</td>
<td>63.7</td>
<td>38.8</td>
<td>24.9</td>
</tr>
<tr>
<td>Transportation services</td>
<td>55.7</td>
<td>47.8</td>
<td>7.9</td>
</tr>
<tr>
<td>a. Railways</td>
<td>1.8</td>
<td>1.4</td>
<td>0.4</td>
</tr>
<tr>
<td>b. Buses, underground railways and cable cars</td>
<td>24.9</td>
<td>22.5</td>
<td>2.5</td>
</tr>
<tr>
<td>c. Taxis</td>
<td>15.7</td>
<td>15.3</td>
<td>0.4</td>
</tr>
<tr>
<td>d. Air transport services</td>
<td>7.7</td>
<td>4.8</td>
<td>2.9</td>
</tr>
<tr>
<td>e. Airport services</td>
<td>5.7</td>
<td>3.9</td>
<td>1.8</td>
</tr>
<tr>
<td>Car connected services</td>
<td>39.9</td>
<td>34.8</td>
<td>5.1</td>
</tr>
<tr>
<td>a. Renting of machinery and equipment</td>
<td>3.6</td>
<td>2.4</td>
<td>1.1</td>
</tr>
<tr>
<td>b. Maintenance and repair of motor vehicles</td>
<td>32.0</td>
<td>28.5</td>
<td>3.4</td>
</tr>
<tr>
<td>c. Parking</td>
<td>2.0</td>
<td>2.0</td>
<td>0.0</td>
</tr>
<tr>
<td>d. Petroleum and its products</td>
<td>2.4</td>
<td>1.8</td>
<td>0.5</td>
</tr>
<tr>
<td>Travel and tourist agencies</td>
<td>14.3</td>
<td>6.4</td>
<td>7.9</td>
</tr>
<tr>
<td>Cultural and sporting activities</td>
<td>29.4</td>
<td>16.7</td>
<td>12.7</td>
</tr>
</tbody>
</table>
Employed persons in Tourist Hotels (Thousands) 1990-2006

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td></td>
<td>21</td>
<td>19</td>
<td>21</td>
<td>23</td>
<td>24</td>
<td>28</td>
<td>28</td>
<td>28</td>
<td>28</td>
<td>30</td>
<td>30</td>
<td>23</td>
<td>20</td>
<td>20</td>
<td>22</td>
<td>23</td>
<td>25</td>
</tr>
</tbody>
</table>
## Summary

<table>
<thead>
<tr>
<th>Description</th>
<th>Estimate of employed persons in Tourism (thousands)</th>
<th>Percent out of total employed persons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employed persons in industries connected with tourism activities</td>
<td>368.4</td>
<td>14.8</td>
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<td>Employed persons in industries mostly related to tourism activities</td>
<td>199.5</td>
<td>8.0</td>
</tr>
<tr>
<td>Employed persons in Tourism according to MRIO Model</td>
<td>93.3</td>
<td>3.7</td>
</tr>
<tr>
<td>Employed persons in Tourism according to TSA</td>
<td>67.2</td>
<td>2.7</td>
</tr>
</tbody>
</table>
Conclusion

To obtain a more accurate estimate one needs to look more closely, examining subgroups (four-digit codes) as far as the sample allows, or even conducting a special survey.