

## IMPACT OF TOURISM ON EMPLOYMENT IN SERBIA AND ITS MAIN COMPETITORS

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### Abstract

*Over the last twenty years, tourism has played a very important role in the economic development of many countries. Moreover, travel and tourism industry is one of the leading job creators in the world which employs 118 million people directly, or 3.8% of total employment. When indirect and induced employment are included, travel and tourism industry employs more than 313 million people, or 9.9% of total employment. The aim of this paper is to present the contribution of tourism to the overall employment in Serbia and its main competitors in the tourism market, namely Bulgaria, Croatia, Hungary, Montenegro, Romania and Slovenia. Albania is excluded from the analysis due to the lack of data. The research results show increase in the number of employees in tourism in all observed countries and increase in the share of tourism in total employment in all countries except Hungary whose share was the same in the last as in the first observed year.*

Key Words: *tourism, travel and tourism industry, employment, Serbia*

JEL classification: *L83, J21*

### Introduction

Tourism is considered to be one of the largest and fast growing industries in the world. The growth of the tourism sector is relevant for the 'health' of national economies (Krstić et al., 2016a). The travel and tourism industry can play an important role as a driving force of economic development by generating income, creating employment, providing foreign exchange, enhancing technology and improving living standards

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in different countries. The tourism industry is a crucial part of the economy of each country, regarding its significant financial, political and social effects (Milutinović & Vasović, 2017). Over the last few decades, tourism industry continues to grow into one of the most dynamic economic sectors as it acts as a reliable tool for sustainable job creation. The development of tourism in the country leads to an increase in income for the population employed in tourism industry, as well as for a part of the population that is not employed in tourism industry directly but is employed in companies whose economic survival depends on tourism (Dimitrovski & Milutinović, 2014).

The contribution of tourism is very beneficial for the country's economy due to its impact on employment, expansion of industrial and agricultural production in order to fulfil the needs of tourists, the total income of the country, improvement in the standard of living of the population and significant progress in cultural content and activities, public economy, especially at the local level (Dritsakis, 2004). It can be said that the role of tourism in the creation of employment and participation in the overall economic activity is considerable (Milovanović & Milićević, 2014). That is why the fact that tourism is the primary economic activity in many countries is recognized in all countries in the world (Milutinović & Stanišić, 2016). The development of countries in the future and progress at the achieved level of competitiveness should be based on all factors and resources that lead to the tourism sector development (Krstić & Stanišić, 2015).

The travel and tourism sector plays a very important role in the value creation of countries (Krstić et al., 2016b). According to the World Travel and Tourism Council (WTTC), tourism is one of the world's largest economic sectors. The direct contribution of travel and tourism industry in 2017 was 3.2% of global gross domestic product (GDP) and 118 million jobs, or 3.8% of total employment. In the same year, the total contribution of travel and tourism industry accounted for 10.4% of global GDP and 313 million jobs, or 9.9% of total employment (WTTC, 2018). For instance in 2010, travel and tourism industry generated 9.2% of GDP, 236 million jobs, or 8.1% of total employment (WTTC, 2011). Comparing these results, it is evident that in only eight years total tourism and travel contribution to GDP rose by about 15% and about 25% when it comes to employment. Predictions of WTTC are very optimistic. Namely, direct contribution of travel and tourism industry to GDP is forecast to rise by 4% in 2018, and by 2028 by 3.8% per annum. Direct contribution

of travel and tourism industry to employment is expected to rise by 2.4% in 2018, and by 2.2% per annum, reaching 4,2% of total employment in 2028. The total contribution of travel and tourism to GDP is forecast to rise by 4% in 2018, and to rise by 3.8% per annum to 11.7% of GDP in 2028. The total contribution of travel and tourism to employment is expected to rise by 3% in 2018, making it 323 million jobs. Also, this contribution is forecast to rise by 2.5% per annum, or to 414 million jobs in 2028 (11.6% of total employment).

The paper is structured as follows. After the introduction, the second part of the paper shows the ways in which tourism contributes to employment, and some basic characteristic of tourism employment. Comparative analysis of number of employees in tourism as well as the share of tourism employment in Serbia and its main competitors is given in the third part. The fourth part analyzes number of employees within tourism sectors. Fifth part concludes.

### **The impact of tourism on employment**

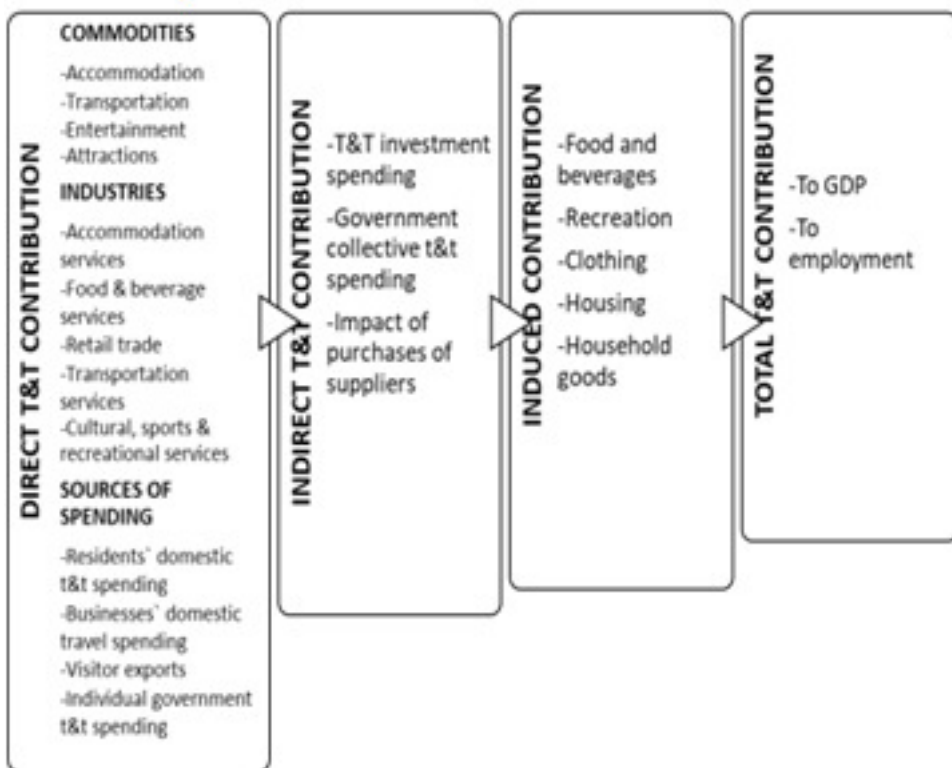
The impact of tourism on economic development is measured through its effect on income, employment, investment and balance of payment. Figure 1 shows direct, indirect and induced contribution of travel and tourism industry to GDP and employment. Induced contribution represents spending of direct and indirect employees in tourism.

In terms of income level in tourism, Aynalem et al. (2016) claim that income will be higher in tourist destinations which attract large numbers of visitors. Also, income level will be higher in destinations where visitors stay longer and spend a larger amount of money. Since tourism is a labour intensive industry, it is likely that the greater proportion of income will be obtained from wages of those working either in direct contact with tourists or those that benefit indirectly from tourists' spending.

Employment in tourism has certain characteristics. First, tourism, as any other service activity, is labour intensive sector. Employees in tourism mainly have direct contact with the customers while providing the services. That is why it is impossible, as in some other sectors, to implement a significant amount of automatization (Marčetić & Muškić, 2017). Second, tourism has very seasonal feature, and because of that the need to hire additional, i.e. seasonal, workforce which are employed only

during an active season, for instance – in the summer period. Third, tourism provides workers an opportunity to travel abroad and to learn foreign languages. Also, as a highly fragmented economic activity, tourism offers a variety of direct and indirect employment opportunities in almost all sectors of the national economy. It offers employment opportunities for a wide range of population with different expertise level. Tourism jobs are among the most attractive available to both men and women – both in terms of salary and job satisfaction (Obadić & Marić, 2009).

Figure 1: *Direct, indirect and induces contribution of travel and tourism (T&T) industry*



Source: *WTTC (2018)*

Based on the involvement or contribution tourism supply side, tourism employment can be categorized into three separate levels:

- direct,
- indirect, and
- induced.

Direct employment represents the total number of jobs that implies direct contact with tourists. For example, employees at the front offices in hotels, restaurants, travel agencies, tourism information offices, aircrafts or shopping outlets, souvenirs, photography, sightseeing tours, farmhouses, bed and breakfast, rural inns, protected areas such as national parks, palaces, religious sites, monuments, cruise lines, resorts. Besides direct, tourism also supports indirect employment in activities such as restaurant suppliers, construction companies that build and maintain tourist facilities as well as necessary infrastructure, aircraft manufacturers, various handicrafts producers, marketing agencies, accounting services, which are more or less dependent on the companies providing direct employment for their revenues (Obadić & Marić, 2009). The induced employment (or ancillary employment) represents jobs supported by the spending of those who are directly or indirectly employed by the travel and tourism industry (WTTC, 2018). The induced employment occurs as a result of the positive effect of tourism development at specific destination. This development of tourism stimulates growth of employment in other areas, such as schools, medical institutions, police and security officers, municipal authorities, etc.

When taken into consideration the job division between genders in tourism and hotel industry, in most countries, more women are employed in this sector than men (European foundation for the improvement of living and working conditions, 2004). Tourism is often characterised by its employment seasonality, so it creates an attractive opportunity for women to combine paid employment with family responsibilities and other duties. This is why women are more often employed part time, casual and seasonal, often on the basis of temporary employment arrangements. Also, one of the reasons why female labor is more prevalent in hotel and tourism industry is that tourism is seen as being a "female-friendly" industry because of the nature of the work involved.

Despite some positive opportunities for women in hotel and tourism sector, research shows that unskilled or semi-skilled women tend to work in the most vulnerable jobs, where they are more likely to experience poor working conditions, inequality of opportunity and treatment, stress, exploitation, violence and sexual harassment (UNWTO, 2011).

Aynalem et al. (2016) indicate that there are some constraints of employment in travel and tourism industry like unstable employment due to tourism` seasonality characteristic, low job status, long working hours

and low wages. For instance, the average salary in the hotels and restaurants is lower than average wages in almost all EU member states (European foundation for the improvement of living and working conditions, 2004). As a consequence, employers face a difficulty of recruiting suitable staff and high staff turnover, which are costly to the success of the industry.

### **Comparative analysis of tourism employment in Serbia and its main competitors**

In this section, a comparative analysis of total employment and tourism employment of Serbia and its main competitors will be carried out. The Tourism Development Strategy of the Republic of Serbia (2016) listed Albania, Bulgaria, Croatia, Hungary, Montenegro, Romania and Slovenia as the main competitors of Serbia as a tourist destination. All of these countries will be taken into analysis except Albania, which will be excluded from analysis due to the lack of data.

Table 1 shows number of employees (in thousand) in tourism in Serbia and its main competitors, both total and by genders. Romania is the leader in the number of tourism employees, followed by Hungary, Bulgaria, Serbia, Croatia, Slovenia and Montenegro. Most of these countries experienced the fall of number of tourism employees from 2010 to 2012. A possible explanation for this is a decline in total employment as a result of the Global economic crisis in 2007, which also affected employment in tourism. Since 2013 all countries, except Slovenia, have recorded an increase in the number of employees in tourism.

Table 1: *Number of employees in tourism by sex in Serbia and its main competitors (in thousand)*

	Serbia	Bulgaria	Croatia	Hungary	Montenegro	Romania	Slovenia
<b>TOTAL</b>							
<b>2010</b>	1,619.6	2,688.7	1,321.1	3,272.7	/	5,648.6	799.3
<b>2011</b>	1,570.3	2,606.1	1,270.9	3,302.5	164.1	5,697.2	778.7
<b>2012</b>	1,545	2,594.1	1,256.9	3,378.1	164.9	5,734.5	773.8
<b>2013</b>	1,553	2,578.7	1,248.5	3,453.8	169.6	5,743.5	753
<b>2014</b>	1,745.6	2,609.1	1,321.2	3,636.4	175.5	5,850.3	746.5
<b>2015</b>	1,797.1	2,667.2	1,336.8	3,747	175.4	6,062.2	766.1
<b>2016</b>	1,858.3	2,662.9	1,368.8	3,880.9	176.1	6,200.6	785.1
<b>2017</b>	1,940.2	2,775.4	1,424	3,964.4	178.9	6,389.7	819.2

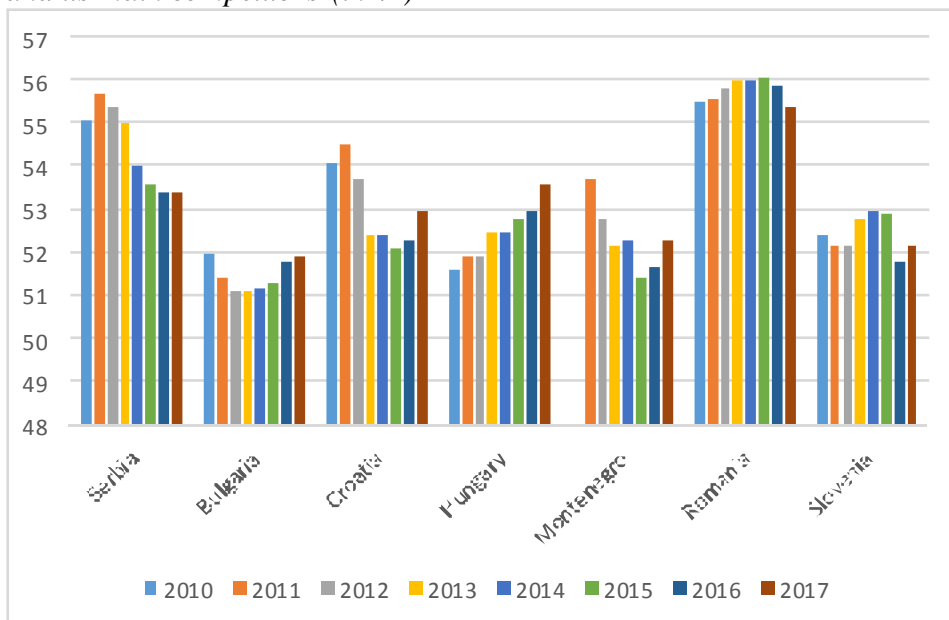
<b>MALE</b>							
	Serbia	Bulgaria	Croatia	Hungary	Montenegro	Romania	Slovenia
<b>2010</b>	891.7	1,398.2	714.4	1,688.3	/	3,134	418.8
<b>2011</b>	874.9	1,339.5	693.2	1,713	88.1	3,166.3	406.5
<b>2012</b>	856.2	1,324.4	675.5	1,754.7	87	3,200.1	404
<b>2013</b>	854.6	1,316.5	654.1	1,812	88.6	3,214	397.6
<b>2014</b>	943.3	1,335.9	692.7	1,910.2	91.8	3,277.2	395.8
<b>2015</b>	963.9	1,368.5	696.4	1,977.2	90.1	3,398.6	405.5
<b>2016</b>	991.6	1,379.6	716	2,056.4	91	3,468.7	406.4
<b>2017</b>	1,035.4	1,440.4	754.2	2,125.8	93.6	3,539	427.8
<b>FEMALE</b>							
	Serbia	Bulgaria	Croatia	Hungary	Montenegro	Romania	Slovenia
<b>2010</b>	727.9	1,290.5	606.7	1,584.3	/	2,514.6	380.5
<b>2011</b>	695.5	1,266.6	577.7	1,589.6	76	2,531	372.3
<b>2012</b>	688.8	1,269.6	581.4	1,623.4	78	2,534.4	369.8
<b>2013</b>	698.4	1,262.2	594.4	1,641.8	81.1	2,529.5	355.4
<b>2014</b>	802.3	1,273.2	628.5	1,726.2	83.7	2,573.1	350.7
<b>2015</b>	833.2	1,298.7	640.4	1,769.8	85.3	2,663.6	360.6
<b>2016</b>	866.7	1,283.3	652.8	1,824.6	85.1	2,731.9	378.7
<b>2017</b>	904.9	1,335	669.8	1,838.6	85.3	2,850.8	391.5

Source: *Eurostat*

From 2010 to 2017 all observed countries have increased the number of employees in tourism. In 2017, the leader Romania had 6,389.7 thousand employs in tourism in comparison with 5,648.6 thousand in 2010, which is the rise of about 14%. Hungary increased the number of employees in tourism from 3,272.7 in 2010 to 3,964.4 in 2017, or by 21%. In the same period, Bulgaria increased number of employees in tourism by 4%, or from 2,688.7 thousand to 2,775.4 thousand. Serbia increased the number of employees in tourism by 20%, or from 1,619.6 thousand in 2010 to 1,940.2 thousand in 2017. Increase of 8% was recorded in Croatia (from 1,321.1 thousand to 1,424 thousand) and in Slovenia from 799.3 thousand to 819.2 thousand (2.5%). In Montenegro the number of employees in tourism has risen form 164.1 thousand in 2011 to 178.9 thousand in 2017, or 9%.

It can be concluded that the largest increase in the number of employees in tourism has been recorded in Hungary with 21%, followed by Serbia with 20%, Romania with 14%, Montenegro with 9%, Croatia with 8% and Slovenia with only 2.5%.

Figure 2: *The share of number of male employees in tourism in Serbia and its main competitors (in %)*



Source: *authors` calculation based on Eurostat*

In the observed period, male workforce was dominant in the overall tourism employment (Figure 2). All countries had more than 50% male employees in tourism. In Serbia, this percentage has been in decline from 2011, while constant increase of male workforce in tourism was recorded in Hungary. Bulgaria, Croatia and Montenegro have had small decline and then increase, while Romania and Slovenia have had small increase and then decline in the share of female workforce in tourism employment.

A more realistic picture of the tourism contribution to total employment can be obtained by analyzing the share of tourism in total employment (Table 2).

The biggest contribution of tourism to employment was achieved by Bulgaria with 2.04%. This country was also the leader in total tourism contribution to employment back in 2010 with 1.02%. Montenegro follows with the share of tourism in total employment of 1.3%, then Hungary with 0.62%, Serbia with 0.59%, Croatia with 0.57%, Slovenia with 0.54%, and Romania with 0.33%.

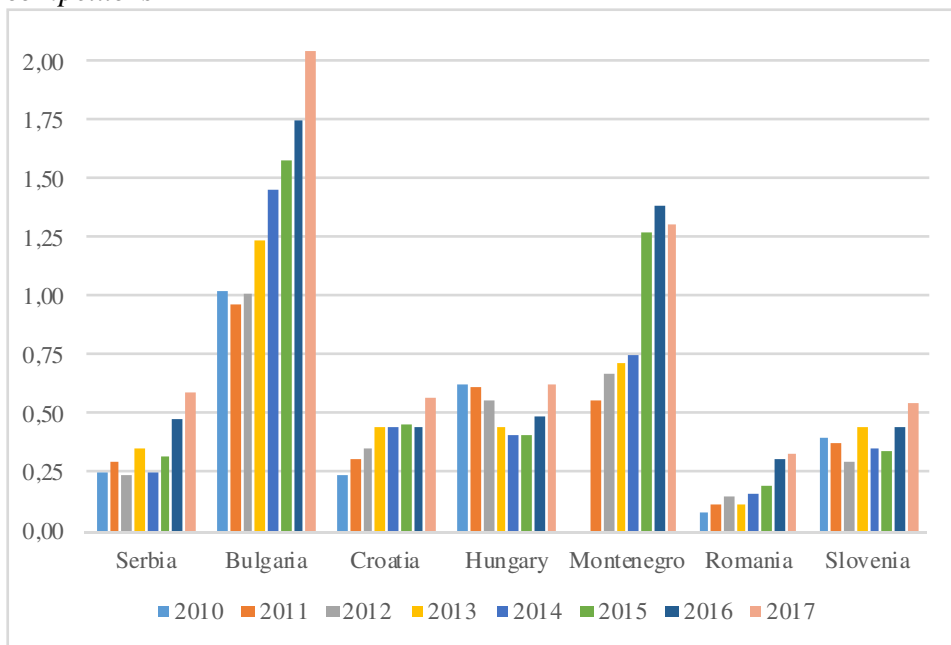
Table 2: *The share of tourism in total employment by sex in Serbia and its main competitors (in %)*

	Serbia	Bulgaria	Croatia	Hungary	Montenegro	Romania	Slovenia
<b>TOTAL</b>							
<b>2010</b>	0.25	1.02	0.24	0.62	/	0.09	0.4
<b>2011</b>	0.29	0.96	0.31	0.61	0.55	0.12	0.37
<b>2012</b>	0.23	1.01	0.35	0.55	0.67	0.14	0.3
<b>2013</b>	0.35	1.23	0.44	0.44	0.71	0.11	0.44
<b>2014</b>	0.25	1.45	0.45	0.41	0.75	0.15	0.35
<b>2015</b>	0.31	1.57	0.46	0.41	1.27	0.2	0.34
<b>2016</b>	0.48	1.75	0.45	0.49	1.38	0.31	0.45
<b>2017</b>	0.59	2.04	0.57	0.62	1.3	0.33	0.54
<b>MALE</b>							
	Serbia	Bulgaria	Croatia	Hungary	Montenegro	Romania	Slovenia
<b>2010</b>	0.42	1.38	0.34	0.62	/	0.13	0.5
<b>2011</b>	0.47	1.3	0.38	0.58	0.92	0.14	0.4
<b>2012</b>	0.35	1.22	0.45	0.55	0.81	0.17	0.37
<b>2013</b>	0.55	1.53	0.58	0.44	1.14	0.13	0.58
<b>2014</b>	0.35	1.78	0.33	0.39	0.66	0.17	0.48
<b>2015</b>	0.29	1.87	0.37	0.37	1.46	0.29	0.37
<b>2016</b>	0.53	2.07	0.58	0.46	1.34	0.41	0.57
<b>2017</b>	0.66	2.21	0.57	0.61	1.41	0.44	0.68
<b>FEMALE</b>							
	Serbia	Bulgaria	Croatia	Hungary	Montenegro	Romania	Slovenia
<b>2010</b>	0.04	0.64	0.13	0.63	/	0.03	0.32
<b>2011</b>	0.09	0.6	0.23	0.65	0.13	0.09	0.38
<b>2012</b>	0.09	0.79	0.24	0.56	0.65	0.11	0.24
<b>2013</b>	0.10	0.93	0.29	0.45	0.37	0.09	0.28
<b>2014</b>	0.12	1.11	0.58	0.42	0.84	0.14	0.2
<b>2015</b>	0.34	1.26	0.53	0.46	1.07	0.09	0.31
<b>2016</b>	0.43	1.41	0.31	0.52	1.43	0.19	0.32
<b>2017</b>	0.51	1.86	0.59	0.63	1.19	0.19	0.41

Source: *authors` calculation based on Eurostat*

Comparing these results with the first year in the period observed, Montenegro improved its result moving from third to second position. However, Hungary's position was demoted from the second in 2010 to the third in 2017. Serbia and Croatia kept their fourth and fifth place in the observed period, while Slovenia's position was demoted from the third place in 2010 to the sixth place in 2017 (Figure 3). Romania fell from the sixth position in 2010 to the seventh position in 2017.

Figure 3: *The share of tourism in total employment in Serbia and its main competitors*



Source: *author's calculation based on Eurostat*

In the observed period all the countries, except Hungary, had the increase in the share of tourism in total employment (Figure 3). From 2010 to 2017, the Hungary's share of tourism in total employment has fallen and then slightly increased, but at the end of the period was the same as at the beginning. The biggest rise of the contribution of tourism to total employment was achieved by Bulgaria, from 1.02% to 2.04%, or by 1.02% (double increase). Montenegro follows with the increase of the share of tourism in total employment of 0.75%, or from 0.55% in 2011 to 1.3% in 2017. Serbia is in the third place with the increase in its share of tourism in total employment by 0.34% (from 0.25% to 0.59%). Croatia increased its share of tourism in total employment slightly less than Serbia, i.e. by 0.33% (from 0.24% to 0.57%). Romania follows with the increase of the contribution of tourism to total employment by 0.24%, or from 0.09% in 2010 to 0.33% in 2017. The smallest increase in the share of tourism in total employment was achieved by Slovenia by 0.14%, or from 0.4% to 0.54%.

Table 2 also shows share of male and female tourism workforce to total employment. In all the observed countries the contribution of male

workforce is larger than female, although in some countries the share of female workers is on the rise. For instance, in Serbia the share of females rose from 0.04% to 0.51%, while the share of males in total employment rose from 0.42% to 0.66%. In Montenegro in the period from 2011 to 2017, the tourism contribution to total employment of female workforce rose from 0.13% to 1.19%, while males contribution rose from 0.92% to 1.14%. In other observed countries, the increase of female contribution to total employment was recorded, but was not so pronounced. The only exception is Hungary, in whose case no increase in the share of female tourism workforce was recorded, while the contribution of males decreased. This is due to the lack of increase in share of total tourism workforce of overall employment.

### **Comparative analysis of employment within tourism sectors**

Eurostat divided all the activities in tourism sector to the Air transport, Accommodation and food service activities, Accommodation, and Tour operators. In this section, a comparative analysis of employment within these sectors in all the observed countries will be carried out. The number of employees by activity is given in Table 3. Due to the lack of data for the Air transport sector, it will not be taken into consideration when analysing employment in Bulgaria, Croatia and Montenegro.

Serbia has the largest number of employees in tourism in Accommodation and food service activities, more than in all other sectors together. This number increased from 51.2 thousand in 2010 to 78.6 thousand in 2017. Accommodation sector employed 17.2 thousand employees in 2017 relative to 14.6 thousand in 2010. In 2017 Air transport sector employed 7.4 thousand employees, which is more than the Tour operators sector. However, looking at the 2010, the Tour operator sector had 4.4 thousand employees while Air transport sector had 3.6 thousand employees. Moreover, the Tour operators sector was the only tourism sector in Serbia that had a decline in number of employees (by 32%). All other sectors increased the number of employees from 2010 to 2017, Air transport more than twice (105%), Accommodation and food service activities by 53% and Accommodation sector by 18%. This vast increase of the number of employees in the Air transport sector can be the result of the strategic partnership of the national airline JAT Airways and Etihad Airways in 2013.

Accommodation and food service sector employed the largest number of people in Bulgaria. In the observed period this number increased from 144.9 thousand to 151.8 thousand (5%). Accommodation sector follows with 37.2 thousand employees in 2017 compared with 29.5 thousand employees in 2010 (increase of 26%). Tour operators sector has the smallest number of employees in the observed period. In 2010 this number was 47 thousand, while in 2017 6.5 thousand employees were employed in this sector, which is an increase of 38%. Although Accommodation and food service has the largest number of employees, this sector had the smallest increase in the observed period. At the same time, the sector with the smallest number of employees, the Tour operators sector, had the biggest increase of employees.

Table 3: *Tourism employment by activity in Serbia and its main competitors (number of employees in thousand)*

<b>AIR TRANSPORT</b>							
	Serbia	Bulgaria	Croatia	Hungary	Montenegro	Romania	Slovenia
<b>2010</b>	3.6	/	/	6.8	/	7.2	1.8
<b>2011</b>	4.5	/	/	7.2	/	8.5	1.5
<b>2012</b>	4.1	/	/	3	/	10.2	1.2
<b>2013</b>	4.5	3.3	/	3.9	/	8.9	1.5
<b>2014</b>	6	/	1.1	5.7	/	/	0.5
<b>2015</b>	7.3	/	/	5.4	/	8	0.8
<b>2016</b>	5.9	/	/	5.8	/	7	0.8
<b>2017</b>	7.4	/	/	4.9	/	6.5	/
<b>ACCOMMODATION AND FOOD SERVICE ACTIVITIES</b>							
	Serbia	Bulgaria	Croatia	Hungary	Montenegro	Romania	Slovenia
<b>2010</b>	51.2	144.9	82.2	129	/	155.4	39.4
<b>2011</b>	44.8	141.6	74.7	136.1	11.5	162.3	37.3
<b>2012</b>	45.9	135.8	74.8	141.8	11.9	163.3	33.1
<b>2013</b>	45	128.2	77.8	141.6	14.5	165.4	31.8
<b>2014</b>	52.6	137.2	81.4	151.8	15.3	170.9	34.3
<b>2015</b>	68.1	141.4	84.8	168.5	14.3	177	39.3
<b>2016</b>	71.9	140.5	95.5	176.1	15.6	198.3	34.7
<b>2017</b>	78.6	151.8	103.3	171.8	16.4	195.7	38.9
<b>ACCOMMODATION</b>							
	Serbia	Bulgaria	Croatia	Hungary	Montenegro	Romania	Slovenia
<b>2010</b>	14.6	37.7	26.1	29.5	/	40.8	12.5
<b>2011</b>	15.4	36.8	30.2	37.3	4.5	42	12.2
<b>2012</b>	14.4	37.7	32.1	40	4.6	40.4	11.2
<b>2013</b>	9.2	34.5	27.9	37.4	6.9	44.6	10.4
<b>2014</b>	11	37.1	35.8	36	7.1	50.4	10.9

<b>2015</b>	16.4	37.9	34.8	39	6.9	40.2	12.2
<b>2016</b>	14.4	39.4	33.3	41.1	7.9	45.8	8.5
<b>2017</b>	17.2	41.7	37	37.2	7.2	45.6	9.9
<b>TOUR OPERATORS</b>							
	Serbia	Bulgaria	Croatia	Hungary	Montenegro	Romania	Slovenia
<b>2010</b>	4.4	4.7	3.2	6.9	/	9.8	1.7
<b>2011</b>	4.8	4.5	1.6	6.5	/	9.1	1.2
<b>2012</b>	3.4	4.1	1.4	5.1	/	/	2.2
<b>2013</b>	/	5.1	1.4	6.6	/	9.6	3.5
<b>2014</b>	1.3	6.3	4.2	8.8	2.4	14.4	3
<b>2015</b>	4.7	4.8	4.4	6.6	2.1	13.3	1.4
<b>2016</b>	4.3	4.9	6.5	5.7	1.4	14.4	2.2
<b>2017</b>	3	6.5	4	8.2	/	15.9	2.6

Source: *Eurostat*

In the case of Croatia, Accommodation and food service sector also had the largest number of employees in the observed period. From 2010 to 2017 this number increased from 82.2 thousand to 103.3 thousand employees, or by 26%. The Accommodation sector is in the second place with 37 thousand in 2017, compared with 26.1 thousand employees in 2010. The increase in number of employees in Accommodation sector in the observed period amounts to 42%. Tour operators sector employed 4 thousand employees in 2017 in comparison with 3.2 thousand employees in 2010, which makes an increase of 25%. As it can be seen, the biggest increase in the number of employees is not in the sector that employs the largest number of employees, but in the Accommodation sector.

Hungary has the biggest number of employees in the sector of Accommodation and food service. In 2010, 129 thousand employees worked in this sector, while this number increased to 171.8 thousand in 2017. This is also the sector that had the biggest increase in the number of employees - 33%. In the second place there is the Accommodation sector which increased its number of employees by 26% from 2010 to 2017, or from 29.5 thousand to 37.2 thousand employees. The Tour operators sector follows with 6.9 thousand employees in 2010 and 8.2 thousand employees in 2017. This is an increase of 19%. Hungary has the smallest number of employees in the Air transport sector. In 2010 this sector employed 6.8 thousand employees, while in 2017 the number of employees decreased to 4.9 thousand, or by 28%.

The Accommodation and food service sector in Montenegro employed the largest number of employees. In 2011 this number was 11.5 thousand, while in 2017 number of employees increased to 16.4, making it the increase of 43%. The Accommodation sector had fewer employees by half. This sector increased its number of employees from 4.5 thousand in 2011 to 7.2 thousand in 2017, or by 60%. Although only three years of data are available for the number of employees in the Tour operators sector, it can be concluded that this sector employs less employees than the other two mentioned.

In the case of Romania, the Accommodation and food service sector has the largest number of employees. Namely, from 2010 to 2017 this number increased from 155.4 to 195.7, or by 26%. The sector of Accommodation follows with 45.6 thousand employees in 2017. From 2010 when this sector employed 40.8 thousand employees to 2017, the number of employees that worked in the Accommodation sector increased by 12%. In the third place there is the Tour operator sector which employs 15.9 thousand workers in 2017 in comparison with 9.8 thousand in 2010. In this period the number of employees in the Tour operator sector increased by 62%, which is the biggest increase of all the sectors. The smallest number of employees is in the Air transportation sector. From 2010 to 2017, this number decreased from 7.2 thousand to 6.5 thousand employees, or by 10%.

Accommodation and food service sector in Slovenia employed the largest number of employees. However, from 2010 to 2017 this number decreased from 39.4 thousand to 38.9 thousand employees, or by 1.3%. The Accommodation sector follows with 12.5 thousand employees in 2010 and 9.9 thousand employees in 2017. As it can be seen, this sector also had a decrease in the number of employees, although more than the Accommodation and food service sector, i.e. by 21%. According to the number of employees, the Tour operators sector, which employed 2.6 thousand employees in 2017, is in the third place. In 2010 this sector employed 1.7 thousand employees, so this sector increased its number of employees in the period observed by 53%. The smallest number of employees is in the Air transportation sector. Moreover, this sector decreased its number of employees from 1.8 thousand in 2010 to 0.8 thousand in 2017, or by 56%. Although it does not employ the largest number of employees, the Tour operators sector is the only sector in Slovenia that increased its number of employees in the observed period.

After this comparative analysis of the number of employees in the tourism sector, a conclusion can be made that the largest number of employees are in the Accommodation and food service sector, followed by Accommodation sector. However, this does not mean that these sectors have the biggest increase in the number of employees. For example, in the case of Slovenia, these sectors had the decrease in the number of employees.

### **Conclusion**

Nowadays, travel and tourism industry is one of the most significant sectors in the world. It contributes to GDP, improves balance of payments and creates employment opportunities. Recent data showed that travel and tourism industry created over 313 million jobs and generated 10.4% global GDP in 2017. Moreover, tourism jobs are often very attractive and highly respected, where glamorous image of tourism work is particularly alluring to women.

Comparative analysis of Serbia and its main competitors on tourism market shows the rise in the number of employees in tourism in the observed period. The leader in the number of employees in tourism is Romania with 6,389.7 thousand employees in 2017. However, Hungary had the biggest increase in the number of employees in tourism in the period observed by 21%. Serbia follows with 20%, then Romania with 14%, Montenegro with 9%, Croatia with 8% and Slovenia with only 2.5%. The analysis also shows that male workforce was dominant in the overall tourism employment.

The biggest contribution of tourism to employment was recorded in Bulgaria with 2.04%, followed by Montenegro with 1.3%, Hungary with 0.62%, Serbia with 0.59%, Croatia with 0.57%, Slovenia with 0.54%, and Romania with 0.33%. In the observed period, all the countries had the increase in the share of tourism in total employment, except Hungary whose share was the same in the first and in the last year observed. Bulgaria recorded the biggest increase in the share of tourism to total employment – double increase, followed by Montenegro with 0.75%, Serbia by 0.34%, Croatia by 0.33%, Romania by 0.24%, and Slovenia by 0.14%. The contribution of male workforce in tourism to total employment is larger than female in all observed countries. However, in some countries the share of female employees in tourism in total employment is on the rise (Serbia and Montenegro).

This paper also analysed the number of employees within the sectors of tourism. Results show that the Accommodation and food service sector employs the largest number of employees, followed by the Accommodation sector. However, results also show that these sectors do not always have the biggest increase in the number of employees. For example, in the case of Slovenia, this sector had the decrease in the number of employees. Serbia, for instance, doubled the number of employees in Air Transportation sector.

Overall conclusion can be made that Serbia, in comparison with its main competitors, has the satisfying number of employees in the travel and tourism industry, as well as the share of tourism in total employment. What is more important, Serbia is increasing its number of employees in the tourism sector more than almost all the other countries observed. Also, Serbia is increasing the share of tourism in total employment as well as the share of tourism female workers in total employment.

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