

# IN LATIN AMERICA 45% OF JOBS IN TOURISM WERE LOST OVER COVID-19



The hotel and restaurant industry has been hit the hardest by the ongoing health emergency in Latin America. 60% of the personnel in the industry are women; with 80% of them informally employed.

Lockdowns have been the main measure to stop the spread of COVID-19, but the cost has been very high for jobs in tourism. Just in tourist hotels and restaurants in Latin America, **45% of the workers lost their jobs during the second quarter of 2020 due to the pandemic**, according to the International Labor Organization (ILO), with women and youth being the most affected.

Since the pandemic began in Mexico, there have been fewer jobs in tourism, but the biggest annual drop occurred in the first quarter of 2021, with almost 18% fewer jobs than in the same period of 2020, according to data from the Mexican Secretary of Tourism (SECTUR). Activities in hotels and restaurants are the hardest hit, with 35% of businesses closing permanently.

Recovering tourism is key to overcoming the employment crisis caused by COVID-19 in the nation, says the ILO report titled "Towards a sustainable recovery of employment in the tourism sector in Latin America and the Caribbean". In the Caribbean, it had an impact on 35% of employment, while in Latin America, it was 10%.

In Mexico, tourism accounts for 15.5% of GDP, adds the ILO publication. In this nation, almost 75% of all visitors are nationals, a minimal advantage given the health crisis and the greater restrictions for traveling abroad.

## Half Recovery

According to SECTUR, in the first quarter of the year there were 3,690,000 direct jobs in tourism, meaning that this industry accounts for 8% of the total employment in the country. Before the pandemic, this figure was 13.3%, says the ILO report.

By April 2020, when the country registered a high number of coronavirus cases but the lockdown was not announced yet, more than 4,492,000 employees worked in restaurants and accommodation services, according to the National Survey of Occupation and Employment (ENOE). By June 2021, there were just over 4,039,000 workers in the tourism industry.

The ENOE figures show a recovery, although more than 452,000 tourism workers have not been able to return to their jobs, which represents 10% of the workforce before the pandemic.

The ILO report says that of the total jobs generated in Mexico, almost 9% are related to tourist activities. Meanwhile, in rural areas, tourism accounts for 5% of the sources of income.

## Women, the Most Affected Group

In Latin America, women in tourist hotels and restaurants hold 58% of employment, according to the

ILO report, specifically “in occupations related to care tasks”, in which wages are lower.

This trend is seen nationwide, but in countries with the highest rates of female unemployment, the situation worsens. In Mexico, 54% of the jobs in tourism are done by women, while in Bolivia, the figure reaches 79%, and in Argentina, 47%.

At regional level, of all the women workers, 8.8% are in hotels or tourist restaurants. However, Mexico’s rate is 12%, the third highest after Bolivia (12.7%) and Peru (12.1%). According to the ENOE, of the more than 4,039,000 currently employed in hotels and restaurants, 60% are women.

Most of the jobs generated in these sectors are informal, says the report. The trend reaches an average of 60.8% in the nation, but again, women are affected the most because “informal female workers represent 67.6% of those employed in the sector.” Young people are another group greatly affected by this problem, with 58% of them in the same situation.

In Mexico, the figures are even higher. The informal employment rate for women in tourism is 80.4%, and for young people, 74.1%. Compared to 7 other countries (Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, and Peru), Mexico is the country where more female workers are employed without social security, a written contract, stable salary and employment.

Colombia (80.3%) is second in informal job rates for female workers. When it comes to young people, the country trades places with Mexico. **In Colombia, 75% of young people who work in tourism do so informally, while in Mexico it is 74.1%.**

Although the ILO report does not include figures for migrants, it does highlight that this group is also subject to informal employment.

The conclusion of the report is that while the pandemic in tourism “did not affect all workers equally, the loss was greater for women, young workers, migrant workers and those who took jobs informally,” says the organization. However, for those that are part of more than one group, for example, a young migrant woman, the negative effects of this crisis were greater.

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