

# Indonesia's Booming Travel & Tourism to Support More Than 12.5 Million Jobs

**London, UK:** The World Travel & Tourism Council (<u>WTTC</u>) 2024 Economic Impact Research (EIR) projects a record breaking year for Indonesia's Travel & Tourism sector in 2024, with jobs in the sector set to exceed 2019 levels to reach more than 12.5mn.

This year, the global body's annual data foresees a sector filled with opportunities, with other metrics, such as economic contribution and domestic visitor spending, poised to set new records.

The latest figures reveal that the sector's contribution to Indonesia's economy is expected to surpass IDR 1,131TN this year, showing a robust 12.3% increase from the previous year and a 7.7% rise over the 2019 peak.

This reflects the sector's essential role, contributing 5.1% to the national GDP.

Domestic visitor spending is projected to reach a record-breaking IDR 344TN, surpassing 2019 levels by 9.7%, while international visitor spending is expected to rise to IDR 291TN (USD 19.1BN), shy on 2019 levels by 5.4%.

Indonesia presents an open and inviting climate for tourism investment, offering numerous advantages for investors.

The government's open policies and supportive measures encourage investments in tourism infrastructure, providing significant opportunities for growth and economic returns.

Julia Simpson, WTTC President & CEO, said: "The outstanding growth of Indonesia's Travel & Tourism sector is a clear indicator of the government's strategic vision and commitment to the sector.

"Its policies have fostered an environment conducive to investment and development, significantly enhancing Indonesia's status as a premier travel destination."

## Reflecting on 2023

Indonesia's Travel & Tourism sector demonstrated strong recovery last year, growing 29.5% to nearly IDR 1,008TN, representing 4.8% of the national economic output.

The sector created more than 543K new jobs, to reach more than 12mn, just 2.3% below 2019 levels.

International spending saw notable increases last year, rising 121.2% to reach IDR 238TN, with domestic spending growing 8.2% to IDR 321.4TN.

#### What Does the Next Decade Look Like?

By 2034, the sector is expected to contribute nearly IDR 1,828TN annually to Indonesia's GDP, representing 5.3% of the economy. Employment is projected to exceed 17MN, with one in nine working in the Travel & Tourism sector.

#### Across Southeast Asia

This year, Southeast Asia's Travel & Tourism sector is projected to grow by 20.6% to reach IDR 5.8TN, representing 9.7% of the region's economy and surging past the 2019 peak.

Jobs are expected to reach more than 42.4MN, representing a year-on-year growth of 5.6% and surpassing 2019 levels.

International spending is set to grow by 33.2 % to hit IDR 2.3TN, lagging behind 2019 levels, while domestic visitor spending is set to grow almost 15.8% to reach IDR 2.8TN, 6.7% up from 2019 levels.

WTTC is forecasting that Travel & Tourism across the region will continue to grow over the next decade with GDP contribution set to reach almost IDR 9.9TN. Jobs are forecast to exceed 56.5MN, creating more than 14MN new jobs.

For more information, please visit wttc.org

-ends-

### **Editors Notes**

This cutting-edge research was carried out in partnership with Oxford Economics with information sourced from UN Tourism (formerly UNWTO), Oxford Economics and authoritative national databases. All values are in constant 2023 prices and exchange rates, as reported in March 2024, and given in IDR.