



Relaunching and rethinking tourism with a more sustainable and socially responsible vision EFFAT Orientation Paper

3 July 2020

Introduction

Tourism is one of the sectors most severely affected by the COVID-19 outbreak. The closure of borders, travel restrictions, the suspension of many of the tourism-relevant transport means, and the lockdown of entire countries, and especially the shutdown of most hospitality establishments, have resulted in the paralysis of the tourism industry.¹ Thousands of companies are facing insolvency or struggle to survive. Millions of workers lost their jobs or are in temporary unemployment or short-time work schemes.² The sector faces uncertainty for the future and the recovery will likely be long and difficult.

Before the COVID-19 crisis, the tourism sector was one of the main pillars of the EU economy. In 2019, tourism represented around 10% of the EU's GDP and provided jobs for almost 12% of all employees in Europe. The tourism sector is vital for the economy and employment of many EU Member States, some of them severely hit by the pandemic.³ With a high percentage of tourism workforce being young (13%), foreign citizens (15,6%), and female (59%), tourism plays an important role in accompanying young people into the labour market and in the integration of migrant workers, and it contributes to gender equality.⁴ Moreover, tourism has a high capacity to stimulate regional development and to contribute to growth in other sectors of the economy.

The tourism sector is key from both an economic and an employment point of view, therefore its relaunch must be considered as a strategic priority for both the EU and national governments.

With more and more countries progressively lifting their lockdowns, opening borders and reopening businesses, it is now time to rethink tourism, to promote the sector with an innovative sustainable vision. The sector also needs a coordinated relaunch at EU level, as well as the robust support of the European Recovery Plan.

¹ UNWTO quantifies the potential impacts in 2020 as follows:

- 850 million to 1.1 billion fewer international tourist arrivals
- US\$ 910 billion to US\$ 1.2 trillion loss in export revenues from tourism
- 100 to 120 million direct tourism jobs at risk

<https://webunwto.s3.eu-west-1.amazonaws.com/s3fs-public/2020-05/Barometer%20-%20May%202020%20-%20Short.pdf>

² According to EFFAT's assessment, between 90 and 95 % of the staff employed in the hospitality sector in the EU lost their jobs or faced temporary unemployment during April and May 2020.

³ Leisure travel & tourism contribution to GDP: 24,9% in Croatia, 21,9% in Cyprus, 20,6% in Greece, 19,1% in Portugal, 15,4% in Austria, 14,6% in Spain, and 13,2% in Italy.

<https://knoema.com/atlas/topics/Tourism/Travel-and-Tourism-Total-Contribution-to-GDP/Contribution-of-travel-and-tourism-to-GDP-percent-of-GDP>

Leisure travel & tourism contribution to employment: 25,9% in Greece, 23,3% in Croatia, 22% in Cyprus, 21,8% in Portugal, 16,9% in Austria, 14,9% in Italy, and 14,7% in Spain.

<https://knoema.com/atlas/topics/Tourism/Travel-and-Tourism-Total-Contribution-to-GDP/Contribution-of-travel-and-tourism-to-GDP-percent-of-GDP>

⁴ 13% of workers are aged 15 to 24. In Ireland, the Netherlands and Denmark, the proportion of employed people aged 15 to 24 exceeds 20%. In 4 EU Member States, more than 1 in 4 people employed in tourism are foreign citizens: Cyprus (26%), Ireland (29%), Austria (29%) and Luxembourg (61%).

https://ec.europa.eu/eurostat/statistics-explained/index.php/Tourism_industries_-_employment#Characteristics_of_jobs_in_tourism_industries

EFFAT has welcomed the [Tourism and Transport Package](#) published by the European Commission on 13 May 2020 to help transport and tourism in Europe to recover from the COVID-19 crisis, as this package acknowledges the importance of the travel and tourism sector for economy and employment in Europe, and as it proposes a coordinated approach to the lifting of travel restrictions and the reopening of businesses, while respecting necessary health and safety precautions for travellers and workers.

EFFAT, the European Trade Union Federation representing workers in the hospitality sector, has been monitoring the impact of the COVID-19 pandemic on the sector throughout Europe and has been collecting information about measures to safeguard businesses, to secure jobs and to prepare the sector for recovery undertaken at national level, often in cooperation between governments, businesses and trade unions.

In the short term, the viability, sustainability, and recovery of the tourism sector must be considered a strategic priority, without prejudice to the changes that have to be brought about in the future. The problem goes beyond the question when and how tourism will recover, it is a matter of reflecting and acting to change and minimize as much as possible a model that has demonstrated its fragility in an evident way.

Based on the input provided by EFFAT member organisations, this orientation paper aims at outlining the EFFAT vision and proposals for action to ensure the relaunch of tourism with a new sustainable and socially responsible model. It is obvious that the recovery of the tourism sector could not be merely national. The EU must also play its role promoting a new sustainable vision for the sector, guaranteeing the prompt and meaningful involvement of all social partners operating in the industry.

1. Actions for a more sustainable and socially responsible tourism

For a long time, travel and tourism have been pursuing permanent growth, at global level as well as in Europe. However, the development of the sector has been mainly relying on an economic model based on short-term financial interests and maximisation of profits, leading e.g. to low cost models, little investment in the workforce, and growing precarisation of employment. In many places, the unsustainable development of tourism has resulted in the destruction of natural habitats. Tourism is a significant contributor to global CO₂ emissions and consequently to global warming. With tourist accommodation being increasingly marketed via platforms, often in an unregulated manner, this has determined unfair competition, exacerbated housing shortages in urban centres, and contributed to mass tourism.

The relaunch of the sector cannot be based on the same paradigms as in the past. For the future, we must strive for a sustainable and socially responsible tourism model, based e.g. on the quality of services, employment stability, investments in human capital, qualification and training, economic sustainability, reinvestment of profits to ensure sustainable growth, visitor loyalty, diversification of the offer, reduction of seasonality, innovation around a fair digital transition, minimisation of the impact on the environment, generation of greater added value for the society as a whole, and a better share of benefits between tourism businesses, tourists, destinations, local communities and workers.

The central paradigm of the new tourism model must be sustainability in a threefold sense: economic, environmental, and social, the latter including greater attention to the stability and quality of employment. The following elements should be taken into account:

- Learning lessons from the past, the recovery of the tourism sector should be based on a more sustainable and socially responsible model:
 - more proximity-based tourism, with lower environmental impact



- focus on the excellence of tourism services, based on stability and quality of employment, investments in qualification and vocational training, and workers' information, consultation, and participation
- more importance given to visitor loyalty
- sustained growth with a long-term perspective, translating into sustainable tourism development
- A new sustainable tourism model should also be pursued through the European Green Deal and the Farm to Fork Strategy.
- Fair competition and a level playing field must be ensured between all providers of tourism services, e.g. with regard to legislative and fiscal obligations, permits for operation, registration of guests, employees' rights and protection, consumers' rights, health, safety and security, food hygiene rules, statistical measurement of economic activity, zoning in urban planning, etc.
- Social tourism programmes should be promoted, e.g. for elderly or young people, families, disadvantaged groups, etc., as this could foster domestic tourism as well as travel in the low season and hence contribute to combatting seasonality.
- Tourism should be socially sustainable. All classification and labelling initiatives (e.g. stars, ecolabels) must take the quality of employment into account. Social labelling campaigns such as [Fair Hotels and Restaurants](#) should be further developed and promoted in all EU Member States, ensuring that customers can choose their hospitality establishments by assessing social criteria, and in particular decent working conditions and respect of workers' rights.
- To be truly sustainable, businesses operating in the tourism sector should held liable for the impacts of their operations on local communities, human rights and the environment both in Europe and globally. EFFAT supports the adoption of a binding European legislative instrument on mandatory human rights due diligence (including workers and trade union rights) and responsible business conduct. The legal act should establish mandatory and effective due diligence mechanisms covering companies' activities and their business relationships, their supply and subcontracting chains including franchise systems and contract management. Trade unions and worker representatives should be fully involved throughout the whole due diligence process, at national and crossborder levels, to provide for better enforcement.

2. Actions in the field of economic support for the tourism sector

EFFAT welcomes the EU's economic measures taken so far to deal with the COVID-19 crisis, including the Coronavirus Response Investment Initiative (CRII), the suspension of EU fiscal rules with the activation of the general escape clause of the Stability and Growth Pact, the budget guarantee to the European Investment Bank providing liquidity to businesses, the European Stability Mechanism (ESM) Pandemic Crisis Support, and the Temporary Support to mitigate Unemployment Risks in an Emergency (SURE) tool to support national short-time arrangement schemes.

EFFAT demands that the tourism sector is strongly supported by the proposed EU [Recovery Plan for Europe](#), which contains a range of instruments such as the "Next Generation EU" and the Multiannual Financial Framework, intended to help repair the economic and social damage brought by the COVID-19 pandemic, to kick-start European recovery, and to protect and create jobs.

EFFAT acknowledges that the Commission has recognised tourism as one of the most affected sectors of the economy.⁵ However, EFFAT regrets that a specific tourism budget line was not included in the Multiannual Financial Framework 2021-2027. EFFAT also supports the [European Parliament resolution on transport and tourism in 2020 and beyond](#) adopted on 19 June 2020, highlighting, among others, the demand to relaunch the tourism sector, the importance of investments in the sector through the recovery and resilience facility mechanisms, as well as the need to include the possibility of providing additional financial support to the tourism sector in the EU Recovery Plan, on the basis of the share the travel and tourism sector contributes to a Member State's GDP.

The economic relaunch of the sector should always be conditional to the respect of labour standards, workers' and trade union rights.

To achieve these goals, the following conditions must be fulfilled:

- Companies must be supported, but on conditioned and reciprocal terms. Workers should be placed at the centre of the relaunch of the sector. Businesses must do their bit to overcome the economic consequences of the Coronavirus crisis and put the interests of their workers and the economy above those of shareholders, by using money available to safeguard jobs and wages. Guarantees not to make redundancies or to violate workers' rights should be a clear condition of any taxpayer support.
- Any financial support such as state aid, loans or tax exemptions should only be granted to businesses which
 - safeguard employment / create decent jobs, respect workers' rights and collective agreements
 - are not registered in tax havens and have always paid their fair share of taxes and social contributions
 - agree to suspend dividend payments, share buybacks and stock options during the crisis
- Public investment and targeted economic support for the tourism sector will only be effective if they go hand in hand with a relaunch of consumer demand. The EU should learn from the past, refrain from imposing austerity measures, and avoid that millions of workers lose their jobs and income. Solid purchasing power, boosted by decent wages, and coupled with acquired workers' rights, such as limitation of working time and paid annual leave, are the very basis for tourism.
- Economic support to the sector should always be linked to strategies for a green and digital transition towards a climate-neutral and sustainable tourism.
- When considering support for the tourism industry, it is necessary to bear in mind the specific nature of the business fabric made up predominantly by SMEs, micro-enterprises, and many self-employed. Large tourism companies have a greater capacity to endure and adapt than small ones, but it should be avoided that the crisis results in a much more pronounced market predominance by large corporations. For this reason, economic support measures for tourism should contemplate specific lines for SMEs, with the aim of increasing their competitiveness through digital transformation, and the development of collective projects which generate synergies and avoid dependence on tour operators, platforms or other types of large companies.

⁵ The newly proposed recovery instrument, Next Generation EU, outlines that tourism could see a more than 70% drop in turnover in the second quarter of 2020, while the basic investment needs in tourism, comprising EUR 161 billion, rank first among the various ecosystems.



- Support should be given to mechanisms aiming at generating collaborative synergies and public-private investments for the development and improvement of physical and digital infrastructures, as well as the conservation of cultural heritage, the environment, and the territory. It is essential to link financial instruments to the level of contribution of companies to past, present and future national wealth (headquarters and tax contribution, reversion in the event of disinvestment, etc.), and to avoid that business support mechanisms become transfers to financial positions of a speculative or monopolistic nature.
- In line with the recommendations of the European Commission, the tourism model must move towards a development of added value, promoting Research, Development, Innovation, Excellence and Training (R+D+I+E+F) as strategic and connected axes. The technological commitment, the adaptation of tourism promotion and management to new technologies, intelligent specialisation, the development of digital infrastructures in the different areas of tourism activities, the digital management of travel and tourist flows or the use of digital tools to foster tourist confidence are some of the axes to be developed in this regard.

3. Actions in the field of employment

Although in recent years tourism has been a global growth industry and a major source of employment, precarious work has been the norm, and even jobs once thought relatively secure were yielding to the pressure of outsourcing and casualisation.

Workers in tourism will be essential in the tourism recovery phase and beyond. It is therefore of utmost importance to ensure that new requirements regarding quality and stability of employment, health & safety, innovation, sustainability, and quality of services are met. Therefore:

- The creation of full-time permanent employment should have priority, with jobs providing decent working conditions, sustaining wages, adequate social protection, and workers' rights.
- Zero-hour contracts should be abolished and current business models in hospitality-tourism such as outsourcing / subcontracting should be strictly regulated as they are often leading to precarious working conditions and loss of workers' rights, and as they can put the health & safety of tourism establishments and workers at risk, and jeopardise the quality of services. EFFAT supports the adoption of binding EU legislation ensuring joint and several (chain) liability throughout the whole subcontracting chain.
- The effects of the COVID-19 pandemic are an actual threat for millions of jobs in the sector. EFFAT has welcomed the initiatives taken in several Member States to protect employment through temporary unemployment and short-time arrangement schemes. Job retention and income support measures should continue as long as needed, to avoid massive layoffs and unemployment, and the impoverishment of workers. Member States should ensure that such measures cover all workers employed in the tourism sector, including those with non-standard forms of employment, such as part-time workers, workers employed in the subcontracting chain, workers on zero-hours contracts, and seasonal workers. The level of the allowances provided to workers should always ensure a decent standard of living and should not go below the applicable minimum wage. The EU SURE mechanism (Support to Mitigate Unemployment Risks in an Emergency) will be a very helpful tool to finance and support national temporary unemployment schemes. It should be swiftly implemented without further delay. Moreover, EFFAT calls on the Commission to deliver clear guidelines ensuring Member States benefiting from the SURE mechanism make sure all workers, including non-standard workers, are covered.

- The role of sectoral collective bargaining should be strengthened throughout Europe, as social partners are the best situated to find tailor-made solutions for the sector, and social dialogue can be a good instrument for the adaptation of the sector to the new situation. Through social dialogue and collective bargaining, the long-term process of normalisation of tourism activities should be managed in a shared and coordinated manner.
- Workers' information, consultation and participation rights at all levels should be reinforced, as only if no one is left behind, a smooth transition is guaranteed.
- Any restructuring measures have to be negotiated with workers' representatives and trade unions in the most responsible way, information and consultation of workers' representative bodies at all levels (local, national, European, global) has to be carried out in timely coherent manner.
- Workers in the tourism sector who have been laid off should get support from EU funding such as the European Globalisation Adjustment Fund.
- Governments should start up programmes to promote quality employment and to improve the employability of workers in tourism.
- Overall, if restructuring measures, including downsizing of the workforce, are unavoidable, new ways of redistributing work should be considered, e.g. a general reduction of working time to ensure work for all and a more equitable distribution, while at the same time guaranteeing living wages and social protection.

4. Actions in the field of health & safety

The health and safety of workers and citizens must be considered as a top priority in this emergency. For tourism to resume, it is essential that travellers and guests using tourism establishments and workers providing tourism services follow guidance to prevent virus transmission and infections. Measures should be clearly communicated, in all needed languages, including through digital means, visible and effective, both to guests and to workers. Workers must be confident that they are returning to workplaces that are fully risk-assessed, secure and compliant with guidelines on safe working practices, PPE and social distancing.

All measures taken shall follow guidance provided by international bodies, e.g. World Health Organization (WHO) "[Operational considerations for COVID-19 management in the accommodation sector](#)", European Agency for Safety and Health at Work (OSHA) "[COVID-19: back to the workplace in safe and healthy conditions](#)", and European Commission "[EU Guidance for the progressive resumption of tourism services and for health protocols in hospitality establishments - COVID-19](#)".

In particular, the following measures must be taken:

- Clear health and safety protocols for workers, guests and suppliers must be adopted, including physical distancing, avoidance of gatherings, protective equipment and regular sanitisation of workplaces.
- Contingency plans for suspected COVID-19 cases on the premises have to be developed: workers showing symptoms of COVID-19 or needing to self-isolate should not feel compelled to come to work due to lack of sick pay or threat of discipline on performance measures, thus placing colleagues and guests at risk. Full sick pay should apply from day one, COVID-19 infections must be recognised as occupational disease, also by the EU.



- Health and safety measures need to be stepped up in case hospitality establishments are or were used as COVID-19 quarantine or treatment facilities.
- In order to regain customers' trust, destinations have to demonstrate that they are safe. This could be achieved through comprehensive "health guarantees" for all establishments, with complete disinfection and its certification, as well as monitoring and compliance mechanisms for the enforceability of regular cleaning processes.
- In the accommodation sector, optional housekeeping programmes where guests can voluntarily forego room cleaning services must be suspended⁶, and rooms should be cleaned for at least one hour after guests checked out⁷. To enable workers to comply with new hygiene standards and requirements, current models of work arrangements in housekeeping - subcontracting to external providers, tight schedules and quotas on how many rooms have to be cleaned in a given time - have to be revised.
- Workers must be provided with full information and be consulted on health and safety matters through workers' representation bodies and trade unions. Where no health & safety representative bodies exist, workers should be entitled to elect such representatives.
- Public health inspection bodies need to be strengthened and given the necessary means to effectively control the application of and compliance with health and safety protocols in companies.

5. Actions in the field of qualification & training

With tourism taking up again, the sector has to face many new requirements deriving from the COVID-19 pandemic, e.g. new hygiene and distancing standards, changed travel patterns and customer expectations, etc., and this in addition to the challenges already incurred by digitalisation and the growing use of new technologies, and by the strive for enhanced environmental sustainability. Therefore:

- Training and qualification of workers must be key elements of all recovery plans, to ensure that the sector disposes of skilled staff when businesses reopen, and in future.
- Ambitious training and retraining strategies for tourism workers should be developed, including the improvement of digital and sustainability skills, in close cooperation between governments, education establishments, companies/employers, trade unions, and social partners.
- Apprenticeships should be particularly promoted as they give young people profound vocational training and provide them with an excellent entry into the labour market. With many apprenticeships suspended due to the pandemic, Member States must give support to apprenticeship schemes, to avoid that vocational training is terminated and young people drop out. Moreover, Member States should ensure that apprenticeships fully comply with the "[Council Recommendation on a European Framework for Quality and Effective Apprenticeships](#)".
- Periods with less activities should be used by employers to substantially re-/upskill their workforce.

⁶ see [WHO Operational considerations for COVID-19 management in the accommodation sector](#) p. 5

⁷ see Commission Communication [EU Guidance for the progressive resumption of tourism services and for health protocols in hospitality establishments - COVID-19](#), p. 12

- All workers should have access to qualification and training measures, also those in non-standard forms of employment; workers could e.g. be guaranteed a minimum weekly proportion of their paid contracted hours for training and upskilling purposes.
- All qualification and training initiatives at company level should be planned, implemented, and evaluated in close cooperation between managements, workers representatives and trade unions, and it should be ensured that acquired qualifications and skills are transferable to other companies.

6. Next steps

Many valuable proposals have been put forward in the last weeks by a wide range of actors and stakeholders at global, European, and national level on how to prepare tourism for recovery and future challenges ⁸.

- The relaunch of tourism strongly relies on its joint promotion, and on the close cooperation between Member States when it comes to opening borders, lifting travel restrictions and reopening businesses. EU Member States should not act independently, a coordinated approach should be taken, under the coordination of the European Commission. EFFAT welcomes the newly released website [Re-open EU](#), an interactive tool, available in 24 languages and frequently updated, providing information which tourists need to plan travel and holidays in Europe, while staying healthy and safe.
- It is important that all relevant tourism stakeholders at EU and all other levels are fully involved in the relaunch of the sector, by developing a clear action plan in short and medium term with concrete measures. Trade unions representing tourism workers, including EFFAT, and social partners in the sector must play a crucial role in the planning, implementation and monitoring of initiatives taken to facilitate the sector's recovery.
- At all appropriate levels (global, European, national, regional, local), 'tourism councils' should be set up, to monitor developments in the sector, anticipate change, elaborate strategies, etc., with the full involvement of social partners. Such councils could be complemented by e.g. crisis-management taskforces, tourism observatories, etc.

EFFAT welcomes the Commission's plan to organise a European Tourism Convention in autumn 2020, and to build a roadmap towards a sustainable, innovative and resilient European tourism in the context of a "European Agenda for Tourism 2050", and reiterates its availability to participate in any initiative aiming at mitigating the impact of COVID-19 on the tourism sector and accelerating its recovery, as stated in the EFFAT letter to the European institutions "[Recovery from the COVID-19 pandemic - time to prepare for a more sustainable and socially responsible tourism](#)" of 30 April 2020.

⁸ E.g. UNWTO "[Supporting Jobs and Economies through Travel & Tourism - A Call for Action to Mitigate the Socio-Economic Impact of COVID-19 and Accelerate Recovery](#)"; Commission Communication "[Tourism and transport in 2020 and beyond](#)"; European Parliament S&D Group policy paper "[Back on Track](#)" for the recovery of Tourism; EP Press Release "[Parliament requests further action to save EU tourism](#)"; CCOO "[Turismo 20.20 - 20 propuestas para su viabilidad presente - 20 propuestas para su sostenibilidad futura](#)"