

Brussels, 30 April 2020

Sent by e-mail

For the attention of:

Ursula von der Leyen, President of the European Commission

Andrej Plenković, Prime Minister of Croatia, current EU Presidency

Thierry Breton, Commissioner for Internal Market

Nicolas Schmit, Commissioner for Jobs and Social Rights

Karima Delli, Chair of the EP Committee on Transport and Tourism

Lucia Ďuriš Nicholsonová, Chair of the EP Committee on Employment and Social Affairs

Petra De Sutter, Chair of the EP Committee on Internal Market and Consumer Protection

cc: To all members of the TRAN, EMPL & IMCO Committees of the European Parliament

Subject: Recovery from the COVID-19 pandemic – time to prepare for a more sustainable and socially responsible tourism

Dear Madam President,

Dear Commissioners,

Dear Members of the European Parliament,

The COVID-19 pandemic has plunged the tourism sector into an unprecedented crisis, and full recovery is not evident in a foreseeable future. The closure of borders, travel restrictions, the suspension of almost all passenger flights, and the lockdown of entire countries, aimed at containing the spread of the Coronavirus, have resulted in a sharp decline of demand in travel and tourism, hence thousands of companies face insolvency or count their days to survive, and millions of workers lost their jobs or are in temporary unemployment or on short-time work schemes. The crisis has an even more damaging impact on the economies of countries which strongly rely on tourism.

In the hospitality sector, with the closure of hotels, restaurants, cafes, bars, etc. in all EU Member States (except Sweden), around 90% of the more than 10 million workers employed in the accommodation and food service sector in Europe have been made redundant or temporarily laid off. With a high percentage of hospitality workers having seasonal work contracts or other non-standard forms of employment (e.g. zero-hours contracts, self-employed), many workers are not covered by governments' state wage compensation and are therefore on the brink of falling into poverty. This affects the livelihoods of millions of workers, their families, and whole communities.

With more and more countries progressively lifting their lockdowns and reopening businesses, EFFAT strongly believes that it is now time to rethink tourism, to promote the sector with an innovative sustainable vision, in a coordinated relaunch at EU level, and supported by a strong European economic recovery plan.

In this respect, we express our thanks for the initiatives undertaken so far by the Commission, the European Parliament and the Council, as well as by many other institutions, having committed to develop concrete measures for the recovery of the tourism sector¹.

¹ e.g. hearing of Commissioner Breton by EP TRAN Committee on 21/4/2020; informal virtual meeting of EU ministers in charge of tourism on 27/4/2020; UNWTO recommendations "Supporting Jobs and Economies through Travel & Tourism - A Call for Action to Mitigate the Socio-Economic Impact of COVID-19 and Accelerate Recovery"; WHO sector-specific guidance for the accommodation sector and food businesses; etc.

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.

EFFAT believes that the relaunch of the sector cannot be based on the same paradigms as in the past. Although tourism has been in recent years a major source of employment and a global growth industry, precarious work has been the norm, and even jobs once thought relatively secure were yielding to the pressure of outsourcing and casualisation. The growth of the sector was mainly relying on an economic model based on short-term financial interests, maximisation of profits and little investment in human capital and skills. Tourism should be safer, more proximity-based, with lower environmental impact and less short-term thinking. More should be invested in qualification and vocational training, and visitor loyalty should be promoted.

Here some initial **EFFAT demands for the relaunch of the European tourism sector**:

1. Involvement of social partners is key

We certainly all agree that in a labour-intensive and customer-orientated sector like hospitality, workers play a crucial role in ensuring a proper recovery of the sector. This is why workers and their representatives should be fully heard in this process. The involvement of trade unions and social partners at all levels in the development, implementation and monitoring of any policy and strategy to relaunch the tourism sector, as it is good practice in many Member States, is therefore key to success. As a recognised social partner at EU level, representing workers in the hospitality sector, EFFAT offers its full support and expertise in the sector to discuss and further elaborate with you and other relevant stakeholders a renewed vision for the tourism sector in Europe.

2. The sector needs a strong economic support

EFFAT welcomes the EU's economic measures taken to deal with this emergency so far, including the Coronavirus Response Investment Initiative and the suspension of EU fiscal rules with the activation of the general escape clause of the Stability and Growth Pact. We also see the measures adopted by the Council of the European Union on 23 April 2020 as a first step in the right direction, including the budget guarantee to the European Investment Bank providing liquidity to businesses, and the Temporary Support to mitigate Unemployment Risks in an Emergency (SURE) instrument to support national short-time arrangement schemes. EFFAT is eager to see the Commission's proposal on an EU Recovery Fund, which will be established to support the hardest hit sectors and regions in Europe. EFFAT calls for the plan to be of a sufficient magnitude, to deal with this unprecedented crisis. The tourism sector should be strongly supported by this Fund.

However, any recovery support such as state aid, loans and tax exemptions should only be granted to businesses which safeguard employment and respect workers' rights and collective agreements; which are not registered in tax havens and have always paid their fair share of taxes and social contributions, and which, during this crisis, agree to suspend dividend payments, share buybacks and stock options.

Furthermore, an increase in public investment and targeted economic support for the sector will be ineffective without the relaunch of consumer demand. It will therefore be important that the EU learns from the past and refrains from imposing austerity measures.

3. A more sustainable and responsible tourism

For a long time, travel and tourism have been pursuing permanent growth, leading e.g. to mass tourism, low cost models focussing on maximising profits, little investment in the workforce, growing precarisation of employment. For the future, we should strive for a sustainable and socially responsible tourism model, based e.g. on the quality of services, employment stability, qualification and vocational training of professionals in the sector, economic sustainability, reinvestment of profit margins, minimisation of the impact on the environment, and a better share of benefits between tourism businesses, tourists, destinations and workers. A new sustainable travel and tourism model should also be pursued through the EU Green Deal and the Farm to Fork Strategy.

4. Jobs and workers' income must be safeguarded

The tourism sector is key from a socioeconomic perspective, considering also the high level of employment of more vulnerable groups such as women, young people and migrants. The protection of employment in the sector is vital to ensure its proper recovery in the aftermath of the Corona crisis. It is therefore important that irresponsible employers do not take advantage of this situation to dismiss workers, to cut back workers' and trade union rights and to weaken collective agreements. Companies should instead do their utmost to save jobs and wages of hospitality workers, applying for government support such as short-time work schemes and doing their best to stock up allowances to net wages to avoid workers falling into poverty. These measures should also apply to non-standard workers such as part-time, zero-hours, seasonal and workers employed in the subcontracting chains. The SURE instrument should also cover these categories of contracts.

5. Health & safety

Workers must be confident that they are returning to workplaces that are fully risk-assessed, safe and compliant with WHO guidelines on safe working practices, PPE and social distancing. Therefore, clear health and safety protocols for workers, guests and suppliers have to be adopted, contingency plans for suspected COVID-19 cases on the premises be developed, health and safety measures need to be stepped up in case hospitality establishments are used as COVID-19 quarantine or treatment facilities, all workers who are infected should have the right to take leave without fear of losing job or income. In general, workers must be provided with full information and be consulted on health and safety matters through workers' representation bodies and trade unions.

6. Skills and training

When tourism takes up again, the sector will have to face many new requirements deriving from the COVID-19 pandemic, e.g. new hygiene and distancing standards, changed travel patterns, etc., and this in addition to the challenges incurred by digitalisation and the growing use of new technologies. The current period with less activities provides an unprecedented opportunity for employers to substantially re-/upskill their workforce, workers could e.g. be guaranteed a certain proportion of their working hours for training and upskilling purposes. This would ensure that the sector disposes of skilled staff when the economy recovers.

Against this backdrop, we hope that Mr. Breton, in his role as Commissioner for the Internal Market, will agree to meet with EFFAT, via video conference, to discuss our proposals for the recovery and the sustainable relaunch of the tourism sector.

Furthermore, EFFAT is ready to participate in any initiative aiming at mitigating the impact of COVID-19 on the tourism sector and accelerating its recovery, such as a tourism rescue action plan, the tourism summit planned in autumn 2020, any formal or informal tourism crisis committee, and this together with ETF, the European Transport Workers Federation, representing workers in transport, and UNI Europa, representing workers in travel agencies and tour operators, with whom we have been cooperating in the ETLC, the European Trade Union Liaison Committee on Tourism, for many years.

We thank you in advance for your consideration of this letter, and we remain at your disposal for further discussion of the issues and proposals raised.

Yours sincerely,



Kristjan Bragason
EFFAT General Secretary

Fight.
Win.