

Portugal's Travel & Tourism sector faces job shortfall of 85,000 this year, says WTTC report

Up to one in six jobs in the country will remain unfilled due to labour shortages Restrictions hinder the recovery and add to the current crisis

London, UK: A new analysis of staff shortages by the World Travel & Tourism Council (<u>WTTC</u>), has revealed a significant labour shortfall in Portugal, with 85,000 Travel & Tourism jobs across the country predicted to be unfilled by the end of this year.

The worrying new figures from WTTC, which represents the global private Travel & Tourism sector, show for the first time the significant impact staff shortages could have on Portugal's overall economic recovery.

Data compiled by Oxford Economics for WTTC, analysed staff shortages across Portugal and other major Travel & Tourism markets including the U.S., Spain, the UK, Italy and France, focusing on the period between July-December 2021 and 2022.

All countries showed significant staff shortages, with employment demand starting to outstrip the available labour supply.

As unemployment rates decrease and demand rises, Travel & Tourism businesses have been left struggling to fill available job vacancies, and the report reveals that Portugal's Travel & Tourism sector is set to witness a staggering one in six job vacancies left unfilled.

Julia Simpson, WTTC President and CEO, said: "Portugal's economic recovery could be jeopardised if we don't have enough people to fill these jobs as travellers return.

"If we cannot fill these vacancies, it could threaten the survival of Travel & Tourism businesses up and down the country. Companies dependent on tourism have been hanging on for the upside: this is just another blow that many may not survive".

The global tourism body also warns reinstating harmful travel restrictions, such as the recent measures amid the surge of the new variant, do not stop the spread of the virus.

It says they only hinder the recovery of the sector and add to the already significant issue with labour shortages.

The Portuguese government implemented a job retention scheme and offered further financial support and schemes which saved businesses and jobs up and down the country.

However, despite this much-needed support, 92,000 people working directly in the Portuguese Travel & Tourism sector lost their job last year.

The 'WTTC Staff Shortages Report' goes on to show that as the demand for travel began to strengthen during the second half of 2021, particularly throughout the summer months due to the easing of restrictions, it increased the pressure on the sector following months of limited activity and the labour supply was unable to match the rising labour demand.

With this rise in demand, labour shortages are set to reach 85,000, equating to one in six unfilled vacancies.

Next year, the labour market is expected to remain tight with a further forecast average shortage of 53,000 workers causing further harm to the embattled sector.

WTTC's report outlines solutions for governments and businesses to tackle the looming crisis of labour shortages, recognising the impact of furlough schemes.

These include facilitating labour mobility and remote working, providing social safety nets, upskilling and reskilling the workforce and retaining talent, and creating and promoting education and apprenticeships.

The global tourism body's recent report revealed the devastating impact COVID-19 has had on the Travel & Tourism sector with 62 million total jobs lost globally.

WTTC says staff shortages represent a major issue for the global Travel & Tourism sector, and while issues around supply and demand are set to gradually adjust during 2022, the problem is likely to remain and urgently needs to be addressed.

The sector's recovery and economies around the world depend on businesses and government's ability to solve this critical issue to meet the returning demand for travel.

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Notes to Editors:

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Direct impacts as opposed to the total which covers direct employment, plus indirect and induced