

ITALIAN TOURISM COUNTING ITS LOSSES



The Covid-19 pandemic has affected the entire world of tourism. Italy was the first country in Europe that felt the full effects of the pandemic and eight months after its peak it is still counting the economic losses.

This September was classified as the hottest ever recorded in Europe in 112 years. Thus, it could be said, with a pinch of salt, that the summer season was extended. However, it was a summer season like no other for Italian tourism.

The truth is that 9 million Italians chose to spend at least a few days on vacation in their country, which are impressive numbers. However, the big problem remained in the inflow of foreign tourists. There was almost a total absence of the approximately 7 million foreign travelers who stayed in Italy last September.

1.3 Million Jobs at Risk

After a record year for employment in 2019, Italian tourism is also facing a dramatic crisis in this regard. According to data from EBNT, 44 million hours of short-time work were paid to employees in the tourism sector, which corresponds to 254,000 full-time salaries.

The number of seasonal contracts in the Italian tourism sector collapsed by 80% from January to May this year, while 60 % fewer fixed-term contracts were concluded. This had a particularly negative effect on the employment of women and young people in the sector. As a whole, about 1.3 million jobs are currently at risk in the country.

Bizarre Projects

But could there be some light at the end of the tunnel for tourism in Italy? According to the plans of the European Union, Italy should benefit the most from the Coronavirus recovery fund. If the EU Parliament and the national parliaments approve it, 209 of the 750 billion will flow into the country on the Apennine peninsula.

However, there is a sense of irony in how Italy wants to use the resources. The money pot arouses the desires of all ministries, regions and municipalities and some of the investment ideas are so bizarre that many Italians just shake their heads.

The mayor of Rome alone came up with 159 projects for 25 billion euros. These include the renovation of street lighting (628 million over five years), cleaning robots (4 million) and a cable car for 35 million euros.

This continues at a national level. **There are more than 500 projects planned for an overall investment of around 600 billion euros.** Almost three times the available funds.

Reforms More Important Than Investments

And while this projected investment is a problem, an even bigger problem might be the strategy of the Italian government, according to the newspaper IlSole24Ore. According to the paper, the main

issue is “to believe that the growth of the Italian economy depends mainly on public investment”.

“Unless substantial reforms are implemented in the area of public administration, justice and collective bargaining, as other countries have done in recent years, the Italian economic system will remain on dry land,” the newspaper warns.

Date: 2020-10-05

Article link:

<https://www.tourism-review.com/italian-tourism-getting-ready-for-european-money-news11702>