

EUROPEAN TOURISM FORUM

BRUSSELS: FRIDAY 9 OCTOBER 2009

OPENING PRESENTATION BY **MARTIN COUCHMAN**
CHAIRMAN, HOTREC SECTORAL SOCIAL DIALOGUE COMMITTEE

“WHAT ARE THE NEW TOURISM TRENDS IN EMPLOYER-EMPLOYEE RELATIONS AS A RESULT OF THE ECONOMIC DOWNTURN?”

Governments must never forget, and we must never tire of telling them, that tourism provides thousands of young people with entry jobs into the labour market.

It provides jobs for those who do not have qualifications.

It creates employment in regions where it is the only viable economic actor.

The industry is vast.

The hotel, restaurant, cafes and bars sector alone employs some 9 million workers across the European Union- or, rather, it did two years ago.

Since then, the economic downturn has caused major reductions in the industry's revenues and many employers have had little option but to reduce labour levels.

Let me give some examples:

In Malta, about a fifth of employers surveyed by the Hotels and Restaurants Association had made employees redundant, but greater numbers had used normal staff turnover or had curtailed overtime.

And there are national agreements that offer training during periods of reduced working time.

In Italy, employment in hotels has fallen by about 5 per cent against a 10 per cent fall in turnover.

A particularly serious situation has emerged in some Eastern European countries: up to 20 per cent of jobs have been lost in Lithuania.

In Spain, 50,000 existing jobs have been lost in the industry and another 50,000 jobs which would have been created for the summer season did not materialise this year.

If you lose your job, of course, your relations with your employer will cease altogether.

But the industry suffers from skill shortages in such areas as chefs.

No restaurant wants to make a chef redundant because he or she will be hard to replace when the economy picks up.

No business in this industry wants to lose good people.

If it fails to invest in improving its quality or in training its employees or in maintaining its premises, it will eventually fail.

So, there is a common interest for workers and employers in getting through the economic downturn together- and working for a better future together.

In the social dialogue for hotels and restaurants, in which HOTREC participates along with its social partner, EFFAT, we exchange information on developments and we are currently discussing undeclared and illegal work.

We have started work with Commission funding on a qualifications and skills passport, about which Emilio Fagnoli will speak.

These are inevitably long term developments.

In the short term, governments can help by supporting good businesses and their workers.

Such simple measures as assisting cash flow can help, so that the employees get paid ahead of the taxman.

All businesses in our industry could be helped at European level by the new Commission and the new Parliament doing something which is totally against their nature: before proposing and discussing new Directives and Regulations, ask what good they will do for businesses and employees.

You will hear more on this theme later from the President of HOTREC.

I now look forward to hearing from my colleagues on the Panel.

Thankyou.

490 words.