



# ► ILO Sectoral Brief

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## The impact of COVID-19 on the tourism sector

Over the last decades, tourism has become one of the most dynamic and fastest growing economic sectors in the world. The importance of this 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 contributes to job creation both directly and indirectly, particularly for women and young people.



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### Hospitality industry in Lao PDR

In 2019 the sector accounted for (directly and indirectly) some 330 million jobs worldwide, equivalent to 10.3 per cent of total global employment and one in 10 jobs globally.<sup>1</sup> For every directly created tourism job, nearly one and a half additional jobs are created on an indirect or induced basis. The labour-intensive accommodation and food services subsectors alone provide employment for 144 million workers worldwide.<sup>2</sup> This includes approximately 44 million own account workers and 7 million employers.<sup>3</sup> A majority of tourism enterprises are micro, small and medium sized enterprises (MSME) of less than 50 employees. About 30 per cent of the total workforce is employed in firms with 2–9 employees. The impact of the pandemic on tourism enterprises and on the livelihoods of its workers is massive.

“The immediate imperative is to assure the survival of tourism enterprises through the large-scale public support without which they will disappear before the virus does. And that support must extend to the workers concerned who would otherwise have no income or social protection”

► **Guy Ryder**, ILO Director General, Extraordinary G20 Tourism Ministers' Meeting, 24 April 2020

<sup>1</sup> [WTTC Travel and Tourism Economic Report 2019 - World](#) 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 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.

<sup>2</sup> [ILO Monitor 2nd edition: COVID-19 and the world of work](#), 7 April 2020.

<sup>3</sup> [ILO Monitor 3rd edition: COVID-19 and the world of work](#), 29 April 2020.

## ► 1. The impact of COVID-19

The COVID-19 outbreak is having a devastating impact on the global economy and employment. The tourism industry has been hit hard by the necessary measures taken to contain the pandemic, and it seems unlikely that the sector will return to normalcy any time soon. Even after the progressive lifting of containment measures, surviving enterprises will continue to face the challenges of a likely slow recovery. The ILO estimates that the pandemic could cause the equivalent of 305 million job losses<sup>4</sup>, many of which are in the tourism sector.

The pandemic and global efforts to contain it could cause the international tourism economy to contract by between 45 and 70 per cent. Domestic tourism industries are also being impacted as about half of the world's population is estimated to be constrained by containment measures.<sup>5</sup> Nevertheless, domestic tourism is expected to recover faster than the international tourism industry.

Hotels, restaurants, tour operators, airlines, and cruise ships have suspended their operations indefinitely. In the accommodation and food services subsectors, 51 million businesses are facing an extraordinarily difficult business environment with major impacts on employment opportunities.<sup>6</sup> With the drastic fall in economic activity, workers in the labour-intensive tourism industry are now facing devastating reductions in working time, potential job losses and growing decent work challenges.<sup>7</sup>

Own-account workers and micro-enterprises together represent nearly 60 per cent of the accommodation and food services subsectors, a reflection of their severe vulnerability to the current economic crisis. While small enterprises around the globe play a major role as job providers, particularly in low- and middle-income countries, they often lack access to credit, have few assets and are the least likely to benefit from economic stimulus packages without targeted support.

Brazil's tourism industry has suffered major losses with about 80 per cent of accommodation services and all its parks and tourist attractions closed. Without public support the sector could lose around US\$ 6.2 billion, as inbound arrivals to Brazil could decrease by 50 per cent in 2020.<sup>1</sup>

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.<sup>2</sup>

In the United Kingdom's tourism-reliant areas, 80 per cent of workers in the hotel and food industries were reported to be on furlough schemes and about a third of jobs were at risk in the longer term.<sup>3</sup>

In the United States, 2020 is projected to be the worst year on record for hotel occupancy leading to staggering job losses. Since the beginning of the crisis nearly 1.6 million hotel workers have been laid off or furloughed and 3.9 million hotel-supported jobs have been lost.<sup>4</sup>

Worldwide airlines and tourism businesses are adjusting their staffing levels, 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 on temporary unemployment benefits or are working with the unions to draw up strategies to avoid layoffs, which often require reductions in working time.<sup>5</sup>

1 Euromonitor "The Impact of Coronavirus in Brazil: Uneven Prospects Across Industries" 14 April 2020.

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

3 The Guardian "UK tourism hotspots could face worst of post-lockdown job losses", 27 April 2020.

4 American Hotel and Lodging Association (AHLA) "COVID-19's impact on the hotel industry" 22 April 2020.

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

4 ILO Monitor 3rd edition: COVID-19 and the world of work, 29 April 2020.

5 OECD, "Tackling coronavirus (Covid-19): Tourism Policy Responses," updated 15 April 2020.

6 ILO Monitor 3rd edition: COVID-19 and the world of work, 29 April 2020.

7 ILO Monitor 3rd edition: COVID-19 and the world of work, 29 April 2020. According to the ILO nowcasting model, global working hours declined in the first quarter of 2020 by an estimated 4.5 per cent (equivalent to approximately 130 million full-time jobs, assuming a 48-hour working week), compared to the pre-crisis situation (fourth quarter of 2019). Global working hours in the second quarter are expected to be 10.5 per cent lower than in the last pre-crisis quarter. This is equivalent to 305 million full-time jobs, which represents a significant deterioration on ILO's previous estimate of 195 million for the second quarter. This has been driven mainly by the prolongation and extended scope of containment measures.

They are now in a particularly vulnerable position as governments have mandated the closure of all non-essential businesses and many companies have had no choice but to temporarily minimize their operating costs. Costs incurred because of the crisis may be proportionally far higher for small enterprises because of their often-limited resources and their difficulties accessing capital.

As witnessed in the aftermath of the global financial crisis, the number of small businesses is expected to decline due to widespread business failures in the wake of the COVID-19 pandemic. Moreover, it will take considerable time to bring back investment and business operations as recovery is likely to be slow.<sup>8</sup>

All the sectors on which tourism has important multiplier effects, including civil aviation, handicrafts, agriculture, and food and beverage provision, have been profoundly affected. Flight cancellations and airport closures have resulted in more than 10 million civil aviation sector jobs being put on hold.

Another challenge is the high incidence of informal working arrangements in the tourism sector, due in part to its seasonality, combined with weak regulation, enforcement and labour organization.<sup>9</sup> Decent work deficits, such as excessively long working hours, low wages, lack of social protection and gender-based discrimination, are most pronounced in the informal economy. Migrant workers, women and youth are more vulnerable to informal or casual employment.

### Facilitating the transition to formality

The ILO [Guidelines on decent work and socially responsible tourism](#) set out common principles and a policy framework to guide action to promote decent jobs in the tourism sector and place particular emphasis on facilitating the transition to formality. They suggest that Governments and social partners should aim, as appropriate, at:

- (a) undertaking proper assessments and diagnostics of informality in the tourism industry to inform the design and implementation of national laws and regulations aiming to facilitate the transition to formality;
- (b) taking appropriate measures to facilitate the transition of workers and economic units from the informal to the formal economy, while respecting workers' rights and ensuring opportunities for income security, livelihoods and entrepreneurship, in line with the Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204);
- (c) promoting relevant tax and infrastructure policies, and local development strategies that support the tourism industry;
- (d) economically empowering groups vulnerable to the most serious decent work deficits;
- (e) raising awareness about workers' rights and the benefits of formal employment.

<sup>8</sup> ILO Monitor 3rd edition: COVID-19 and the world of work, 29 April 2020.

<sup>9</sup> ILO Guidelines on decent work and socially responsible tourism, 2017.

## ► 2. Policy responses by constituents and partners

Measures to support tourism businesses and safeguard jobs and incomes will prove critical for the sector in the near future and will be especially important for MSMEs. The examples presented below aim to illustrate a variety of policy measures and do not mean to be exhaustive.

An extraordinary G20 Tourism Ministers' Meeting, chaired by the Saudi G20 Presidency, took place on 24 April 2020 and adopted a [ministerial statement on COVID-19](#). Tourism ministers committed to exchanging experiences and good practices, as well as strengthening coordination across governments to deliver integrated policy responses and support post-crisis recovery. The ILO Director General participated in the extraordinary G20 Tourism Ministers' meeting, together with the UN World Tourism Organization (UNWTO) and the Organisation for Economic Cooperation and Development (OECD) Secretary-Generals, as well as with the World Travel and Tourism Council (WTTC) President and CEO.

### 2.1 Common approaches targeting the tourism sector

#### 2.1.1 Stimulating the economy and employment

Financial stimulus measures include new lending facilities, some of which are sectorally targeted, (such as in Portugal, Jamaica<sup>10</sup>, Spain and South Africa<sup>11</sup>) but many of which can be accessed by any MSME in need. The adjustment of borrowing terms on existing credit lines to be more preferential for MSMEs through guarantees and lowered or fixed interest rates is a popular approach. The targeted tourism industry stimulus in Australia includes the identification of alternatives export markets or supply chains for tourism business as well as measures to promote domestic tourism.<sup>12</sup>

In a [call to government and employers in the hotel sub-sector](#) issued on 6 April 2020, the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations (IUF) – a global union federation of trade unions with members in a variety of industries, including tourism, has requested the protection of hotel workers in the fight to contain the spread of COVID-19.

On 7 April 2020 the IUF has called on the G20 to take action to protect tourism workers being laid-off because of the crisis and requested the G20 members to work with trade unions and employers to develop programmes to retain workers in employment, establish short-time working programmes to maintain workers' incomes and to provide training.

During its Extraordinary HRCT Trade Group Board Meeting on COVID-19 on 14 May 2020<sup>1</sup>, the IUF has called on governments and employers to reinforce occupational safety and health measures for workers. Trade union voices should guide policy development and implementation related to health and safety measures, as well as income security measures including health care and sick leave.

On 25 March, EU social partners, the European Federation of Trade Unions in the Food, Agriculture and Tourism sectors (EFFAT) and FoodDrinkEurope, signed a [Joint Statement](#) to call for the support and protection of the industry's workers.

On 12 March 2020, [AccorInvest and French hospitality unions](#) (CFDT, CFE-CGC, CGT, FGTA-FO) agreed on a temporary reduction of working time for workers employed by the Group AccorInvest. Workers would receive 90 per cent of their monthly pay.

<sup>1</sup> IUF. Draft Item 3: Proposals and discussion of demands for governments and employers, Extraordinary HRCT Trade Group Board Meeting on COVID-19, 14 May 2020.

<sup>10</sup> ILO "ACTRAV Analysis: Governments' responses to COVID-19" 6 April 2020.

<sup>11</sup> WTTC "High Level Enabling Policies Doc" 23 April 2020, available at: <https://wttc.org/COVID-19/Government-Hub>.

<sup>12</sup> OECD "Tackling Coronavirus – Tourism Policy Responses" updated 15 April 2020.

In addition to these measures, countries such as Portugal, Barbados,<sup>13</sup> Singapore and Chile<sup>14</sup> have provided training and capacity building for tourism workers during the lockdown through free or subsidized online courses. The Chilean [SIGO](#) programme provides technical assistance in business and digital management processes for tourism entrepreneurs and is being adapted to address the particular challenges of the emergency and the post-crisis reactivation process.<sup>15</sup>

Some countries are taking measures to promote domestic tourism and encourage people to reschedule trips they would otherwise cancel. In Malaysia<sup>16</sup> the government offered income tax relief for tourism expenses starting in March. In France<sup>17</sup> the conditions for cancellations have been modified to allow companies to offer rescheduling vouchers. In Rwanda tourists will have a two-year grace period to postpone bookings at no extra cost.<sup>18</sup>

## 2.1.2 Supporting tourism enterprises, jobs and incomes

Many countries have implemented policies to support tourism enterprises, jobs and incomes through the suspension or subsidization of taxes, fees and social security contributions. Some countries are providing additional incentives for enterprises to retain employees by tying financial aid to retaining staff. Under Jamaica's Business Employee Support and Transfer of Cash (BEST Cash) programme, small businesses in targeted sectors, such as tourism, receive a government cash transfer twice a month for every worker whose job is retained. A complementary programme provides the same transfer scheme for individuals who have lost their jobs between 10 March and 30 June 2020, meaning there is support for both the retention of tourism sector jobs and people who are out of work.<sup>19</sup>

Income support measures include temporary wage subsidies and tax and debt payment leniency.

Unemployment benefits have been extended to self-employed, temporary, part time and seasonal workers in many countries such as Italy and the Bahamas.<sup>20</sup> These measures are not usually sector specific but due to the prevalence of non-standard working arrangements in the tourism sector, many tourism workers benefit from them. Some measures like Chile's Income Support Bonus<sup>21</sup> and Peru's Bono Independiente<sup>22</sup> target informal economy workers, including many in the tourism sector.

## 2.1.3 Protecting tourism workers in the workplace

Most of the policy measures that fall under this pillar, such as paid sick leave, are designed to not be sectorally targeted in order to cover as many workers as possible. So, tourism workers benefit from them in the same way that all workers benefit. This section discusses policies in countries where tourism is an important part of the national economy and so tourism workers can be expected to be impacted.

Important measures include subsidized paid leave for workers whose places of business needed to close and support for the cleaning and disinfecting of workplaces before they reopen. The Republic of Korea designated the tourism sector a "special employment support sector" which makes tourism companies eligible to receive support to provide up to 90 per cent leave allowance for their workers for six months.<sup>23</sup> In Singapore the Singapore Tourism Board will assist in the cleaning and disinfecting costs for hotels that provided accommodation to suspected and confirmed cases of infections.<sup>24</sup>

Paid sick leave provisions for workers who are unwell or in quarantine have also been implemented in many countries. Portugal has a measure that covers 100 per cent of remuneration for workers in medical quarantine and those people caring for a child or grandchild in

13 ILO "ACTRAV Analysis: Governments' responses to COVID-19" 6 April 2020.

14 WTTC "High Level Enabling Policies Doc" 23 April 2020, available at: <https://wtcc.org/COVID-19/Government-Hub>.

15 WTTC "High Level Enabling Policies Doc" 23 April 2020, available at: <https://wtcc.org/COVID-19/Government-Hub>.

16 ILO Regional Office for Asia and the Pacific "COVID-19 and employment in the tourism sector: Impact and response in Asia and the Pacific" 24 April 2020.

17 OECD "Tackling Coronavirus – Tourism Policy Responses" updated 15 April 2020.

18 The New Times "Rwanda reassures tourists amid coronavirus threat" 10 March 2020.

19 Government of Jamaica: Ministry of Tourism "CARE: COVID-19 Allocation of Resources for Employees" 16 April 2020.

20 ILO "ACTRAV Analysis: Governments' responses to COVID-19" 6 April 2020.

21 Government of Chile "Plan económico de emergencia por coronavirus" Eje "Apoyo a los ingresos de las familias" accessed 28 April 2020.

22 A second iteration of this programme has recently been approved: Depor "Consulta online, segundo bono de 380 soles en Peru: cuándo y en qué bancos cobrar la segunda armada de apoyo económico del gobierno nacional" 24 April 2020.

23 Government of the Republic of Korea "Proactive measures to support employment security in response to COVID-19" 28 February 2020; OECD "Tackling Coronavirus – Tourism Policy Responses" updated 15 April 2020.

24 Singapore Tourism Board "COVID-19 cleaning support for tourism-related establishments" accessed 29 April 2020.



medical quarantine.<sup>25</sup> Spain allows workers to adapt and reduce their working hours by as much as 100 per cent if they need to provide care to dependents.<sup>26</sup>

### 2.1.4 Relying on social dialogue for solutions<sup>27</sup>

Through tripartite social dialogue, countries are developing creative policies to mitigate the effects of the crisis. Because of the wide scope of the economic fallout, social dialogue mechanisms, such as the ones listed in the next paragraph, include representatives from all heavily affected sectors, including tourism. Even though the mechanisms themselves are not sector specific, tourism employers' and workers' organizations are involved in the discussions on policy measures relevant to the tourism sector.

Jamaica, Rwanda, Indonesia and Myanmar are promoting social dialogue for solutions at the local, regional and national levels, leading to comprehensive policies supporting affected sectors, including tourism. In Chile the tripartite *Consejo Superior Laboral* has created an employment crisis panel. This panel regularly meets with the *Comisión de Usuarios del Seguro de Cesantía* and *ChileValora* to promote coordination with government agencies and civil society in response to the crisis as well as analyse employment projections and the effects of government support policies. Singapore's tripartite partners, through the *National Wage Council*, developed a new set of Guidelines to give timely guidance on sustaining businesses and saving jobs. The South African social dialogue institution, the *National Economic Development and Labour Council (NEDLAC)*, discussed the National Disaster regulations, while employers and workers claimed sector specific issues to give effect to common commitments. They agreed to collaborate on managing issues such as shift work, teleworking and other work arrangements. In Spain, the social partners developed two initial packages of economic measures to protect families, workers, self-employed workers and companies as well as set up dedicated COVID-19 informational webpages to provide guidance and tools. Weekly meetings are held between

the Government and social partners to discuss the measures to be implemented.

## 2.2 Country examples

This section lists a few examples of policies that have been adopted in countries that are important tourism destinations but have not yet been mentioned. Because tourism is an important sector for these countries, general policy measures, especially those targeting MSMEs, can be considered relevant to tourism employers and workers. This list is not exhaustive but is meant to complement the information in the previous section.<sup>28</sup>

### ► Stimulating the economy and employment

**Brazil**<sup>29</sup>: The Ministry of Tourism provided a targeted tourism credit line for MSMEs available through 17 financial institutions registered with the General Tourism Fund, *Fungetur*.

**Canada**<sup>30</sup>: The Business Credit Availability Programme allows the Business Development Bank of Canada and Export Development Canada to provide targeted support to MSMEs in hard hit sectors such as tourism.

**Egypt**<sup>31</sup>: The government has announced a stimulus package with 50 billion Egyptian pounds earmarked for the tourism industry. It aims to keep hotels running during the crisis.

**Thailand**<sup>32</sup>: The Government Savings Bank will sponsor soft loans to tourism-related operators. Travel vouchers will be available for five million local travellers to promote domestic tourism. The government also launched skills development programmes for self-employed workers.

**UAE**<sup>33</sup>: The Ras Al Khaimah Tourism Development Authority created a dedicated financial incentive package for non-government owned tourism

25 Government of Portugal "[Portugal's response to COVID-19: Exceptional measures for workers](#)" accessed 29 April 2020.

26 Government of Spain "[Derechos y medidas laborales para trabajadores y trabajadoras: Defender la gente trabajadora](#)" accessed 29 April 2020.

27 ILO "[Country policy responses \(COVID-19 and the world of work\)](#)" 23 April 2020.

28 Unless otherwise indicated by a dedicated footnote, all information in section 2.2 was taken from the sources referenced at the first occurrence of the country in the "Stimulating the economy and employment" subsection. For example, all information pertaining to Canada was taken from the source in footnote 30.

29 WTTC "High Level Enabling Policies Doc" 23 April 2020, available at: <https://wttc.org/COVID-19/Government-Hub>.

30 Government of Canada "[Canada's COVID-19 economic response plan](#)" Accessed 26 March 2020.

31 Cairo Scene, "[The corona economy: Egypt announces breakdown of EGP 100 billion stimulus package](#)," 23 March 2020.

32 ILO Regional Office for Asia and the Pacific "[COVID-19 and employment in the tourism sector: Impact and response in Asia and the Pacific](#)" 24 April 2020.

33 WTTC "High Level Enabling Policies Doc" 23 April 2020, available at: <https://wttc.org/COVID-19/Government-Hub>.

enterprises including hotels up to four stars, tourist attractions, and golf courses.

### ► Supporting enterprises, jobs and incomes

**Canada:** The work-sharing programme provides wage subsidies to workers who agree to reduce their normal working hours in response to the crisis. Wage subsidies are provided to eligible small employers for a period of three months.

**Egypt:** Rent payments are suspended for tourism and food service businesses at state-controlled landmarks.

**France:** The Ministry of Labour is enacting measures to support tourism MSMEs. The Ministry has underscored the importance of avoiding layoffs and has announced reforms regarding partial unemployment.<sup>34</sup>

**Italy:** The Government has allowed businesses in the tourism and hospitality sectors to suspend social security and compulsory insurance payments as well as VAT payments for the month of March. Seasonal workers in the tourism sector whose employment has been involuntarily terminated received a compensation of €600 for the month of March.<sup>35</sup>

**Thailand:** Wages will be subsidized for workers who have lost their jobs due to the pandemic and related measures. The Tourism Ministry will return 1.4 billion Thai baht in deposits to enterprises registered with the Tourism Department. Each company will receive 50-70 per cent of the deposit back.

**UAE:** Utility payments have been temporarily reduced and hotels and hotel apartments benefit from six-month payment deferrals of connection fees for water and electricity. Additionally, all tourism licenses and fees have been waived for six months.

### ► Protecting workers in the workplace

**Brazil:** The government has facilitated the proportional reduction of wages and working hours as well as the deferral of social security payments during the state

of emergency. Informal workers and unemployed microentrepreneurs, who meet the criteria of the Single Registry for Social Programs from the Federal Government (Cadastro Unico) will be eligible to receive emergency aid in the amount of 200 Brazilian reais per month for three months.

**Egypt:** The Government extended an existing cash transfer programme to cover an additional 100,000 families. This programme benefits informal workers, including many in the tourism sector. The Minister of Antiquities and Tourism announced that a hotline will be set up for tourism sector workers to register complaints about unfair dismissals.<sup>36</sup>

**Italy:** 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. 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 dependants with disabilities are entitled to 12 days paid leave per month.<sup>37</sup>

### ► Relying on social dialogue for solutions

**Argentina:** Tripartite social dialogue between the Unión Industrial Argentina, la Cámara Argentina de Comercio y Servicios, and the Confederación General de Trabajo took place on 7 April to analyse the gradual lifting of quarantine and social distancing rules. The Movimiento Sindical de Argentina made all of its medical facilities and hotels available to government authorities for the medical response to the crisis.<sup>38</sup> The government also created a task force between the Ministry of Tourism and Sports, the Ministry of Health and private sector chambers.<sup>39</sup>

**Brazil:** Adopted emergency measures refer regularly to social dialogue and collective bargaining as well as individual negotiations between the employer and worker. The government created the Anti-unemployment Programme to avoid massive layoffs during the pandemic, with the objective of facilitating labour negotiations to reduce labour contract costs and preserve employment links.<sup>40</sup>

34 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.

35 Gazzetta Ufficiale della Repubblica Italiana, "[Decreto-Legge 17 marzo 2020, n. 18](#)" 17 March 2020; OECD, "[Tackling coronavirus \(Covid-19\): Tourism Policy Responses](#)" updated 15 April 2020.

36 Scoop Empire, "[COVID-19 Updates: What is Egypt doing to curb the spread of the virus?](#)" 2 April 2020.

37 WTTTC "[Government COVID-19 Hub](#)" accessed 3 April 2020.

38 ILO "[Country policy responses \(COVID-19 and the world of work\)](#)" 23 April 2020.

39 WTTTC "High Level Enabling Policies Doc" 23 April 2020, available at: <https://wtcc.org/COVID-19/Government-Hub>.

40 WTTTC "High Level Enabling Policies Doc" 23 April 2020, available at: <https://wtcc.org/COVID-19/Government-Hub>.

**Cabo Verde:** An extraordinary meeting of the “Conselho de Concertação Social” (Social dialogue council) related to COVID-19 took place on 24 March to adopt an agreement on measures to mitigate the effects on employment, income and enterprises. These negotiations included representatives from all sectors, including tourism, and resulted in targeted economic stimulus measures for the tourism industry.<sup>41</sup>

The EU also reaffirmed its commitment to promoting sustainable tourism in line the European Green Deal and committed to organizing a tourism convention with EU institutions, industry stakeholders, regions and cities to jointly build a “European Agenda for Tourism 2050”.<sup>44</sup>

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 the adoption of a [comprehensive economic response](#) to the outbreak which includes a €37 billion Coronavirus Response Investment Initiative to provide liquidity to small and medium-sized enterprises and the health-care sector. In a letter dated 24 March 2020,<sup>42</sup> 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.<sup>43</sup>

On 13 May the EU released its guidance on how to safely resume travel and reboot Europe’s tourism in 2020 and beyond. This guidance includes an [overall strategy](#) for the recovery of the sector, a [common EU approach](#) to lifting internal border restrictions and specific [frameworks](#), [recommendations](#) and criteria for the safe resumption of travel and tourism services including [health protocols](#). For tourism businesses, important measures include more flexibility regarding state aid regulations to allow member states to support measures like guarantee schemes for vouchers. These are key for both travellers and tourism businesses because they promote rescheduling over outright cancellations and promote local tourism offers. Additionally, the [SURE programme](#) provides financial support for short-time and seasonal work schemes, allowing companies to safeguard jobs.

<sup>41</sup> Government of Cabo Verde “[Social concert agreement](#)” 24 March 2020.

<sup>42</sup> Tourism Task Force, Letter to the European Commission. Available at: [drive.google.com/file/d/1qrhgf399iLafOd60aNCkaIt9SgrUeL\\_R/view](https://drive.google.com/file/d/1qrhgf399iLafOd60aNCkaIt9SgrUeL_R/view).

<sup>43</sup> 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.

<sup>44</sup> European Commission “[Tourism and Transport: Commission's guidance on how to safely resume travel and reboot Europe's tourism in 2020 and beyond](#)” 13 May 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 is comprised of the four abovementioned 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](#), 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. 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), the Working Conditions (Hotels and Restaurants) Recommendation, 1991 (No. 179) and the Violence and Harassment Convention, 2019 (No. 190).

[International labour standards](#) are a useful "decent work compass" in the context of the crisis response. A wide range of ILO labour standards on employment, social protection, wage protection, SME promotion or

workplace cooperation contain specific guidance on policy measures that would encourage a human-centred approach to the crisis and to the sector's recovery. In accordance with the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up (1998), all ILO member States have an obligation to promote and to realize ILO fundamental principles and rights at work. The rights to organize and to bargain collectively, in accordance with the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), and the Right to Organise and Collective Bargaining Convention, 1949 (No. 98), are enabling human rights that make it possible to efficiently respond to the urgency of the crisis and promote democracy, sound labour market governance, decent conditions and secure incomes at work.

The ILO Centenary Declaration for the Future of Work, adopted in 2019, sets forth key steps that should be taken to ensure successful, long-lasting and sustainable responses to all pandemics, including COVID-19. The Declaration states that "safe and healthy working conditions are fundamental to decent work". This is even more significant today, as occupational safety and health measures based on social dialogue are indispensable for the management of the pandemic, for the ability to resume work and for the sustainable recovery of the tourism sector. Relevant guidance is also contained in the [ILO report](#) on the application of international labour standards in response to the coronavirus crisis, the World Health Organization ([WHO](#))-[ILO manual](#) for protecting health workers and responders in public health emergencies and the [WHO Operational considerations](#) for COVID-19 management in the accommodation sector.

The tourism sector won't emerge from the COVID-19 crisis without aftershocks. The sector is, however, known for its resilience to economic downturns and crises, as was the case following the severe acute respiratory syndrome (SARS) epidemic in 2003 and the 2008-2009 global financial crisis.<sup>45</sup> As such, the sector may play a key role in reinvigorating the global economy once the crisis is over. "Building back better" in the post-pandemic period could align the tourism industry more closely with the Sustainable Development Goals and lead to a greener, more inclusive and resilient industry that provides decent work for all tourism workers.

<sup>45</sup> World Tourism Organization (UNWTO), "[Impact assessment of the COVID-19 outbreak on international tourism](#)", Updated assessment May 2020

#### Contact details

International Labour Organization  
Route des Morillons 4  
CH-1211 Geneva 22  
Switzerland

Sectoral Policies Department  
E: [covidresponsesector@ilo.org](mailto:covidresponsesector@ilo.org)