Employment and industrial relations in the hotels and restaurants sector

Executive summary

Introduction

The hotels and restaurants sector (Horeca) in Europe is a sector largely dominated by small and medium-sized businesses (SMEs). It is very labour-intensive, which means that economic growth has a strong impact on employment. Hotels and restaurants are major employers of young people and there are more women than men working in the sector. During peak periods, large numbers of seasonal workers are hired in addition to permanent staff. The Horeca sector accounts for a substantial number of companies and workers across Europe, particularly in countries where the tourist industry is important.

Recruiting workers into the sector can be problematic, due mainly to the nature of some of the working conditions: long working hours, relatively low wages and high levels of temporary and seasonal work. The social partners have an important role to play in shaping working conditions and making the sector more attractive to a young and skilled workforce. However, the structure of the sector, with a pre-dominance of small companies, is not conducive to the development of social dialogue and collective bargaining, and this impacts on the sector as a whole.

This report describes current working conditions in the sector, highlighting the most relevant issues, outlining industrial relations structures and looking at the contribution of the social partners to improving the quality of work and sustainability of the industry. The report is based on contributions from the European Relations Observatory (EIRO) network of correspondents in the EU 27 countries and Norway.

Policy background

Given the importance of the tourism industry for the sector, the 2010 Commission communication on tourism in Europe has a role to play in the development of the sector. Its main objective is to maintain Europe’s status as the world’s top tourist destination. In light of the many challenges facing the sector, the Commission has outlined a framework policy that aims to support the sector, putting forward initiatives to promote its competitiveness, sustainability and quality-based development.

The current economic crisis and the ageing of the population in Europe represent major challenges for the future sustainability of the sector. Countries where the tourism sector has been severely affected by the crisis are struggling to find work for young and unqualified people, as the Horeca sector is traditionally a source of job opportunities for these groups of workers. However, it should be noted that the evolution of employment during the crisis has been uneven: in some countries employment levels have increased, while in other countries they have declined.

The policy thrust towards improving the overall quality of work can help to make the sector more attractive and hence minimise labour shortages.

Key findings

The social partners, both at European and national level, have recognised that the sector needs to improve job quality and working conditions to make it more attractive as an employer. This not only means addressing working time issues, such as long hours and seasonal work, but also exploring ways of improving skills, health and safety, and general career development. Upgrading skills is recognised by both
Cooperation in joint initiatives by the social partners has been reported mainly in the fields of health and safety and training. Improvements in training and lifelong provisions have been addressed by the social partners, sometimes in cooperation with training and education authorities. These initiatives are related to concerns about integrating young workers, improving quality of services and labour shortages.

Policy pointers

- European-level social dialogue has an important role to play through sectoral agreements and initiatives. Also cooperation between social partners from different Member States can be a means of mutual learning for further developing structures and measures.

- Public authorities can help to create a framework for the development of more sectoral social dialogue and joint initiatives. Any initiative for the improvement of working conditions must take into account the specific characteristics of the sector.

- Actions by the social partners in the field of skills development can contribute to a general improvement in worker qualifications and integration as well as to the quality and competitiveness of companies. Therefore, increasing and developing their role in training can help the future sustainability of the sector.

- The seasonal nature of the industry makes the sector unattractive for some groups of workers, who are unemployed during the low season. The research indicates that cooperation not only between the social partners but also with public labour authorities to support workers during this period with benefits and training could be worth considering for the sustainability of the sector and career development.

Further information

The report Employment and industrial relations in the hotel and restaurants sector is available at http://www.eurofound.europa.eu/eiro/studies/tn1109011s/index.htm

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