

ILO Sectoral Brief

Date: 9 April 2020

COVID-19 and the tourism sector

• 1. The impact of COVID-19

Tourism: An engine for job creation and socioeconomic growth

Tourism constitutes one of the most dynamic and fastest growing economic sectors in the world today. The importance of that sector as a driver for job creation and the promotion of local economic development, culture and products is reflected in several of the Sustainable Development Goals, particularly Goals 8, 12 and 14, which set forth tourism-specific targets. Tourism directly and indirectly contributes to job creation, particularly for women and young people, while also fuelling growth through micro-, small and medium-sized enterprises (MSME).

In 2018, the total contribution of the travel and tourism sectors to global gross domestic product (GDP) was estimated at 10.4 per cent and its direct contribution at 3.2 per cent.¹ Prior to the COVID-19 outbreak, the sector's total and direct contributions were expected to reach 11.5 per cent and 3.5 per cent of GDP, respectively, by 2029. Directly and indirectly, the sector accounted for some 319 million jobs worldwide in 2018, equivalent to 10 per cent of total global employment.² For every directly created tourism job, nearly one and a half additional jobs are created on an indirect or induced basis.



Hospitality industry in Lao PDR

For a sector with important multiplier effects on employment in related sectors, including agriculture, transportation, handicrafts and food and beverage provision, the COVID-19 pandemic presents massive challenges.

The accommodation and food services subsector, which provides employment for 144 million workers worldwide, has been particularly hard

¹ The World Travel and Tourism Council (WTTC) establishes data estimates and forecasts for "travel and tourism". According to the WTTC, travel and tourism "relates to the activity of travellers on trips outside their usual environment with a duration of less than one year"; total contribution to GDP refers to "GDP generated directly by the travel and tourism sector plus its indirect and induced impacts"; direct contribution to GDP refers to "GDP generated by industries that deal directly with tourists, including hotels, travel agents, airlines and other passenger transport services, as well as the activities of restaurant and leisure industries that deal directly with tourists". See <u>WTTC Travel and Tourism Economic Impact 2019 - World</u>, Glossary of key definitions. The sum of direct, indirect, and induced impacts equals the total economic impact of a sector. According to WTTC, the total employment impact of travel and tourism includes direct, indirect and induced jobs.

² WTTC "Travel and Tourism: Benchmarking Research Trends 2019 - World".

hit economically.³ The subsector has been almost completely shut down in certain countries and, if it has been able to continue operating, has suffered a steep decline in demand. More than 50 per cent of workers in the subsector are women, and the majority of the workforce are employed in MSMEs,⁴ which have been disproportionately affected by the COVID-19 crisis.

The devastating impact of COVID-19 on the tourism industry

The COVID-19 crisis is having a devastating impact on the global economy and employment.⁵ After the diffusion of the virus through the Asia and the Pacific region, COVID-19 quickly spread to all other parts of the world. In March 2020, international tourism essentially came to a halt.

Measures such as travel restrictions, flight cancellations and the closing of tourism businesses have had an immediate impact and have significantly diminished the supply of, and demand for, domestic and international tourism services. Cruise ships, for example, have suspended operations or have been prohibited from entering ports in several countries, particularly in Asia, the Pacific and the Caribbean.⁶ It is estimated that some 250,000 crew members are employed on cruise ships and all could be vulnerable to layoffs or a loss of income as the crisis evolves.⁷

According to the Organization for Economic Cooperation and Development (OECD), the pandemic and global efforts to contain it could cause the international tourism economy to contract by between 45 and 70 per cent, depending on the duration of the crisis and the speed of the sector's recovery. Global travel restrictions are also having a significant impact on countries' domestic tourism industries, with an estimated 3 billion people subject to restrictions imposed as part of COVID-19 containment measures.⁸

According to the European Commission (EC), tourism and transport, particularly the airline industry, are among the sectors most affected by the crisis.⁹ The tourism sector is, however, known for its resilience to economic downturns and crises, and may bounce back quickly, as was the case following the severe acute respiratory syndrome (SARS) epidemic in 2003 and the 2008-2009 global financial crisis.¹⁰ As such, the sector may play a key role in reinvigorating the global economy once the crisis is over. "Building back better" in the postpandemic period could align the tourism industry more closely with the Sustainable Development Goals.

The impact of the pandemic on specific countries and regions

As of February 2020, international tourist arrivals in **Asia and the Pacific** were estimated to have declined by between 9 and 12 per cent¹¹ very different from that increase in arrivals of between 5 and 6 per cent that had been predicted at the beginning of the year.¹² That decline was due, at least in part and especially during the initial weeks of the crisis, to fewer arrivals from China and underscores the importance of **China** as both a destination and a source market. Indeed, Chinese tourist arrivals are key contributors to many countries' national tourism sectors.¹³

Asian markets that are heavily-dependent on Chinese tourist arrivals, including **Hong Kong (China)**, **Macau (China)**, **Singapore**, **Taiwan (China)**, and **Viet Nam**, have witnessed a steep drop in hotel room occupancy rates. In less economically-resilient destinations, including **Cambodia**, **Myanmar** and **Palau**, an even more severe impact on national tourism economies can

- 3 ILO Monitor 2nd edition: COVID-19 and the world of work, April 2020.
- 4 ILO Guidelines on decent work and socially responsible tourism, 2017.
- 5 ILO Monitor 1st edition: COVID-19 and the world of work, March 2020.

- 7 Crew Center, "Find out: How many crew members work in the cruise industry?" 25 July 2017.
- 8 OECD, "Tackling Coronavirus (COVID-19). Tourism Policy Responses" 31 March 2020.

⁶ The Guardian, "Coronavirus: cruise passengers stranded as countries turn them away" 16 March 2020.

⁹ European Commission, "Communication from the Commission to the European Parliament, the European Council, the Council, the European Central Bank, the European Investment Bank and the European Coordinated economic response to the COVID-19 Outbreak", 13 March 2020.

¹⁰ World Tourism Organization (UNWTO), "Impact assessment of the COVID-19 outbreak on international tourism", 5 March 2020 Updated assessment 27 March 2020.

¹¹ World Tourism Organization (UNWTO), "Impact assessment of the COVID-19 outbreak on international tourism", 5 March 2020 Updated assessment 27 March 2020. The previous assessment had focused on the Asia and the Pacific region, the epicentre of the COVID-19 outbreak at the time, and so it included the listed regional statistics. As the pandemic has evolved over the month of March it has become truly global and so the updated UNWTO impact analysis has shifted to a global assessment in kind. As such it does not include regional impact analysis for Asia and the Pacific, however it does include an estimate that global international tourist arrivals could decline by 20 to 30 per cent in 2020. See also: COVID-19 and employment in the tourism sector: Impact and response in Asia and the Pacific, ILO ROAP, 2020 Forthcoming

¹² UNWTO World Tourism Barometer Vol 18. 1. January 2020.

¹³ UNWTO World Tourism Barometer Vol 18. 1. January 2020.

be observed, underscoring the economic importance of Chinese tourists to those countries. **Japan** registered a 14.5 per cent increase in the number of incoming Chinese tourists between 2018 and 2019, and the sudden decrease in the number of Chinese arrivals has placed Japan in a difficult position.¹⁴ Apart from **China**, the Asian country with the highest number of reported COVID-19 cases is the **Republic of Korea**. However, both China and the Republic of Korea seem to have passed the peak of the COVID-19 outbreak, and have reopened certain businesses, including hotels and restaurants.¹⁵

Europe followed Asia and the Pacific as the epicentre of the COVID-19 crisis. The European Union (EU) tourism industry is estimated to be losing around €1 billion in revenue per month as a result of the outbreak.¹⁶ The tourism sector is dealing with a significant decrease in international arrivals from key markets, including China, Japan, the Republic of Korea and the United States of America, as well as a disruption in intra-EU and domestic travel. This, together with the closure of all non-essential businesses has put the tourism sector on hold.¹⁷

Dramatic COVID-19 outbreaks have occurred in both Italy and Spain. As one of the world's most popular tourist destinations, Italy was expected to receive 65 million international tourist arrivals in 2020, with domestic tourists making about the same number of trips. By the end of February, approximately US\$ 260 million in bookings had been cancelled. By mid-March many of Italy's hotels experienced zero per cent occupancy and up to 80 per cent of hotels and restaurants were expected to close temporarily.¹⁸ In Spain, the pandemic's impact on tourism is also likely to be dramatic, with the country at risk of losing 6 million tourists if the crisis continues until summer,19 while the tourist industry in **France**, the world's most popular tourist destination, would also be significantly undermined.20

The strong bilateral relations of certain countries in Africa with China mean that travel restrictions for Chinese travellers, as well as for all other international travellers, will negatively affect the African tourism sector. The COVID-19 outbreak in Africa began later than in other parts of the world, so the impact has not yet reached the same levels observed elsewhere. However, if infection rates similar to those observed in other parts of the world do materialize on the continent, the impact could be devastating. African countries with the highest tourist arrivals as of 2018 were Morocco (12.3 million), Egypt (11.3 million), South Africa (10.5 million) and **Tunisia** (8.3 million).²¹ **South Africa** has already enacted far-reaching containment measures to limit the diffusion of the virus within communities.²² In **Eqypt**, it is predicted that disruptions to the tourism industry and declining remittances from Egyptians abroad will have broad socioeconomic repercussions by reducing household incomes, especially for the poor. ²³

In **the Americas**, the United States of America has been hit hardest by the pandemic, followed by Canada, Brazil, Chile, Peru and Ecuador.²⁴ In recent years, **the United States of America** has led tourism growth in absolute terms among the top 10 tourism markets meaning the pandemic will have profound consequences for the economy.²⁵

In **Latin America**, the number of confirmed COVID-19 cases is increasing, with the current crisis likely to exacerbate a recent slowing of regional growth. With tourism generating a large share of GDP in **Brazil**, that country is expected to be negatively affected by the imposition of travel bans and other measures which reduce the number of tourist arrivals. In the **Caribbean**, where many countries are dependent on the tourism industry, prolonged travel restrictions could have a devastating impact on local economies and employment and a COVID-19 Caribbean Tourism Task Force has therefore been established to foster collaboration in the

25 UNWTO World Tourism Barometer Vol 18. 1. January 2020.

¹⁴ Reuters, "Japan warns of coronavirus hit on tourism but keeps 40 mln visitor target", 19 February 2020; The Straits Times "Coronavirus crisis threatens to silence Japan's tourist boom", 6 March 2020.

¹⁵ Johns Hopkins University, "Coronavirus COVID-19 Global Cases by the Center for Systems Science and Engineering (CSSE) at Johns Hopkins University (JHU)"

¹⁶ European Parliament, COVID-19 and the tourism sector, April 2020.

¹⁷ European Commission, "Communication from the Commission to the European Parliament, the European Council, the Council, the European Central Bank, the European Investment Bank and the European Coordinated economic response to the COVID-19 Outbreak", 13 March 2020.

¹⁸ Euromonitor International, "Italy in crisis as tourism demand collapses amid coronavirus pandemic", 18 March 2020; Italian Federation of Tourism, "Coronavirus: Assoturismo, già bruciati 200 milioni di euro di prenotazioni per marzo. Messina: lavorare per la normalizzazione o salta tutto", 27 February 2020.

¹⁹ Expansión, "España perderá 2.7 millones de turistas si el virus dura hasta abril", 7 March 2020.

²⁰ UNWTO World Tourism Barometer Vol 18. 1. January 2020 and International Tourism Highlights, 2019 edition.

²¹ UNWTO World Tourism Barometer Vol 18. 1. January 2020.

²² BBC, "Coronavirus: South Africa braces for the worst", 19 March 2020.

²³ International Food Policy Research Institute "Economic impact of COVID-19 on tourism and remittances: Insights from Egypt" 1 April 2020.

²⁴ Johns Hopkins University "Coronavirus COVID-19 Global Cases by the Center for Systems Science and Engineering (CSSE) at Johns Hopkins University (JHU)"

sector.26

In the Arab States, the United Arab Emirates registered 15.9 million international tourist arrivals in 2018. Many tourist attractions in Abu Dhabi and Dubai have now been closed.²⁷ With Saudi Arabia assuming the presidency of the G20 and Qatar hosting 65 national, continental and international sporting events, 2020 was expected to be a year of significant economic growth for the region. However, as is the case in other regions, all growth estimates have turned into assessments of the economic and social damage that the COVID-19 crisis is likely to inflict.

The impact of COVID-19 on employment in tourism

Accommodation and food services has been identified by ILO as a subsector of the economy that is extremely likely to witness a drastic fall in economic output as a result of the COVID-19 crisis. The sector is labour intensive and employs millions of poorly paid and low-skilled workers, the majority of whom are women. In many countries, those workers now face drastic and devastating reductions in their working hours, significant pay cuts and the potential loss of their employment.

Almost all businesses in the accommodation and food services subsector, regardless of their size, are likely to struggle to stay afloat. MSMEs, which make up a large share of the tourism industry, are especially vulnerable. Indeed, costs incurred because of the COVID-19 crisis, including those related to prevention measures and changes in work processes, may be proportionally far higher for those enterprises because of their oftenlimited resources and the difficulties they habitually face when trying to access capital.

Many companies have had no choice but to temporarily reduce their activities in order to minimize their operating costs, while many governments have mandated the closure of all non-essential businesses to protect public health.²⁸ At the end of March, lock down measures in France resulted in the closure of 75,000 restaurants, 3,000 clubs and 40,000 cafes, affecting 1 million employees who have been placed under technical unemployment.²⁹ In the United States of America, the crisis has already triggered a wave of layoffs. According to the United States Department of Labor, in the week ending 21 March 2020, initial claims for unemployment benefits skyrocketed to 3.28 million, more than quadruple the previous weekly record. The following week, which ended on March 28, the figure doubled to 6.6 million initial claims filed.³⁰

The sectors most vulnerable to layoffs include retail and food and drink services.³¹ In New Zealand, an industry-led survey that was published on 23 March estimated that large tourism operators were planning to cut 4,890 jobs in the very near future.³² The data analytics company STR reported that in 11 countries hotel occupancy decreased by more than 90 per cent between 15 and 21 March compared to 2019. 33 Airlines are adjusting their staffing levels, including by asking employees to take paid or unpaid leave, while many companies have frozen all hiring, potentially undermining their capacity to fill key positions once the crisis is over. Other companies have put their employees in temporary unemployment or are working with their employees' unions to draw up strategies to avoid layoffs, which often require employees to accept fewer working hours.34

Shift and night work, seasonal, temporary or part-time employment, outsourced or subcontracted labour, and other non-standard forms of employment, are frequent in tourism. Many jobs in the tourism sector are characterized by low wages, long working hours, high turnover, and limited social protection.³⁵ Additionally, the high incidence of informal working arrangements, due in part to the sector's seasonality, combined with weak regulation, enforcement and labour organization, is an important challenge impeding efforts to advance decent working arrangements in the sector. Those challenges are likely to exacerbate further during the COVID-19 pandemic and its aftermath.

²⁶ eTurbo News "How Caribbean tourism is safeguarding tourists from COVID-19", 5 March 2020.

²⁷ UNWTO World Tourism Barometer Vol 18. 1. January 2020; The National "Coronavirus: Everything you need to know about COVID-19 in the UAE" 9 March (updated 24 March) 2020.

²⁸ OECD, "Tackling coronavirus (Covid-19): Tourism Policy Responses" updated 31 March 2020.

²⁹ La Chaîne Info, "Restaurants, cafés et bars fermés : un million de salariés dans l'inquiétude", 15 March 2020.

³⁰ United States Department of Labor, "News Release - Unemployment insurance weekly claims" 2 April 2020.

³¹ Pew Research Center "Young workers likely to be hard hit as COVID-19 strikes a blow to restaurants and other service sector jobs", 27 March 2020.

³² OECD, "Tackling coronavirus (Covid-19): Tourism Policy Responses" updated 31 March 2020.

³³ STR hotel occupancy. 11 countries for which data is available: Czechia, Italy, Greece, Austria, Lebanon, Poland, Romania, Israel, Bulgaria, Hungary and Serbia. STR is a data analytics consultancy specializing in the tourism industry.

³⁴ CNN Business, "Tens of thousands of airline jobs are at risk as travel plunges", 6 March 2020.

³⁵ ILO Guidelines on decent work and socially responsible tourism, 2017.

Migrant workers, young people and women make up a significant proportion of the tourism workforce and are particularly at risk of decent work deficits, including low wages, inadequate social protection and exposure to gender-based discrimination. Informal workers are rarely granted paid or sick leave and are less likely than other workers to be protected by conventional social protection mechanisms or other forms of income smoothing.³⁶ Measures to support businesses and safeguard jobs and incomes will prove critical for the tourism sector as a whole in the weeks and months ahead, and will be especially important for MSMEs.

2. Responses by constituents and partners

The European Commission has coordinated a **common EU response** and taken steps to bolster key sectors, including the tourism sector, and mitigate the socioeconomic impact of the pandemic. Measures include a €37 billion Coronavirus Response Investment Initiative to provide liquidity to small and mediumsized enterprises and the health-care sector.³⁷ In a letter dated 24 March 2020,³⁸ the European Parliament Tourism Task Force called for "a tourism rescue action plan, with concrete short- and medium-term measures".

Moreover, most EU member States are introducing economic assistance packages that will provide support to their transport and tourism sectors. Measures include tax moratoriums and extended deadlines for social security contributions, in addition to wage subsidies, loans and guarantees for workers. A number of countries have re-nationalised companies that have been particularly hard hit by the coronavirus pandemic. As of 27 March, the European Commission had approved 22 State aid plans.³⁹

Canada has implemented specific policies to protect workers from layoffs, including policies to extend the country's work-sharing programme and provide wage subsidies to small businesses. The work-sharing programme provides benefits to workers who agree to reduce their normal working hours in response to the crisis. The eligibility for this programme has been extended to 76 weeks, eligibility requirements have been eased and the application process has been streamlined. Wage subsidies are also being provided to

A joint statement on COVID-19 by the International Organization of Employers and the International Trade Union Confederation, issued on 23 March 2020, underscored how both organizations stand in solidarity with governments in the face of the ongoing crisis, as well as the critical need for social dialogue at national and multilateral levels to design measures to address its impact. In addition to calling for social dialogue, the two organizations called for urgent action in key areas such as business continuity, income security and solidarity, policy coordination and coherence, support for health systems and the implementation of the ILO Centenary Declaration for the Future of Work, adopted in 2019, with a view to building long-lasting and sustainable responses to the pandemic.

eligible small employers for a period of three months. The subsidy will equal 10 per cent of remuneration paid over that period up to a maximum of 1,375 Canadian dollars (CAD) per employee and 25,000 CAD per employer. Additionally, Canada has established the Business Credit Availability Programme, which allows the Business Development Bank of Canada and Export

³⁶ ILO Monitor 1st edition: COVID-19 and the world of work, March 2020.

³⁷ European Commission "European Commission's action on coronavirus".

³⁸ Tourism Task Force, Letter to the European Commission. Available at: drive.google.com/file/d/1qrhqf399iLafOd60aNCKaIt9SgrUeL_R/view

³⁹ For example, Italy has taken full ownership of Alitalia, the United Kingdom has partially nationalized its railways, France has modified the conditions for cancellations of travel bookings and Sweden has offered credit guarantees for airlines.

Development Canada to provide targeted support to small and medium-sized enterprises in sectors such as oil and gas, transportation and tourism.⁴⁰

China has adopted a number of policy measures to help restart its economy. These include policies to facilitate the electronic signing of contracts and guidelines to promote the resumption of work and production, which have been in place since early March. Several policies on the provision of financial support to small and medium-sized enterprises have also been adopted since the beginning of February. These provide for value added tax (VAT) exemptions within Hubei province and a reduction of the VAT rate from 3 to 1 per cent in all other provinces between 1 March and 31 May 2020. Additional provisions allow for the payment of reduced endowment insurance, unemployment insurance and work injury insurance premiums and social security contributions, and penalty-free deferred repayments of principle and interest expenses on loans between 25 January and 30 lune 2020.41

Egypt has announced a 100 billion Egyptian pounds (EGP) stimulus package. 50 billion EGP has been earmarked for the tourism industry and will be used to keep hotels running during the crisis.⁴² The Ministry of Social Solidarity has also extended an existing conditional cash transfer programme to cover an additional 100,000 families. Rent payments have been suspended for tourism and food service businesses at state-controlled landmarks and youth centres and the Minister of Antiquities and Tourism announced that a hotline will be set up for tourism sector workers to register complaints about unfair dismissals.⁴³

In **France**, the Ministry of Labour is enacting a series of measures to support businesses, particularly small and medium-sized enterprises, that have been affected by the COVID-19 crisis, including enterprises operating in the hotel, catering and tourism industries. The Ministry has underscored the importance of avoiding layoffs so that businesses can be ready for the post-crisis recovery and has announced reforms regarding partial unemployment. Employees receiving the minimum wage will continue to receive the same salary, while those with salaries exceeding the minimum wage will receive compensation equal to 84 per cent of their regular salary, up to 4.5 times the minimum wage.⁴⁴

Pursuant to the adoption of the Cura Italia decree law, the Government in **Italy** has extended the cassa integrazione (support fund) to cover all sectors of the economy. Through that fund, the Government will pay 80 per cent of employees' salaries. Additionally, parental leave has been extended to 15 days in March and April, while those caring for loved ones with disabilities are entitled to 12 days paid leave per month.⁴⁵ The Italian Government has allowed businesses in the tourism and hospitality sectors to suspend social security and compulsory insurance payments, and has also suspended VAT payments for the month of March. Seasonal workers in the tourism sector whose employment has been involuntarily terminated because of the pandemic received a compensation of €600 for the month of March.⁴⁶

In **Ireland**, the National Tourism Development Authority (Fáilte Ireland) has established a special Business Supports Taskforce to provide recommendations to the Government, including on measures to support business sustainability and employment and on initiatives to kickstart demand.⁴⁷

In **Peru**, the informal economy makes up a large share of the national economy. The Government has reported that every family employed in the informal economy, including many families working in the tourism sector, will receive 380 Peruvian soles (equivalent to approximately \$108).⁴⁸

In the **Republic of Korea**, tourism has been designated a "special employment support sector". In eligible sectors, government employment support will provide up to 90 per cent of the leave allowance for up to six months in order to support job retention in the tourism industry.⁴⁹

In **Spain**, the Instituto de Crédito Oficial has extended an existing credit line by €400 million to cover all Spanish

⁴⁰ Government of Canada, "Canada's COVID-19 economic response plan", updated 7 April 2020, accessed 26 March 2020.

⁴¹ China Briefing from Dezan Shira & Associates, "China's support policies for businesses under COVID-19: a comprehensive list" 3 March (updated 2 April) 2020, accessed 26 March 2020.

⁴² Cairo Scene, "The corona economy: Egypt announces breakdown of EGP 100 billion stimulus package" 23 March 2020.

⁴³ Scoop Empire, "COVID-19 Updates: What is Egypt doing to curb the spread of the virus?" 2 April 2020

⁴⁴ Groupement National des Indépendants Hôtellerie & Restauration, "Crise du COVID-19: Les nouvelles mesures en faveur des hôtels cafés restaurants discothèques et traiteurs organisateurs de réception"16 March 2020.

⁴⁵ WTTC, "COVID-19 related policy shifts supportive of travel & tourism sector" 3 April 2020.

⁴⁶ Gazzetta Ufficiale della Repubblica Italiana "Decreto-Legge 17 marzo 2020, n. 18", 17 March 2020; OECD, "Tackling coronavirus (Covid-19): Tourism Policy Responses" updated 31 March 2020.

⁴⁷ OECD, "Tackling coronavirus (Covid-19): Tourism Policy Responses" updated 31 March 2020.

⁴⁸ Conversion on 25 March 2020 according to XE.com currency converter PEN to USD

⁴⁹ OECD, "Tackling coronavirus (Covid-19): Tourism Policy Responses" updated 31 March 2020.

business enterprises and self-employed workers in the passenger transport, hospitality and restaurant industries. Additionally, private enterprises that keep their fixed-term workers on staff will receive a monthly bonus through the Spanish social security system to cover 50 per cent of their social security contributions between February and June 2020.⁵⁰ On 5 April, the Spanish Minister of Economic Affairs and Digital Transformation stated that a universal basic income instrument was being formulated to help families during the pandemic and that it was hoped that that instrument would become a permanent economic measure. It is expected that that instrument will provide assistance to workers in the tourism sector.⁵¹

In **Switzerland**, the Federal Council has announced that it will provide 42 billion Swiss francs (CHF) to safeguard jobs, guarantee wages and support the self-employed.⁵² The Canton of Geneva has stated that it will promote the use of surety bonds to support small and mediumsized enterprises that have been particularly hard hit by this crisis, including hotels, restaurants and tourism enterprises, with a view to alleviating challenges related to their limited cash flows. 95 million CHF will also be made available to entrepreneurs via the Geneva Canton Business Support Foundation.⁵³

"Inter-sectoral solidarity": tourism resources repurposed

Hospitality facilities, including hotels, are increasingly being used for medical purposes, namely by providing spaces for individuals who must be held in guarantine or who require medical care. In the United Kingdom, hotel chains are offering rooms to house homeless people and cruise ships have been offered for use as either floating hospitals or accommodation for medical staff. In the United States of America, cruise ships and hotels have also been repurposed to help relieve the pressure on hospitals coping with the pandemic. In countries with large tourism sectors, such as the Maldives, hotels are being used as quarantine centres and as long-term accommodation for tourists who are stranded abroad. Although these are inspiring demonstrations of solidarity, in some countries concerns have been raised about the situation of workers in the hospitality industry. Negotiations to repurpose hospitality facilities should be based on social dialogue among all relevant stakeholders to ensure that inclusive policies are also adopted to protect the rights of affected hospitality sector workers.

⁵⁰ Gobierno de España - Ministerio de Industria, Comercio y Turismo "<u>El Gobierno aprueba medidas para paliar los efectos COVID-19 en los sectores de la indus-</u> tria y el turismo", 12 March 2020.

⁵¹ Forbes "Spain plans universal basic income to fix coronavirus economic crisis", 6 April 2020.

⁵² RTS, "La Confédération libère plus de 40 milliards pour soutenir l'économie", 20 March 2020.

⁵³ République et canton de Genève "COVID-19: Le Conseil d'Etat prend une nouvelle série de mesures", 20 March 2020.

3. ILO tools and responses

Timely, large-scale and coordinated policy efforts should be taken and mechanisms put in place to mitigate the impact of COVID-19 on the tourism sector. Short, medium and long-term policy responses should be developed on the basis of the ILO framework for responding to the COVID-19 pandemic, which comprises four interconnected pillars:

- Stimulating the economy and employment;
- Supporting enterprises, jobs and incomes;
- Protecting workers in the workplace;
- Relying on social dialogue for solutions.

The ILO guidelines on decent work and socially responsible tourism,⁵⁴ adopted in 2017, should guide action in the design of interventions in the tourism sector around the four pillars listed above. Those guidelines set forth recommendations to achieve the following:

- Promoting full and productive employment;
- Promoting sustainable tourism enterprises;
- Investing in human resource development;
- Implementing international labour standards and enforcing compliance with laws and regulations;
- Strengthening labour protection.

The guidelines' recommendations on the promotion of decent jobs for women and young people are particularly relevant in the context of the pandemic, as those groups have been particularly hard hit by the economic repercussions of the pandemic. ⁵⁵

Coordinated action should be undertaken to address the crisis, in consultation with governments, employers' and workers' representatives, and taking into consideration relevant ILO Conventions and Recommendations, including the Working Conditions (Hotels and Restaurants) Convention, 1991 (No. 172), and Working Conditions (Hotels and Restaurants) Recommendation, 1991 (No. 179). The ILO Centenary Declaration for the Future of Work, adopted in 2019, also sets forth key steps that should be taken to ensure successful, longlasting and sustainable responses to all pandemics, including COVID-19. Relevant guidance is also contained in the recent report by ILO on the application of international labour standards in response to the coronavirus crisis,⁵⁶ the World Health Organization (WHO)-ILO manual for protecting health workers and responders in public health emergencies ⁵⁷ and the WHO **Operational considerations for COVID-19 management** in the accommodation sector.58

- 54 ILO Guidelines on decent work and socially responsible tourism, 2017.
- 55 ILO Monitor 2nd edition: COVID-19 and the world of work, April 2020.
- 56 ILO Standards and COVID-19 (coronavirus) FAQ, 27 March 2020.
- 57 WHO & ILO, "Occupational safety and health in public health emergencies: A manual for protecting health workers and responders" 2018
- 58 WHO "Operational considerations for COVID-19 management in the accommodation sector 2020" 31 March 2020

Contact details

International Labour Organization

4, Route des Morillons CH-1211 Geneva 22 – Switzerland Sectoral Policies Department E: covidresponsesector@ilo.org