Tourism
Current and future skills demand

The sector encompasses: Hotels and similar accommodation, camping grounds, restaurants and beverage activities, tour operator activities, museum activities and other visitor attractions, garden and nature reserve activities, and amusement parks and recreation activities.

The Economy

Gross Value Added (GVA)

Total Tourism GVA in 2020: £3,004m
down 32% from 2010

Forecast GVA in 2030: £5,294m
up 76% from 2020

Productivity (GVA per job)

Tourism productivity in 2020: £13,900
down 40% from 2010

Forecast productivity in 2030: £23,200
up 67% from 2020

Productivity across all sectors in 2020: £45,500

Productivity across all sectors in 2030: £54,800

Gender Pay Gap

Gender Pay Gap for all employee jobs in 2020:
Wholesale & Retail Trade: 8.7%
Accommodation & Food Services: 3.6%
Scotland: 10.9%

Employment

Top Employing Regions 2020

Edinburgh, East and Midlothian
37,300 people

Glasgow Region
33,900 people

Highlands and Islands
21,500 people

Aberdeen City and Shire
16,300 people

Tayside
15,100 people

Scotland total employment in Tourism: 183,800

Notes:
1 Forecasts by Oxford Economics (unless otherwise stated).
2 GVA is the measure of the value of goods and services produced within the economy. GVA in constant 2018 prices.
3 Measured in total number of people.
4 Due to data availability, we have used a ‘best fit’ ILE code approach so the sectoral definitions and totals in this section may vary from those we have used elsewhere.
5 Source: ONS (7th December 2020), Annual Survey of Hours and Earnings based on all employee jobs (full and part time) median pay gap. A 4% GPG denotes that women earn 4% less, on average, than men. Conversely, a -4% GPG denotes that women earn 4% more, on average, than men.
Tourism Employment

Workforce size 2020: 183,800 people

The workforce was expected to shrink between 2019 and 2020, as a result of COVID-19: down by 6.5% or 12,800 people

Compared to a Scotland wide decrease of 0.8% or 22,200 people

Qualification Profile, 2020

Workforce qualifications in Tourism:

- SCQF 11-12: 7% 10%
- SCQF 7-10: 26% 38%
- SCQF 6: 20% 16%
- SCQF 5: 24% 17%
- SCQF 1-4: 13% 12%
- No qualifications: 10% 10%

Top employing occupations (people), 2020

<table>
<thead>
<tr>
<th>Occupation</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elementary Occupations: Clerical and Services related</td>
<td>72,800, 39.6%</td>
<td>77,800, 39.6%</td>
</tr>
<tr>
<td>Textiles, Printing and Other Skilled Trades</td>
<td>27,200, 14.7%</td>
<td>28,800, 14.7%</td>
</tr>
<tr>
<td>Managers / Proprietors in agriculture and services</td>
<td>21,900, 11.9%</td>
<td>23,800, 12.1%</td>
</tr>
<tr>
<td>Leisure and Other Personal Service Occupations</td>
<td>12,600, 6.9%</td>
<td>13,400, 6.8%</td>
</tr>
<tr>
<td>Culture, Media and Sports Occupations</td>
<td>7,900, 4.3%</td>
<td>8,500, 4.3%</td>
</tr>
<tr>
<td>Administrative Occupations</td>
<td>6,500, 3.5%</td>
<td>6,900, 3.5%</td>
</tr>
<tr>
<td>Business and Public Service Associate Professionals</td>
<td>5,200, 2.8%</td>
<td>5,500, 2.8%</td>
</tr>
<tr>
<td>Sales Occupations</td>
<td>5,100, 2.8%</td>
<td>5,600, 2.8%</td>
</tr>
<tr>
<td>Secretarial and Related Occupations</td>
<td>3,700, 2.0%</td>
<td>4,000, 2.0%</td>
</tr>
<tr>
<td>Business and Public Service Professionals</td>
<td>3,600, 2.0%</td>
<td>3,800, 1.9%</td>
</tr>
<tr>
<td>Caring Personal Service Occupations</td>
<td>2,800, 1.5%</td>
<td>3,000, 1.5%</td>
</tr>
<tr>
<td>Corporate Managers</td>
<td>2,600, 1.4%</td>
<td>2,800, 1.4%</td>
</tr>
<tr>
<td>Customer Service Occupations</td>
<td>2,200, 1.2%</td>
<td>2,300, 1.2%</td>
</tr>
<tr>
<td>Transport and Mobile Machine Drivers and Operatives</td>
<td>1,900, 1.0%</td>
<td>2,000, 1.0%</td>
</tr>
<tr>
<td>Skilled Agricultural Trades</td>
<td>1,800, 1.0%</td>
<td>1,900, 1.0%</td>
</tr>
</tbody>
</table>

Impact of COVID-19

Furlough

As at 31st December 2020, 282,800 jobs in Scotland were still supported by the furlough scheme.

According to BICS, 62.8% of employees in Accommodation & Food Services and 17.3% of employees in Wholesale & Retail Trade were furloughed between 28th December 2020 and 24th January 2021.

Redundancy

PACE engagement with individuals in Scotland April-December 2020

- Accommodation & Food Service Activities: 5,790
- Wholesale & Retail Trade: 3,220

Modern Apprenticeships (up to end of Q2 2020/21)

- MA redundancies: Hospitality & Tourism*: 87 Scotland: 540
- MA s in training: Hospitality & Tourism*: 1,547 Scotland: 33,816

* Based on SDS Occupational Groupings.

6 Forecasts by Oxford Economics (unless otherwise stated).
7 HMRC (2021). Coronavirus Job Retention Scheme statistics: January 2021. Please note figures are provisional and will be revised in the future.
9 Partnership Action for Continuing Employment (PACE) aims to help minimise the impact for people and businesses facing redundancy. SDS (internal source). Data relating to unique individuals. Disclosure control has been applied where figures are less than five or where such small numbers can be identified through differentiating. (Data rounded to nearest 5).
10 SDS (2020) Modern Apprenticeship Statistics. Disclosure control has been applied where figures are less than five or where such small numbers can be identified through differentiating. COVID-19 has fundamentally changed the context in which MAs are delivered.
Job Postings in Tourism

Number of job postings in the sector up to 31st December 2020: 9,400

- Kitchen and Catering Assistants: 1,400 job postings, accounting for 15%
- Chefs: 900 job postings, accounting for 10%
- Waiters and Waitresses: 500 job postings, accounting for 6%

Within Tourism, the locations with the most jobs advertised were:

- City of Edinburgh: 1,800 job postings, accounting for 20%
- Glasgow City: 1,400 job postings, accounting for 15%
- Highland: 800 job postings, accounting for 9%

Salary 2020

Median real-time advertised salary in Tourism: £20,800*

Skills

Not all job postings specify the skills required for the role, likewise the detail varies between adverts. Based on information from approximately 53% of job postings in Tourism the most requested specialised skills were:

- Customer Service: 1,361
- Cooking: 1,215
- Cleaning: 1,172
- Teamwork / Collaboration: 1,139
- Budgeting: 496
- Food Preparation: 394
- Housekeeping: 376
- Sales: 360
- Restaurant Management: 357
- Food Safety: 330
- Staff Management: 319
- Administrative Support: 298
- Cash Handling: 294
- Cost Control: 251
- Scheduling: 239

*54% (5,083) of records have been excluded because they do not contain salary information.
In Tourism, the labour market is forecast to face some challenges. The forecasts for the mid-term (2020-2023) however suggest there could be some jobs growth and opportunities created as a result of the need to replace workers leaving the labour market due to retirement and other reasons.

Whilst positive, caution is needed as there are still a wide range of unknowns concerning Scotland's post COVID-19 recovery. The jobs market could also be competitive, with the number of people seeking jobs outnumbering the opportunities available. Skills mismatches and job quality will also be important factors to consider.

Tourism Job Openings, 2020-2023

- **6,000** people Expansion Demand
- **31,500** people Replacement Demand
- **37,500** people to fill Job Openings

Tourism is forecast to account for **11.1%** of Scotland's total number of job openings in the mid-term (2020-2023)

Tourism Total Employment, 2020-2023

- Workforce size 2023: **189,800** people
- The workforce is expected to grow between 2020 and 2023: up by **3.3%** or **6,000** people
- Compared to a Scotland wide increase of **1.5%** or **40,400** people

Top Employing Occupations (people), 2023

- **Elementary Occupations: Clerical and Services Related**
  - Total Employment: **75,000**
- **Textiles, Printing and Other Skilled Trades**
  - Total Employment: **27,600**
- **Managers / Proprietors in Agriculture and Services**
  - Total Employment: **22,000**
- **Leisure and Other Personal Service Occupations**
  - Total Employment: **13,300**
- **Culture, Media and Sports Occupations**
  - Total Employment: **8,500**
Future Demand in the long-term (2023-2030)

The forecasts for the long-term (2023-2030) highlight that strong jobs growth is not forecast to continue in Tourism. However, it is expected that there could be an ongoing requirement for skilled people to fill opportunities created by people leaving the labour market. This feature of the labour market is known as the replacement requirement.

The long-term forecast is changeable and could be influenced by a range of factors both related and not to Scotland’s post COVID-19 recovery. National and local policy, investment and initiatives could all influence the long-term outlook presented.

Tourism Job Openings, 2023-2030

- **4,100** people Expansion Demand
- **74,900** people Replacement Demand
- **79,000** people to fill Job Openings

Tourism is forecast to account for **11.6%** of Scotland’s total number of job openings in the long-term (2023-2030)

Tourism Total Employment, 2023-2030

- Workforce size 2030: **194,000** people
- The workforce is expected to grow between 2023 and 2030: up by **2.2%** or **4,100** people
- Compared to a Scotland wide increase of **1.1%** or **30,300** people

Top Employing Occupations (people), 2030

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Total Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elementary Occupations: Clerical and Services</td>
<td>76,700</td>
</tr>
<tr>
<td>Textiles, Printing and Other Skilled Trades</td>
<td>28,100</td>
</tr>
<tr>
<td>Managers / Proprietors in Agriculture and Services</td>
<td>21,100</td>
</tr>
<tr>
<td>Leisure and Other Personal Service Occupations</td>
<td>14,000</td>
</tr>
<tr>
<td>Culture, Media and Sports Occupations</td>
<td>9,200</td>
</tr>
</tbody>
</table>

13 All data on this page sourced from Oxford Economics, 2020. Total requirement for people is made up of expansion and replacement demand. Expansion demand is the measure of an increase/decrease in jobs as a result of economic growth or contraction; replacement demand is the number of job openings generated through labour market churn (i.e. those who retire, move away or change jobs). N.B. figures are rounded to the nearest 100 and as a result totals may not equal the sum of the constituent parts.
COVID-19
The COVID-19 pandemic has had a devastating impact on the tourism and hospitality sector. The contraction in tourism GDP has been greater than in the economy overall. Many businesses have already laid off staff and others are considering letting staff go to reduce costs. The recovery path is uncertain and may face several obstacles, a global recession, changes in attitudes to travel, further outbreaks of the virus and resumed physical distancing. It could be some years before pre-COVID levels of business are recorded.

Brexit
The impact of Brexit means ending the free movement of people risks restricting the ability of the sector to access labour as it recovers from the pandemic making staff retention all the more important. The exodus of EU workers is leading to skills gaps, for example language skills.

Fair Work
There is an increasing focus within the sector on the need to support and encourage more businesses to implement the principles of fair and safe work within the sector in order to support the drive to attract and retain staff.

Digital Skills
Automation technologies are already disrupting many aspects of the sector and this is expected to increase:

• With the increase in new technologies comes greater need for businesses to be better connected digitally and digitally skilled.
• The sector has comparatively low levels of digital maturity. For example, many businesses require support to become on-line bookable.