Hospitality Employers and Employees' Perceptions Regarding Covid-19 Support Measures: The Case of the Algarve Region (Portugal)

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ABSTRACT

This paper aims at investigating hospitality employers and employees' perceptions regarding governmental policies and measures implemented during Covid 19 crisis, in the Algarve, one of the most tourist regions of Portugal. The methodological framework is associated with a case study based on a set of 51 interviews to Algarvean hospitality employers and employees. A content analysis of interviews on the effects of the pandemic on hospitality was carried using the software QSR NVivo 12. Covid 19 employment impacts were considered as 'very high' and 'high' in the Algarvean hospitality. Portuguese governmental intervention was classified as good, but more support should be enhanced, namely associated with four main policy areas such as 'income-generating support measures', 'cost reductions', 'legal framework', and 'health and safety'.

KEYWORDS

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1. Introduction

Tourism is a leading sector, and it has emerged as one of the most influential industries and service exports in the world. During the Covid-19 pandemic, tourism was one of the most affected economic sectors (UNWTO, 2020, p. 2). Since tourism is a labour-intensive sector, it plays a major role as a driver of economic growth and development in most countries (Garcia & Porto, 2021). Hospitality as a core industry in the tourism value chain was destabilised by issues of job performance, job insecurity and unemployment.

In this context, the present paper aims at investigating hospitality (hotels and restaurants) employers' and employees' perceptions regarding the measures implemented by the state in one of the most important tourist region of Portugal, the Algarve.

Section 1 presents the theoretical framework based on the discussion of how Covid-19 has potentiated hospitality labour market crisis and the importance of government intervention. Section 2 reflects on the qualitative methodology applied, which was a content analysis using NVivo 12. Section 3 presents the results of the case study, namely the Algarvean hospitality employers' and employees' perceptions regarding impact of Covid-19 and the role of the government in addressing the employment crisis. The final considerations offer grassroots insights into how to support employment in crisis conditions.

2. Literature Review: Covid-19 Hospitality Employment Impacts and Future Solutions

Due to the Covid-19 pandemic, the world's economy was shut down almost overnight (UNWTO, 2020) with 'unprecedented international travel restrictions and stay-at-home orders' that have resulted 'in severe global human, social, and economic disruptions since World War II' (Gössling, Scott, & Hall, 2021; Priss & Chukhno, 2021). However, there is evidence that during the critical period, countries, regions, or urban/rural territories showed different vulnerabilities and uniqueness concerning the impact that their hospitality sector suffered (Herod, Gourzis, & Gialis, 2021; Michálková & Gáll, 2021).

The tourism industry is perceived as 'very vulnerable to crises of different origin such as natural disasters, epidemics, economic crises, political crises, terror, etc.' (Priss & Chukhno, 2021, p. 1). From an economic perspective, the pandemic crisis exposed (even more) the high vulnerability of this industry (OCDE, 2020) as well the sensitivity of all parts of the hospitality industry value chain (Jung, Jung, & Yoon, 2021).

Jomo and Chowdhury (2020) highlighted the uniqueness of the Covid-19 crisis which was caused initially 'by supply disruptions, largely due to government-imposed "stay-in-shelter lockdowns"' (Jomo & Chowdhury, 2020, p. 226), which exerted a high level of impact at an unprecedented speed (Priss & Chukhno, 2021). The consequences of restrictions induced a downward slope in hotel occupancies and revenues (Bartik, Bertrand, Cullen, Glaeser, Luca, & Stanton, 2020). Simultaneously, nearly all restaurants felt obliged to limit their operations to take away only.

In the literature review, employment is frequently associated with the economic, environmental and social impacts of the pandemic (Jomo & Chowdhury, 2020; Kitamura, Karkour, Ichisugi, & Itsubo, 2020), side by side with impacts on global production and prices (Kitamura et al., 2020; Islam, 2021). Income, demand, exports, imports, foreign exchange shortages, consumption, carbon footprints (CFP), well-being and development (Jomo & Chowdhury, 2020; Kitamura et al., 2020) were also frequently discussed.

Regarding the employment impacts of Covid-19 on hospitality industry, three levels should be considered, namely: macro (global, policy, government), meso (organisational) and micro (employee) (Baum, Kralj, Robinson and Solnet, 2016, p. 2815; Dogra, 2020). The severity of Covid hospitality employment impacts in the short, medium and long term Covid is also underlined (Deb & Nafi, 2021; Michálková & Gáll, 2021; Perles-Ribes, Ramón-Rodríguez, Jesús-Such-Devesa, & Aranda-Cuéllar, 2021). Firstly, affecting part-time and temporary workers (Belov, 2021) and secondly, bringing about profound changes in the sector (Priss, & Chukhno, 2021). This led to uncertainty intensifying the precarious nature of work in the hospitality industry.

In this context, there is a recognition of the importance of government policies and measures in order to enhance sustainable development. Liu, Wang, McCartney, and Wong (2021) set forth two instructions – intra- and post-coronavirus – which could be instrumental in future tourism development.

Different fields, such as legal, financial, fiscal, health prevention and safety, and the promotion of new attitudes towards hospitality work and hospitality workers, were underlined in the relevant literature.

Michálková and Gáll (2021) stated the importance of legal measures. They proposed that would 'help to find endogenous solutions to fragmented destination management in the most important and vulnerable tourism regions or legislative solutions related to the amendment to the Tourism Promotion Act' (p. 680). Jomo and Chowdhury (2020, p. 226), pointing out the relevance of financial measures, specified that 'Multilateral financial institutions should intermediate with financial sources at low cost to supplement the International Monetary Fund's Special Drawing Rights to lower borrowing costs for relief and recovery'.

Once Covid-19 virus may cause a supply–demand doom loop in the absence of a strong macroeconomic response, conventional monetary policy on its own is unlikely to reverse the loop. Padilla (2020, p. 2) underline that governments should adopt expansionary fiscal policies and the success of those fiscal stimuli will depend, among other things, on the competitiveness of their economies, i.e. the 'degree of market power' in product and services markets.

So, the virus leads to the government intervention, where fiscal policies are highlighted, which demands some consideration of the Keynesian response, which tends recurrently to be applied in crisis contexts. As Skidelsky (2020, p. 346) suggested, '... the hope lies in the reopening of the economy and in a V-shaped recovery in order that governments can reduce their 'fiscal burden'.

It is worth noting that through hospitality stakeholders, the industry could 'emerge from the pandemic with changed attitudes to hospitality work and hospitality workers' (Baum et al., 2020, p. 2813). That would be a substantial change because the hospitality industry is often associated with 'precarious labour forces' and a 'high level of precarity for employees' (Robinson, Martins, Solnet, & Baum, 2019; Baum et al., 2020). To overcome subemployment and seasonality, policymakers may consider increased regulation of a re-energised market and the need for skilled workers.

Additionally, and namely during a global crisis, organisations must pay attention to employees' psychological capital (Mao, He, Morrison, & Coca-Stefaniak, 2020) once the intensity of positive employee perceptions is commensurable to the amount of help that organisations supply. 'Higher levels of job insecurity will have a negative impact on employees' work engagement' (Karatepe, Rezapouraghdam, & Hassannia, 2020, p. 3).

In this context, Covid-19 is perceived as a challenge and opportunity (Belov, 2021; Liu et al., 2021). On the bright side, the crisis could enhance future sustainable development of territories, markets and industries' performance. The OECD 'Tourism Policy Responses to the Coronavirus' underlined the need to prepare sector recovery plans based on innovation and investment. Governments should promote structural transformations with a view to making the tourism economy 'stronger, more sustainable and resilient' (OECD, 2020, p. 5). Looking forward, the 'OECD Tourism Trends and Policies 2022' (OECD, 2022, p. 16) pointed out that an 'accelerated action is needed on greening the recovery and climate change, and the mitigation and adaptation measures required, including financing and investment, for tourism to play its part'. As main action domains, 'Foster integrated, agile, forward-looking policies', 'Build resilience in the tourism ecosystem' and 'Promote a green tourism recovery' are highlighted.

3. Methodology

This research investigates employees' and employers' perceptions of government measures and policies implemented to support the hospitality industry (hotels and restaurants) during the second Portuguese lockdown to capture the impact of the Covid-19 pandemic on the Algarve region. It seeks also to determine how employers and employees feel regarding future threats and opportunities to the hospitality sector due to the Covid-19 pandemic and their main forecasts.

It is based on a case study associated with how the Algarve's hospitality employers and employees perceive the Portuguese governmental measures to address the Covid-19 crisis. Yin (1994, p. 23) states that the case study method is appropriate for topics that are considered practically new, and that examines or inquiries about a contemporary phenomenon in its real environment.

A review of the literature concerning the state of the art based on articles associated with the Covid-19 pandemic crisis and tourism/hospitality employment was undertaken. Databases such as SCOPUS, Web

of Science and Google Scholar were used. Keywords searched were employment, Covid-19, tourism and hospitality, governmental intervention, state.

The empirical research considered 57 semi-structured face-to-face and remote interviews (March to April 2021), from which were selected 51 valid interviews, based on a stratified sampling to select four subsets of the target population involved in the hospitality industry across the Algarve (hotel employers, hotel employees, restaurant employers and restaurant employees).

A content analysis of interviews on the effects of the pandemic on hospitality employees and employers was carried using the software QSR NVivo 12 to systematise and categorise textual data. QSR NVivo 12 is an application widely used by researchers and scholars in qualitative fields (Bazeley, 2007; Robin & Elsen, 2017) due to several benefits, including transparency and the ability to tackle a multiplicity of document types, being able to capture both quantitative and qualitative data. The literature review confirmed the nodes used in NVivo 12 to categorise the interviews. The nodes created – Covid Impact; most positive companies measures, least positive company measures, threats to labour market, labour market opportunities, state's role, forecasts - and their subnodes permitted the categorisation of interviews. These nodes and subnotes are associated with the content analysis categories.

## 4. Results: The Algarve Region Case Study

4.1 Algarve Hospitality Covid Impacts

In Portugal, T&T was responsible for a total contribution to GDP of 17.1% in 2019, and in 2020, only 8.1% of the total economy, with a decrease of 56.7% (in contrast with a decrease of 7.7% of the real-economy GDP change). The total contribution of T&T to total employment varied from 20.7% (2019) to 17.7% (2020), a decrease of 16.0%, which affected jobs (WTTC, 2021).

The Algarve economic sectorial structure is associated with the region's resources (such as sun and sea), mainly based on six strategic sectors: hospitality, restaurants and tourism, health, ICT, creative activities, the food industry, and maritime activities. Due to covid impact, in 2020, 'the employed population was approximately 195,900, corresponding to a decrease of 17,300 jobs in relation to the previous year' (European Commission – EURES, 2020).

Regarding the Covid-19 level of impact, most interviewees pointed out a 'very high impact' (69.1%) or 'high impact' (22.1%). With less relevance, the 'medium impact' was also mentioned (8.9%).

The Covid-19 impacts were mainly associated with companies' 'temporary closure' (23.3%) leading to difficulties, such as reduction in 'demand' (14.9%) and 'supply' (5,6%/) as well as 'decreased receipts' (13.1%), leading to 'job cuts' (14.0%) and 'no new or renewed contracts', positioning 'employment as main area of impact' (9.3%). 'Socio-psychological' impacts on employers and employees were also underlined. With less than 5% weight, the following stood up: 'schedules altered', 'cost reduction impact on workers', 'Summer 2020 performance' and 'supply reduction' (Figure 1).

Figure 1. Covid-19 Impact on Tourism /Hospitality Industry
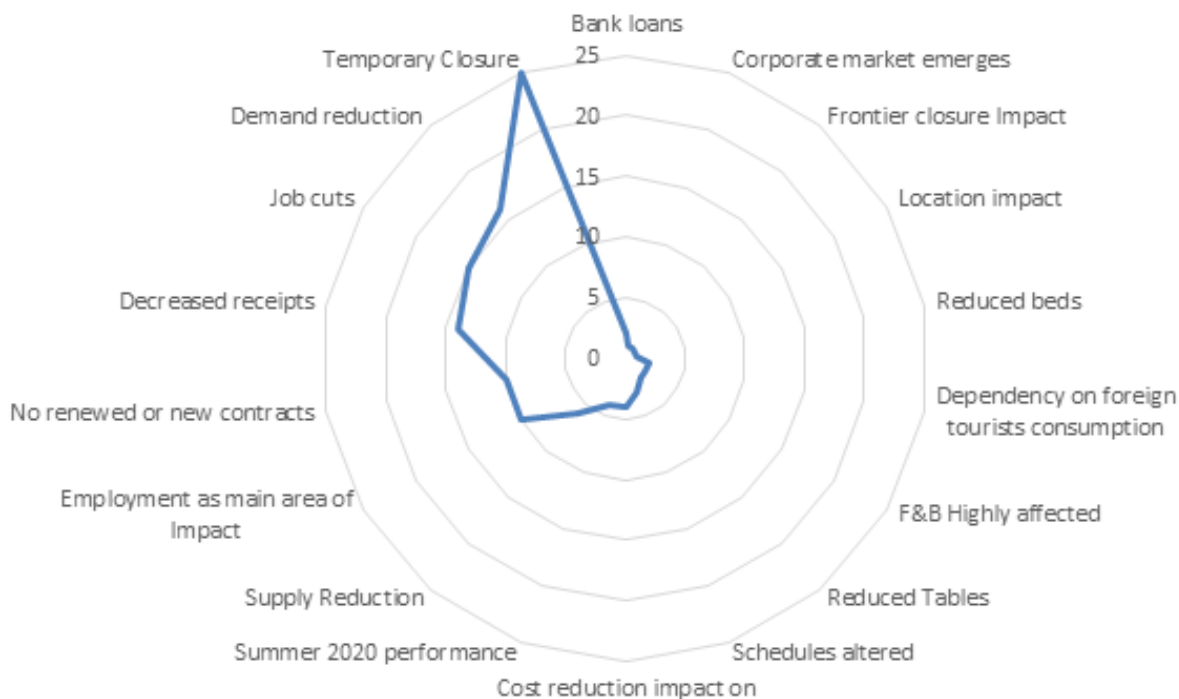
Source: Own Elaboration

The very high and high levels of Covid-19 impacts required government support, which was considered by more than one-quarter of respondents as 'good' - 'good support received' (27.5%). However, some interviewees perceived those aids as 'insufficient & late supports' (13.3%) and asked 'for more intervention' (11.6%). On the other hand, some interviewees underscored a 'heavy-handed state' (12.5%), namely due to restrictive containment measures.

Interview extracts provide evidence of the positive perceptions of the state's role:

> 'In my opinion, state support was essential at this stage, as it helped many companies not go bankrupt and thus keep many jobs.' (hotel employee, interview 18)

> 'In terms of employment, yes, they gave some help, and if it weren't for that, I believe that many companies, including ours, might have to go to a collective dismissal of workers.' (hotel assistant director, interview 12)

> 'The state had and continues to play a fundamental role in supporting companies through financial support measures, both in terms of moratoria and extraordinary support for the progressive resumption of activity...' (hotel reception manager, interview 13)

> 'The state did very well in terms of support to companies. They gave it right away in the first wave, and they always continued to help, realising that companies were not going to have the profits that they had in previous years.' (hotel employee, interview 44)

Among the measures implemented by the government during the pandemic period, support to employment maintenance through 'simplified lay-off' [see Decree-Law No. 10-G/2020, of 26 March, with subsequent amendments (consolidated legislation)] stood out.

> 'I think it has been good, the fact that the simplified lay-off has been an asset. It has been a great cushion for many companies; otherwise it would be quite complicated.' (hotel assistant director, interview 13)

'In an initial phase the lay-off was a good decision (…). I think the measures adopted by the government were acceptable, mainly in the "support for the recovery" and "lay-off" incentives that supported the salaries of most employees and for almost a whole year.' (sous chef and hotel employee, interview 17)

'The lay-off measures, moratoriums, etc., were very important for the companies. However, it has been proven that they are not sufficient to safeguard companies and their workers.' (corporate and leisure relations director, interview 52)

Additionally, some interviewees pointed out the support associated with Covid-19 containment health and safety measures (e.g. purchase of protective material against Covid, such as masks, disinfectant products, acrylics). They also mentioned the 'support of liquid investment, namely partial exemption/compensation for rental payments', although benefits remained well below needs.

Government measures during Covid-19 influenced the options of companies, leading them to reopen or restructure their activity despite the uncertainty about the future of the pandemic. Among the public measures demarked, the companies' adherence and receptiveness to policies stood out, namely regarding the preservation of jobs ('maintenance of employment' and use of 'simplified lay-off' (see Decree-Law No. 46-A/2020, of 30 July, with subsequent amendments and Ordinance No. 102-A/2021, of 14 May), totaling around 34.7%). Furthermore, public measures in the field of health prevention and safety in the hotel industry tended to be welcome among corporate stakeholders (see certification 'Clean & Safe'—seal of Turismo de Portugal—and 'customer safety & contingency plans').

Among 'the most positive measures', innovation policies also stood out. In times of crisis and disruptive transformation in society, interviewees valued support for innovation (digital and organisational innovation) and highlighted measures that have improved 'new organisational efficiency' (8.1%), 'takeaway implementation & new menus' (5.8%) as well as 'new digital marketing' (1.7%) (Table 1).

Measures within the scope of strengthening sustainability, internationally delimited and reinforced by the national government, namely within the scope of preserving the introduction of water- and light-saving measures and waste management, were introduced. The focus on partnership enhancement also was underlined.

As for the 'least positive measures', they underlined the vulnerability and precariousness of employment during the pandemic. Despite public support, many hotels and restaurants had to lay off staff or temporarily dismiss some employees ('reducing the number of staff & staff overloading' (35.3%), 'no contract renewal of shorter or seasonal contracts' (25.5%), 'salary cuts and salary payment' (9.8%), 'total establishment or partial closure' (7.8%), 'dismissal of staff' (2%), 'working team reduction' (2%), among others (Table 1).

Table 1. Most Positive and Negative Measures Implemented by Hotel and Restaurants in the Context of Public Policy

	Positive Measures		Negative Measures
1º	Maintenance of employment strategies (20,2%)	1º	Staff shortening & overloading (35,3%)
2º	Clean & Safe (19,1%)	2º	No contract renewal shorter or seasonal contracts (25,5%)
3º	Layoff (14,5%)	3º	Changes in working schedules (11,8%)
4º	New Organisational efficacy (extending opening hours, flexible human resources staff training) (8,1%)	4º	Salary cuts and salary payment (9,8%)
5º	Adopt state recovery & guidelines (6,4%)	5º	Establishment total or partial closure (7,8%)

6º	Client safety & contingency plans (5,8%) Takeaway implementation & new menus (5,8%)	6º	Cutting workers' benefits (2%) No jobs offer (2%) Dismiss staff (2%) Weak company communication with workers (2%) Slow implementation of measures (2%) Non sustainable practices (2%) Working teams' reduction (2%) Compulsory holidays (2%)
7º	Remote work (4,4%) Salaries and workers' rights assured (4,4%)		
8º	Waste reduction (2,3%)		
9º	Building maintenance (1,7%) New digital marketing (1,7%) Hiring staff over summer & keep open (1,7%)		
10º	Checking on staff mental health (1,2%)		
11º	Keep open (0,6%) Focus on quality (0,6%)		

Source: Own Elaboration

4.2 Suggestions for the Government

The interviewees voiced suggestions for the government on how to manage Covid-19 and its effect on the tourism industry (Figure 2). It is worth noting that the main suggestions were intended to encourage better state actions during the Covid-19 pandemic and to value the lessons learned for future crises.

The suggestions could be categorised into four wide policy areas: 1. income-generating support measures, 2. cost reductions, 3. legal framework, and 4. health and safety.

Figure 2. Suggestions for the Government of Portugal on Providing Support for Employment in the Algarve's Hospitality Sector, 2021

Source: Own Elaboration

The most mentioned suggestion sprang up within the scope of income-generating support measures, loans and guarantees and income-providing relaunch schemes. Some interview extracts, within the framework of the node 'Give effective support to enterprises' (11%), were mainly associated with 'financial investment' and various resources provided for tourism:

> 'The government has helped our company, but it wasn't enough to keep it going, and we have had our mother company helping us out, but the longer this goes on, the more companies will fail.' (hotel director, interview 46)

> 'In this pandemic the government opened credits for the small and medium businesses as support trade (…). But we need more financing support.' (restaurant pastry shop employee, interview 40)

Additionally, and associated with the economic dimension and prospects for transforming the vulnerable structure of the Algarve economy, suggestions concerned the 'diversification of the regional economy' and 'improvement of sustainable practices' (12%); 'stimulate job creation' (4.8%), 'support national products' (4.8%), 'help local economy' (2.4%) and 'support internal tourism' (2.4%) were specified.

Within the framework of 'cost reductions', suggestions associated with employment support and tax-related interventions were also highlighted. The first was more closely related to measures such as 'support scheme paying wages', 'postponement of labour market contributions' and 'social security taxes reduction'. The second was closely associated with measures such as 'tax-related interventions (tax-relief SME)', 'postponement of VAT and tax payments', 'exemption from production tax' and 'tax relief for self-employed'. The most salient recommendation in this context was 'less taxes on business' (12%). The following extracts illustrate these points:

> '… for hotels, which pay several taxes, there should be a reduction or a relaxation in the levies charged from companies that were the most affected by the pandemics.' (hotel and restaurant general director, interview 38)

> 'There are more and more government taxes, and consequently a growing burden on profits, … so taxes should be lower during the pandemic context.' (hotel director, interview 51)

> 'It seems to me that the state's support could go further, either by decreasing the VAT or by decreasing the corporate income tax in order to alleviate their financial pressure.' (hotel director, interview 52)

> 'What the government could do was to reduce fiscal burden, namely the reduction of social security taxes and VAT.' (restaurant employee, interview 24)

In the domain of legal frameworks and bureaucracy and processes, a set of suggestions was prominent: continue lockdown & get rules right (9.52%), be clearer and more coherent (7.14%); extend moratorium period (4.76%), honour promises (4.76%), adopt better managed rules (2.38%), and ease bureaucracy (2.38%).

A set of interviews highlighted lessons to be learnt in future policymaking, namely transparency and equal access to information about funding and financing, as follows:

> 'The supports were not given in an equal way cross all the companies. Small and micro entrepreneurs have had great difficulties in gaining state support, which is unfair.' (hotel head of reception, interview 16)

> 'I have immense difficulties in understanding what supports will really help.' (restaurant owner, interview 65)

> 'In relation to supports for workers and managing partners, there was not the same criterion for providing the supports.' (restaurant employer, interview 47)

Regarding health and safety protocols (more masks, gloves, gowns, food packaging and other protective equipment), in addition to the extraordinary measures applied and the seal 'Clean & Safe', interviewees singled out the need to 'accelerate vaccination' (4.76%).

4.3 Threats, Opportunities and Forecasts

As the OECD (2020) proposed in the document titled 'Mitigating the impact of COVID-19 on tourism and supporting recovery', rethinking tourism leads to a reflection on identified threats and opportunities in the face of Covid. A selection of threats to and opportunities for tourism in the Algarve were also identified in the interviews (Table 2).

The main threats, mentioned in more than 50% of the references, were associated with employment uncertainty and unemployment linked with the provisional loss of revenues. The main opportunities were associated with innovation, namely new products, and services ('takeaway and home delivery' [16%], new markets, new clients, new job organisation, new and sustainable health and safety practices, new tools (emphasis on digital/online/virtual) and new company solidarity practices (Table 2).

Table 2 . Threats and Opportunities

Threats to Labour Market		Labour Market Opportunities	
1º	Uncertainty in labour market (27,7%)	1º	Take away and home delivery (16%) No opinion (16%)
2º	Unemployment (23,2%)	2º	Job creation, rotation & temporary jobs (9%) New emergent markets & selection of clients (9%)
3º	Lack of revenues (8,9%)	3º	Service upgrade and automatic check- in (7%)
4º	Lower demand & hotel number reduction (8%)	4º	Online businesses, training online & remote work (6%)
5º	Closing of frontiers (6,2%)	5º	Positive vaccination & controlling pandemics (5%) New focus on health & safety and use of outdoor spaces (5%) Private chef home cooking (5%)
6º	Seasonality of tourism (6%)	6º	Innovation, differentiation & wine tourism (4%) Improved marketing & less market concurrence (4%)
7º	Poor working conditions (3,6%) Lack of preventive management (3,6%)	7º	Qualified workers available & better pool of workers (3%) Staff training & progress in companies (3%) Open new business & more micro businesses (3%) Catering for new market segments (3%)
8º	Reduction in jobs contract period (1,8%) Reduction in working hours (1,8%) Decline in standards of services (1,8%) Uncontrolled pandemics (1,8%) Restrictive policies in outbound markets (1,8%) Bankruptcy (1,8%) Lockdown threat (1,8%) Buying power decreased (1,8%) Workers adaptation difficulties (1,8%)	8º	Greater union in hotel sector & team solidarity (2%)
9º	Long length recovery (0,9%)		

Source: Own Elaboration

4.4 Forecasts

As observed, forecasts were associated with 'positive expectations' (30.2%), 'company's future' (28.8%), 'negative expectations' (22.3%), 'differentiation between councils' (7.9%), 'individual professional expectations' (5.8%), 'territorial planning & management' (2.9%) and 'vaccination program dependency' (2.2%).

Forecasting was split between positive (30.2%) and negative (22.3%) expectations. The positive were categorised referred to the following: 'Algarve tourism will diversify', 'clients will overcome fear'. there will be a 'fast recovery', 'national market will grow', 'offers will improve', 'Portugal will benefit from being a secure country', 'sports events will be promoted', 'tourist operators will promote the destination' and 'the number of young tourists will rise'. The positive prognoses maintained that 'Algarve tourism will diversify' and 'the Algarve will recover fast'. The Negative points highlighted were 'excessive dependence on tourism', 'excessive numbers of workers', 'jobs in hotels will be temporary', 'length of stay will decrease', 'long recovery' and there will be 'problems similar to the 2012 crisis'. The negative projections pointed out the expectation of a 'long recovery' (10.8%). The business context was associated with the 'company's future'

(28.8%) and also envisaged 'hope in future' (12.2%) ('Algarve tourism will diversify, and the national market will grow') followed by a perception of uncertainty, 'the future is uncertain' (7.9%). Furthermore, but less incisive, there were also 'individual and professional expectations' (5.8%), 'the need for territorial planning and management' (2.9%) and 'vaccination dependency' (2.2%), which were also underlined in the context of future trends.

5. Discussion

The virus leads to the government intervention, where fiscal policies are highlighted, which demands some consideration of the Keynesian response, which tends recurrently to be applied in crisis contexts. As Skidelsky (2020, p. 345) suggested: "Keynes was for emergencies only. And we have the same reaction today".

Algarvean entrepreneurs and employees not only incorporate objective considerations but also subjective ones. Since the marginal efficiency of capital is at the centre of the investment decision and therefore at the centre of the problem related to employment (due to the role of investment in effective demand), it takes into account partially subjective assessments regarding the evolution of demand and costs. It turns out that Keynes replaces an interdependence scheme with a causal scheme, where macroeconomic functions are linked together. Consequently, there's the highlighting of the affirmation of the need for state intervention to correct permanent imbalances, of which underemployment is clearly the most visible. In fact, it is up to the state, through economic policies, to ensure that effective demand is sufficient to maintain full employment (Bremond, 1987).

State intervention must ensure a level of activity compatible with the full employment of the workforce. Keynes, once said 'The political problem of mankind is to combine three things: economic efficiency, social justice and individual liberty' (Padilla, 2020, p. 3). In a Covid context, as hitherto underlined (i) the Covid-19 virus may cause a supply–demand doom loop in the absence of a strong macroeconomic response; (ii) conventional monetary policy on its own is unlikely to reverse the loop; (iii) governments will have to adopt expansionary fiscal policies; and (iv) the success of those fiscal stimuluses will depend, among other things, on the competitiveness of their economies—i.e. the degree of market power in product and services markets (Padilla, 2020, p. 2). Additionally, as Liu et al. (2021) underlined it's important to consider not only intra but also the post-coronavirus, in order to enhance, in the future, a more sustainable tourism development.

Accordingly, the paper results put in evidence that employers and employees tend to underline the importance of government intervention. In this framework, government role should be aligned with 'spent money freely to keep up the incomes of millions of people prevented from working' (Skidelsky, 2020, p. 346). This may lead to a large number of people changing their industry to go where the cash flow is quicker. This global exodus could have a severe impact on the talent pool and may not recover until confidence is reinforced by employers and governments alike. Only through a compassionate approach taken by businesses can the workforce be saved (Dogra, 2020). Opportunities to upgrade the skill set, are namely: up-skill, re-skill, other innovations, and continuous education.

In line with the last paragraph assumption, one of the policy areas pointed by hospitality employers and employees was "income-generating support measures". Additionally, among the opportunities perceived they also underline: innovation, differentiation, qualified workers available & better pool of workers, staff training & progress in companies, catering for new market segments.

In the other hand, due to the crisis period, cost reductions, financial measures (see Jomo & Chowdhury, 2020), consideration of new legal framework (see Michálková & Gáll, 2021), and introduction of health and safety measures are pointed out by Algarvean inquiries in the context of macro, meso and micro levels (see Baum, Kralj, Robinson, & Solnet, 2016).

6. Conclusions and Implications

Covid-19 has impacted the hospitality industry in a severe way. The Algarve region, known for the high contribution of the T&T industry to total GDP, experienced a significant downward slope in business per-

formance. This led to high employment impacts, both short and long-term, linked to uncertainty, vulnerability, subemployment, precarity and unemployment. In this context, the call for a governmental policy response to mitigate the impacts of Covid-19 on the hospitality industry reinforced the need for intervention in numerous areas, such as fiscal, financial, legal, health, innovation, and sustainability, among others.

Within this framework, the interviews with Algarvean hospitality employers and employees showed very high and high Covid-19 impacts (91.2%) due to companies' 'temporary closures', 'demand and supply reductions', 'job cuts', and 'no new or renewed contracts, among other situations. Most interviewees felt quantitative and qualitative job insecurity. They felt not only threats in the context of their individual job in the near future but also weakened quality in labour relationships.

The government support was underlined as good. Nevertheless, some interviewees asked for additional measures, as they considered the actual aid 'insufficient' and 'late'.

The suggestions for government intervention were highlighted in four wide policy areas, namely income-generating support measures seeking effective support for enterprises and chiefly associated with 'financial investment'. Cost reductions based on measures such as 'support scheme paying wages', 'postponement of labour market contributions' and 'social security taxes reduction' were also considered highly. The legal framework and health and safety, highlighted through the 'Clean & Safe' certification, was also stressed.

Regarding threats, employers and employees singled out employment uncertainty and unemployment as associated with provisional loss of revenues. On the other hand, concerning opportunities innovation stood out: new products and services, new markets, new clients, new job organisation, new and sustainable health and safety practices, new tools (emphasis on digital/online/virtual) and new company solidarity practices, among others.

This study has some limitations due its focus on a narrow period of a couple of months, coinciding with the second lockdown in the Algarve. Additional coverage of subsequent times during the pandemic would have been helpful to guarantee a more valid and reliable picture of how employers and employees perceived the recovery from the most critical moments in which governmental aid was deemed crucial.

In this context, a follow-up to this study should focus on various times during the pandemic to capture the gradual opening of the economy and the decrease in restrictive measures for businesses. A more continuous and regular line of research should be implemented to understand the impact of Covid-19 on employment, taking into consideration the evolution of the pandemic along with the containment measures. In this way, this line of research should also consider low and high seasons (due to the high tourism seasonality in the Algarve) and the Covid-19 numbers of the main outbound tourist markets. Such an approach to employment in the hospitality industry could facilitate an analysis of the shifts in perceptions regarding the labour market situation. Additionally, a systematic and periodic evaluation or monitorization of hospitality employment characteristics should be developed to access emerging challenges to employment in the hospitality industry overtime.

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