

# TOURISM BOOM IN GREECE FACES STAFF SHORTAGE



The Minister of Tourism for Greece, Vasilis Kikilias, has predicted a 20% increase in tourism this year. If it happens, Greece will surpass its pre-pandemic travel record from 2019 by a considerable margin in 2023. This news benefits the government since tourism contributes to about one-fifth of Greece's gross domestic product.

Despite the excitement, a significant issue dampens the mood - a shortage of travel and hospitality workers will affect the tourism boom. **Specifically, there is a need for 80,000 employees in roles such as chambermaids, service staff, and cooks that still need to be filled.**

## Small Businesses in Fear

"The problem is worrying," said Mania Abatzi, president of the Hoteliers Association of the Island of Paros. But, of course, they are still trying to fill the vacancies. If this is not possible, some companies have already announced that they will reduce their offer. For example, taverns want fewer tables and reduced menu.

Some hotels consider not occupying a hundred percent of their rooms - i.e., preferring less revenue but not compromising cleanliness and other services. The problem should not affect the guests under any circumstances. But hotels and taverns would suffer financial losses. Small travel and hospitality businesses are particularly affected.

**One reason for the staff shortage:** during Corona pandemic, work in the tourism sector was restricted. Many have reoriented themselves during this time, switched to jobs that offer year-round work, or have migrated.

## Lack of Accommodation for Seasonal Workers

In addition, despite the newly negotiated industry collective agreement, some seasonal workers may only receive the minimum wage of 780 euros. On the islands, there are also often problems finding acceptable accommodation for seasonal workers during the holiday season. The situation has worsened in recent years because of Airbnb and other temporary tourist rentals.

## Temporary Visas

The Mitsotakis government plans to address the current labor shortage during the tourism boom by granting temporary residence and work permits to individuals from countries like Bangladesh, Egypt, and India who are already in the country. **The government believes this initiative will help fill the gaps in the workforce.** However, hotel experts are responding with caution.

Even with the rise in inflation, the tourism industry anticipates growth in sales by 2023. Could higher salaries be the answer?

Hotel and restaurant owners, on the other hand, believe that the limited scope for improving wages and working conditions is due to the rapidly rising costs of energy, food, and raw materials. They argue that if these costs continue to increase, it will be challenging to fill all positions despite efforts

to improve working conditions.

According to experts, the market will balance supply and demand, which results in higher salaries due to high demand and low supply.

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