



Socio-economic benefits of sustainable

tourism to local communities



Module 2. Socio-economic benefits of sustainable tourism to local communities

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Keywords

Local employment; decent work; local purchasing; accessible tourism; universal accessibility.

| Learning objectives | As a result of engaging with the materials in this module, learners are intended to achieve the following learning outcomes: Knowledge: learn how tourism MSEs can promote the creation of decent and local work, with equal opportunities for all, as well as how they can promote the local economy by supporting locally owned businesses and favouring local purchasing of products and services. Finally, learn how accessible tourism actions and initiatives can also be promoted by tourism MSEs. Skills: improved ability to identify the main characteristics and tools that can help tourism MSEs promoting local and decent work, supporting local purchasing, and promoting accessible businesses both for tourists and local population. Competencies: encouraging the promotion of local and decent work, the support of local purchasing, and the promotion of accessible businesses. |
|---------------------|--|
| Methods | Autonomous learning by reading and studying the course materials and the complementary sources and links provided in the materials. |
| Time schedule | Time necessary for: Learning content (self-study): 1.5 hours Self-assessment questions: 5 minutes Additional time (depending on learners) is required to complete the learning activities and review complementary sources and links. |



Introduction

This module is related to the socio-economic benefits of sustainable tourism to local communities. It is structured into three units that refer to three key aspects of the economic and social pillars of sustainable tourism.

The first unit refers to how giving support to the community by promoting local employment, decent work, and equal opportunities for all. With the main aim of promoting the sustainability of the sector, tourism MSEs should give high priority to the creation of jobs that are stable, permanent and full-time, and that provide fair salaries and benefits, without any discrimination, and providing opportunities for the disadvantaged. Additionally, if those jobs are local, the contribution of tourism to the whole sustainability of the destination is much higher.

The second unit complements the previous one by explaining how tourism MSEs can also support entrepreneurs at the local/destination level. More specifically, it deals with the local purchasing, supporting those locally owned businesses, and strengthening links between those businesses as well. 'Buying local' contributes to the economic and environmental sustainability of both tourism and the host community, because it does not only contribute to the promotion of local products and producers, but it also helps to reduce imports to the area, as well as emissions and pollution.

Finally, the third unit, talks about improving the quality of life in local communities through accessible tourism. Here, accessible tourism and universal accessibility concepts are defined, and it is explained how they can be implemented by a tourism MSE. The approach of introducing accessibility in the tourism sector offers the possibility of expanding the target audience without the need to specialise or reorient the business. The objective is to create an inclusive offer based on the existing offer, since people with accessibility needs, (elderly, disabled or families with young children), have the same desires and travel needs as the rest of the population.

Content

2.1 Supporting community: local employment, decent work, equal opportunities for all

Providing employment is one of the major ways in which tourism can contribute to the quality of life in host communities, and to socioeconomic sustainability of destinations. However, in spite of the importance of human resources in tourism and the sector's contribution to the global economy, tourism jobs are often quite low paid, with poor conditions and little security of employment (UNEP & WTO, 2005). This is partly due to the fragmentation of the sector which is characterised by seasonal, part-time and often family-based employment, but also to the view that service industry jobs are non-professional or casual work. There is a very high turnover of workers in some sectors of the industry. Improved conditions for workers can lead to better performance, increased staff retention, and greater efficiency and productivity.



With the main aim of promoting the sustainability of the sector, **tourism MSEs** should give high priority to the creation of jobs that are stable, permanent and full-time, and that provide fair salaries and benefits. Additionally, if those jobs are local, the contribution of tourism to the whole sustainability of the destination is much higher. In fact, this can have a significant effect on local prosperity.

"Improving the quality of tourism jobs" was identified as one of the key challenges for the sustainability of European tourism, according to a group of experts, (Tourism Sustainability Group, 2007). One of the main reasons why the tourism sector fails to deliver quality employment is the significant seasonal nature of demand in many destinations. For that reason, it is not by chance that "reducing the seasonality of tourism demand" was also identified as another key challenge for the sustainability of European tourism. This calls for clear policies to extend the season through measures such as: targeting markets most likely to travel in the offseason; discounted seasonal offers and incentives; innovative product development; organising events at the less busy times of the year; encouraging attractions to stay open longer.

Where year-round full-time employment cannot be achieved, alternative solutions may prove possible. For instance, working hours could be adapted to suit seasonal patterns while maintaining benefits, or seasonal workers could be ensured jobs with the same employers each season.

In order to guarantee a decent work in **tourism MSEs**, at a minimum, the International Labour Organization's (ILO) 'core labour standards' should be always observed. These standards, which reflect basic human rights, stipulate: the right of workers to associate and to bargain collectively; the prohibition of forced labour and of exploitative child labour; and non-discrimination in employment.



Equity issues associated with sustainable development suggest that good employment practice goes beyond these core standards, promoting economic and social welfare, and leading to the improvement of living standards and the satisfaction of basic needs. A set of principles, reflecting such good practice, and based on the ILO's Tripartite Declaration of Principles, is given in the following box. No need to say that national labour standards and regulations must be attained, ensuring maximum compliance by all companies.

Principles for good employment practice

- Employment promotion: Promoting full, productive and freely chosen employment.
- Equality of opportunity and treatment: Eliminating any discrimination based on race, colour, sex, religion, political opinion, national extraction or social origin. Accommodating the cultural customs, traditions and practices of employees.
- Security of employment: Offering formal employment contracts and focusing on the longterm development of tourism enterprises.
- *Training*: Encouraging skill formulation and development, complemented by vocational training and guidance closely linked with employment.
- Conditions of work and life: Providing the best possible wages, benefits and conditions of
 work within the framework of government policies. Employee benefits can be extended to
 include contributions to health care, disability, maternity, education and retirement, where
 these are not legally mandated. Amenities such as housing, food and medical care should be
 provided where needed and should be of a good standard. Service charge distribution
 should be a well-documented and be a transparent process.
- *Minimum age*: Respecting the minimum age for admission to employment or work in order to secure the effective abolition of child labour.
- Safety and health: Providing adequate safety and health standards and programmes for employees.

Source: UNEP & WTO (2005).

When new job opportunities in the field of tourism are created, encouraging employment practices that provide opportunities for disadvantaged people, (i.e. unemployed youth, women, poor people, etc.), should be one of the priorities, if we think in sustainability terms.

Additionally, the negative side effects of poor quality work on workers are well documented, including a prevalence of stress, high accident rates and poor mental health outcomes for workers (Baum *et al.*, 2016). It should also be taken into account that the tourism sector is particularly vulnerable to many kinds of crisis that can occur without warning and have an immediate effect. Many workers including, but not only, the high numbers of part-time or casual workers may have no right to benefit or support when jobs are withdrawn. This could be overcome by introducing contracts that require adequate provision for advance notice of termination of employment, severance pay, etc. (UNEP & WTO, 2005).

Finally, the way that people who work in tourism perform their jobs and relate to visitors makes a huge difference to the quality of the visitor experience. Furthermore, the availability of knowledge and skills in certain specific areas is important for the sustainability of tourism, (European Commission, 2013). Accordingly, a high quality, loyal labour force with sufficient aptitude and skills



is a key requirement of successful tourism businesses, and very important also for the reputation of a destination. Having stable and secure jobs is very important for businesses if they want to recruit and retain sufficiently qualified and motivated staff in the future. This can be achieved through investment in skill development and vocational training, and reinforced by occupational development and opportunities for promotion and advancement. In this sense, **tourism MSEs** should try to provide a continuous training and education for their workers at all levels, paying especial attention to sustainability issues.



Learning activity 2.1:

Do you try to promote local employment and decent work in your enterprise? If yes, explain how you do it. If not, indicate the main challenges.

2.2 Supporting entrepreneurs: local purchasing

Ensuring that economic benefits are secured at the place where costs are incurred is an important principle of sustainable development. In the same way that, (as explained in the previous unit) supporting the local community by promoting local employment is important. It is also a key aspect that tourism stakeholders, and **tourism MSEs** among them, seek to promote local prosperity by trying to maximise visitor spending per head and reducing leakages, as well as developing linkages in the local economy. In this context, local prosperity means ensuring that tourism is well integrated within the economy and is developed alongside other sectors (UNEP & WTO, 2005).

Economic leakages can occur through the repatriation of profits by external investors or owners; by purchases made by tourists outside the destination (i.e. from international tour operators); and by purchases by tourists and enterprises of imported goods. Second round leakages may occur if income earned within a community is spent outside of it. In order to minimise those leakages, some actions can be developed by tourism stakeholders. Apart from encouraging employment of local labour, they can also support locally owned businesses. When businesses are locally owned, a higher proportion of profits is likely to be retained within the community. In many areas, locally owned businesses are likely to be MSEs, and policies in support of them may point to capacity building and financial support programmes specifically related to their needs. In this sense, **tourism MSEs** should try to collaborate more with other local MSEs (from the tourism sector, but from other sectors as well).

Another action, connected with the support of locally owned businesses, could involve strengthening links between those businesses. This means addressing the local supply chain. Actions in this regard may seek to:

• Encourage and facilitate local sourcing of supplies. Tour operators should be encouraged to use locally based service providers and products that are most likely to benefit local communities. Service providers should be encouraged to undertake an audit of sources used, (such as food producers), and to seek to maximise the proportion of local suppliers. Using local products can greatly enhance the authenticity of the tourist offer and the multiplier effect of tourism in local economies. Achieving a consistent supply of high quality local goods can be a challenge, but that is



necessary to reduce the need for imported goods and thus reduce leakages. This can be facilitated by the creation of wholesale markets or consortia.

- Encourage clusters and networking of businesses. This means getting businesses to work more closely together, thereby achieving more for themselves and for the local community. It can be achieved through planning policies that encourage geographical clustering and through capacity building or marketing to support trade associations. Networks may be formed between similar service providers, for mutual support and cost and benefit sharing; between providers of different kinds of tourism service, to strengthen packaging of offers; and between enterprises in different sectors, (e.g. between accommodation operators and suppliers of food or handicrafts), to strengthen the supply chain.
- Recognise the needs of multiple occupations, including tourism. Many destinations have a tradition of local people being involved in a variety of different occupations at the same time, either as employees or running a number of businesses together, sometimes on the same land holding. This can fit well with the seasonal nature of tourism, as well as the flexible and dynamic character of tourism MSEs and their workers and managers. Supporting such activity is very much in line with the holistic principles of sustainable development.

With the objective of obtaining higher benefits at the community level, **tourism MSEs** and other local stakeholders should try to develop actions that influence the levels of visitor spending. This could be achieved by trying to: a) attract higher spending markets; b) increase length of stay as well as the availability of spending opportunities and visitors' awareness of them; c) promote the purchasing of local products. The latter is a very interesting option that is clearly linked to some of those previously explained actions. Purchasing local products means strengthening the whole retailing process as well as the quality, price, distribution and display of local products such as food, drink and handicrafts.

Overall, 'buying local' contributes to the economic and environmental sustainability of both tourism and the host community, because it does not only contribute to the promotion of local products and producers, but it also helps to reduce imports to the area, as well as emissions and pollution. In the specific case of food, the promotion of 'local food' that is more localised and less processed prior to purchase is recognized in the concept of 'slow food', a concept that is based on the principles of high quality and taste, environmental sustainability, and social justice. It means that the produce are healthier and more ecological than others that have had to be imported, and in many cases have also been processed. Moreover, the closer and the more natural production is to the point of consumption, the greater the energy saving and the more sustainable (Leslie, 2015). It should be added here that there is a growing interest in and demand for quality food and distinctiveness on the part of visitors, and local food is perceived as quality and authentic food. In fact, several studies highlight that a significant number of tourists are prepared to pay more for quality food and beverage.

But we should bear in mind that the tourists' experience of local culture is not only about local foods but also arts and crafts. In this sense, the promotion of crafts, (in many cases bought as tourism souvenirs), can also lead to significant economic activity. In any case, crafts and local products all contribute to the tourist experience and encouraging visitors to consume local products is now



actively encouraged along with growing attention to promoting and developing the supply of local products.

The purchase of local produce and products potentially offers a number of benefits; in particular the opportunity for a **tourism MSE** to offer more locally distinctive products, whilst at the same time supporting other locally based enterprises.

It should though be noted that due care needs to be exercised in the use and interpretation of 'local' as this is a matter of perception and especially so when it comes to local produce and local products. This raises a number of issues not the least of which is the way local is defined/interpreted and with attention to spatial considerations as to what is local (Leslie, 2015). One possible solution to this issue, could be to refer more generally to regional products or proximity products, without limiting the local area in very strict geographical terms (such as km 0 products), since in many cases it is not possible to obtain them in such a short distance from the enterprise that is offering them to the tourists.



Learning activity 2.2:

Do you try to support local entrepreneurs by promoting local purchasing and/or creating agreements with them? If yes, explain how you do it. If not, indicate the main challenges.

2.3 Improving the quality of life in local communities through accessible tourism

There is no single and universally accepted definition for the term "accessible tourism", also known as tourism for all, inclusive tourism or tourism without barriers. It is recognised as a tourism that caters to the needs of a wide range of consumers, including people with disabilities, the elderly and intergenerational families. It implies the elimination of both physical and attitudinal barriers in society, and includes accessibility in transportation, information, communications and other facilities and services (UNESCAP, 2009).

The WHO estimates that 15% of the world population, approximately one billion people, have some type of disability (WHO, 2011). The estimation for Europe in 2020 is 120 million people (European Commission, 2017). To this we must add the increase in disability rates, partly due to the aging of the population, and also to the increase in the prevalence of chronic diseases.

The profile of the tourist with accessibility needs is diverse. We can find people with mobility needs, while others can have sensory, cognitive or communication needs. According to a study by the European Commission (2003), barriers present in the environment hamper social participation to a greater extent than peoples own functional limitations. In this sense, **tourism MSEs** must know the main barriers, (physical, cognitive or communicative), that their clients can find, in order to cope with them, and be able to offer an accessible product.



Universal accessibility is the condition that environments, processes, goods, products and services must meet, as well as objects, instruments, tools and devices, to be understandable, usable and practicable by all people in conditions of safety and comfort and the most autonomous and natural way possible. It is a change of perspective in which **tourism MSEs** must move from designing their products and/or services for a typology of a standard person, which does not exist because it does not adjust to the human diversity that surrounds us, to take into account the existing diversity and contemplate it in the development of these processes. This change, in which accessibility is addressed from the initial stage of planning and creation of the product, is economically profitable.

In fact, accessibility is comfort for everyone. The management, the design of the facilities by **tourism MSEs**, and the presentation of the tourism services that make up the accessibility, contribute to improve the quality of the offer and this is an added value that benefits all people with or without disabilities, whether they are tourists, or they are part of the local community. Universal design provides more efficient and safer environments and services for all groups of people (Darcy & Dickson, 2009).

The approach of introducing accessibility in the tourism sector offers the possibility of expanding the target audience without the need to specialise or reorient the business. The objective is to create an inclusive offer based on the existing offer, since people with accessibility needs (elderly, disabled, families with young children, pregnant women, etc.) have the same desires and travel needs as the rest of the population.

Accessible tourism can be also valued as a market opportunity for **tourism SMEs** for several reasons (Molina & Cànoves, 2010):

- Seasonality: People with disabilities or the elderly are groups who travel out of high season.
- Volume: They usually travel in a group or on individual trips with a companion, so the target audience is potentially increased.
- Quality: Accessibility translates into an added value to the tourism product that translates into greater comfort and service for the whole population.

The accessible tourism products and services are part of an increasingly wide tourism offer. From the different public and private administrations this offer is available to all people with accessibility needs is increasingly recognised and actively promoted.

The regulations on disability and accessibility are wide and abundant, and they are collected both nationally and internationally. At European level, the United Nations Convention on the Rights of Persons with Disabilities forces the EU and the Member States to take appropriate measures to guarantee accessibility. The commitment to a Europe without barriers was renewed in 2010 in the European Disability Strategy 2010-2020. The set of European initiatives are aimed to consolidate the integration of people with disabilities in all economic and social aspects of the EU.

ISO standards developed by a technical committee set out guidelines and best practices that promote universal accessibility in tourism and enable travel industry service providers to reap the commercial benefits that flow from it through the standard "Tourism and related service" (ISO/TC 228). Specific standards like those related to "Tourist information offices" (ISO 14785) include a number of recommendations to make tourist information offices accessible to all. Apart from



specific standards, a number of other ISO standards, like ISO 17049 (focused on accessible design) address accessibility issues and help put tourism within reach of visitors with special needs.

Application of braille on signage, equipment and appliances, for instance, enables blind and visually impaired people to have access to information through the standardised usage of braille in many different parts of the world.

Tourism MSEs have the opportunity to adapt and create their products and services in order to include people with special needs in their demand. There are two main premises, the first is that any improvement made in their businesses in favour of accessibility, even if it is small, is significant on the road to inclusion and equal opportunities for all. In this sense, it is important to keep in mind that in most cases, 100% accessibility may not be possible, but this should not be a reason not to include possible improvements in the business. The second premise is based on the concept of the accessibility tourism chain, according to which the consumer must be assured of accessibility throughout all the services that constitute it, from the planning to the consumption of the trip. Therefore, tourism MSEs must have accessible parking spaces, with access to the establishment or operation place. Buildings must be accessible and must have ramps, elevators, stairs with handrails, contrasted reliefs, etc. Apart from contemplating physical accessibility, aspects like the chromatic contrast of the walls, the acoustics, the signalling, the pictograms, which facilitate the wandering of those with special needs, in the most autonomous and safe way, should be also considered. Finally, the common spaces, such as reception, dining room, halls, or gardens should be projected from the perspective of inclusion and allow different people with different needs to make use of them together in order to achieve universal accessibility.



Learning activity 2.3:

To what extent does your company implement accessible tourism and / or universal accessibility actions and initiatives? Can you identify them?

Useful links

https://medium.com/@WTTC/5-ways-tourism-can-support-local-economies-8cc8ded47370

5 ways that tourism can support local economies: Article from the World Travel & Tourism Council that talks about the importance of promoting the local economy in tourism.

http://cf.cdn.unwto.org/sites/all/files/docpdf/moduleieng13022017.pdf Handbook on accessible tourism for all: Principles, Tools and Best Practices.

http://cf.cdn.unwto.org/sites/all/files/pdf/goodpracticesintheaccessiblet ourismsupplychain en 2016 2 web 20160726122. revisado vfinal 2 acessupdated on the web.pdf

"Tourism for All - promoting universal accessibility" Good Practices in the Accessible Tourism Supply Chain (UN World Tourism Organization).



http://www.accessibletourism.org

ENAT (European Network for Accessible Tourism) web site.

http://www.apptouryou.eu/

Self-training platform on accessible tourism for MSEs developed by an Erasmus+ project (App Tour You).

Summary of key points

- Providing employment is one of the major ways in which tourism can contribute to the quality
 of life in host communities. However, tourism jobs are often quite low paid, with poor conditions
 and little security of employment.
- With the main aim of promoting the sustainability of the sector, tourism MSEs should give high priority to the creation of jobs that are local, stable, permanent and full-time, and that provide fair salaries and benefits, and providing opportunities for disadvantaged people.
- Ensuring that economic benefits are secured at the place where costs are incurred is an important principle of sustainable development. In this sense, it is a key aspect that tourism stakeholders seek to promote local prosperity by trying to maximise visitor spending per head and reducing leakages, as well as developing linkages in the local economy.
- Purchasing local products is a way to promote the local economy. It means strengthening the
 whole retailing process as well as the quality, price, distribution and display of local products
 such as food, drink and handicrafts.
- Accessible tourism is defined as tourism and travel accessible to all people, with disabilities or not, including those with mobility, hearing, sight, cognitive, or intellectual and psychosocial disabilities, older persons and those with temporary disabilities. Universal design provides more efficient and safer environments and services for all groups of people.
- Tourism MSEs have a key role implementing accessible measures throughout the tourism chain, from transportation, accommodation to service supply. In most cases, 100% accessibility may not be possible, but this should not be a reason not to include possible improvements in the business.

Integrative learning activity for Module 2: Position Paper



Systematise the reflections you made while engaging with the module materials. Outline the aspects, which need to be considered for your enterprise to improve its sustainability performance.

Indicative structure:

1. General awareness of the socio-economic benefits of sustainable tourism for local communities and the way you apply them in your business operations;



- 2. Strengths of your MSE supporting local employment, decent work, and local purchasing;
- 3. Strengths of your MSE supporting accessible tourism;
- 4. Weaknesses hindering the support of the local economy;
- 5. Weaknesses hindering the support of the accessible tourism.

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| Glossary | | |
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| Accessible tourism | It is also known as tourism for all, inclusive tourism or tourism without barriers. It is recognised as a tourism that caters to the needs of a wide range of consumers, including people with disabilities, the elderly and intergenerational families. It implies the elimination of both physical and attitudinal barriers in society, and includes accessibility in transportation, information, communications and other facilities and services. | |



| Accessibility barriers | There are five identified barriers to accessibility for persons with disabilities or special needs. These barriers are attitudinal, organizational or systemic, architectural or physical, information or communications, and technological. |
|---------------------------|--|
| Decent work | Decent work sums up the aspirations of people in their working lives. It involves opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organise and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men. |
| Leakages | The concept of tourism leakages refers to the amount spent on importing goods and services to meet the needs of tourists. Leakages occur when the local economy is unable to provide reliable, continuous, competitively priced supply of the required product or service and of a consistent quality to meet the market demand. |
| Universal design | It is the design of an environment, building, product, or service so that it can be accessed, understood and used to the greatest extent possible by all people regardless of their age, size, ability or disability. |



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