

TOURISM WITHER: Hotels, operators cutting costs

BANGKOK (18 September, 2003) - Spooked by terrorism and pandemics like SARs, the world's tourism and hotel industries will never fully recover because they are now hiring more and more workers on a subcontract or temporary basis, an expert has told The Nation.

"Tourism will never be as it was before," said Alain-Philippe Feutre, chief executive officer of International Hotel and Restaurant Association, which alone represents the hospitality industry worldwide. It claims 300,000 hotels and eight million restaurants as members.

Feutre was in Bangkok for a tripartite regional meeting on employment in the tourism industry organized by the International Labour Office (ILO).

Feutre said subcontracting - now a global trend - could reduce costs and provide better flexibility and mobility for the industries.

But Daniel L. Edralin, a workers' representative at the regional meeting, argued that the industry had always had a bad image when it came to working conditions, and subcontracting and part-time employees had worsened the situation.

Edralin said employers in the Philippines were using the crisis, "real or imagined", as a pretext to switch to subcontracted workers. "Now new hotels are being opened in the Philippines where nearly everyone is subcontracted," he said, citing the system practised by fast-food chains around the globe.

"We have no real figures, but we have many examples of subcontracting being used to get rid of unions," he said, adding that some employers were now realizing that precarious employment conditions don't encourage good service and are thus bucking from the general trend.

Dirk Belau, an ILO catering and tourism specialist, said 2003 would see the tourism industry lose 2.8 million jobs in Asia. He put the number since 2000 at five million. "The number of jobs in the region has not increased since 1997 [although] it's hoped that growth will come back," said Bilau, who predicted strong growth next year.

An ILO report stated that in Thailand, the impact of SARS on tourism was less severe than it could have been, only because the epidemic occurred during the low season.

The World Travel and Tourism Council estimated that employment in the industry in Thailand constituted 32 per cent of the Kingdom's GDP in 2000, but fell to 30 per cent in 2001 and 29 per cent in 2002.

Pravit Rojanaphruk

THE NATION