

# Overtourism and Employment Outcomes for the Tourism Worker: Impacts to Labour Markets

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**Overtourism and Employment Outcomes for the Tourism  
Worker: Impacts to Labour Markets**

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# Overtourism and Employment Outcomes for the Tourism Worker: Impacts to Labour Markets

## Abstract

**Purpose:** To undertake an ideal-typical analysis of the implications of overtourism on employment at the level of the destination.

**Design:** A theoretical analysis that uses as a starting point a traditional labour market model to explore the employment implications of a labour demand shock as a result of overtourism at a destination level. Although a theoretical exploration, examples are provided offering empirical support for the theoretical propositions.

**Findings:** Overtourism may lower nominal and real wages, further deepen divisions in an already divided labour market (particularly between local and migrant workers), increase productivity without its benefits accruing to the worker, and result in deterioration of working conditions. The study also sets tourism employment within a broader politico-economic framework of neoliberalism.

**Originality:** Uses overtourism as an ideal-type, combined with an analysis of the labour market to theorise the impacts of a labour demand shock.

**Research implications:** Offers scope for further empirical testing of hypothesised relationships. Provides a platform to adopt and adapt the theoretical propositions to suit different contexts.

**Keywords:** Overtourism, Tourism Employment, Labour Market, Wages, Inequality, Neoliberalism

**Classification:** conceptual paper

## Introduction

This paper engages with the sustainable employment in tourism agenda (Baum, 2018; Baum, Solnet, Robinson and Mooney, 2019; Winchenback, Hanna, & Miller, 2019; Zampoukos & Ioannides, 2011). It feeds into the surging overtourism debate (Koens, Postma, & Papp, 2018; Milano, Cheer, & Novelli, 2019), where the relationship to tourism employment remains conspicuous by its absence. The paper also aligns with wider developments outside of tourism, but with implications for tourism scholarship. The rapid and many would argue excessive growth represented by overtourism in a variety of destinations is reflective of a wider need to question the purpose of economic growth more generally (recognising economic growth as a means to an end e.g. Bleys, 2012). Indeed, the question of who benefits from the development of tourism is not new at all (Buhalis, 1999) and yet we still encounter problematic development such as is the case with overtourism. Here it is suggested that inequalities relating to the distribution of power and capital with implications for economic inequalities lie at the heart of overtourism. The same may be said for destination management more generally (Fyall and Garrod, 2019). Considerations surrounding the purpose, and also distribution of gains of economic growth have filtered their way into the employment domain. However, according to Zampoukos and Ioannides (2011) the labour geography in tourism has been only marginally researched, given an unwillingness on the part of a majority of tourism geographers to critically engage with the logic of neoliberalism (Hall & Page, 2009). We acknowledge Bianchi and de Man's (2020) work as a notable exception.

This is where this paper's analysis of overtourism, frequently associated with rapid and largely uncontrolled growth, latches on to the broader questioning of the growth agenda; specifically, the question of whom this growth benefits, the implications of this growth for workers and, by implication, also for the (host) community. This paper conceptualises the implications of excessive tourism development on tourism employment. The point is not to suggest that the analysis presented will occur equally in all types of destination and for all types of tourism development. Rather the purpose is to highlight generalisable mechanisms that lead to a deterioration in working conditions, including wages, for the tourism worker. The paper regards overtourism as an extreme, or 'pure' form of economic organisation, i.e.

one where the firm and the industry are driven entirely by growth considerations. Overtourism functions as a Weberian Ideal Type (Benton & Craib, 2001; Weber, 1949). It serves as a heuristic device to make sense of a broader phenomenon, in this case tourism development, and specifically the impact of this phenomenon on employment.

The paper concludes with a framework that summarises key propositions and their interconnection (Figure 1). Empirical examples are provided in Table 2. Initially, an ideal-typical (neo-classical) representation of the labour market is presented. This is where wages and levels of employment as well as productivity are determined by perfectly competitive markets, and where labour shortages should (all else being equal) result in a rise in the equilibrium wage. It is acknowledged that the assumption of perfectly competitive markets can be queried, but in Booth's (2014, p. 54) words, perfectly competitive labour markets may serve "as a useful benchmark against which to measure imperfectly competitive labour markets and also to measure allocative inefficiency". Given the complexity of issues relating to tourism labour (Ladkin, 2011) we re-iterate that this is a starting point for further analysis (i.e. an ideal type).

### **Employment in the overtourism discourse**

The concept of overtourism has become nearly all-encompassing when it comes to framing different forms of tourism excess (Koens, et al., 2018; Milano, 2018). Examples include congestion and privatization of public spaces, overcrowding, increase in real estate prices, loss of purchasing power and alienation of residents, commercial gentrification, damage to cultural heritage and facilities, waste, noise, air quality degradation and issues with water supply and quality (Milano, 2018; Milano, Cheer, et al., 2019; Peeters et al., 2018; UNWTO, 2018). These issues are not new and have been discussed extensively over time (Capocchi et al. 2019; Phi, 2020; Cheung & Li, 2019; Pechlaner et al., 2019). The concept of carrying capacity, for example, was used in the middle of the last century to deal with tourism excesses in park and recreation settings in North America (Wall, 2020). In recent years the pressure has moved increasingly to towns, cities and their hinterland. One reason for this, is that tourists no longer only flock to the main attractions, but also to increase pressure on other parts where tourism is less developed (Butler, 2020; Dodds, 2020). The initial academic discourse on overtourism therefore initially came to the forefront in European cities. Table 1

demonstrates the rapid scale of tourism growth for a selection of these cities. This exemplifies a situation where quantitative growth-driven policy approaches in tourism and other policy areas (e.g. real estate), in combination with rapid digitization, new peer-to-peer business models and cheaper mobility increased tourism numbers have made tourism impacts more pervasive (Dolnicar, 2020; Koens, et al., 2018; 2019;). Such developments and the overall growth of tourism have had major repercussions for local labour markets (discussed below). The 2010s' social movements in European cities increasingly vocalized a deep critique of the tourism model – including the temporal nature of its work and precarious working conditions. In this scenario, the term overtourism has been increasingly used as the global overarching term for framing such tourism excesses. This has contributed to a paradigmatic shift in thinking of the political agenda with regards to tourism in relation to the overtourism concept (Ariza-Montes et al., 2019; Butler, 2020; Jamal, 2019; Milano, Cheer, et al., 2019).

Table 1 approximately here

A wide range of best-case practices, measures and strategies at a destination level have been suggested for how to deal with overtourism (see for example Milano, Novelli, & Cheer, 2019; Pechlaner et al., 2019; Peeters, et al., 2018; UNWTO, 2018, 2019). However, such approaches have been critiqued for their focus on increasing the capacity of existing systems in efforts to adapt to or mitigate the negative effects of tourism. They do not deal with underlying causes and the less directly visible impacts of the problem, including the quality of places to live and work (Koens, Melissen, Mayer, & Aall, 2019; Milano, Novelli, et al., 2019). To increase our understanding of overtourism, more holistic non-reductionist perspectives are required that build on a vision of understanding, empathy and compassion (Lew, 2020). The discussion of overtourism has fostered a “critique of the dominant industry-focused and positivist analytical frameworks in tourism research” (Bianchi, 2009, p. 497). There is a growing need for tourism planning and economics of the tourism sector to be discussed alongside each other in an interconnected way (Costa, 2019). More attention could be paid to “the study of the working of markets, capital and the state in tourism to the very industry-led institutions and analysts it professes to challenge” (Bianchi, 2009, p. 498). This requires engagement with overtourism at a more conceptual level. While contributions have started to do this (see e.g.

Fletcher et al., 2019; Koens et.al., 2019; Mihalic, 2020), such work offers relatively little focus on employment.

Within the growing body of literature on the side-effects of tourism monoculture (Capocchi et al., 2019), contributions on overtourism have avoided any engagement directly with tourism employment. Some research has been undertaken on 'work stress' among Airbnb hosts which may be related to overtourism (Barnes, 2019; Namberger, Jackisch, Schmude, & Karl, 2019). Also, more broadly developments in the sharing economy relating to increased fluidity between private and professional roles and increase of non-permanent employment can be related to aspects of overtourism, although this is rarely acknowledged directly in the literature (Dolnicar, 2020). Given the centrality of work to people's lives this is a gap that requires attention if the impacts of overtourism are to be adequately understood. Thus, there is scope for a closer examination of the relationship between employment and overtourism, to help frame the discussion surrounding overtourism's impacts in a more comprehensive and theoretically underpinned way.

The implications have broader relevance for the relationship between tourism development and employment. Together with recognized positive effects, tourism has negative impacts, especially for host communities, including on employment, has been recognised for some time (e.g. Mathieson and Wall, 1982). The novelty of this paper is not in recognising that the relationship between tourism and employment is problematic, but in explaining how observed phenomena arise. Because overtourism is being used here as an ideal type, the mechanisms described below may be picked up and their applicability explored in non-overtourism scenarios. Therefore, the relationships identified will not hold in all situations. However, this 'worst case scenario' (for the tourism worker) is used as a starting point for further analysis.

### **Overtourism's implications for employment**

In accordance with the quantitative growth policy agenda (see discussion above), at first glance, there may be much to be said in favour of overtourism given its employment generation potential. According to the neoclassical view of the labour market, labour demand is determined by wage levels to shifts in demand for a company's products/services.

Understood in this paper's context more tourists means more demand for tourism products and services which results in more labour demand. Labour supply is determined by the disutility of work relative to wages offered (Smith, 2003). In the overtourism scenario, not only should levels of employment increase because of tourism's growth, the equilibrium wage should increase in an attempt to attract workers into tourism from other industries or regions (this would result in a shift to the right of the labour demand curve if represented graphically). A similar scenario is presented in Mathieson and Wall's (1982) early landmark text where labour supply shortages are assumed to lead to an increase in tourism wages. Presented as an economic 'identity' this can be depicted as follows:

Overtourism (OT) → ↑Labour Demand (LDN) → ↑Tourism Wages

Following the above, overtourism contains within it the seeds of employment growth and wage growth according to the traditional, neoclassical, economic theory of the labour market. This, at a superficial level, is the prevailing discourse surrounding quantitative tourism growth. The legitimacy of such perspectives as they apply to overtourism are now explored.

### *Nominal wages, real wages and labour migration*

Starting with the potential for higher wages as a result of overtourism, it is recognised that nominal wages do not readily move with supply and demand fluctuations, particularly in the short term (Romer, 2001; Solow, 1979). This is because labour market conditions play a prominent role in the economics of wage formation and the economics of labour migration (Carlsen, Johansen, & Roed, 2006). Overtourism changes labour market conditions. The effects of these changes may have some impact on wages of tourism workers but, potentially, a more pronounced impact on labour migration.

Specifically, labour immigrants' decisions are influenced by expected wages and expectations about unemployment risks (Roed & Schone, 2012). By providing both low risk of unemployment in a booming tourism sector, and, for many immigrants, high expected wages relative to wages 'at home', overtourism may be seen as particularly appealing to labour migrants. However, this does not put pressure on wages to rise, but can result in the obverse (further explained below).



Workers take advantage of geographical differences in labour market opportunities by moving to those areas with higher expected wages (Fischer, 2019; Roed & Schone, 2012). Consequently, any increase in demand for tourism workers as a result of tourism growth might readily be met by immigration from regions with lower wages. This has occurred in Iceland, for example (Wendt, Jóhannesson, & Skaptadóttir, 2020), or London (McIlwaine et al., 2006). Similarly, Szivas and Riley (1999) identified that tourism served as a refuge sector in Hungary as it transitioned from a centrally planned economy to a capitalist-based economy. The pull of tourism employment related here both to its low skills nature and high growth potential (Szivas and Riley, 1999).

As overtourism takes hold, rather than leading to an increase in wages it may lead, perversely, to the converse because of in-migration of labour. This point has been argued more generally by Borjas (2003) and with regard to tourism growth in Spain also by Cañada (2018). The differential effects of overtourism on different types of worker, in this instance local workers and the migrant workers, become apparent. Further support for this is provided in Okkerse's (2008) review of the impact of immigration on labour markets. Here it was recognised that those most likely to feel negative effects of in-migration were the low-skilled, i.e. at the bottom end of the income scale which describes the status of many tourism workers.

Unionisation in tourism is low (ILO, 2020). Downward pressure on wages, as well as a deterioration in working conditions (discussed below), are potentially compounded by even lower rates of unionisation among migrant workers and therefore weaker bargaining power (Waddoups, 2001). Looking beyond wages as the sole indicator of differences between jobs, Piso (2014, p. 11) explains: "Local and migrant workers' orientations to work are likely to be different with each using their home country as an initial indicator of what is a good or bad job". Examples of this occurring in tourism can be found in relation to the enlargement of the EU in 2004 (Krings, 2009; McIlwaine, et al., 2006) and in relation to Latina housekeepers in the U.S. (Hsieh, Sönmez, Apostolopoulos, & Lemke, 2017). Similarly, Dustmann, Schönberg, and Stulher (2017) who analyse data on mobility of Czech workers in the Germany-Czech border region before and after the fall of the Iron Curtain established a moderate decline in local native wages and a sharp decline in local native employment. Workers in their study were over-represented in construction and hospitality.

Much of the literature on the sharing economy focuses on value co-creation rather than value co-destruction; there is a dark(er) side to the sharing economy (Buhalis, Andreu and Gnoth, 2020). This is also true for tourism workers. The downward pressure on wages and working conditions in an overtourism scenario is compounded by inflationary pressures on the prices of goods, services but also real estate. For the tourism worker who does not benefit from a corresponding increase in wages, real wages decline. Unaffordability of housing in particular, frequently brought about by second home ownership (Hall and Müller, 2004), can then lead to gentrification dynamics or the pricing out of residents by those seeking to profit from increased demand for short-term housing (Wachsmuth & Weisler, 2018). Airbnb is, for example, regularly criticised for this (see e.g. Barron et al., 2018; Lee, 2016; Lima, 2019).

### *Productivity Implications*

Productivity reflects how resources are employed in the production of goods or the provision of services (McCann, 2018). Labour productivity specifically relates labour inputs to outputs and is potentially affected by overtourism. Where attention in tourism has focussed on labour as a factor of production (Sharma, Da Motta, Jeong-Gil, & Altman, 2016), this has been undertaken with a view to improving firm performance. Minimal interest has been afforded how productivity gains might affect the worker. Faced with growth in demand for tourism products and services, overtourism leads to increased economic output whereby the tourism firm can hire more workers or require existing workers to work more, or both (the assumption here is that the tourism firm is not able to meet increased demand for its products and services solely via capital investments or technological innovation). If the firm decides not to hire more workers, or does not hire additional workers at the same rate as the increase in tourism demand, the result is additional workload for existing workers. If the workers are then paid more in proportion with the increase in their work, labour productivity remains constant (as measured by unit of output produced per unit of input, here wages). In both situations the measure of productivity may be immaterial to the tourism worker who works more but gets paid more.

However, there is no guarantee that additional work is remunerated in proportion to the increase in workload. This recognition is not new. Solow (1979) explains that because lower

wages are in the interests of the employer, a cost-minimising firm will leave its wage offer unchanged, irrespective of the level of output. Although overtime pay exists, its opposite, unpaid overtime is commonplace across many industries including tourism. Drawing on UK data, Pigden (2016) suggests hospitality workers are most likely to work overtime but fewer than half are paid for these extra hours. A similar scenario is described by Hsieh, et al. (2017) referring to Latina hotel housekeepers in the United States. For those workers who do not receive any additional pay for the additional work productivity gains are made for the firm (output per worker increases while wages remain unaffected), which are of benefit to the employer, but scarcely of benefit to the worker.

If workers do not work additional hours, but do more work in a given period of time (the traditional measure of productivity, e.g. 'output per worker per hour worked') productivity goes up. However, unless workers are employed on a piece rate (unlikely in most tourism jobs) increased productivity does not result in increased wages. For many tourism workers the impacts of overtourism-induced productivity are at best neutral. It is more likely they are detrimental in the sense that workloads increase at a faster rate than remuneration (this is represented in Figure 1 by ' $\Delta P$ ' the change in productivity). The returns to labour for the individual worker fall which implies a decline in the real wage. This situation has been demonstrated by Cañada (2018) who describes a decline in working conditions and wages for (largely migrant) tourism workers since the 2007/08 financial crisis, especially where work was outsourced to recruitment agencies.

### *Working Conditions*

Although the discussion thus far has focussed primarily on the determination of wages, working conditions are addressed briefly because these are inherently tied to productivity considerations and immigration. Overtourism may exacerbate the issue of poor working conditions in tourism. This is supported by the notion of overtourism-induced immigration where recruitment of migrants can be undertaken to sustain poor working conditions for the sake of maintaining competitiveness (McIlwaine, et al., 2006; Wojtynska, 2012). Migrant workers are more likely to put up with poor working conditions and are thus more vulnerable to exploitation and poverty (Cañada, 2018; Hsieh, et al., 2017; Nuti, 2018), or indeed do those jobs the locals do not want to do (Waldinger & Lichter, 2003). Labour migration affects not

only the quantitative supply of labour, but can change it qualitatively too (Krings, 2009) as was argued above in relation to overtourism changing the structure of local labour markets. The discussion and the hypothesised relationships are summarised in Figure 1 and Table 2 which also provides additional empirical support for our theoretical propositions.

Figure 1 Approximately here.

Table 2 Approximately here

## Conclusion

The paper's contribution lies in its analysis of the tourism labour market in a situation of overtourism, supported by a sociological construct of ideal types. This paper has demonstrated how overtourism as an ideal type (Benton & Craib, 2001; Weber, 1949) of tourism development, operating within an entirely profit-driven system (Bianchi & de Man, 2020; Britton, 1991) results in negative impacts on the tourism worker. The focus on profit-maximisation in the short term is legitimised through a politico-economic system often referred to as neoliberal or free marketeer capitalism. The implications of this for the tourism worker have received increased interest (Baum, 2018; Robinson, Martins, Solnet, & Baum, 2019; Walmsley & Partington, 2014; Winchenback, et al., 2019). While critical voices regarding the nature of tourism employment are not new (e.g. Mathieson and Wall, 1982), the literature has started to move away from largely diagnosing a problem of poor working conditions and low pay, to dealing with its causes from a politico-economic systems perspective (e.g. Baum, 2018; Bianchi, 2017; Bianchi & de Man, 2020). This paper fits into this stream of work because it sees overtourism as driven by short-term thinking, where quantitative growth is still seen by many as the overriding success criterion at policy-making level. At the level of the firm, short-term profit maximisation continues to stand to the fore with negative implications for the worker (Solow, 1979; see also papers such as Dai, Zhuang, Lu and Han, 2020; Bruce and Swart, 2020). That these are macro-level problems, i.e. that need to therefore be considered also at a macro rather than just local level, has been recognised in publications such as the UK-Government commissioned Taylor Review of working practices (Taylor, 2017). Likewise, Fyall and Garrod (2019) echo the need to view destinations from a system-wide perspective, because of ongoing concerns surrounding economic inequality.

This paper has argued that in an overtourism scenario it is likely that wages, both nominal and real will fall, further deepening divisions in an already divided labour market. Productivity may increase without its benefits accruing to the worker. A deterioration in working conditions is also likely as a result. These claims stand in contrast to what would be suggested by an uncritical application of economic theory of the labour market, i.e. where a rise in demand for and supply of a product/service results in upward pressure on wages and the expansion of tourism employment. Examples of these labour market outcomes will be found in other forms of tourism development besides overtourism. However, they will be at their most apparent in a system where short-term growth is the overriding principle behind development.

In considering the research implications, researchers could explore the application of the identities offered (see Figure 1, Table 2) to a range of destinations, at varying stages of tourism development, and with varying pressures to grow. Although obtaining reliable data on tourism employment can be difficult (e.g. Baum, Kralj, Robinson and Solnet, 2016), destinations witnessing overtourism could be compared to other types of destination with regard to the impact on tourism employment (e.g. rates of employment growth, productivity growth, real/nominal wages, working hours etc.). Mediating and moderating variables could then also be explored to ascertain how they impact the identities discussed. For example, such variables could include strength of union engagement, employment legislation and legislation governing the movement of people, policy initiatives aimed at protecting workers, attitudes towards power and inequality.

This paper echoes Baum et al.'s (2018; 2019) acknowledgement that despite much rhetoric only limited progress has been made on tourism workers' enacted rights. At a policy level, recommendations may come down to advocating interventions in the labour market. Here it is recognised that given the complexity of the issue, intervention can cause more harm than good due to unintended consequences. Minimum wage laws should, for example, protect the worker from exploitation but evidence suggests this can drive work 'underground' where workers are even less protected than when formally employed (Ram, Edwards and Gilman, 2001). Raising minimum wage levels can also result in increased workloads for existing employees (CIPD, 2015). Rather than increased legislation a focus could be placed on ensuring

existing legislation is adhered to. Trade unions could play an enhanced role in this regard. Interventions could also target price caps on tenanted accommodation such as has already taken place in a number of cities in the US (e.g. San Francisco, Washington DC and New York) or in Europe (e.g. Berlin).

Overall though, this paper has taken the position that overtourism may be regarded as a manifestation of part of a wider politico-economic system that has resulted in a widening of socio-economic inequalities particularly in the labour markets of advanced economies since the late 1970s (Anderson, 2009; Autor & Dorn, 2013; Bivens & Mishel, 2015). Although a discussion of how to tackle systemic changes goes beyond the scope of the paper, the current Covid-19 crisis may provide further impetus for governments to re-assess economic policies in favour of a more equitable distribution of economic gains. It is acknowledged that the issue of overtourism may not be at the top of the policy agenda. This Covid-induced hiatus could give policy makers and destination managers a window of opportunity to plan tourism development before demand returns to pre-Covid levels. More sustainable forms of tourism development could play a role here in demonstrating economic development can be organised in a way that gains are distributed more equitably. Tourism development that ignores the situation, indeed plight, of many of its workers reinforces the question of what is meant by development and growth and for whom?

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Table 1: Domestic and international visitor arrivals 2010-2019 for selected European cities

	<b>2010</b>	<b>2019</b>	<b>% growth</b>
Amsterdam	5.283.200	8.576.000 <sup>1</sup>	162%
Barcelona	7.133.524	9.117.474 <sup>1</sup>	128%
Berlin	9.050.635	12.731.640 <sup>2</sup>	141%
Bruges	845.202	1.250.589 <sup>1</sup>	148%
Dubrovnik	588.700	1.444.450	245%
Graz	450.299	701.423	156%
Hamburg	4.699.002	7.619.233	162%
Ljubljana	393.010	1.127.710	287%
Madrid	7.871.880	9.858.930	125%
Munich	5.572.955	8.750.922	157%
Prague	4.743.373	8.029.110	169%
Salzburg (city)	1.215.096	1.909.970	157%
San Sebastian	471.088	740.465	157%
Split	218.458	928.534	425%
Tallinn	1.289.372	1.775.678	138%
Valencia	1.799.399	2.182.132	121%
Vienna	5.326.772	8.565.170	161%
Zagreb	602.219	1.454.635	242%

<sup>1</sup> 2018, <sup>2</sup> 2017; source [tourmis.info](http://tourmis.info)

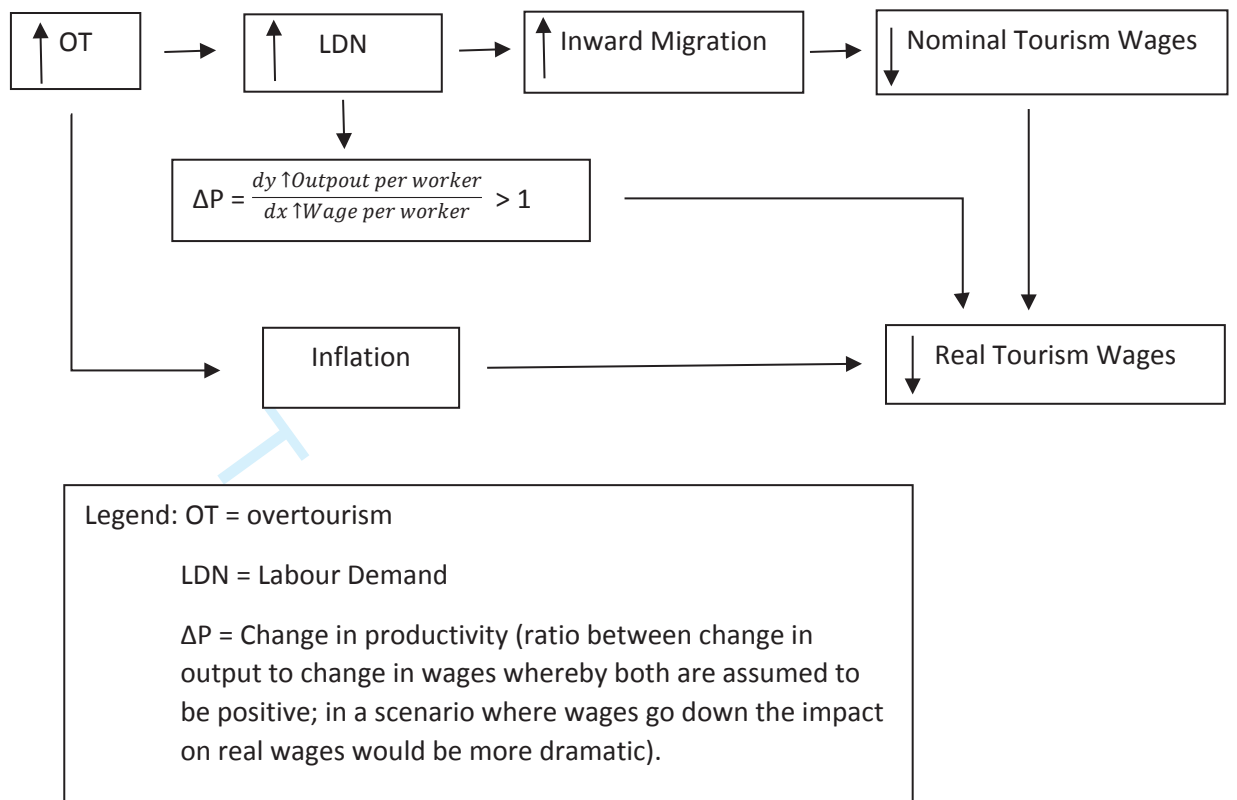
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Table 2: A summary of hypothesised relationships between overtourism and employment

<p><b>Employment Effect According to Standard Economic Theory of the Labour Market</b></p>	<p><b>Hypothesised Employment Effect in Contrast to Standard Economic Theory</b></p>	<p><b>Empirical support for hypothesised findings in academic literature</b> (‘Data difficulties’ mean that reliable panel data are largely unavailable, forcing reliance on single destination case studies aggregated across cases – see also conclusion).</p>
<p><b>Increased demand for tourism labour pushes wages up</b></p>	<p>Nominal wages are sticky and may not move at the same rate as increase in demand, may not move at all, or in fact move in the opposite direction. Labour immigration can put downward pressure on wages.</p>	<p>Following the rapid growth of tourist numbers in Malta in the past 20 years, gross operating profit and profit margins per room were increased by an influx of foreign workers who have dampened increases in wages (Attard, 2019). Castellanos and Pedreño (2006) describe the situation of ‘new workers of leisure’ during the flourishing boom of the tourism industry of 2000 in the Iberian Peninsula. Some years later, the outsourcing of hotel chambermaids during the financial crisis in 2008 and the Royal Decree-Law 3/2012 of 10th February 2012 reformed intensively the labour market which had huge consequences in labour conditions, health problems and reduction of the wage especially in the tourism industry (Cañada, 2016, 2018). See also Krings (2009), McIlwaine (2006), Dustman et al. (2017) in the text.</p>
<p><b>Increased demand for tourism labour leads to higher levels of employment</b></p>	<p>Overall levels of employment increase but the growth in employment may disproportionately fall on migrants and those on non-standard contracts (e.g. zero-hours). The result is a ‘tiered’ labour market with greater socio-economic inequalities a consequence.</p>	<p>In Copenhagen, a rapid rise in the number of tourists initially outstripped supply of guides. However, instead of improving the lot of the guides, this growth paved the way for masses of migrant tourism workers to find work as informal so-called “guide-lights”, who receive a minimal training and work far below the tariffs of the certified guides, thereby also adding downward pressure on traditional guides’ wages (Widtfeldt Meged, 2020; in press). Adler and Adler’s (2004) study of resort workers in Hawaii is the classic example of workforce segmentation.</p>

<p><b>Productivity gains where tourism workers do more in a given time period (increased work intensity), which should result in increased wages.</b></p>	<p>Productivity gains do not per force result in wage increases; or wages do not increase in proportion to productivity gains.</p>	<p>In advanced economies the decoupling of productivity growth from wage growth for those on low and moderate incomes is now firmly established (Bivens &amp; Mishel, 2015; Picketty, 2014; Schwelinius, Kappeler, &amp; Pionnier, 2017). Moreover, unpaid overtime (i.e. which increases productivity if the measure is output per day) has a firm foundation in society, generally (Finnigan, 2015; TUC, 2019) and also specifically in tourism (Hawkins, 2019; Pigden, 2016; Robinson &amp; Brenner, 2020). Here too migrants' willingness to work harder than the local population despite low wages can add to a tiered labour market as argued in McIlwaine et al. (2006) with reference to migrant workers in hospitality in London. See also previous point re a tiered labour market.</p>
<p><b>Productivity gains where tourism workers do more in a given time period (increased work intensity), which should result in increased wages which may serve to offset additional stress caused by demanding nature of work.</b></p>	<p>Increase in working hours and pressure (see also previous point re increased work intensity) can lead to stress and work life imbalance. Short term fluctuations in demand can result in the increased use of workers on zero-hours contracts.</p>	<p>It has long been acknowledged that many tourism workers need to work long and unsociable hours (Go, Monachello, &amp; Baum, 1996; Riley, 1996), that the work can be physically and emotionally demanding (Bolton &amp; Boyd, 2003; Burns, 1997; Chappel, 2002). Increased work demands can exacerbate these conditions further, leading to stress at an individual level. This individual-level stress has further implications for families/significant others and also beyond this into the community. Stress can be further compounded by financial worries brought about by the insecurity offered by zero-hours contracts.</p>
<p><b>Increased use of private accommodation to serve tourists (e.g. Airbnb) suggests additional source of income for residents</b></p>	<p>Decline in real wages as the price of non-tourism accommodation goes up.</p>	<p>Multiple articles find a relation between a rise in house prices in areas where Airbnb is present (e.g. Barron, Kung, &amp; Proserpio, 2018; Lee, 2016; Lima, 2019). Of particular reference is the work by Wachsmuth and Weisler (2018) who point to a rent gap caused by Airbnb that can drive gentrification and displacement of economically poorer people. As per the above this can lead to individual-level stress with implications for families and the social fabric of the community.</p>

Figure 1: An overview of hypothesised identities and their interconnection



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