A STUDY ON WAGE DIFFERENTIAL IN THE TOURISM INDUSTRY

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Abstract

The tourism sector is considered to be a composite income generating sector. The importance of this sector is measured in terms of tourism GDP as well as employment. The study is trying to examine the implications of employment in tourism, drawing attention to a field which is somewhat neglected within tourism research; namely the supply or production side of tourism. Set within a human capital framework, the basic purpose of conducting this study is to examine how variables such as gender, education, and age affect tourism employees’ monthly wages. Furthermore, the study specifically tries to examine how the gender variable affects these wages. This research paper uses observational data as well as questionnaires conducted with 50 tourism workers, data being collected from employees working in the hotel industry. This study aims to investigate the gender gap in the Indian tourism industry by pursuing two major objectives, both trying to capture the extent to which gender effect exists within the industry. First, the study explores the potential relationship which exists between demographic variables and employees’ gender. Secondly, the paper studies the difference in earnings based on gender bias. The status of women through readings state that the real talents of women are kept hidden. These readings provide important insights which should be considered in the research areas pertaining to the female contribution in the tourism industry. The tourism industry tries to examine gender arrangements of tourism workers, comparing men’s and women’s status in the tourism industry, using indicators of job tenure, education, income, and age. In recent years, there has been significant progress with respect to women closing the gender gap in managerial positions in the hospitality industry. Pinar (2009) has observed “patterns of employment ghettos in the industry,” wherein certain departments are predominantly filled by men and others are predominantly staffed by women. This suggests that gender diversity may be absent in the hospitality industry, which uses the generalized measures of wage differentials. Wage discrimination has been explained in terms of the statistical discrimination model, where the average monthly wages of both women and men are considered. Variable X (wage) has been defined using OLS method for the purpose of performing regression analysis. The analysis of seasonality is another core area which has been taken into consideration. The main findings indicate that the independent variables such as education and wage are affected in a positive way, but gender does not have an impact on the earnings. Even though there exists no gender bias in this sector, tourism economics provides opportunities for further study. This field being a new branch which is gaining importance could be further explored addressing questions such as ‘Is it possible for tourism to enhance women’s status?’

Keywords: Wage Differential, Gender Bias, Gender Diversity, Seasonality, Tourism Industry.