

## More than five million new Travel & Tourism jobs to be created in Indonesia within the next decade

Sector expected to grow at twice the rate of the overall economy over the next 10 years

Travel & Tourism to inject an additional IDR 1,042 trillion to the economy by 2032

**London, UK:** The World Travel & Tourism Council's latest Economic Impact (EIR) reveals Indonesia's Travel & Tourism sector is expected to create more than five million new jobs over the next decade.

The forecast from the World Travel & Tourism Council (<u>WTTC</u>) also shows the sector will be a driving force behind the country's economic recovery, following more than two years of suffering.

Over the next 10 years, Indonesia's Travel & Tourism sector is expected to grow at an average annual rate of 10%, twice the rate of the overall economy, which is forecasted to grow by 5.1%.

The sector's contribution to GDP will reach nearly U.S.\$ 118.4 billion (IDR 1,692 trillion), injecting an additional U.S.\$ 72.9 billion (IDR 1,042 trillion) to the economy and representing 5.7% of the total economy.

The forecast also reveals the Travel & Tourism sector is expected to create more than 500,000 new jobs every year for the next decade, reaching more than 16 million employed in the sector by 2032.

By the end of this year, the sector's contribution to GDP is expected to grow 57.2% to U.S.\$ 45.5 billion (IDR 650 trillion), amounting to 3.6% of the total economic GDP, although employment in the sector is set grow by just 2.1%, to reach just over 11.2 million jobs.

Julia Simpson, WTTC President & CEO, said: "Indonesia's Travel & Tourism sector is in a strong recovery, with a very bright forecast for both GDP and jobs.

"Although the future looks bright for Indonesia, the recovery last year lagged behind other major Travel & Tourism markets due to damaging barriers to travel.

"Indonesia is a critical destination which attracted millions of tourists before the pandemic and is highly reliant on the Travel & Tourism sector.

"We commend the Indonesian government for putting Travel & Tourism at the forefront of the global agenda at the upcoming G20.

"It is crucial to remove the last remains of travel rules to facilitate international arrivals and in turn give a massive boost to the sector's growth and the country's economic revival."

Before the pandemic, Indonesia's Travel & Tourism sector's contribution to GDP was 5.6% (U.S.\$ 65.4 billion / IDR 934.6 trillion) in 2019, falling to just 2.8% (U.S.\$ 32.3 billion / IDR 461.1 trillion) in 2020, halving the contribution (50.7%).

The sector also supported nearly 12.4 million jobs, before an almost complete halt to international travel which resulted in a drop of nearly two million (15.4%), to reach just over 10.4 million in 2020.

However, according to the global tourism body, continuous restrictions, and impediments to travel hampered the potential recovery of the sector in 2021.

Last year, its contribution to GDP decreased 10.3% year on year, to reach U.S.\$ 29 billion (IDR 413.7 trillion) (2.4% of the total economy).

In terms of employment, the sector saw a recovery of nearly 500,000, representing a positive rise of 4.6% to nearly more than 10.9 million.

-ends-