

Article

# Workers in the tourism sector: examining their private pension savings, Great Britain, July 2012 to June 2014

This article looks at the private pension savings of workers in the tourism sector. It explores the characteristics of tourism workers most likely to have private pension savings, the distribution of private pension savings across the tourism sector (by tourism industry and gender) and then compares the private pension savings of those in the tourism sector with 10 other sectors.

Contact:  
Anna Bodey  
anna.bodey@ons.gov.uk

Release date:  
9 December 2016

Next release:  
To be announced

## Table of contents

1. [Main points](#)
2. [Introduction](#)
3. [Who works in the tourism sector?](#)
4. [Which tourism workers are more likely to have private pension savings?](#)
5. [The private pension savings of workers in tourism industries](#)
6. [The private pension savings of workers in the tourism sector versus other sectors](#)
7. [Annex A: Standard Industrial Classification definitions for the tourism industries](#)
8. [Annex B: Standard Industrial Classification definitions by sector](#)
9. [Survey methodology](#)

# 1 . Main points

69% of tourism workers in Great Britain do not have any private pension savings.

There are proportionally fewer workers in the tourism sector with private pension savings compared with 10 other main industries (31% and an average of 51% respectively).

Workers in the accommodation or food and drink services industries were less likely to have a private pension than those working in passenger transport or leisure-based industries (25% and 24% to 38% and 41% respectively).

45% of males who work in “Culture, sport and recreation activities” have private pension savings, which is the largest proportion out of all the industries within the tourism sector.

## 2 . Introduction

This article is part of a series of short stories on employment in the tourism sector. It aims to explore the trends in the private pension savings of tourism workers in Great Britain and includes a comparison with other sectors of the economy.

The following points are important to bear in mind when reading and drawing conclusions from this analysis:

- “pension wealth not yet in payment” (referred to as “pension savings” throughout this article) is the amount of wealth that someone has saved in a private pension that they have not yet used for an income in retirement
- pension wealth not yet in payment also includes retained pension savings from a former employer, meaning that a worker in the tourism sector could have retained pension savings from previous job(s) in different sectors and that would be included in this analysis
- this article analyses private pension savings and does not include state pension wealth
- the analysis has only been performed on tourism workers aged 22 years and over
- the tourism sector is primarily made up of 4 groups of industries: accommodation services, food and drink services, passenger transport (including vehicle hire and travel agents) and leisure activities (including cultural, sport and recreational); the “tourism sector” refers to these 4 groups
- please see [Annex A](#) for the Standard Industrial Classifications (SIC) that make up the tourism sector definition and [Annex B](#) for the SIC definition of the other sectors used

## 3 . Who works in the tourism sector?

There were approximately 2.3 million workers who are over 22<sup>1</sup> and employed in the tourism sector in Great Britain in 2013. Of which:

- 54% are male and 46% are female (compared with 53% males and 47% females in non-tourism industries)<sup>1</sup>
- 66% are full-time and 34% are part-time (in comparison with 74% of workers being full-time in non-tourism industries and consequently 26% part-time)<sup>1</sup>
- 26% are aged 22 to 29, compared with 17% of workers in non-tourism industries<sup>1</sup>

Table 1 shows the percentage of these workers employed in the 4 main industry groups of the tourism sector. The largest proportion of tourism workers are in the food and beverage serving activities industry.

**Table 1: Percentage of workers in the tourism sector by industry, Great Britain, 2012 to 2014**

Tourism industry	%
Accommodation services for visitors	13
Food and beverage serving activities	39
Passenger transport, vehicle hire, travel agencies etc	21
Cultural, sports, recreational and conference etc activities	27

Source: Annual Population Survey, Office for National Statistics

Note:

1. These estimates are produced using 2016 population weights.

Various factors can impact the pension savings of tourism workers including: age, sex, typical working hours and the tourism industry an individual's job is classified into. Each factor can impact the pension savings of tourism workers in different ways and, therefore, should be taken into account when interpreting the results. For example, in general part-time workers will accumulate fewer private pension savings in comparison with full-time workers.

## Notes for: Who works in the tourism sector?

1. Annual Population Survey 2013.

## 4 . Which tourism workers are more likely to have private pension savings?

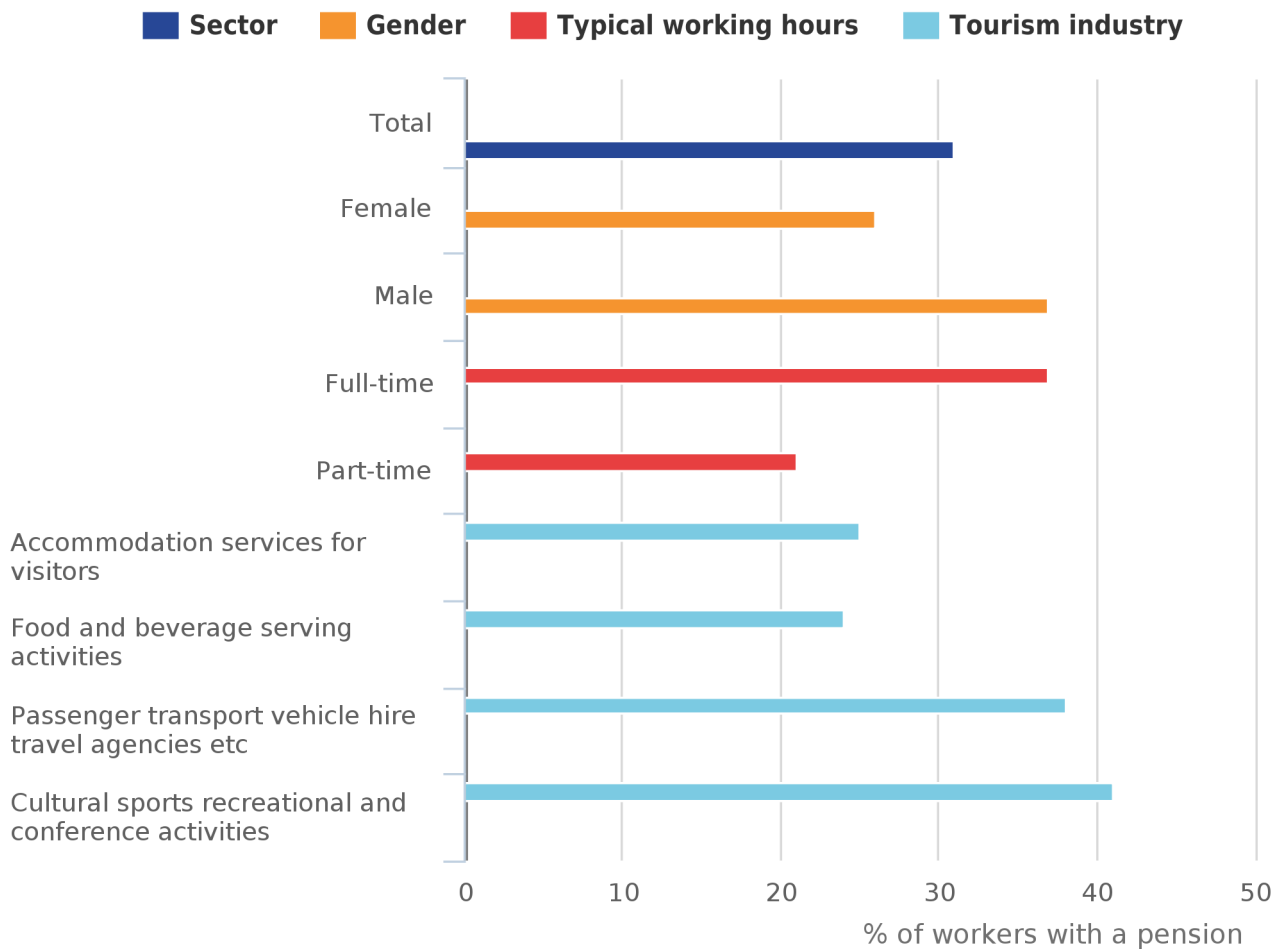
The purpose of this section is to explore the “type” of tourism workers who hold a private pension.

Overall, approximately 31% of tourism workers have a private pension, which is less than 710,000 out of a total 2.3 million tourism workers. Figure 1 shows how different demographics of tourism workers affect whether or not they have private pension savings. It shows that:

- males are more likely to have a pension than females (37% compared with 26%)
- full-time workers are more likely to have a pension than part-time workers (37% compared with 21%)
- those who work in the accommodation or food and drink services industries are less likely to have a pension than those who work in passenger transport or leisure-based industries (25% and 24% compared with 38% and 41% respectively)

**Figure 1: Percentage of tourism workers who have private pension savings overall, by sex, typical working hours and tourism industry**

Great Britain, 2012 to 2014



Source: Wealth and Assets Survey, Office for National Statistics

## 5 . The private pension savings of workers in tourism industries

The median private pension savings of tourism workers, regardless of sex or the sector in which they work, is £0. Of all tourism workers, 31% have private pension savings, which means that 69% of workers in the tourism sector will have £0 of private pension savings when they retire (unless they begin to contribute).

Table 2 shows that a quarter of females in the tourism sector hold private pension savings compared with 37% of males. It should be noted that in the “Food and beverage serving activities” sector, over 40% of employees are part-time<sup>1</sup>. Therefore, it is not surprising to see that only 21% and 28% of female and male workers respectively hold any form of private pension savings. Within the accommodation industry, there is a large difference between the proportion of females and males who have pension savings: 20% and 36% respectively. Table 2 shows that 45% of males and 37% of females who work in “Culture, sport and recreation activities” have private pension savings, which is the largest percentage out of all the industries within the tourism sector.

**Table 2: Percentage of workers with private pension savings by tourism industry and sex, Great Britain, 2012 to 2014**

Tourism industry	Male	Female
Accommodation services for visitors	36	20
Food and beverage serving activities	28	21
Passenger transport, vehicle hire, travel agencies etc	39	36
Cultural, sports, recreational and conference etc activities	45	37
<b>Tourism sector</b>	<b>37</b>	<b>25</b>

Source: Wealth and Assets Survey, Office for National Statistics

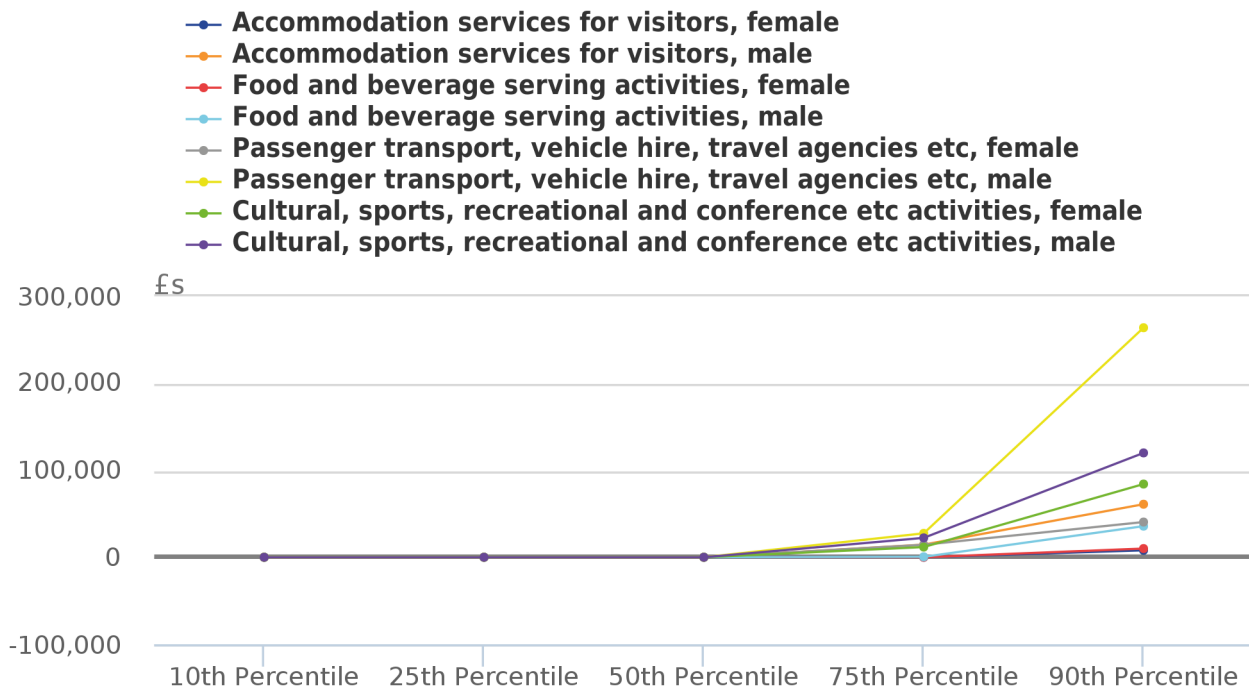
However, focusing solely on the median hides the trends for workers who hold a low or high amount of private pension savings. Of the 31% of tourism workers that do have pension savings, the amount they have varies greatly across the 4 main sectors and is also dependent on their sex.

Figure 2 shows the distribution of the private pension savings of tourism workers by the industry they work in and by their sex. The most stark sector is “Passenger transport (including vehicle hire and travel agents)”, where the top 10% of males who hold pension savings have more than £264,000 stored for retirement. The industry in which females hold the most pension savings is “Culture, sport and recreation activities”; females with the highest 10% of pension savings hold more than £84,000. It should be noted that these are fewer pension savings than a male would hold in the same industry, but significantly more than females hold in other industries.

Across all the sectors considered, Figure 2 shows that within the same tourism sectors, of the males and females who have pension savings, males have a higher amount of pension savings than females. An individual's contributions into a private pension is linked to their income, therefore income inequalities between demographic characteristics are likely to be reflected in pensions savings, for example differences between sexes.

**Figure 2: Distribution of the amount of private pension savings by tourism industry and sex**

Great Britain, 2012 to 2014



Source: Wealth and Assets Survey, Office for National Statistics

## Notes for: The private pension savings of workers in tourism industries

1. Annual Population Survey 2013.

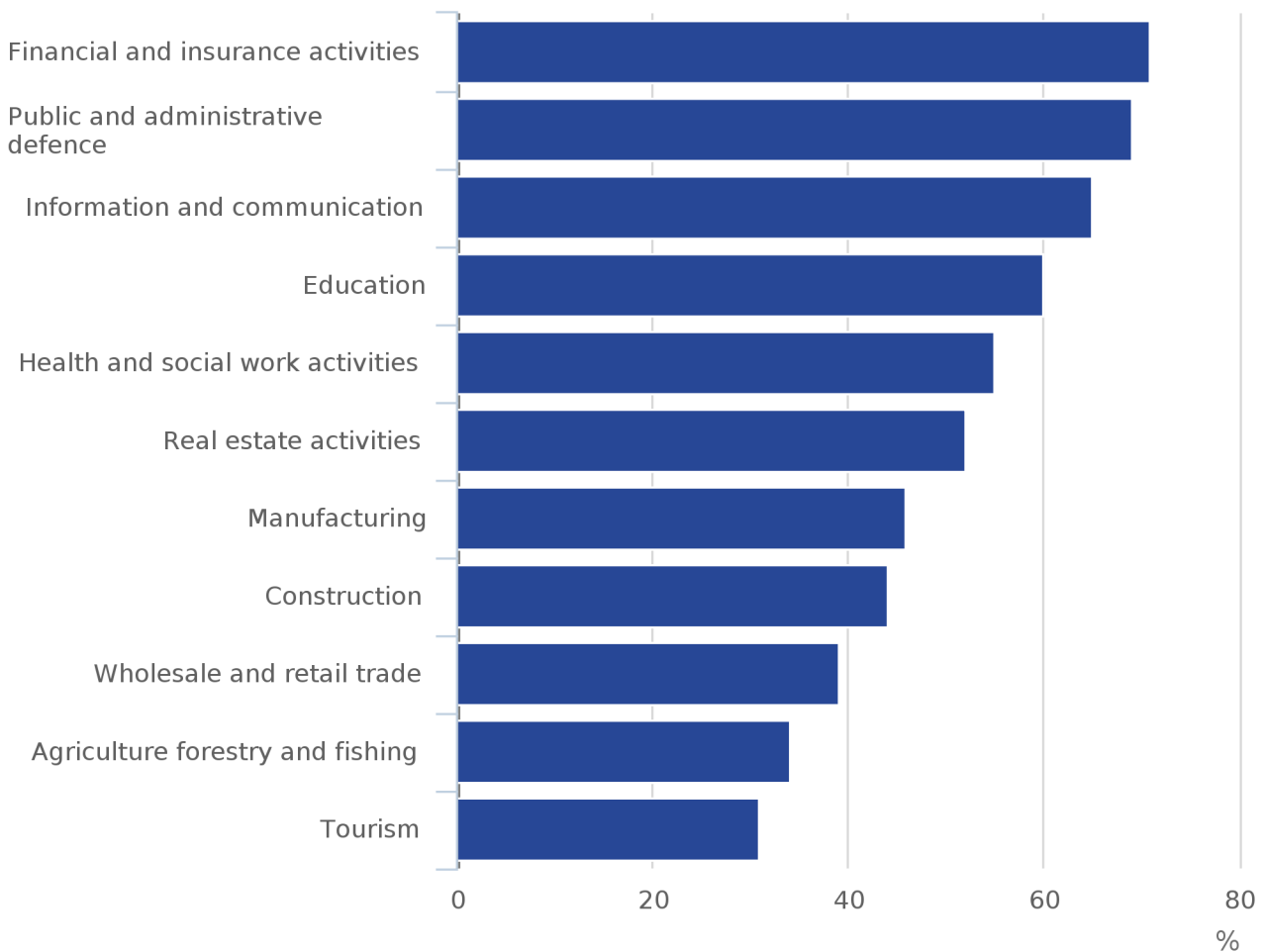
## 6 . The private pension savings of workers in the tourism sector versus other sectors

The sectors defined here are based on [Standard Industrial Classification](#) definitions and more information on their definitions is contained in [Annex B](#).

Figure 3 shows the percentage of workers with private pension savings in 11 different sectors, including the tourism sector. As shown, the proportion of tourism workers with any pension savings is the lowest of the 11 industries (31%), followed by "Agriculture, forestry and fishing" workers (of which, 34% have pension savings) and "Wholesale and retail trade" (39% of workers have pension savings). At the other end of the scale, more than 70% of workers in "Financial and insurance activities" have pension savings and in "Public and administrative defence" and "Information and communication", the percentage of workers who have pension savings is 69% and 65% respectively.

**Figure 3: Percentage of workers with private pension savings by sector**

Great Britain, 2012 to 2014



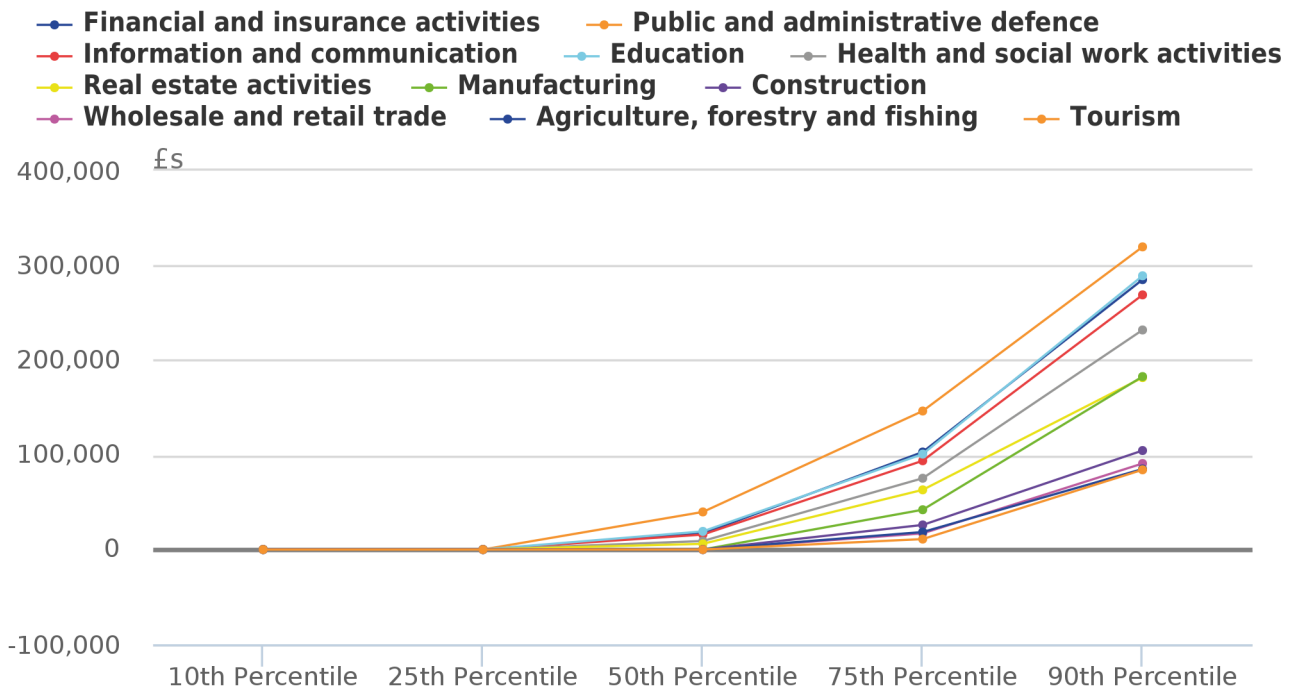
Source: Wealth and Assets Survey, Office for National Statistics

As in the previous section, the distribution of private pension savings has been examined to try and establish a fuller picture of the distribution of pension savings within the sectors. It should also be noted that only the pension savings held by full-time workers in these sectors have been looked at.

Figure 4 shows the distribution of the private pension savings of full-time workers in the same 11 sectors. The chart shows that workers in the tourism sector have a lower amount of pension savings in comparison with most other sectors. Exploring this in more detail, the amount of pension savings that 90% of workers in the tourism sectors hold is the lowest out of all the sectors.

**Figure 4: Distribution of the amount private pension savings a full-time worker holds by sector**

Great Britain, 2012 to 2014



Source: Wealth and Assets Survey, Office for National Statistics



# **7 . Annex A: Standard Industrial Classification definitions for the tourism industries**



Tourism industry group	Tourism industry	SIC2007 code	Description
Accommodation for visitors	Accommodation for visitors	55100	Hotels and similar accommodation
		55202	Youth hostels
		55300	Recreational vehicle parks, trailer parks and camping grounds
		55201	Holiday centres and villages
		55209	Other holiday and other collective accommodation
		55900	Other accommodation
Food and beverage serving activities	Food and beverage serving activities	56101	Licensed restaurants
		56102	Unlicensed restaurants and cafes
		56103	Take-away food shops and mobile food stands
		56290	Other food services
		56210	Event Catering Activities
		56301	Licensed clubs
		56302	Public houses and bars
		Passenger transport, vehicle hire, travel agencies etc.	Railway passenger transport
Road passenger transport	49320		
	49390		Other passenger land transport
Water passenger transport	50100		Sea and coastal passenger water transport
	50300		Inland passenger water transport
Air passenger transport	51101		Scheduled passenger air transport
	51102		Non-scheduled passenger air transport
Transport equipment rental	77110		Renting and leasing of cars and light motor vehicles
	77341		Renting and leasing of passenger water transport equipment
	77351		Renting and leasing of passenger air transport equipment
Travel agencies and other reservation services activities	79110		Travel agency activities
	79120		Tour operator activities
	79901		Activities of tour guides
	79909		Other reservation service activities n.e.c.
Cultural, sports, recreational and conference etc. activities	Cultural activities		90010

	90020	Support Activities for the performing arts
	90030	Artistic creation
	90040	Operation of arts facilities
	91020	Museums activities
	91030	Operation of historical sites and buildings and similar attractions
	91040	Botanical and zoological gardens and nature reserves activities
Sporting and recreational activities	92000	Gambling and betting activities
	93110	Operation of sports facilities
	93199	Other sports activities
	93210	Activities of amusement parks and theme parks
	93290	Other amusement and recreation activities nec
	77210	Renting and leasing of recreational and sports goods
Exhibitions and Conferences etc	82301	Activities of exhibition and fair organisers
	82302	Activities of conference organisers
	68202	Letting and operating of conference and exhibition centres

---

Source: Office for National Statistics

# 8 . Annex B: Standard Industrial Classification definitions by sector



Sector	SIC2007 code	Description
Wholesale and retail trade	45	Wholesale retail trade and repair of motor vehicles and motorcycles
	46	Wholesale trade, except of motor vehicles and motorcycles
	47	Retail trade, except of motor vehicles and motorcycles
Agriculture, forestry and fishing	01	Crop and animal production, hunting and related service activities
	02	Forestry and logging
	03	Fishing and aquaculture
Manufacturing	10	Manufacture of food products
	11	Manufacture of beverages
	12	Manufacture of tobacco products
	13	Manufacture of textiles
	14	Manufacture of wearing apparel
	15	Manufacture of leather and related products
	16	Manufacture wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials
	17	Manufacture of paper and paper products
	18	Printing and reproduction of recorded media
	19	Manufacture of coke and refined petroleum products
	20	Manufacture of chemicals and chemical products
	21	Manufacture of basic pharmaceutical products and pharmaceutical preparations
	22	Manufacture rubber and plastic products
	23	Manufacture of other non-metallic mineral products
	24	Manufacture of basic metals
	25	Manufacture of fabricated metal products, except machinery and equipment
	26	Manufacture of computer, electronic and optical products
	27	Manufacture of electrical equipment
	28	Manufacture of machinery and equipment n.e.c.
	29	Manufacture of motor vehicles, trailers and semi trailers
	30	Manufacture of other transport equipment
31	Manufacture of furniture	
32	Other manufacturing	
33	Repair and installation of machinery and equipment	
Construction	41	Construction of buildings
	42	Civil engineering
	43	Specialised construction activities

Information and communication	58	Publishing activities
	59	Motion picture, video and television programme production, sound recording and music publishing activities
	60	Programming and broadcasting activities
	61	Telecommunications
	62	Computer programming, consultancy and related activities
	63	Information service activities
Financial and insurance activities	64	Financial service activities, except insurance and pension funding
	65	Insurance, reinsurance and pension funding, except compulsory social security
	66	Activities auxiliary to financial services and insurance activities
Real estate activities	68	Real estate activities
Public and administrative defence	84	Public administration and defence; compulsory social security
Education	85	Education
	86	Human health activities
	87	Residential care activities
	88	Social work activities without accommodation
Tourism	N/A	See Annex A for full definition

Source: Office for National Statistics

## 9 . Survey methodology

Further information about the Annual Population Survey is available from the [Annual Population Survey Quality and Methodology Information](#).

This contains important information on:

- the strengths and limitations of the data and how it compares with related data
- users and uses of the data
- how the output was created
- the quality of the output including the accuracy of the data

Further information about the Wealth and Assets Survey is available from [Wealth and Assets Methodology](#).