



Contribution of Tourism Sector on Employment Creation: A Case Study of Nungwi and Kiwengwa Villages of Zanzibar

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Abstract: The paper examines the contribution of tourism on employment creation a case of Nungwi and Kiwengwa Villages of Zanzibar. The total population of study area was 7,224 which comprise the tour guides, hoteliers and Villagers especially who engaged in tourism activities (Nungwi and Kiwengwa). A simple random sampling techniques was used to select a sample of 379 were used in this study. Specifically, a quantitative approach was used and questionnaire survey was used for collection. The paper found that, the larger number of the villagers who are employed in tourism sector in Nungwi and Kiwengwa Villages are fulltime employed followed by part time and small number of the natives been able to employ themselves. Generally, about 90% of the respondents, supported the fact that tourism sector in both villages had been creating employment opportunity. The study recommended to the Government and other tourism stakeholder that, there is a need to provide loans or any other support to the Nungwi and Kiwengwa natives so as to be able to employ themselves in tourism sector as well as reducing the number of part time employees/seasonal employment. Specific recommendation goes to Zanzibar commission for tourism (ZCT) that they should take much effort of providing techniques of entrepreneurship for those villages (Nungwi and Kiwengwa) so as to enable the natives to be creative and innovative on establishing their own business. Finally it is recommend to the policy makers on fostering the growth of the infrastructures in Nungwi and Kiwengwa villages that will help on improvement of tourism sector as well as socio-economic development of Zanzibar.

Keywords: Tourism Industry, Employment Creation, SPSS

1. Introduction

Historically, the tourism sector has seen increasing growth and diversification to an extent of becoming one of the largest and fastest growing economic sectors in the world [1]. The World Travel & Tourism Council revealed that travel and tourism plays a vital role in the creation of jobs, both including its direct, indirect and induced impacts, it estimated that 1 in 4 jobs created across the world, i.e., about 334 million or 10.6% of all jobs, accounted for USD 9.2 trillion, 10.4% of global GDP. Meanwhile, international visitor spending amounted to 6.8% of total exports and 27.4% of global services exports, contributing USD 1.7 trillion in 2019. [2]. Thus, tourism is considered a significant part of the

trade-in international services and has become a prominent and growing industry. The tourism sector is famous due to its ability to generate a variety of jobs in the transport sector, tourism hotels, tour guide industry, security, camping, tourist site visits, internet communications and others [21].

Tourism is one of the fastest growing industries in developing countries such Tanzania, Zanzibar in particular. The contribution of tourism industry in the global economy is remarkable. According to World Travel & Tourism Council shows that the tourism industry helps in improving the standard of living, increasing Foreign Exchange Earnings for a country and the Gross Domestic Product (GDP) [2]. Other benefits stated include creating jobs and increasing wealth for poor local. This indicates that the tourism industry growth is

a high pace in any country growth and development progress and prospects. Over the past 30 years, Zanzibar has witnessed strong and positive growth of the private sector, especially in trade and investment. The statistics on FDI values are enormous, especially in tourism. These outcomes have been a result of several measures taken by the Government including policy formulations and reviews, which have focused in reforming the economy and improving business environment. Further improvement of investment reflecting the underlying dynamics, both domestically and globally continues. At present, greater emphasis is on diversification of the economy for more sustainable economic growth [22].

In recent time, Zanzibar has decided to diversify the economy into advanced strategies to the auspicious sectors including trade and tourism [3]. In 2014, a tourism programme was presented by the Zanzibar Planning Commission (ZPC) in collaborations with key stakeholders of tourism together with the Zanzibar Association of Tourism Investors (ZATI), Zanzibar Investment Promotion Authority (ZIPA), Zanzibar National Chamber of Commerce, (ZNCC) and Zanzibar Commission for Tourism (ZCT) for the purpose of creating specific agenda on precise constraints to the development of the sector in order to lift up the Zanzibar economy through tourism sector. In a commonsense, tourism is one of the sectors that have been predictable to bring employment opportunities, to complement income deficit and the much needed foreign exchange earnings to Zanzibar economy. Around 25.8 thousand international tourists visited Zanzibar, Tanzania, in September 2021. Compared to the same month in 2020, the number of visitors increased from roughly five thousand. The Tanzanian archipelago has shown signs of recovery concerning tourist visits, which declined sharply in 2020 due to the coronavirus (COVID-19) pandemic. Tourist Arrivals in Zanzibar recorded 42,443 visitors in January 2022 compared with 49,868 visitors in January 2021 and 48,167 visitors in December 2021. Tourists from Europe continue to dominate the market by accounting 83.0 percent of the total visitors in January 2022, [4].

Yet, in safeguarding the tourism sector is growing in Zanzibar, the Government Zanzibar has worked hard in opening doors to tourist activities into its Isles. Indeed, there are several planning documents related to greater emphasizing on expansion of the economy in more sustainable economic growth. These efforts are well specified in the Zanzibar Development Vision (2050), which is implemented by ZADEP.

2. Problem Statement

According to Zanzibar Commission for Tourism Report [5] declare that about 173 abodes in Zanzibar with a total of more than 3,089 rooms and 6,139 beds. It is vivid that these establishments contribute significantly not only in monetary terms in the areas mentioned, but also in the wider national perspective including infrastructure development such as roads, telecommunication, electricity, clean and safe water,

education and health facilities [6]. On the other hand, tourism also creates a demand for transport, telecommunications and financial as well as nonfinancial services [7]. In the recent past, tourism have been the fastest growing sectors in Tanzania with average growth rates of 6.8% and 5.5% between 2017 and 2018 respectively [4] and about 6.1% and 5.3% of employment which is direct from tourism sector between 2019 and 2020 respectively.

To this end, it excludes local communities from directly benefiting from the industry. So, this study is set out to analyse the contribution of tourism sector in socio-economic development of the local community in Nungwi and Kiwengwa Villages. The problem of inefficient tourism sector to transform socio-economic development of the community in Zanzibar also exists. Tourism in Nungwi and Kiwengwa villages, has demonstrated that it has the potential of directly contributing to socio-economic development to the rural communities by the creation of employment opportunities, supporting education services as well as infrastructure development.

However, despite the fact that tourism has been in existence for over a decade now, there has been no evidence emanating from a thorough study regarding its contribution to employment creation. Therefore, this particular study concentrates on contribution of tourism sector on employment creation especially in coastal area in Zanzibar such as Nungwi and Kiwengwa.

3. Tourism-Economic Growth Theory

Tourism and economic growth theory was developed by Mackens and Voss [23] which shows the direct communication between tourism and economic growth. This theory states that, tourism is an effective factor for development of technology, creating job opportunities and for strengthens the national economy in developing countries. Furthermore, the theory identified that the main goal of tourism's economic policy is the improvement of balance of payments. The Macke's theory was implemented as per [8] tourism and economic concept, which describes that tourism is a crucial activity to the life of developing nations due to its direct impact on the social, cultural, educational and economic sectors of developing civilizations and their transnational relations.

Consequently, by taking into consideration, tourism motivations theories and tourism-economic growth theory, it seems that, the theory match well with the study objectives since they put inclusion of motives as to why people travel which can assist in formulating tourism and contribution of tourism in socio-economic development in Zanzibar tourism development. This theory will help to create job openings and increasing household income in the study area and then result tourism development.

4. Empirical Reviews

Jena et al [9] conducted study on the impact of tourism

development on the economic growth of Jammu and Kashmir by looking at scopes such as employment generation, infrastructure development, and regional development. The above factors were discovered to have both a good and negative impact on the destination's economy. In line with the finding of this study, a great deal of emphasis will be placed on hospitality management, cultural heritage, and infrastructure development, all of which will create jobs, generate income, and reduce overall poverty in the State, resulting in the unique tourism industry in the State that will keep us on par with tourism throughout India and the rest of the world.

Faraj [10] examining the Contribution of Tourism on Poverty Reduction at Northern region in Unguja. The study used the cross sectional data of 91 samples population of households from Kiwengwa-Pongwe village. On the other hand, the data were analyzed by using SPSS and STATA software. The results showed that the most economic activities which the local community engaged is employments from the tourism related activities which were about 46.2% equivalent to 86.8% of total income accrued by the households from that sector. More over the study concludes that the government of Zanzibar should have the devolution policy that will encourage and boost the pro poor benefits from the income collected by the local government on entire area in order to improve the local community development.

Li et al [11] conducted study that examined the contribution of the tourism sector to economic growth of the micro states over the period 1995–2015, also this study used second generation panel data that aimed for cross-sectional dependence by combining investment in human capital as an extra variable. The causal relationship and interaction used between tourism and investment in human capital. The results seemed that tourism sector does not contributing significantly to export earnings and economic growth.

Mussa [12] examined the role of tourism on local community development. The study used mixed research method where both primary and secondary data. The SPSS were used in analyzing the linkage between tourism activities and their impact on the local communities adjacent to and within tourism sites in Arusha region with 95 respondents. The findings of the study show that tourism resources contribute to local community development specifically on the educational and infrastructural development. Furthermore, the findings revealed that while a relationship which shows positive perceptions of increased tourism resources contributing to poverty reduction and local community development is strong, the local communities are not accessing the tourism market to increase their earning.

Another study conducted by Andades and Dimance [13] assessed the role of tourism in determining the fundamental pillars of development in developing economies by directing the case of Pakistan. Different econometric methods and approaches were used to examine the causal relationships between tourism, economic growth, energy and agriculture development, and poverty. This study shows the important

role of tourism in the development of developing economies. The study findings suggest that a 1% increase in tourism significantly enhances gross domestic product (GPD) by 0.051%, foreign direct investment by 2.647%, and energy development by 0.134%, and agriculture development by 0.26% and poverty decrease by 0.51% in the long run.

Moreover, Moh'd [14] examined the roles of tourism sector in Socio-Economic Development of Zanzibar; strategies set by tourism stakeholders in promoting tourism industry in Zanzibar also this study identified challenges of tourism industry in Zanzibar. The questionnaire, interview and documentary review methods were employed to obtain relevant information in this study. The findings of this study shows that tourism sector in Zanzibar is faced by different challenges that hinder the development of tourism sector in Zanzibar as well as socio-economic development of Zanzibar. These include invasion by foreigners, bureaucracy, political instability and presence of insecurity events.

5. Methodology

This study employed the mixed method approach, thus the researcher included both qualitative and quantitative approach. However, the quantitative approach applied for getting quantitative data which needed to support the qualitative approach. Specifically, this study conducted in Northern region Unguja at Nungwi and Kiwengwa villages as a case study. On the other hand, the researcher chooses this study area due to the fact that many tourism activities are conducted. A part from that, this area provides convenience to the researcher due to it's the nature of its environment. According to Sheha reference books [15], the total population of study area is 7,224. In this study comprise the tour guides, hoteliers and Villagers especially who engaged in tourism activities (Nungwi and Kiwengwa). The study uses simple random sampling in order to get respondents who would provide specific, relevant and required data to the researcher, the study comprises the tour guides, hoteliers and Villagers (Nungwi and Kiwengwa).

Table 1. Sample size and population size.

S/N	TYPE OF RESPONDENT	SAMPLE SIZE	PERCENT
1	Tour guides	58	15
2	Hoteliers	38	10
3	Nungwi Residents	161	42
4	Kiwengwa residents	122	33
7	Total Respondents	379	100

Source: Field Data. 2022

Furthermore, Validity and Reliability in research are designed so as to reduce possible errors. In order to test the measurement model of this study, reliability and validity test and analyses were carried out. The study found that the key constructs of the socio-economic development, 'tourism sector education' had a Cronbach's alpha value of 0.811, followed by 0.812 for 'tourism sector employment' and 0.781 for infrastructure. Therefore, from these results it can

be safe to claim that questionnaire used for this study is internally consistent and suitable for the analysis. The results

of validity and reliability shown in the 2 below.

Table 2. Results for Quality Criteria.

Construct	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Tourism education	0.811	0.872	0.571
Tourism employment	0.812	0.873	0.623
Tourism infrastructures	0.781	0.871	0.612
Socio economic development	-	-	-

Sources: author computation 2022

The data were collected through questionnaire and were examined by using Statistical Packaging for Social Science (SPSS). The data were also conducted linear regression model to run econometrics model of the study, the main reason being that; is to support the results available in qualitative data.

6. Study Finding

6.1. Demographic Profile of the Respondents

Table 3. Demographic Profile of the Respondents.

Variables	Category	Frequency	Percentage
Gender	Male	253	33.2
	Female	126	66.8
Age	18-35	211	55.67
	36-45	63	16.6
	46-60	89	23.4
	61 and above	16	4.2
	University	75	19.78
Education level	Secondary	178	46.96
	Primary	114	30.07
	Madrasa	12	3.16
Marital status	Married	232	61.2
	Single	40	10.6
	Widow	95	25.1
	Divorce	12	3.2

Source: Field Data, 2022

The table 3 above shows gender of the respondents. In total, there were 379 respondents out of which 126 were

female (33.2%) and 253 were male, which was equivalent to 66.8%. The table shows that out of 379 respondents, 211 respondents (55.67%) were between 18 and 35. Meanwhile, 63 which are equal to 16.6% were aged between "36 to 45". About 23.4% of the respondents totaling 89 were between 46 to 60 years old. The remaining 16 respondent's equivalents to 4.2% were above 60. Education is important to everybody in a society. Table 3 elaborates the education status of the respondents in Nungwi and Kiwengwa Village. The table shows that 178 (46.9%) respondents had secondary education, 114 (30%) were holding Primary education. Meanwhile, 75 (19%) had University education. Finally, the table shows marital status of the respondents. The data provided the information that more than a half of the respondents were married, followed by, widow, single and divorced. Out of 379, a total of 232 respondents (61.2%) were married. In addition, 40 respondents that is equivalent to 10% of the respondents were single while 95 respondents which is equal to 25.1% were widow. Furthermore, only 12 respondents out of 379, which is equivalent to 3.2% divorced.

6.2. Major Data Finding and Analysis

A descriptive statistical analysis was used to analyse the collected data of this study. The respondents were required to indicate that whether they are; strong disagree, disagree, neither agree nor disagree, agree and strong agree. The results are presented in the form of table below.

Table 4. Employment Created by Tourism at Nungwi and Kiwengwa.

Statements	SD		D		N		A		SA	
	F	%	f	%	f	%	f	%	f	%
Life quality of Nungwi and Kiwengwa Native	0	0	15	4.0	4	1.1	239	63.0	121	31.9
Accessibly of Assets Attributed to Employment in the Tourism Sector	0	0	0	0	1	0.2	170	44.9	208	54.9
Employment Created by Tourism at Nungwi and Kiwengwa Villages										
Self-employment	55	14.5	200	52.8	13	3.4	66	17.4	45	11.9
Part-time employment	104	27.4	110	29.0	8	2.1	71	18.7	86	22.7
Full-time employment	5	1.3	11	2.9	9	2.4	112	29.6	242	63.8

Source: Author computation, 2022

Quality of life is a highly subjective measure of happiness that is an essential component of financial decisions. Factors that play a role in the quality of life vary according to personal preferences; they often include financial security, job satisfaction, family life, health, and safety [18] Working brings satisfaction to a person employed and makes one

physically and emotionally better no matter the size of paycheck or title one holds. This also applies to those working in the tourism industry whose life quality has improved significantly. The data revealed that a total of 239 (63.0%) and 121 (31.9%) respondents, respectively agreed and strongly agreed that their life has improved due to the

presence of tourism activities in their Villages. This is because it provides employment that enables them to fulfill their needs. Four respondents (1.1%) neither agreed nor disagreed that tourism improved their quality of life. On the other hand, the study found that only 15 (4%) claimed that they did not realize any improvement in the quality of life.

The results imply that, the life quality of Nungwi and Kiwengwa natives has improved. Also, they are satisfied with what they get. This finding is consistent with the study conducted by Igiha [17] which showed that tourism has a significant contribution on household's income through provision of farm supplies and employment opportunities provided in the tourism industry. Therefore, the Government and other related institutions could consider improving tourism sector generally and in particular in these two villages so as to enhance socio-economic development generated by tourism activities.

An asset is anything of value or a resource of value that can be converted into cash it can be owned by Individuals, companies, and governments. For a company, an asset might generate revenue, or a company might benefit in some way from owning or using the asset [16]. Due to the presence of tourism industries in the village of Nungwi and Kiwengwa, the native have an access to assets. The table below shows the views of the respondents on the accessibility of an asset that have been attributed by tourism industry. The Table 4. shows a total of 378 (99.6%) respondents out of 379 agreed the fact that they get an access to assets. Among them 208 (54.8%) were strongly agreed the views that they get an access of assets due to the employment they have from tourism sector. On the other hand, one respondent (0.2%) claimed that neither agree nor disagree if on the accessibility of assets due to the presence of tourism industry. The reasons associated to accessibility of an assets is through the increasing of earning of the natives, they can be able to make saving even though not for high amount, it can be only enough for food and other basic needs and some of moderate assets. Therefore, policy makers and other stake holders should take deliberate measures to improve tourism sector in general especially for this two villages of Nungwi and Kiwengwa and provide to them with sufficient support so as they get much access to assets.

Employment is a paid work agreement between an employer and an employee. The employer typically controls what the employee does and where the employee works [19]. Employment is generated in the tourism sector by involving local people to carter to the needs of tourists. There are a large number of businesses at Nungwi and Kiwengwa Villages established by natives and foreigners. Globally, tourism is recognized as one of the largest industries and one of the most significant sources of employment and Gross Domestic Product (GDP). Economies of developing countries, where most of the sector's tourism jobs and businesses are being created, can reap more fruits of tourism if appropriate measures are taken including planning and care for fragile environment. Jobs in tourism can also include management roles where you work to coordinate efforts for

tourists to have a comfortable and enjoyable experience [20]. The table below shows the data on the employment provided in the tourism industry in Nungwi and Kiwengwa Villages.

Generally, the findings show that around 29.3%, 41.4% and 93.4% of the respondent agreed that as a result of tourism sector in their Villages, they employed themselves, part time employed and full time employed, respectively. On the other hand, about 67.2%, 56.4% and 4.2% disagreed that as a result of tourism sector they are not employed themselves, part time employed and full time employed, respectively. Meanwhile, 3.4%, 2.1% and 2.4% were indifferent.

Different studies reviewed show that tourism industry contributed much in socioeconomic development especially in employment opportunities. These opportunities are mostly found in lodges and hotels, as well as in the tour operations. Another important source of employment is transportation. This observation is consistent with a study by Moh'd [14] which observed that transportation was growing, thus creating employment for drivers especially from the Stone town to the rural areas.

The results also revealed that those respondents who had the views that most of the villagers employed themselves owned small businesses, which have very small capital. Therefore, there is need to establish a fund for tourism stakeholders to get loans or any other support so as to increase the number of natives who employ themselves in tourism sector.

7. Conclusion and Recommendations

Generally, the study was designed to examine the contribution of tourism sector on employment creation in Zanzibar. The study has identified the contribution of tourism sector on employment creation to socio-economic development of Nungwi and Kiwengwa natives, also study shows that employment created from tourism sector had great contribution to the socio-economic development of Zanzibar.

On the other hand, this paper recommends that, Government and other tourism stake-holders there is a need provide loans or any other support to the Nungwi and Kiwengwa natives so as to be able to employ themselves in tourism sector as well as reducing the number of part time employees/seasonal employment, Zanzibar commission for tourism (ZCT) should take much effort of providing techniques of entrepreneurship for those villages (Nungwi and Kiwengwa) so as to enable the natives to be creative and innovative on establishing their own business. Policy makers and other stake-holders should take deliberate measures to improve tourism sector especially for these two villages of Nungwi and Kiwengwa and provide to them with sufficient support so as they get much access to assets.

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