

Tourism chiefs plead for more attention as financial crisis bites

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Effects of crisis on limiting travel to see the sector shrink 3.5 percent this year: WTTC

The tourism sector needs to be recognized as a major economic motor that deserves the same sort of attention as the manufacturing and finance industries, tourism leaders from around the world said at a weekend conference.

"Tourism is the biggest employer in the world" and can play a role in helping the globe recover from the economic downturn, the head of the World Travel and Tourism Council (WTTC), Jean-Claude Baumgarten, told the event held in southern Brazil.

No rescue plan

But while the sector represents nine percent of the world's economic output and 220 million jobs, "it isn't being taken seriously," complained Taleb Rifai, the acting chief of the U.N. World Trade Organization.

Tourism companies were not asking for a rescue plan like those given to the U.S. banking sector or to automakers around the world, but rather an easing of restrictions, including the scrapping of visa requirements and airport taxes, and improved infrastructure and tourism promotion campaigns.

"Millions of jobs are at stake, from that of hotel receptionist to flight attendant, to taxi driver," said Hubert Joly, CEO of the U.S. travel group Carlson. "Governments aren't grabbing on the sector's potential for helping a recovery."

Jose Luis Zoreda, the head of Exceltur which represents Spain's biggest tourism companies, said in his country 600 jobs a day have been lost over the past five months in tourism.

"Government measures are going in the right direction but are too timid," he said.

The WTTC warned that, planet-wide, some 18 million jobs directly or indirectly dependent on the tourist trade will have disappeared over 2008 to the end of 2009.

The effects of the crisis on limiting travel will see the sector - worth US\$5.5 trillion annually - shrink 3.5 percent this year, the body said.

Joly told reporters 2009 would be a "very, very bad year" for business travel, which was seeing the brunt of the crisis - even more so than leisure travel.

"Business travel in the world is down 10 to 20 percent in the first quarter" of 2009, he said. "Companies are cutting costs, and trips are the first thing to go," said the Carlson boss.

He predicted the decline would remain into next year, depressing a segment of the travel market estimated to be worth US\$350 billion a year. The number of events and conferences had also sliding by between 30 and 50 percent in the United States so far this year, he said.

