

*Driving the recovery to support
people, businesses and places
Recovery and beyond.....*

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Sustainable restart for tourism

Coordinated approach:

- World- & EU-wide uniform (entry) travel regulations with clear rules, & harmonized testing and vaccination strategies (WHO,EMA,CDC,..)
- Worldwide **harmonized Green Pass** - with common entry requirements for vaccinated travelers
- A common and **digital system for cross-border verification** plus easy access to all Covid tests if needed
- Increase vaccination rates across the world.

Current biggest Challenges for Hospitality Industry

- *Labor market* - immense shortage in hospitality - future of tourism ?
 - *Digitalization & Digitization* - Information & processes transformation
 - *Sustainability transformation* - inhomogeneous and SME driven structure of tourism and specifically in the hospitality sector
 - *Covid indebtedness* - rating problems with banks, financing in tourism even more difficult, forbearance problems, etc.
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- further developments of the *pandemic not predictable*
 - Rising *prices* for tourism and all kind of service products
 - Face changes in the *travel behavior of guests* - often unclear and permanently changing *travel restrictions* and travel regulations

Adapted „after Covid support measures“

- → **High Covid related losses & debts** - need of long-term clean-up of the **dramatically increased debt** burden e.g. **replacing all short-term bridging assistance** (Covid related bridge loans, tax and levy deferrals, loan deferrals etc.) & strategies to strengthen equity on the balance sheet
- → **New tax reliefs**
e.g. Austria:
Labor related cost reduction in the hospitality sector (account for 44.6 percent of total labor costs) „more net for gross“
Specific tax relief for permanent business closures (e.g. no business successor,...)

Labour related challenges

- *Rethinking of our working time models and flexible salary models* needed
Change of product concepts needed ?
 - *Attract new labor*: Lateral entry models for skilled workers with qualification and requalification programs, rethinking vocational training,...
 - How do we create a better / *new Image* ?
 - SMEs: missing *leadership know how*
 - *“Work-life balance”* needs of employees
 - *Salaries and wages with less taxes* - more net for gross
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- Demotivation of *short time employees*
 - less demand for our *hotel schools* - demographic, social and technical change
 - rapid escape of our skilled work force from our industry! *Interrupted apprenticeship training*, etc.

Sustainability challenges

- ***Destination management associations*** are the main regional players for the interface management between locals and tourism stakeholders (habitat management),
- ***Implementation of digital visitor management systems*** - solutions, financing, defining visitor limits,
- Help enterprises to define ***new added value*** for their business model
- State support for enterprises for ***sustainable investment strategies***
- ***Information & know how*** for enterprises:
 - How to deal with CO2 prices and higher energy costs
 - Train employees and better guest information
 - Help to tackle the transformation process in hotels and restaurants

Digitalization & Digitization challenges

- Digitalization = processes / Digitization = information
- *Key for sustainable tourism in the future*
- *Support* the digitalisation of tourism destinations and SMEs
- Problem of *internet infrastructure & capacity* - rural area
- *Fair rules* for online business & competitive balance
- level playing field between big platforms and SMEs
- *data security*

New initiative of our Ministry of Tourism



Tourism Comeback process with 3 focal points:

- *Modernization of the tourism labor market*
- *Strengthening equity and financing for tourism companies*
- *Future Travel market developments and new cooperation between tourism and regions* (e.g. additional budget of 40 Mio Euro for marketing in source and domestic market)

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Who will survive,
Who is fit for the future ?
😊

Thank you for your attention !