

INDONESIAN TOURISM TO RELY ON DOMESTIC MEDICAL TOURISM



The Covid-19 pandemic is having an unprecedented effect on tourism worldwide. The Indonesian tourism industry is no exception in this state of affairs, with the last couple of months having had a devastating effect on the sector.

According to official data, the foreign inflow of tourists decreased by 70.57% between January and September 2020 compared to the same period last year. The total number of foreign visitors reached just 3.56 million.

Significant Losses

As a result of the pandemic, the tourism sector in Indonesia has suffered losses exceeding \$7.1 billion. **Moreover, more than half a million of hotel employees have been discharged from work, either temporarily or permanently.** This represents 78.5% of the total workforce in the sector.

The same can be said about another part of the hospitality industry - restaurants. Two-thirds of the total workforce (1 million) have had the same faith as their colleagues from hotel businesses. This was reported by the Indonesian Hotel and Restaurant Association (PHRI).

Domestic Medical Tourism to the Rescue?

Nevertheless, it might not be all so gloomy for Indonesian tourism. In the difficult context of the pandemic, there might be a light at the end of the tunnel in the form of domestic tourism. However, not ordinary domestic tourism, but medical tourism.

According to a report by PwC, approximately 600 thousand Indonesians travelled abroad for medical treatment in 2015. This is the highest of all countries in the world. But what if this clientele would not have to travel overseas for their treatment? For example, to Bali?

The Indonesian Medical Tourism Board (IMTB) has already been pondering the idea since the beginning of the month and now the potential of Bali, in particular, has been noted also by the country's Minister of State-Owned Enterprises Erick Thohir.

According to his words, **Bali will become the preferred destination of medical tourists who used to travel to Singapore or Malaysia for their treatment.** The plan is to turn Bali into a training center for the Indonesian medical staff and to do so in cooperation with Japanese partners.

"Japan needs 750 thousand nurses until 2045. In 2025, they will need around 120 thousand. This is an opportunity that we should take advantage of. It could be a win-win situation," he said.

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