

Overcoming the COVID-19 crisis: Organizing for the Safe, Secure & Sustainable Recovery of Tourism



1. Facing the COVID-19 crisis

Over the past nine months the COVID-19 pandemic has had a devastating impact on the health, livelihoods, wages and job security of hotel and tourism workers. Restrictions on international travel, border closures and city-wide lockdowns have led to a dramatic decline in international and domestic tourism.

In April 2020, the ILO predicted that 15.3 million tourism workers in 14 countries in the Asia-Pacific region could lose their jobs. But as the situation rapidly deteriorated, over 48 million tourism workers in the region lost their jobs the first six months 2020. In countries like Thailand, 81% of tourism workers are jobless and the tourism authority just announced another 100,000 tourism workers will lose their jobs in September.

As early as February 2020, our members in hotels and resorts saw occupancy rates drop as international group bookings were cancelled one after the other. This escalated in March and April as occupancy rates fell below 15% and major events in the region, including the Tokyo Olympics, were postponed.

From April to July our members fought to retain their jobs as occupancy rates fell to zero and hotels and resorts closed temporarily. Most workers were sent home to use any remaining paid sick leave and paid annual leave, then were on 'no work, no pay'. While most went without pay, our unions also succeeded in several countries to negotiate 50% to 75% of basic pay and in some cases 100%.

But as the union at Courtyard by Marriott in Bandung argued, 50% of basic salary was equivalent to half the legal minimum wage and not enough to cover basic living costs. Major international hotel chains like Accor and Marriott are allowing hotel owners to pay poverty wages, or no wages at all.

The biggest hotel companies in the world could easily contribute to the fight to stop the spread of COVID-19 by ensuring that workers at closed hotels can *remain at home on full pay*. These companies chose not to. Hotel workers are now among the working poor out on the streets searching for jobs in the informal economy. They must go out and find work of any kind to survive.

As the Global Housekeeping Campaign (GHC) Team in the Philippines found, many housekeepers in precarious employment (contractual workers) were not able to afford even basic foodstuffs without financial assistance. Their low-waged, insecure jobs meant they were already vulnerable before the COVID-19 crisis and now they faced poverty. In several countries our unions called for government financial assistance for workers affected by the crisis.

Today our main struggle is to protect and retain jobs and ensure our members can return to work when the tourism industry recovers.

While some countries have opened for limited business travel under bilateral arrangements, and domestic tourism has been revived in some regions, most are still closed to tourism. Even for those that planned to reopen - like The Maldives, Phuket and Bali – they shut again when new COVID-19 cases were reported.

As this continues into end of 2020, there can be no doubt that the social, economic and environmental consequences of this crisis are extremely serious.

2. Beyond tourism - the economic and social impact

To fully understand the extent of this crisis, we need to recall the economic importance of tourism before the COVID-19 pandemic. According to the UNWTO in 2019 there were 1.5 billion international tourist arrivals in 8.8 billion domestic tourist arrivals. International visitor spending reached USD 1.5 trillion in 2019, and tourism accounted for 29% of global services exports and 7% of total global trade.

In 2019 the global tourism industry directly employed more than 300 million workers, including 144 million workers in hospitality and food services. More than half are women (with a global average of 54%) and a high proportion of tourism workers are youth. If we include both direct and indirect employment, the tourism sector employed one in every ten working people globally.

The UNWTO now estimates that globally over 120 million tourism jobs are at risk. But an even greater number of workers indirectly employed in tourism and workers in the informal sector will also be driven into unemployment and poverty.

As international tourism arrivals fall from 1.5 billion to less than 400 million in 2020, the loss of USD 1.2 trillion in export revenue will have a flow-on effect on all the other industries (food and beverage, food services, retail, transport, entertainment) that depend on tourism. According to UNCTAD this could lead to economic losses of USD 3.3 trillion.

The impact is not only social and economic. As the recent UN policy report on tourism observes, without the revenue generated by tourism this year, many protected ecological and cultural heritage sites have lost the income needed to retain workers and to maintain and preserve these sites. Much of the work to ensure local ecological sustainability in tourist destinations is at risk.

And as more workers are left unemployed in rural and coastal areas, they are forced to seek livelihoods through clearing land for agriculture, fishing, hunting and forestry which in turn has a significant impact on the environment.

In terms of cultural heritage sites, the lack of protection and maintenance due to loss of income could lead to longer-term damage and some sites may never re-open.

The far-reaching social, economic and environmental impact of the tourism crisis does not simply demonstrate the devastating costs of the COVID-19 pandemic. It also shows why governments must invest resources, allocate public funding, and give priority to the sustainable recovery of the tourism industry. A central part of this is to provide job protection, social protection, income assistance and to protect the health and safety of hotel and tourism workers.

3. “We are not redundant, we are ready!”

A key argument in protecting the jobs of hotel and tourism workers is that tourism will begin to recover next year, and the industry must be ready for this recovery. This means being ready in terms of health and safety protocols, ready in terms of facilities, and ready in terms of skilled, experienced hotel and resort workers – our members.

Governments must assist small and medium enterprises, especially small hotels to retain workers. The majority of hotel workers are employed in small and medium enterprises. These small hotels and resorts need support through rescheduling of tax, bank loans and utility payments, access to credit, and other assistance to prevent bankruptcies and lay-offs. This assistance should only be granted to hotels and resorts that retain workers and pay their wages and benefits in full. In small hotels and resorts genuinely unable to pay wages, government income assistance should be provided to workers directly.

For larger national and international hotel chains and conglomerates, governments should enforce the retention of workers, full payment of wages and benefits and respect for rights – including health and safety. National and international hotel chains and conglomerates cannot use the lack of revenue in 2020 as reason to withhold wages from workers or to lay workers off. Before COVID-19 they accumulated years – and in some cases decades – of high cash revenue flows and profits. Government must impose tourism recovery policies that require these companies to use their financial resources to pay workers in full and retain them with guaranteed job protection.

It must be clear: *Retaining workers is an investment in tourism recovery.*

Any employer that dismisses workers or declares redundancies is effectively undermining this preparation for tourism recovery and should be held accountable.

The cost of not retaining workers was demonstrated by Resorts World in Genting, Malaysia. Management was short-sighted when it forced 2,818 workers and 155 executive staff into redundancy in May-June 2020. Not only did the company refuse to engage in negotiations with the executive staff union GMBEU, violating trade union rights, but it imposed this mass redundancy program without understanding 'redundancy'.

Redundancy means that a particular job role and the skills associated with that job role are no longer required by the business. In this situation it may be necessary for the worker undertaking that job role to be reassigned or take voluntary separation. However, this is only justified as redundancy if that particular job role no longer exists or the skills associated with that job role are no longer needed. In temporarily closed hotels and resorts these job roles are not redundant. They will be needed as soon as business reopens and domestic and international tourism resumes.

At Resorts World Genting business reopened within three weeks of the mass redundancies. As a result, there was a *staff shortage*. There were not enough workers to fully reopen. At the same time, our members who were still working experienced a doubling or tripling of workloads. This shortage exists because the workers declared redundant in May and released in June are in fact not redundant - they are very much needed. *Their job roles still exist and the skills of our members are vital to the full recovery of the business.*

In a presentation to ASEAN Parliamentarians on August 9, the IUF Asia/Pacific Regional Secretary highlighted the Resorts World Genting case as well as the need for greater job retention and protection in the hospitality, tourism and food services industries. As the industry recovers, customers will need better services in a safer, more secure environment. And this depends on our experienced, skilled members.

At the same time, employers are using the crisis to attack unions. At Accor's Sofitel Nusa Dua in Bali, Indonesia, union leaders were terminated for refusing to accept "voluntary" no work-no pay arrangements. At Accor's Fairmont Sanur Hotel Resort in Bali 38 members of a newly formed union were unfairly terminated under forced "voluntary" resignations. Only those agreeing to quit the union could return to work. At the Holiday Inn Galleria Manila in the Philippines management unfairly terminated union leaders and members, bypassed union negotiations and forced transfers. Union membership was reduced from 80 to 17.

4. "Our right to a safe workplace!" the safe re-opening of hotels in secure jobs

In most countries it will take several more months before the tourism industry begins to recover. Much depends on the step-by-step recovery of domestic tourism and events (weddings, banquets, conferences), followed by the gradual return of international tourism and travel.

There is no doubt that recovery will take time. It will be challenging. One of the most important challenges will be recovering the trust and confidence of people in travelling again and for guests

to return to hotels. This confidence and trust will depend on whether travelers and guests can be assured that hotels and hotel casino resorts are *safe*.

The only way to guarantee a safe hotel or hotel casino resort is to develop and implement comprehensive guidelines on public health and sanitation (safety protocols) and directly involve workers through their unions.

A safe hotel ultimately depends on the services provided by experienced, skilled workers in secure jobs. Getting people to overcome fear and anxiety and become confident travelers and guests again means guaranteeing the quality of service and safety. The skills and experience behind this service creates trust.

Steps must be taken to ensure that everyone – management, workers and guests comply with these guidelines. For workers, compliance with any protocols or guidelines and its day-to-day implementation cannot rely on penalties and threats. It must be based on better work arrangements, more training, secure jobs, and workers' active involvement.

When hotels and resorts re-open workers will be on the frontline of occupational exposure to COVID-19. Continuous interaction with people at close quarters in crowds in hotels and resorts, means continuous exposure to the risk of COVID-19 in the workplace. A hotel is a public place: eating, resting, sleeping, entertaining, meeting, working, in an enclosed space. Hotel workers – working continuously in that space - need to go home to their families healthy.

As with all potential workplace hazards that put workers' health at risk, the only effective approach to ensuring a safe workplace is to directly involve workers through their unions. By establishing joint health and safety committees involving unions and management, and implementing comprehensive guidelines on health and sanitation together, safe hotels/safe workplaces are possible.

Finally, it is recognized that health and sanitation is vital to guaranteeing a safe hotel and public health. *The work of cleaners, housekeepers, room attendants, dishwashers, is recognized as essential.* It can no longer be treated as "unskilled", non-core work to be outsourced and underpaid. It is work that determines whether a hotel is safe or not. Lives depend on it. It is work that has value and that value must now translate into better wages and secure jobs.

On May 9, 2020, the IUF Regional Secretary communicated these concerns to Dr David Nabarro, the Special Envoy on COVID-19 to the WHO Director General. It was explained that precarious employment (insecure jobs on casual and fixed-term contracts or labour hire agencies) undermines the prospects for a safe workplace. We have already seen the double standards in many companies where casual workers do not receive the same Personal Protective Equipment (PPE) and entitlements as regular workers. It is also common in certain industries for contract workers to be required to provide their own PPE or for the cost of PPE to be deducted from their wages. Workers on "zero hour" contracts (no guaranteed number of working hours) or casual workers on standby ("no work, no pay") must work whenever possible, regardless of being sick.

Not reporting due to illness means no wages at all. It also risks never being called to work again. This creates a powerful compulsion to hide being sick.

Just as important is the climate of fear. The ease of being fired through the non-renewal of short-term contracts (or simply not being called back to work), combined with low wages, means that workers in insecure jobs are too afraid to speak out. The extensive outsourcing of room cleaning in hotels means we have an entire workforce of housekeepers on low wages and insecure jobs who face a high risk of exposure to COVID-19, but who face an even greater risk of unemployment if they speak out.

As vulnerable frontline workers in the COVID-19 era, the ability of these workers to contribute to and be part of a safe workplace depends two essential conditions: *secure jobs and the right to join a union.*

5. “Build back tourism better” the sustainable recovery of tourism

The COVID-19 crisis exposed how fragile the international tourism industry is. Our countries have become too dependent on mass package tourism and international tour operators. Too much of the money tourists spend is spent in pre-paid packages before travelling and not enough is spent in the destination.

Too much tourism is simply unsustainable. We cannot go back to this.

The rise in ecological tourism and adventure tourism is causing pollution and damage to our fragile environment. The United Nations Environmental Program (UNEP) report called *Preventing the Next Pandemic* states that ecological tourism or nature tourism needs better management to ensure there is no habitat destruction or contact with animals or other vectors (like insects) that increases transmission of diseases from animals to humans. Zoonotic diseases like the new coronavirus SARS-CoV-2 are emerging partly because of this habitat destruction and human exposure to animals.

To “build back better” there must be a greater role for governments in regulating the tourism industry to ensure that it contributes to local communities, creates decent jobs, and protects and regenerates local resources and the environment.

The UN Policy Brief *COVID-19 and Transforming Tourism* published in August 2020, sees the current crisis as “an opportunity to transform the relationship of tourism with nature, climate and the economy.” One part of this roadmap is to promote more sustainable use of resources, reduce carbon emissions, promote renewable energy and reduce pollution. But this roadmap also “puts people first”, giving priority to protecting livelihoods, jobs and incomes, especially women’s employment and economic security.

Ultimately governments must directly invest in the recovery and long-term sustainability of the tourism industry and increase public control and ownership. This investment and public ownership must include the protection of the comprehensive environment and cultural heritage sites. This has the potential to create millions of new green jobs in the tourism industry whose value and contribution is determined by the longer-term preservation of the environment and mitigating climate change. This is the only way to ensure that tourism is sustainable.

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