

**“What kind of jobs in Tourism?”**

**Second phase of the study**

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**in the context of the  
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## **EMPLOYMENT IN THE TOURISM SECTOR IN EUROPE: More precarious jobs and two-track development**

Using a tried and tested questionnaire (see annex), between March and June 2001 we interviewed 14 trade unionists active in the hotel and tourism sector in 11 European countries. The topics covered included employment, working conditions, the social dialogue, professional qualifications and vocational training, tourism in Europe and issues of future interest to hotel and tourism workers in the European Union.

### **I. Employment**

#### **1) Hotels and catering, travel agents and tour operators**

Throughout Europe there are two groups of jobs directly affected by tourism: **1) hotel and catering trade; and 2) travel agents and tour operators.** In some countries, this sector also includes leisure parks, youth hostels and holiday resorts, casinos and gambling as well as tourist offices and tourist guides.

#### **2) Five million salaried workers, mostly employed in hotels and restaurants**

<u>Countries involved:</u>	<u>HoReCa</u>	<u>Travel</u>	<u>Other</u>	<u>Total</u>
Denmark	56,700	5,570	Attractions: 6,010	68,280
Norway	80,000		Tourism: 70,000	150,000
Croatia	42,000			42,000
Cyprus	34,000			34,000
Germany	950,000	50,000		1,000,000
Sweden	95,000		Tourism: 25,000	120,000
France	400,000		Tourism: 200,000	600,000
Belgium	107,807	6,751		114,558
Finland	21,000	23,000	Services: 30,700	74,700
Spain	875,000	42,000	Transport: 500,000	1,414,815
Great Britain			Tourism: 1,200,000	1,200,000
	<b><u>2,661,507</u></b>	<b><u>127,321</u></b>	<b><u>2,031,710</u></b>	<b><u>4,818,353</u></b>

Employment in the hotel and catering sector accounts for a little over half (55%) of all jobs directly resulting from tourism-related activities in the 11 countries from which people were interviewed.

#### **3) Extensive seasonal work in the Alps and on the Mediterranean coast**

Situations vary between the tourist areas of southern Europe, such as Spain (50% or more seasonal fluctuation) and France (75% of staff are seasonal workers), and the countries in northern Europe, where a mere 5-15% of salaried staff are seasonal employees, except in Finland, where in certain regions up to 30 or 40% of staff can be seasonal workers.

#### **4) Jobs that are traditional in the hotel sector, but new to the rest of the tourism sector**

Traditional jobs in the hotel and catering trade are more varied in small companies in France, and have become more precarious in Spain, whilst Belgium has a high turnover rate. Travel agents and tour operators are creating new jobs in call centres, travel representatives, and in the fitness sector (sports centres, thalassotherapy).

#### **5) A sector which has created jobs in recent years**

Tourism is the leading job-creating sector in Denmark and Norway, while eco-tourism leads the way in Finland. It is also the leading sector enabling young people to gain a foothold on the job market in France, and is developing further in Spain where the holiday season runs for a longer period of time. However, whereas in Germany the return to economic growth over the last two years has seen an improvement in the ratio between the number of beds and number of salaried workers in Germany, in Belgium the jobs being created in hotels and restaurants are mostly part-time.

Jobs in travel agencies and tour companies are growing strongly as Europeans have increasingly more time and money to spend.

## **II. Working conditions**

### **1) Statutory working time may total 40 hours a week, and collective agreements may stipulate between 35 and 38 hours, but the reality is often more than 50 hours.**

In most countries, the statutory working time in the hotel and restaurant sector is around 40 hours a week in the hotel and catering sector. Collective agreements tend to provide for an average weekly working time of between 35 and 38 hours, but allow for actual working time over given periods of up to 60 hours a week, 10 hours a day.

The real duration of working time is often closer to 42 or 43 hours a week, and can be as high as 50 hours a week.

Hours are lower at travel agencies: between 36 and 38 hours a week.

### **2) Seasonal and part-time employment contracts**

Seasonal and part-time jobs exist as a result of negotiated agreements.

Whereas part-time jobs at travel agencies are mostly filled voluntarily by the workers in question, in the hotel and catering sector most part-time jobs go hand-in-hand with flexible, variable working hours.

Seasonal or temporary employment contracts have a duration of 3 to 6 months, but occasional contracts for work over a few weeks at the most can be negotiated by a mere telephone call.

### **3) Collectively agreed salaries vary greatly between European regions**

Salaries are laid down in agreements and collective agreements and depend on the worker's qualifications. In the hotel and catering trade in most countries they are supplemented by tips paid by customers (between 10 and 12.5%).

For qualified hotel, café and restaurant staff, monthly minimum salaries range from €350 in Croatia to €1,930 in Scandinavia, and from €1,176 to €1,328 in Germany, depending on the

federal state concerned. Likewise in Spain there are major discrepancies between the salaries paid from one area to the next.

In travel agencies and tour operators, minimum salaries are higher, ranging from €1,500 to €2,800 in Germany and between €1,373 and €1,744 in Finland.

#### **4) There are few specific health and safety standards applying to tourism**

In addition to the legislation on health and safety applying to all companies irrespective of their sector of activity, some countries have rules and regulations applying to food hygiene in kitchens and establishments catering for the public.

Moreover, health and safety officials are either elected by staff or appointed by their trade union in virtually all countries.

#### **5) Collectively agreed wage structures in the sector**

Depending on the level of education or training and experience, wage structures may be negotiated in local or national collective agreements.

In most cases there are between 7 and 10 levels in the hotel and catering trade and 4 levels for travel agents.

In most instances they serve to determine the minimum applicable wage on the basis of a worker's career profile. In Spain they are also used to issue 'certificates of professionalism'.

### **III. Social dialogue**

#### **1) Unionization of between 5 and 75% of salaried workers in the tourism sector**

<u>Country</u>	<u>Hotel/catering</u>	<u>Travel agents</u>	<u>Other</u>
Denmark:	48%	75%	Leisure parks: 50%
Norway:	25-30%		
Cyprus:	93% (hotels) 40% (restaurants)		
Germany:	8.5%	15%	
Sweden:	65%		
France:	5%	5%	5%
Belgium:	45%	10%	
Finland:	between 60 and 80% of workers in the tourism sector		
Spain:	10%		

In Croatia the union has 26,000 affiliates, 10,000 of whom are unemployed. In Great Britain 10% of all the union members work for travel agents or tour operators.

#### **2) A social dialogue structured on 3 levels in this sector**

In Great Britain social dialogue exists only at company level, whereas in other countries it exists at 3 distinct levels:

- at the national level with the ministers responsible for tourism;
- with employers in the sector in national, regional and local joint agreements and conventions;

- in companies with elected and staff representatives.

However, in many countries, this official structuring of the social dialogue is complemented by informal meetings with the employers and respective authorities, with a pragmatic approach being taken depending on the questions and problems arising.

### **3) Specific agreements at the local, regional and national level**

In most cases, collective agreements covering professional sectors determine the social conditions in the hotel and catering trade and for travel agents.

They are often improved by regional agreements on wage-related aspects and are then the subject of company-level negotiations with regard to the implementation and improvement of collective guarantees.

### **4) Employers organized in HOTREC**

In virtually all countries, there are several employers' organizations in the hotel, catering, travel agent and leisure sectors representing companies active in tourism.

Many of them are members of the respective country's employers' federations and, in the hotel and catering sector, are affiliated to HOTREC at European level.

### **5) Sectoral social dialogue enabling representatives to express their views on economic and social issues**

The virtually constant debate with employers on economic and social problems arising in the sector enables representatives' views and trade union objectives to be taken on board in collective and joint agreements.

Sometimes joint initiatives are taken. For example, initiatives have been taken in Spain on continuing training and job classifications, and in Belgium on limiting or eradicating unofficial work. Others seek to resolve social conflicts.

## **IV. Qualification and vocational training**

### **1. Traditional qualifications and new skills**

The traditional qualifications in the hotel sector are: chef, waiter, maître d'hôtel, receptionist, and the specialist jobs such as chamber maids and utility staff.

In Sweden, new skills are being developed for service workers, while in Finland professional qualifications acquired are valid for three years.

In other sectors of tourism, and in particular in travel agencies, the workforce tends to be more qualified, with at least two years of higher and university education.

### **2) Tripartite recognition of qualifications**

More often than not, such recognition requires a tripartite decision (by the state, the employers and the unions in a given sector).

The trade union representatives have an important role to play in assessing and awarding diplomas.

In Cyprus, professional charters recognize qualifications, while in Spain and Belgium professional certificates are issued to validate qualifying training.

In many countries vocational training is recognized by a system of diplomas that are in turn recognized in the job classification structures of collective agreements.

### **3) Public and private bodies give initial training in the tourism professions**

Schools and vocational training colleges as well as universities answerable to the National Education department, private institutions funded by the employers and joint or union-run bodies (as in Spain) can help job seekers enter the labour market.

### **4) Fewer continuous vocational training opportunities**

Continuous vocational training opportunities vary considerably from one European country to the next. Some countries have legislation or well-established practices in this area (France, Sweden, Belgium) but in many cases it is hard to become a true professional in this sector, for the following reasons:

- Working teams are too small to allow salaried workers to take study leave;
- The fact that he has followed a training course has very little impact on a worker's salary;
- It is hard to combine family life with new training courses (especially for women, who make up the majority of employees in this sector);
- Employers are not prepared to invest to any great extent in employees in precarious jobs (part-time or seasonal workers),
- There is little chance of developing a professional career in the many small companies active in this sector, which demotivates employees from seeking a more professional status.

Experimental training projects in small companies were recently tested in Denmark. Larger European hotel chains do hire young unqualified people and give them training.

### **5) Lifelong learning must seek to earn greater loyalty and raise the status of employees in this sector**

In many countries, education and training assist personal career development and help to raise service quality.

While training is a prerequisite for employee qualification and the introduction of younger workers into for travel agencies, many employers in the many small hotel and restaurant businesses are unwilling to meet the training costs of workers who are more often than not in precarious job positions or are seasonal or part-time employees.

Real wage recognition, including a real right to continuous training, would help make the workforce more loyal to the sector and raise their status.

## V. Tourism in Europe

### **1) A buoyant job-creating sector for the future?**

Many new jobs are expected to be created in tourism in response to the need for more leisure and cultural options resulting from increased free time, the rise in European purchasing power, and the liberalization and development of the transport sector.

Package tours will develop further in southern Europe (France, Italy, Spain) and many new jobs will be created in tourist areas. But what kinds of jobs? And under what social conditions?

### **2) Higher wages, job security and negotiated social conditions**

Employees need higher wages, greater job security and negotiated social conditions.

This calls for a massive wave of social modernization across the whole sector so that decent working conditions and attractive employment opportunities can be offered.

This can only be truly guaranteed if the unions are involved in all decisions on social policy and if they are consulted on development plans, training courses and tourism actions in the European Union.

### **3) Creation of European qualification passports**

Many of the surveyed union officials supported the development of a system for the recognition of European qualifications, i.e. 'European qualification passports', which they feel are essential for the tourism sector.

This will mean specifying the content of the training given in the various countries leading to the same qualification, and organizing courses in modern European languages and culture to help promote professional mobility.

### **4) Negotiation of a European social framework agreement for the hotel and tourism sector**

The trade union officials surveyed felt that the role of the sectoral social dialogue at European level is to:

- coordinate and gather information on the real social situation of the sector;
- discuss working conditions, wages and the guarantees offered in each country;
- define European standards to harmonize social and economic conditions in the sector;
- determine the equivalence of qualifications at European level.

It should lead to the adoption of common social measures through the negotiation of a European framework agreement, with implementation in tourist areas by the social partners in the various countries concerned.

### **5) Coordinating trade union forces to better represent tourism workers**

The European Trade Union Liaison Committee on Tourism (ETLC) should coordinate Europe's tourism unions to:

- heighten awareness of the realities and work of the various European tourism unions;

- better understand the economic and social dynamics of tourism and the links between the different professions working in the sector;
- help develop contacts between affiliates in the various countries by holding meetings and setting up a network of trade union officials, as well as through personal contacts.

The ETLC represents workers in this sector vis-à-vis the Commission and the EU as a whole, making its contribution to tourism policies and in all areas where the future of the sector is decided.

## **VI. What about the future?**

### **1) Good and often innovative practice**

Such as:

- highly pragmatic approaches adopted through social dialogue (the Scandinavian countries), and excellent relations with the ministry responsible for tourism (Croatia);
- trade union rights for each worker (Sweden) and written information for all members (Belgium);
- specific training courses for workers in precarious jobs (France) and the provision of a 'professional card' (Cyprus);
- the development of holiday entitlement for older people (Spain) and participation in a network for the development of sustainable tourism (Finland);
- intra-company negotiations with the possibility of extending collective guarantees to other companies in the sector (Great Britain).

### **2) More skills, more flexibility**

With the emergence of new technology, employees are required to have a better skill set and to be more flexible.

We will soon see greater emphasis placed on personal relations management and less on technical know-how, with the emergence of a two-track system of employment in tourism between a highly qualified workforce in travel agencies and tour operators, and the emergence of more specialist jobs in the hotel and restaurant sector.

As customers demand greater security and higher quality services, and as competition develops in new destinations such as Asia, more skilled employees are needed although there is an allied risk of greater job precariousness.

### **3) Outsourcing compounds precariousness and lowers service quality**

Outsourcing or subcontracting is not that well developed in the northern European countries, with the exception of chamber maids being replaced by cleaning companies and the increased use of temporary staff in the restaurant sector. On the other hand, a serious situation is developing in most southern European countries.

In both the travel agencies and in the broader tourism sector there is a real risk of labour being delocalized towards Third World countries as the trend for telephone call centres develops.

By transforming fixed wage costs into variable costs, subcontracting breaks up the labour force community, leading to job insecurity, lower wages and a lower level of qualification. This then reduces the quality of the services provided to tourists.

#### 4) Non-EU workers hired for less skilled positions

Less skilled positions in the sector are increasingly being occupied by workers from eastern Europe and Africa.

This form of social dumping immediately results in lower collective guarantees for the entire workforce and the downgrading of skilled professions.

The trade unions should follow Sweden's lead by welcoming and training foreign workers. A transitional period beyond 2005 would help integrate people from candidate Member States.

#### 5) Developing the social dialogue, training and trade unionism to negotiate better social guarantees and sustainable tourism

The trade union officials surveyed made the following priority proposals for improving employment in European tourism:

- develop the social dialogue at the workplace and at European level with joint commitments on improving the quality of services for tourists;
- obtain better wages, better working conditions and increased job security, and enhance the options for building a career in the tourism professions;
- ensure continuous education and vocational training for all, for this is one of the keys to a successful future;
- negotiate framework agreements for tourism in Europe setting out the standards in terms of working time, social conditions, flexibility, continuous training and qualification equivalence;
- create more sustainable activities in the sector, but with new, more permanent types of job which will secure the long-term future of the tourism industry;
- work to increase the level of unionization in the European tourism sector in order to obtain better working conditions to encourage greater loyalty from workers in this sector.

## PROPOSALS FOR THE FUTURE:

### **PROFESSIONALIZE EUROPEAN HOTEL AND TOURISM WORKERS**

In a world where tourist destinations are competing with each other, essentially as a result of lower air fares and new communication technologies, **the future of tourism in Europe hinges on the development of quality services.**

This will require the **increased professionalization** of all workers who provide a service to tourists, but also **attractive working conditions** in order to ensure employee commitment.

In a sector that is made up of a wealth of small businesses, the **sectoral social dialogue** must bring about this professionalization by:

- negotiating social conditions that are acceptable to all;
- reducing job precariousness through social and economic innovation;
- developing life-long learning.

Many of our proposals for the 'Tourism and Employment' report should receive the backing of the European Commission to help bring about the *professionalization of workers in tourism*:

- the creation of *European qualification passports* in the hotel and tourism trades to validate professional expertise and recognize skills at the Community level in order to simplify mobility in what is already the most mobile European sector;
- the establishment of *local professionalization centres* for tourism workers would make it possible to implement employment and training courses staged in the low season or off season, and the development of mobility for training in modern European languages and cultures;
- the creation of *a European observatory for tourism training and employment* allowing the public authorities and the social partners to better understand changes in employment in the tourism sector and to anticipate the need for qualifying training. This will then make it easier to adapt human resources to customer service quality.

The involvement of the unions in implementing these proposals at the local, regional, national and European levels is a guarantee of a real improvement in qualifying training, which is a key factor in *professionalizing tourism workers in Europe*.

Moreover, in association with the other economic and social operators, trade union leaders in the European tourism sector could take the initiative to:

- devise initial social training for non-EU workers and people from candidate countries;
- create a European centre for seasonal workers to inform and advise seasonal workers in Europe's tourism areas.

Tourism is one of the leading sectors for worker insertion and socialization. However, in the face of economic constraints, the professionalization of workers remains one of the major stakes that the social partners and the Commission will have to respond to if we are to ensure that tourism in Europe remains a buoyant sector in the 21st century.

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