

# **The crisis of labour in the tourism and hospitality sectors during the pandemic: discourses and strategies**

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## **Abstract:**

*This article deals with the impact of the Covid-19 pandemic on tourism and hospitality workers. Our aim is to provide a preliminary description of the crisis of labour during the health crisis from two different points of view. First, we consider some official documents and reports published by the United Nations World Tourism Organization (UNWTO) during the health crisis, with the aim of analysing the UNWTO representation of labour in the tourism sector. Second, we describe the measures taken by the government of the United Kingdom to support the tourism sector as well as the responses of hospitality workers – and their unions – to the crisis. Recalling that in this sector labour conditions are often below the standards established by collective agreements and that severe abuses and violations of workers' rights have been reported, we argue that the representations of labour and the governments' strategies during the pandemic may prefigure a return to the "normality", i.e. to the severe exploitation of labour in tourism and hospitality.*

**Keywords:** *Hospitality workers, Covid-19, UNWTO, Labour Unions*

## **1. Introduction**

This contribution deals with the impact of the Covid-19 pandemic on labour in the tourism and hospitality sectors. The health crisis and the measures adopted by governments for the protection of public health have had an enormous impact on the tourism sector and, of course, on the millions of tourism workers worldwide. Our aim is to provide a preliminary description of the crisis of labour in the tourism and hospitality sector, from two different points of view. First, we consider some official documents and reports published by the United Nations World Tourism Organization (UNWTO) during the health crisis, with the aim of analysing the UNWTO representation of labour in the tourism sector. Second, we describe the measures taken by the government of the United Kingdom to support the tourism sector as well as the responses of hospitality workers – and their unions – to the crisis. Recalling that in this sector labour conditions are often below the standards established by collective agreements

and that severe abuses and violations of workers' rights have been reported, in the conclusion we argue that the representations of labour and the governments' strategies during the pandemic may prefigure a return to the "normality", i.e. to the severe exploitation of labour in tourism and hospitality.

## **2. The representation of tourism labour by UNWTO during the health crisis**

This section presents a brief discourse analysis of some official documents and reports published by the UNWTO between March 24 and May, 7 2020<sup>70</sup> and in particular, their representation of labour in hospitality and tourism.

The discourse analysis methodology can be defined as the "practice of analysing empirical raw materials and information as discursive forms [...] discourse analysts treat a wide range of linguistic and non-linguistic data – speeches, reports, manifestos, historical events, interviews, policies, ideas, even organisations and institutions – as 'texts' or 'writing' [...] In other words, empirical data are viewed as sets of signifying practices that constitute a 'discourse' and its 'reality', thus providing the conditions which enable subjects to experience the world of objects, words, and practices" (Howarth, Stavrakakis, 2000, p. 4).

The UNWTO is "the United Nations agency responsible for the promotion of responsible, sustainable and universally accessible tourism"; in its website ([www.unwto.org](http://www.unwto.org)) the UNWTO defines itself as "the leading international organization in the field of tourism", which "promotes tourism as a driver of economic growth, inclusive

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<sup>70</sup> We considered the following documents: 1) UNWTO, *Impact assessment of the Covid on international tourism*, Updated 24 March 2020, [www.unwto.org/impact-assessment-of-the-covid-19-outbreak-on-international-tourism](http://www.unwto.org/impact-assessment-of-the-covid-19-outbreak-on-international-tourism); 2) UNWTO & Sustainable Development Goals, *SUPPORTING JOBS AND ECONOMIES THROUGH TRAVEL & TOURISM. A Call for Action to Mitigate the Socio-Economic Impact of COVID-19 and Accelerate Recovery*, 1 April 2020, [https://webunwto.s3.eu-west-1.amazonaws.com/s3fs-public/2020-04/COVID19\\_Recommendations\\_English\\_1.pdf](https://webunwto.s3.eu-west-1.amazonaws.com/s3fs-public/2020-04/COVID19_Recommendations_English_1.pdf); 3) UNWTO, *COVID - 19 RELATED TRAVEL RESTRICTIONS. A GLOBAL REVIEW FOR TOURISM*, First report as of 16 April 2020 ([https://webunwto.s3.eu-west-1.amazonaws.com/s3fs-public/2020-04/TravelRestrictions\\_0.pdf](https://webunwto.s3.eu-west-1.amazonaws.com/s3fs-public/2020-04/TravelRestrictions_0.pdf)); 4) UNWTO, *International tourism and COVID 19* (Last update 06/05/2020). [www.unwto.org/international-tourism-and-covid-19](http://www.unwto.org/international-tourism-and-covid-19)

development and environmental sustainability and offers leadership and support to the sector in advancing knowledge and tourism policies worldwide" ([www.unwto.org/about-us](http://www.unwto.org/about-us)).

During March and April 2020, while most part of the planet was affected by the Covid19 pandemic, the UNWTO published a number of documents (official papers, reports, analyses), concerning the impact of the health crisis on the tourism sector (Documents 1 and 4), travel restrictions (Document 3), and, most importantly, recommendations to "mitigate the socio-economic impact of Covid-19 and accelerate recovery" (Document 2). The document published on April, 1<sup>st</sup>, in particular, was written in the framework of the "Sustainable Development Goals", the ambitious program "to achieve a better and more sustainable future for all", launched by the United Nations in 2015, after the end of the "Millennium Development Goals" (for a critical analysis, see Sachs, 2017; Fama, 2019).

Our analysis highlighted three main meanings associated to "labour" in the tourism sector emerging from the discourse of the UNWTO.

Firstly, labour is presented as the major reason for supporting the tourism sector. In its recommendations to member states, the UNWTO highlights the importance of public support to this economic sector with the following argument: millions of jobs are at risk, but we know that after previous crises the tourism sector proved to be able to quickly recover and grow more than other economic sectors. For this reason, public support to tourism is believed to have a multiplier effect for the whole economy in the present crisis, as evident in the following quotes:

*"Tourism is a major job creator, especially for more vulnerable groups – women and youth. It is also a sector with proven capacity to bounce back and multiply recovery to other sectors. Coordinated and strong mitigation and recovery plans to support the sector can generate massive returns across the whole economy and jobs"* (Document 1, p. 11).

*"The sector has recovered from crises before and, given its proven importance at every level of society, must be supported to sustain and grow jobs again; [...] Following the global economic*

*crisis, while employment across all economic sectors grew by 11% between 2010 and 2018, employment in accommodation and restaurants grew by 35%* (Document 2, p. 8).

It is worth underlining that these documents leave in the background other arguments for requiring State support. “Cultural” arguments appear of secondary importance (in particular, the fact that “tourism [...] promotes solidarity and understanding across borders, while domestic tourism also helps foster cohesion within nations”, Document 2, p. 6). Moreover, other economic arguments for claiming State support, such as the difficulties faced by major corporations (e.g. hotel chains, cruise corporations) are not cited or are given a secondary importance. A second element associated to labour in the tourism sector is its *vulnerability*. “Vulnerable” groups – especially women and youth, as well as “rural communities” and “people with disability” – are those who compose the workforce in the sector and, in the current crisis, those who are in need of protection, “in accordance with international labour standards”.

*“We know that millions of jobs are at risk, that we need to protect the most vulnerable segments such as SMEs, self-employed, women and youth” (Document 1, p. 11)*

*“Recommendation 1: Incentivize job retention, support the self-employed and protect the most vulnerable groups [...] Promote effective dialogue between companies and workers’ unions in accordance with international labour standards; [...] Introduce special protection measures to ensure that traditionally disadvantaged groups are not adversely affected, particularly women, youth and rural communities” (Document 2, p. 11).*

Labour’s “vulnerability” is precisely the major reason that seems to push UNWTO to ask for States’ support of the sector in which those labourers are (or were) employed.

A third element concern the *digital* character of labour in the tourism sector and the development of “digital skills”. The necessity to promote digital skills is cited in various recommendations in Document 2 (5, 11, 21). In the

recommendation 21, digital skills are considered in the context of the investment in “human capital and talent development” and are connected with the issue of “vulnerability”: States should ensure that:

*“more vulnerable groups such as women, youth, immigrants and people with disabilities are explicitly included in human capital strategies” (document 2, p. 28).*

The investment in digital skills – as an area of human capital development – seems to be prefigured as one of the ways to reduce tourism labourers’ vulnerability.

It is not of secondary importance to take a look to the list of the organizations that contributed to the Document 2. Contributors include the main tourism corporations and their organizations: “Cruise Lines International Association (CLIA), International Air Transport Association (IATA) and World Travel and Tourism Council (WTTC)”<sup>71</sup> (Document 2, p. 2). In other words, this document has been subscribed by the organizations that represent the most important employers of those workers – defined as “vulnerable” – that the States should support and protect. However, reading the UNWTO recommendations, it is not clear how the measures aimed at sustaining the growth in employment in the sector can contribute to reduce tourism workers’ vulnerability as well.

### **3. The crisis of labour in the hospitality sector: the case of the United Kingdom**

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<sup>71</sup> The WTTC “is the only global body representing the Travel & Tourism private sector and its numerous industries. The Council’s Members are the Chairmen or Chief Executives of leading global Travel & Tourism companies, from all geographies and industries, including hotels, airlines, airports, tour operators, cruise, car rental, travel agents, rail, as well as the emergent sharing economy, enabling them to speak with one voice to governments and international bodies. Over 200 companies are now represented on the Council, accounting for two-thirds of a trillion US dollars in turnover, equivalent to 30% of the entire sector” (<https://wttc.org/en-gb/Membership/Our-Members>).

Some of these discourses about the importance of developing a “recovery” plan for the sector, the centrality of labour, and strategies for the sector to “bounce back” after the crisis can be found in debates at the national level, including in the declarations of employers’ associations. Below we focus on the case of the UK. We therefore present a snapshot of the responses of both employers and workers (and their representatives) to the sudden closure of hospitality businesses and the consequences on hospitality workers’ livelihoods, in the context of government’s economic measures to alleviate the impact of the crisis on the national economy.

Since the lockdown enforced by the government on the 23<sup>rd</sup> of March 2020, according to the Office for National Statistic report, “81% of businesses in accommodation and food services had closed temporarily or ceased trading”. The UK hospitality sector has been undoubtedly the most impacted by the lockdown, with predicted jobs lost reaching 1.3 million according to a research by labour economists at the Institute for Social and Economic Research at the University of Exeter (April 2020). The study shows Accommodation & food services being the worst hit, with an estimated reduction in lockdown of more than 80% employment, followed by Transport & storage with -40%.

According to the website “Visit Britain”, the tourist authority representing the sector nationally, it is expected that the hospitality and tourism sector will record a black hole of about 15 billion if lockdown continues until August 2020, whereby a 54% decline in visits is predicted.

While Visit Britain describes ‘Staff welfare’ as the “most valued and important asset, and (that) our number one priority through this crisis is supporting and enabling our staff” they put it still at the 4<sup>th</sup> position in their list of priorities. What they rather emphasise is the role played by the tourism authority in ensuring a comprehensive recovery post-lockdown including by acting as “Government advisory”; representing employers’ interests; providing the industry with the needed resources for support and communication; providing practical advice for business to survive the lockdown period and more broadly working on “a recovery

preparation” which does not miss any marketing opportunity during this period of pause for most companies.

Similarly to the language of the UNWTO, “labour” becomes important not for the intrinsic social aims of protecting work as the source of income and livelihood for hospitality workers, but as a factor in the wider plan to ‘re-launch’ the sector and its growth. The role played by Visit Britain in lobbying the government as well as by the trade body Hospitality UK (representing employers) has been critical in obtaining state financial support. As critically argued by the authors of the Exeter paper (Richiardi *et al.*, 2020) the medium term patterns of employment in each sector will indeed critically depend not only on the Human resources strategies adopted by individual companies once the lockdown is released, but also by the scope and quality of the state intervention to support workers out of work.

The UK government has indeed been comparatively quite generous in terms of the support provided to employers and workers in the midst of the pandemic-induced economic crisis.

According to data from the British Chambers of Commerce (BCC), released on April 22, 2020 (*cit. Richiardi et al.*, 2020, p. 8), about 70% of surveyed firms have already furloughed staff (which is a kind of temporary paid leave workers are offered to avoid being made redundant). In the second week of May it was announced that the government Job retention scheme (which currently reimburses companies up to 80% of the gross wages for employees, pays all furloughed employees up to a total of £2500 maximum payment per individual), will be extended by the Chancellor (Minister for the Economy and social affairs) until October 2020 – albeit with greater contributions from individual employers towards the total £14bn a month cost of the scheme. The new element of part-time working as an option in the furlough scheme “to help businesses reboot their trade” makes the scheme closer to the German equivalent of “Kurzarbeit” extensively used already during the 2008 economic crisis, but that is currently predicted to cost the German state €40bn. (The Guardian, 13 May 2020).

The extent to which hospitality workers in the UK have been furloughed is difficult to assess given the difficulty to produce

“live” data on employment patterns and sectoral activity, but according to a survey of employers<sup>72</sup> conducted by the Office for National Statistics on April *eight out of ten* workers in the accommodation and food service sectors have been furloughed.

One of the reasons why the actual number of workers who are left without safety net in the industry is difficult to estimate and probably disguised by the official figures, is that there is large anecdotal evidence that entire sections of businesses in this sector operate “cash in hands” and workers lack formal contracts of employment and legal proof of work (including pay slips), that is those elements that would entitle them to government’s benefits. These aspects, more difficult to evidence and measure and in particular the overlap between informal employment, temporary agency work, zero hour contracts and the presence of migrant labour in the hospitality sector, have been widely illustrated by decades of qualitative research (McDowell *et al.*, 2007; Wills *et al.*, 2009; Janta *et al.*, 2011; Alberti, 2014). Migrant labour is critical especially in large urban centres like London where hundreds of thousands of migrants from Eastern Europe have found work in the hospitality sector since the Enlargement, but also more and more Southern Europeans who left their countries in search of work in response to the 2008 crisis. The “low-road strategy” of an industry historically characterised by low wages, high turnover, lack of training and career prospects (Dutton *et al.*, 2008), with widespread patterns of outsourcing as management strategy to cut labour and social costs for firms (Lai *et al.* 2008), and with overall lack of union voice and poor terms and conditions suggests that the UNWTO agenda for investing in human capital is still a far-away reality.

Research across Europe has shown more broadly the incidence of precarious employment, subcontracting strategies, and the use of temporary migrant labour in the tourism and hospitality sector (Iannuzzi, 2017; Jordhus Lier, Undertun, 2014).

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<sup>72</sup> The survey included 6,150 businesses, together they had furloughed more than a quarter of their workforce.



Now that this unexpected crisis has hit this industry more than any other, the “real costs of flexibility” or indeed of precarious employment as reported more than a decade ago by the TUC Commission on vulnerable employment (TUC, 2008) are visible more than ever. The informality of employment relations characterising the sector will most likely result in the loss of income and endanger entire livelihoods, creating destitution and poverty for the most vulnerable categories such as ethnic minorities, migrants, women and youth without safety nets. Popular media outlets have reported how in the UK among those who have been made homeless by the crisis there are hotel staff who have not received help from the government. Migrant hospitality workers with uncertain migration status (including those who have not yet successfully applied for settled status in the Brexit transition) could potentially risk deportation if unable to show proof of work.

It is striking that despite the low incidence of union presence in the sector, exactly in the context of the pandemic-induced crisis, some large UK trade unions have achieved important results in terms of protecting workers’ conditions. Union action in this sector has been visible in two critical areas: the application of the government retention scheme and health and safety rights.

At the time of the rolling out of the furlough schemes there have been various attempts by employers to use the crisis to change contractual conditions for hotel and restaurant workers.

For example, Hard Rock café and hotel owner Great London Hospitality (glh) Hotels Ltd, instead of inserting a temporary lay-off clause into workers’ contracts by agreement for the duration of the furlough, have made this clause permanent and unpaid while trying to reduce the numbers of contracted hours. Often workers have been pressurised to accept these new terms as a condition to benefit from the retention scheme. Other employers like the British pub chain JD Wetherspoon has also adopted openly anti-union strategy, preventing staff from seeking advice from their union on their basic employment rights by including new clause into all communications on furlough arrangements. Some unscrupulous employers have also tried to avoid to “top up” the wages of the furloughed workers refusing to pay the 20% left,

whereby some have been left to live with less than £1000 pound a month. The union voice has been critical in naming and shaming these 'bad employers' in the public domain and at times unions have negotiated important workplace victories.

A positive example of union initiative protecting also the most vulnerable categories of hospitality workers hit by the Covid-19 crisis has been the action taken by Unite, the largest private sector union in the UK and Ireland, on behalf of members at the international hotel chain the Marriott: thanks to pressure by Unite, on the 22 of April 1,500 "casuals" (precariously employed, non-permanent staff) received the state furlough payment to keep their jobs until June. At the same time the union highlighted how the situation emerged at the Marriott *"can't disguise the fact that the hotel and hospitality industry rely heavily on casual staff to keep the industry thriving and there may be some employers who are still not playing by the rules"*.

While most hospitality workers had to stop, some of those involved in the hospitality industry have continued working during the pandemic, risking their health and safety similarly to the other "key workers" (health and social care workers, doctors, nurses, delivery workers to name some). Indeed, it is often forgotten that some hospitality and catering workers have in turn served the daily social reproduction of the pandemic front line staff. Unite the union has expressed concern about the lack of protective equipment for those hotel workers who have provided accommodation for the health staff in need of operating away from their homes, for instance in cases where hotels have been turned into "Covid19 isolation centres" or provided emergency housing to key workers and homeless people during the crisis. On 20 April they reported that "workers in these accommodation centres are not being given proper training and advice and are not being provided with the necessary personal protective equipment".

As hospitality is a highly embodied labour – where the service needs to be delivered in close proximity to the recipient– the question of workers' physical and mental health, and the (limited or absent) provision of protective measures for workers in this industry point out to the challenges ahead for the sector when the

lockdown will be released and businesses allowed to re-open. Hospitality presents itself again as a critical frontier to consider the challenges and not just the opportunities of “recovery” in terms of staff wellbeing and safety.

#### **4. Concluding remarks**

The case of the economic effects of the pandemic on the hospitality workforce in the UK and the immediate response by social parties, well illustrate all the specific elements of the vulnerability of labour discussed by the UNWTO, but neither seem to provide a longer term “high road” approach for improving workers’ conditions and sustainable development, rather reflecting a “short-term” focus on quantitative employment recovery, linked to economic resilience. The UK case rather highlights the one-sided interpretation of the importance of maintaining “flexibility” – meaning *employers’* flexibility, to tailor the re-hiring of labour according to what is envisaged to be the gradual recovering in demand for hospitality and tourism services as the lockdown will be lifted. In contrast, truly sustainable strategies for decent work in the sector (the one promoted by the TUC being different from the developmentalist emphasis on “jobs” creation), seems to be put in the shelves for now that the sector is concentrating on how to “re-bounce” in the immediate future.

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