

# Leisure & Hospitality Employment Update

This monthly presentation focuses on the  
Leisure & Hospitality (L&H) industry

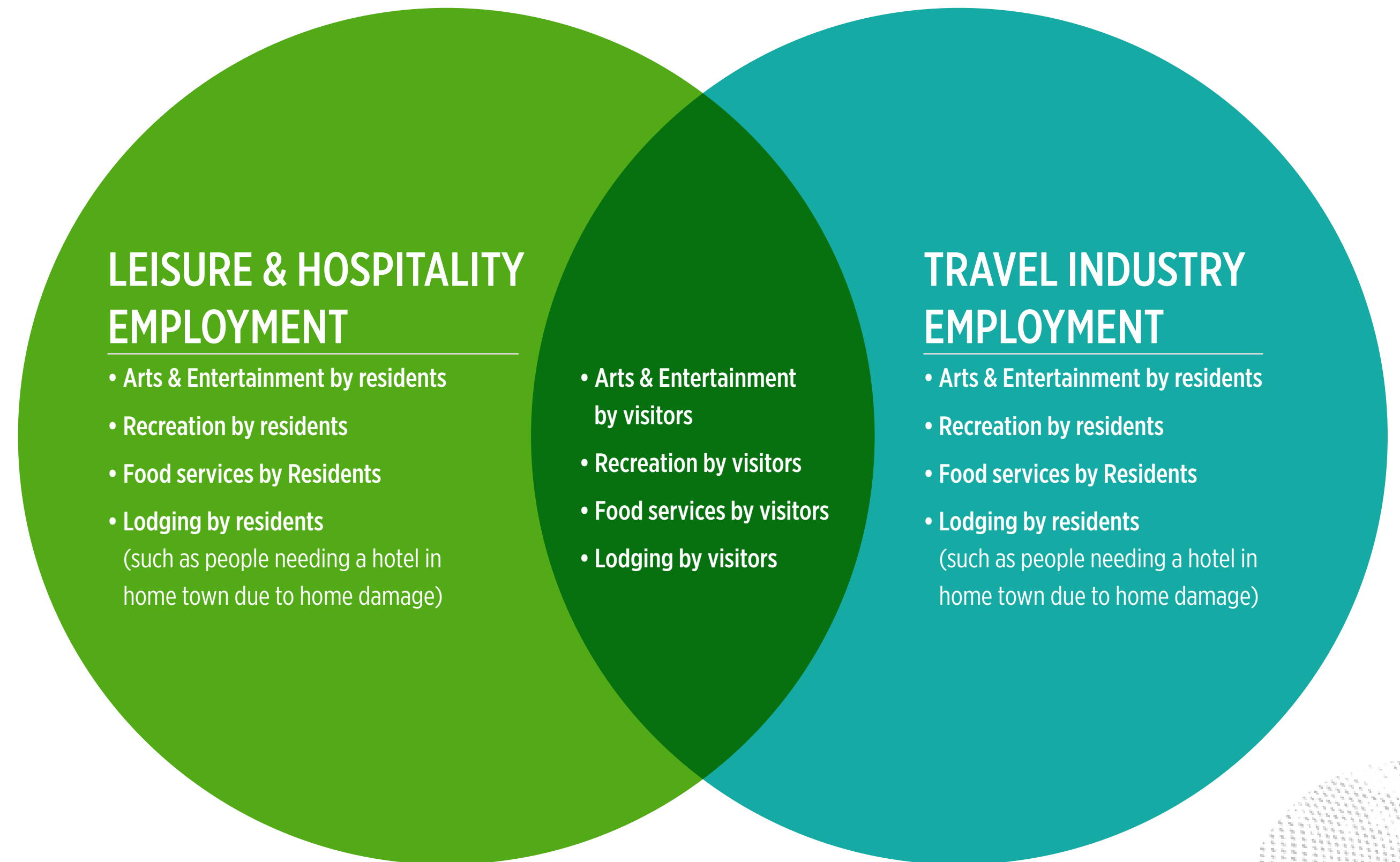
NOVEMBER 2022 UPDATE

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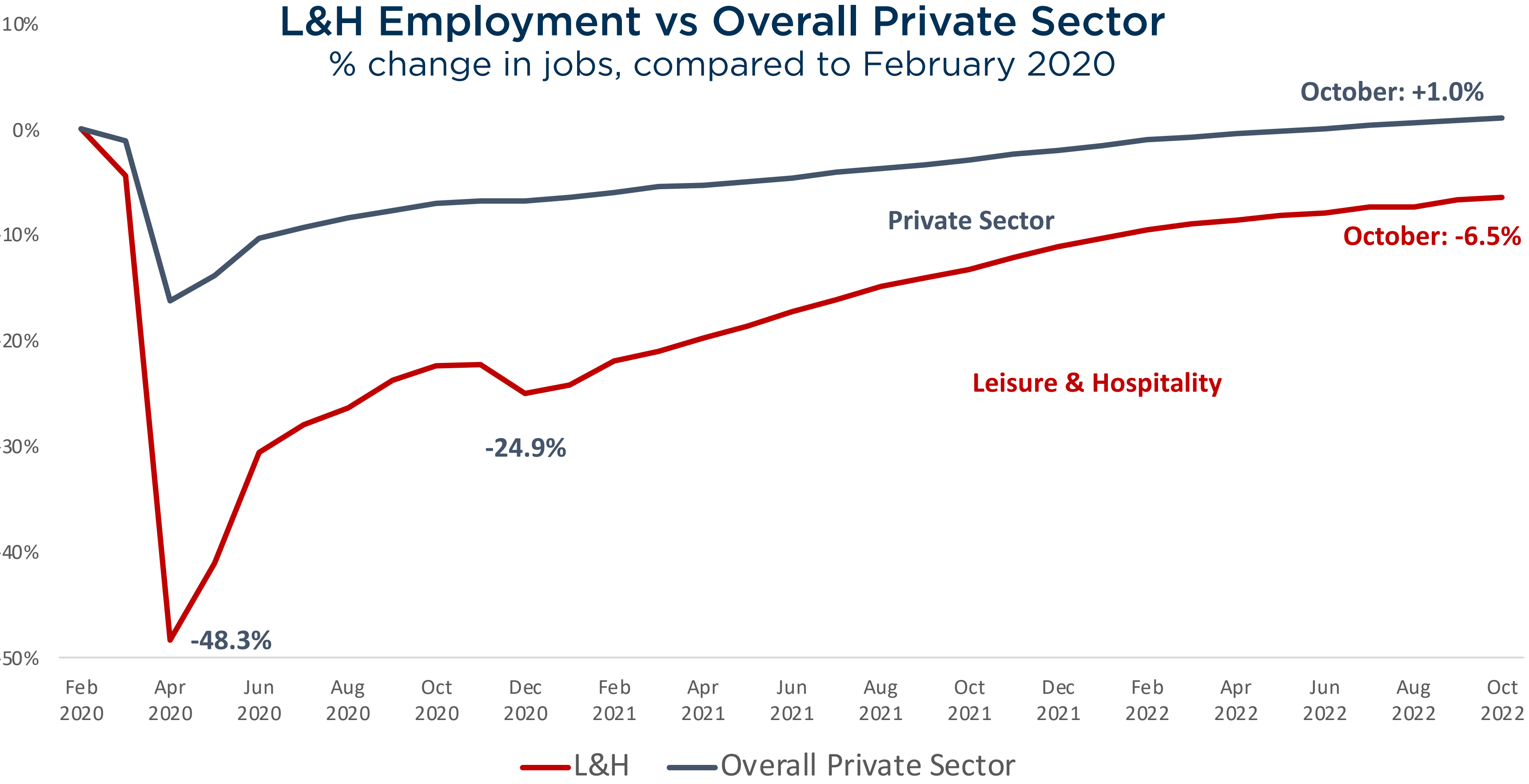
# Leisure & Hospitality employment: November 2022 update (September–October data)

This presentation focuses on the Leisure & Hospitality (L&H) industry as defined by the [Bureau of Labor Statistics](#).

We use it as a proxy for the travel industry as they have historically followed similar trends. Since the onset of the pandemic, however, the travel industry has suffered even greater losses than L&H. Please refer to [this fact sheet](#) for a short summary of the major differences between the L&H and travel industries.



# Leisure & Hospitality (L&H) employment remains 6.5% below pre-pandemic levels

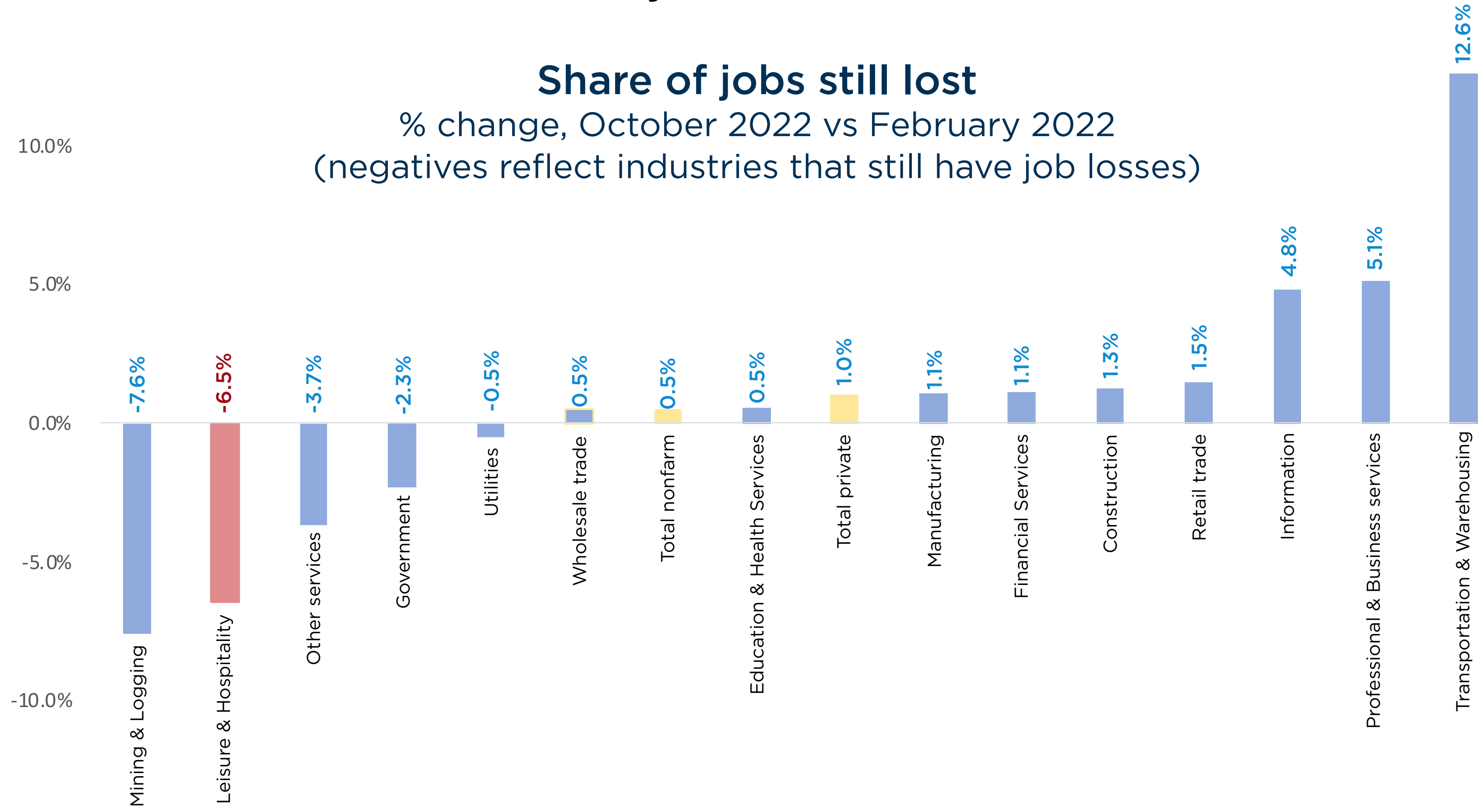


Despite continued growth, L&H employment remains far below pre-pandemic levels.

After an increase of just 35,000 jobs in October 2022, L&H was still 6.5% below February 2020 levels—an **equivalent of 1.1 million jobs are still lost.**

Source: BLS

# L&H is suffering from the second-highest share of jobs still lost of all major industries

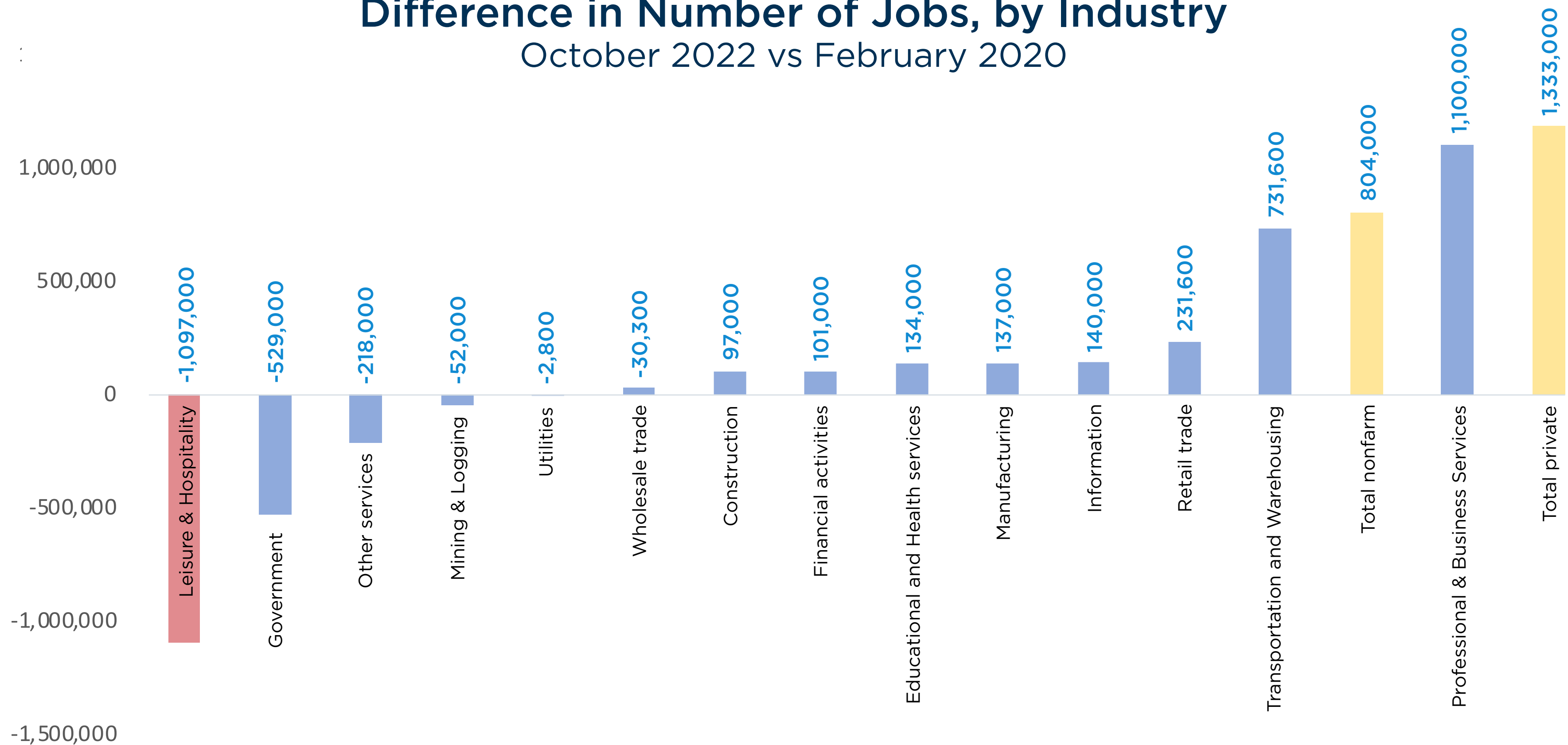


While L&H employment remained 6.5% below pre-pandemic levels, the overall economy has fully recovered (+0.5%) and the overall private sector, which includes L&H, was up 1.0%. Only mining & logging had a higher share of jobs still lost.

Source: BLS

# As well as the largest absolute *number* of jobs still lost

**Difference in Number of Jobs, by Industry**  
October 2022 vs February 2020



L&H, by far, has the largest number of jobs still lost (1.1 M).

Many sectors have already surpassed pre-pandemic levels.

In fact, the overall private sector is UP by 1.3 million jobs, even after taking into account the loss of L&H jobs.

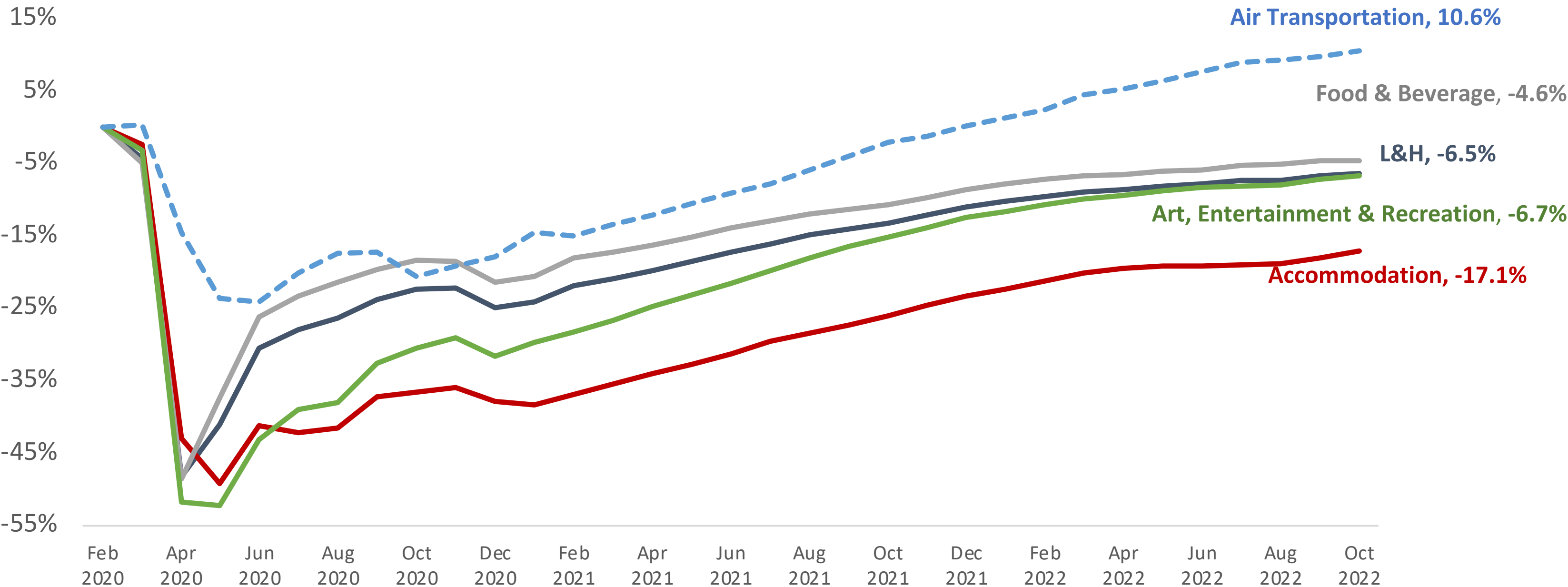
Source: BLS

# Within L&H, accommodation is the furthest behind

## Share of jobs lost in L&H and its sub-industries

(plus Air Transportation)

% change in jobs, compared to February 2020



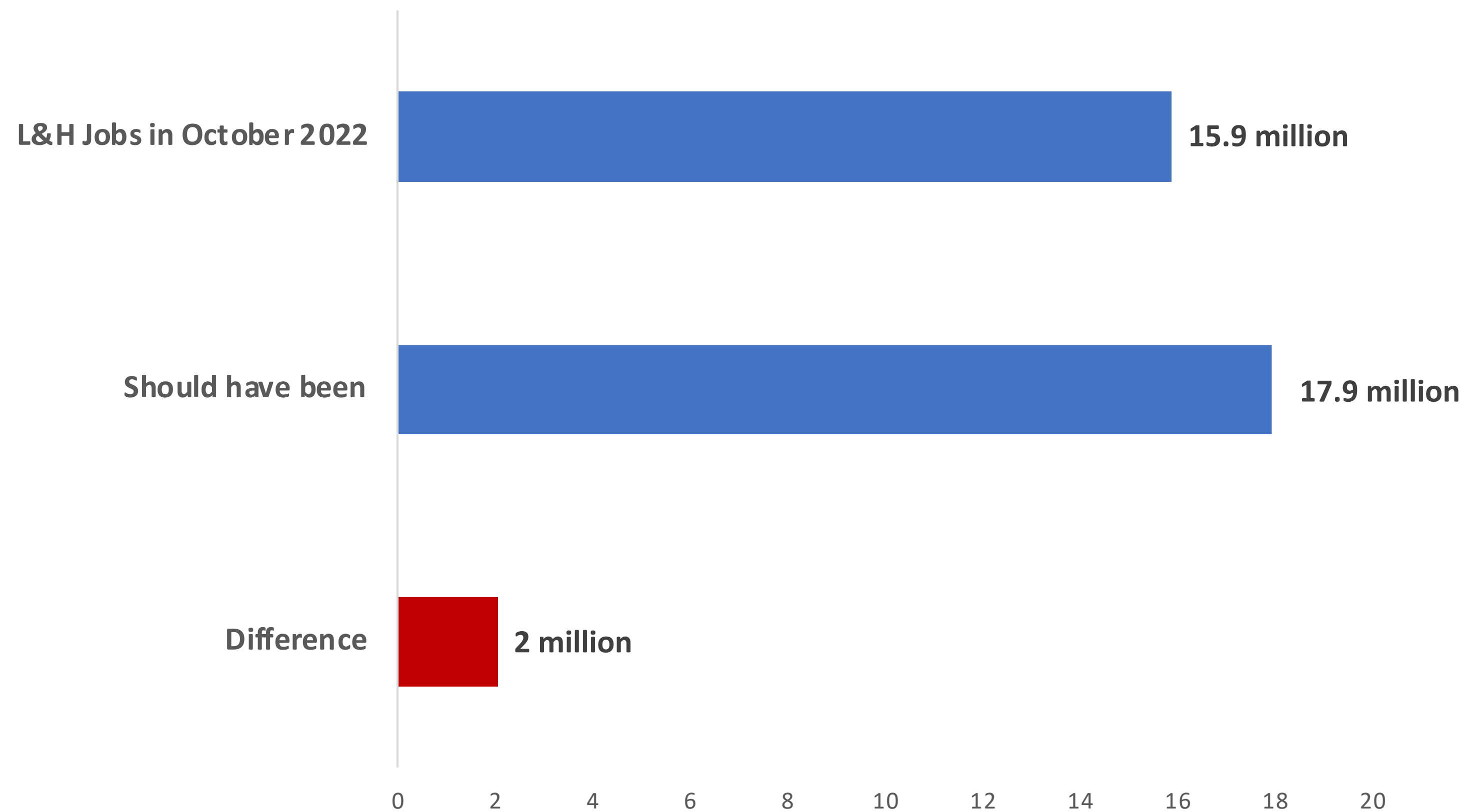
While Food & Beverage employment—which is also supported by local spending—was just 4.6% below pre-pandemic levels in October, Arts, Entertainment & Recreation was at -6.7% and Accommodation was at -17.1%.

On the other hand, Air Transportation employment (not part of L&H) was UP by 10.6%. However, regardless of the complete recovery in terms of jobs in this sector, staffing problems at airports persist and many airlines are having a difficult time training pilots as fast as they are needed.

Source: BLS

# L&H is even further behind from 'where it should have been'

## L&H jobs and where they 'should have been'



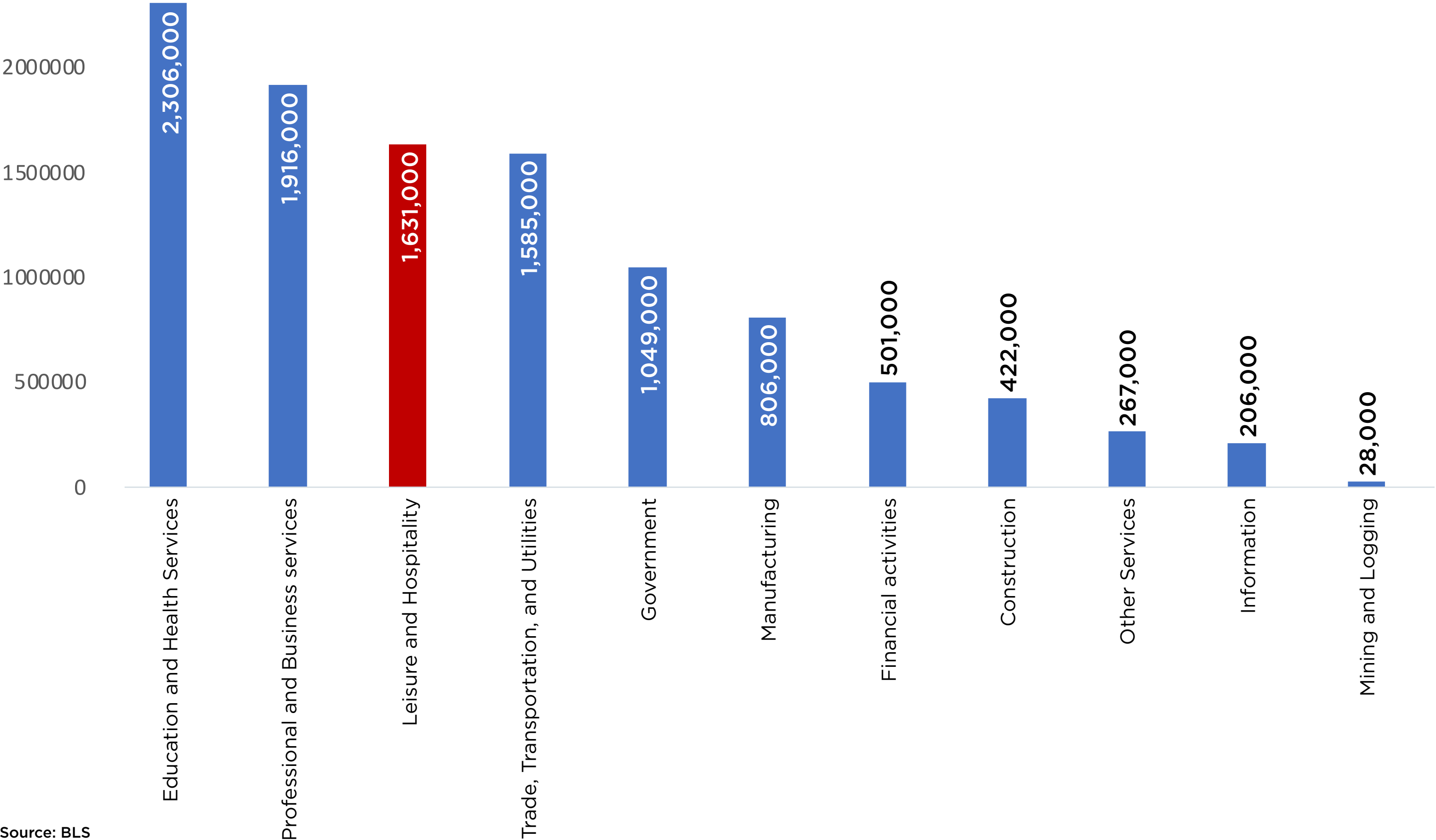
L&H jobs have grown, on average, by 2.5% in the five years prior to the pandemic.

If this growth would have continued, there should have been 17.9 million L&H jobs in October 2022. Instead, there were just 15.9 million, a **difference of 2 million jobs.**

In other words, L&H employment **remained 11.4% below** where it should have been in October 2022.

# But the problem isn't a lack of openings

### Job openings by industry, September 2022



Source: BLS

With 1.6 million job openings in September (latest avail.), L&H accounts for a disproportionate 15% of all U.S. job openings (10.7 M).

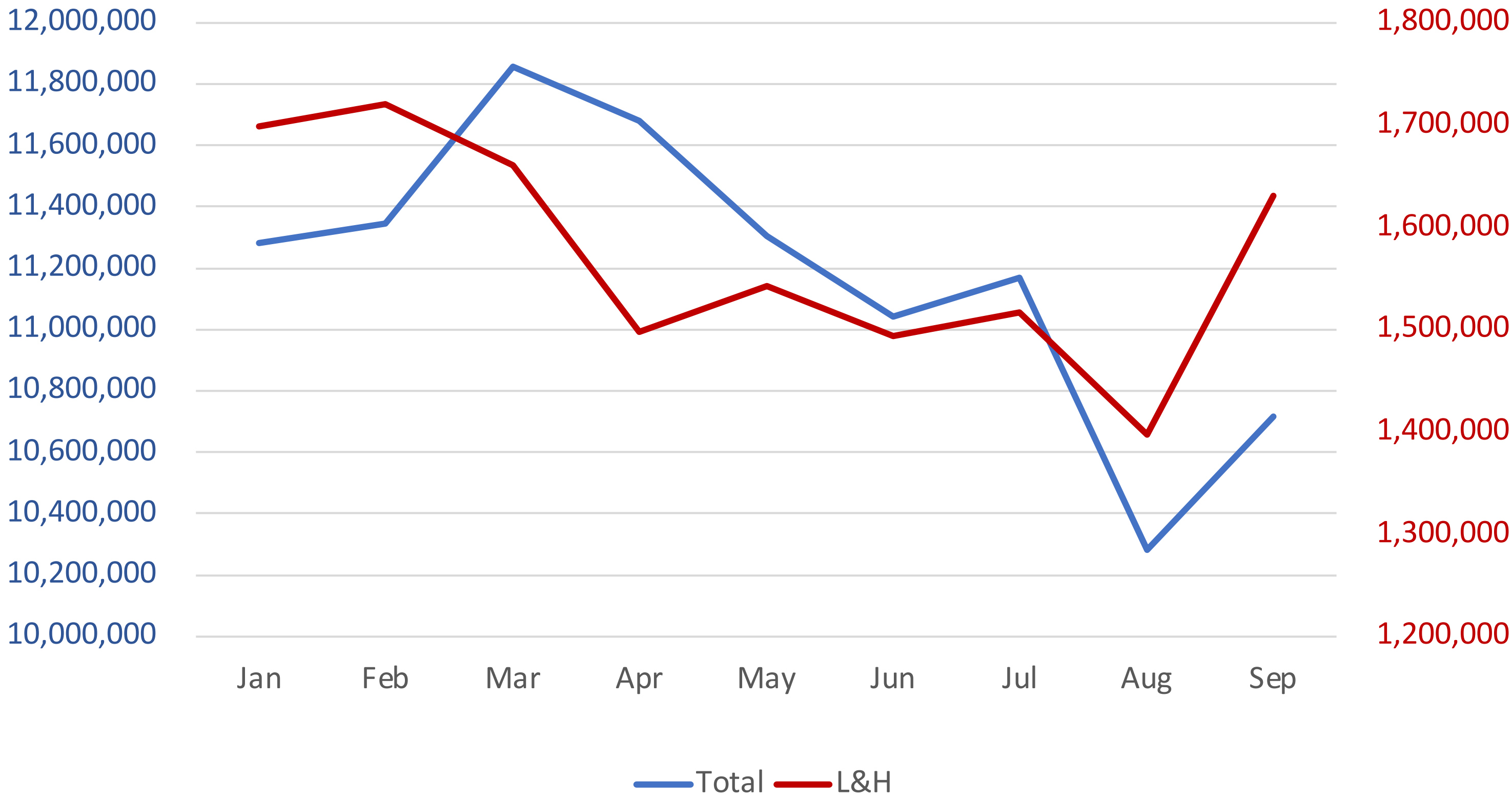
But **while many industries have now nearly or fully recovered and are posting job openings focused on growth, L&H is desperately seeking to fill jobs just to recover to where it was in 2019** (as it remained 1.1 million jobs behind). *Filling* these positions, however, has been a challenge.

Please Note: Job openings and quits data lags the overall employment data released by BLS by one month. The latest data available, as of November 3, was for September 2022.



# Openings have grown substantially in September

**Number of Job Openings for L&H and Total U.S. Economy**  
January - September 2022



After decreasing in August, total U.S. job openings and L&H openings both increased in September.

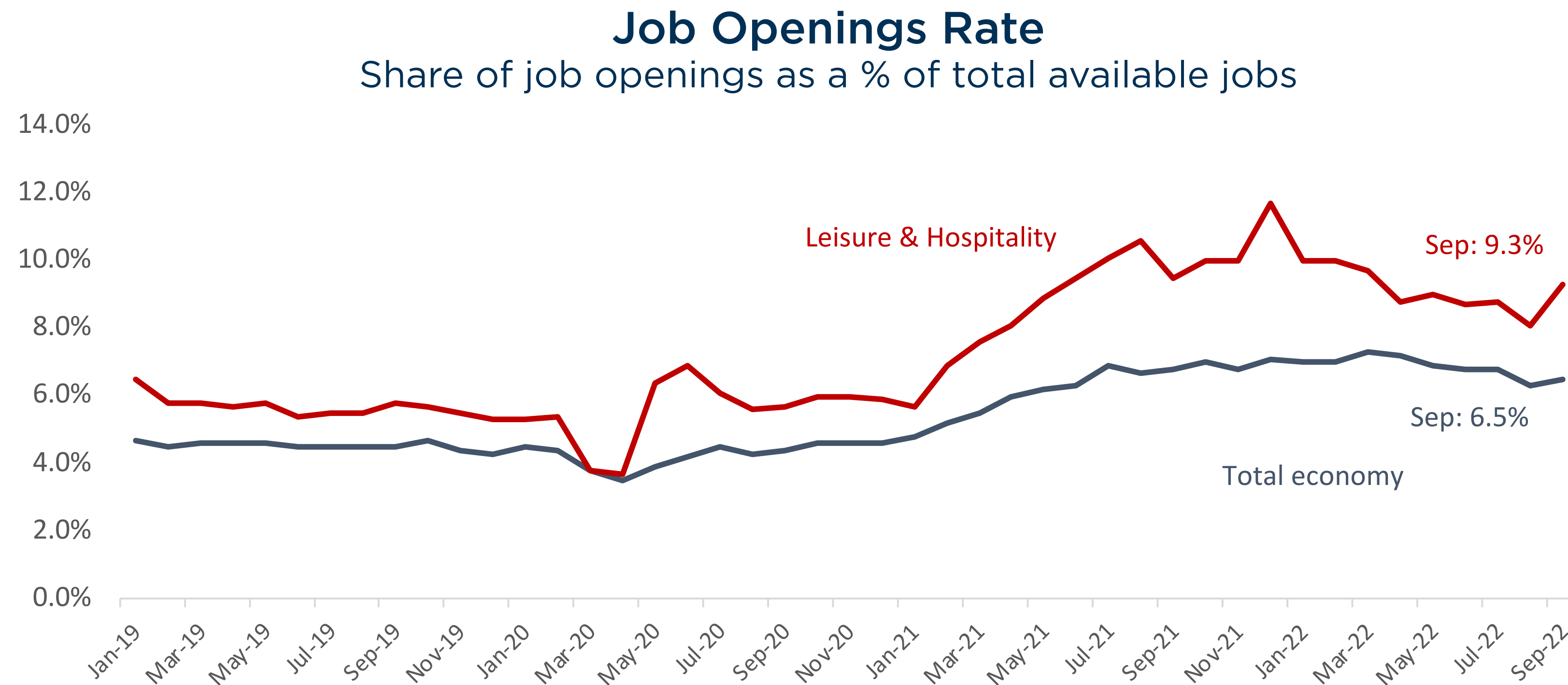
But L&H openings, which increased from 1.4 million to 1.6 million, grew much faster (+17%) than those of the overall economy (+4%).

While total job openings in September were still below July levels, **L&H openings reached their highest levels since March.**

**The industry is not only seeking to return to pre-pandemic job levels but is positioned to grow.**

Source: BLS

# L&H job openings *rate* continues to surpass that of the overall economy



The share of L&H job openings (out of total available L&H jobs) increased dramatically from 5.7% in January 2021 to 11.7% in December 2021. After falling for a couple of months, it increased again, to 9.3%, in September 2022.

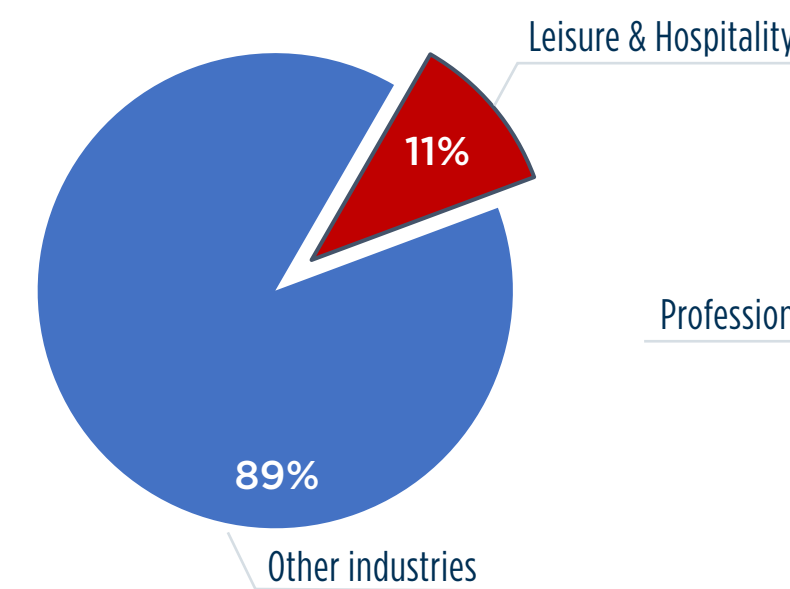
This compares to a 6.5% openings rate for the overall economy.

# L&H accounts for a disproportionate share of total U.S. job openings

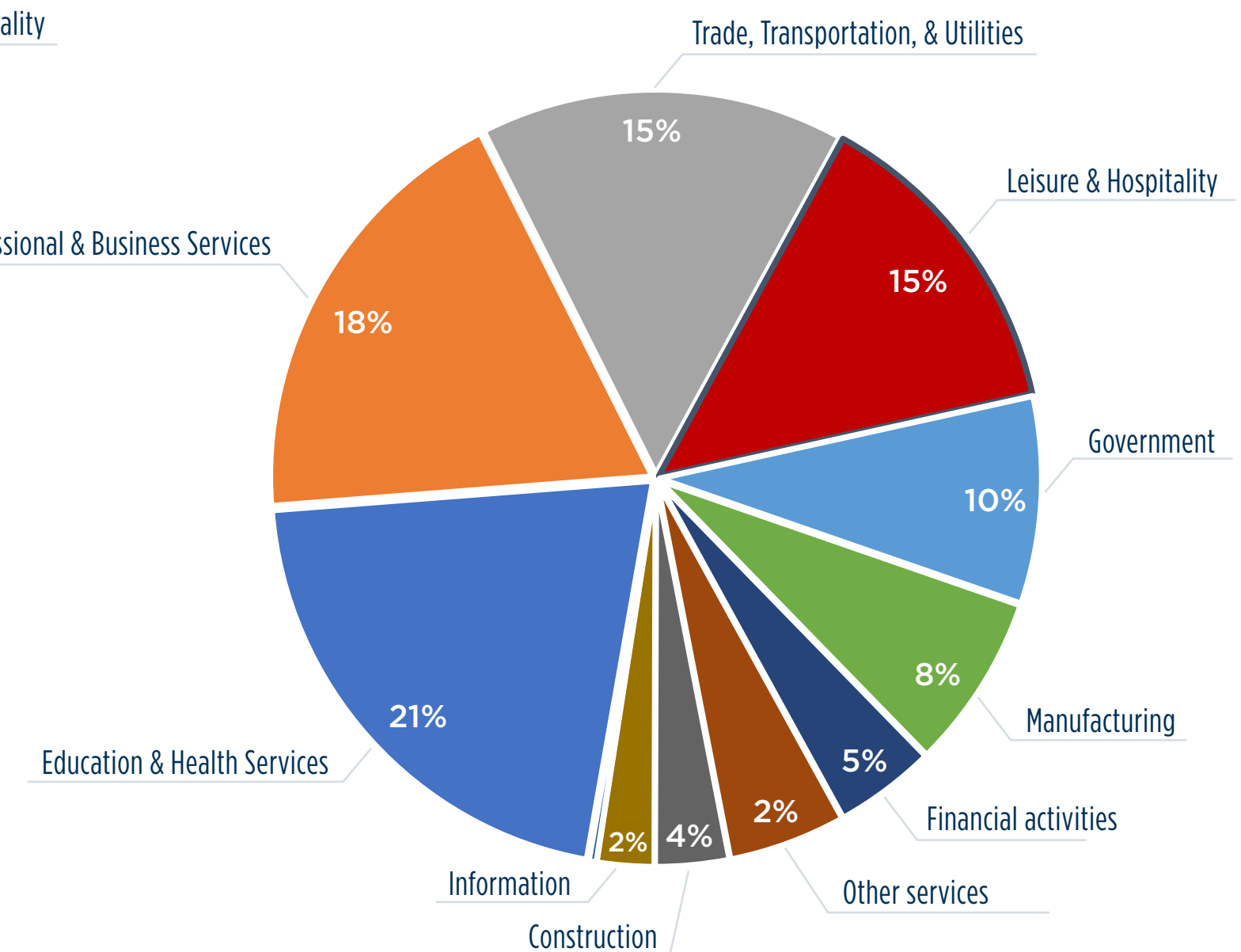
In September 2022, L&H—which accounted for 11% of pre-pandemic U.S. employment—accounted for 15% of U.S. openings.

In other words, the 1.6 million L&H openings **accounted for roughly one-in-seven** of the 10.7 million total U.S. job openings.

L&H Share of pre-pandemic jobs was 11%

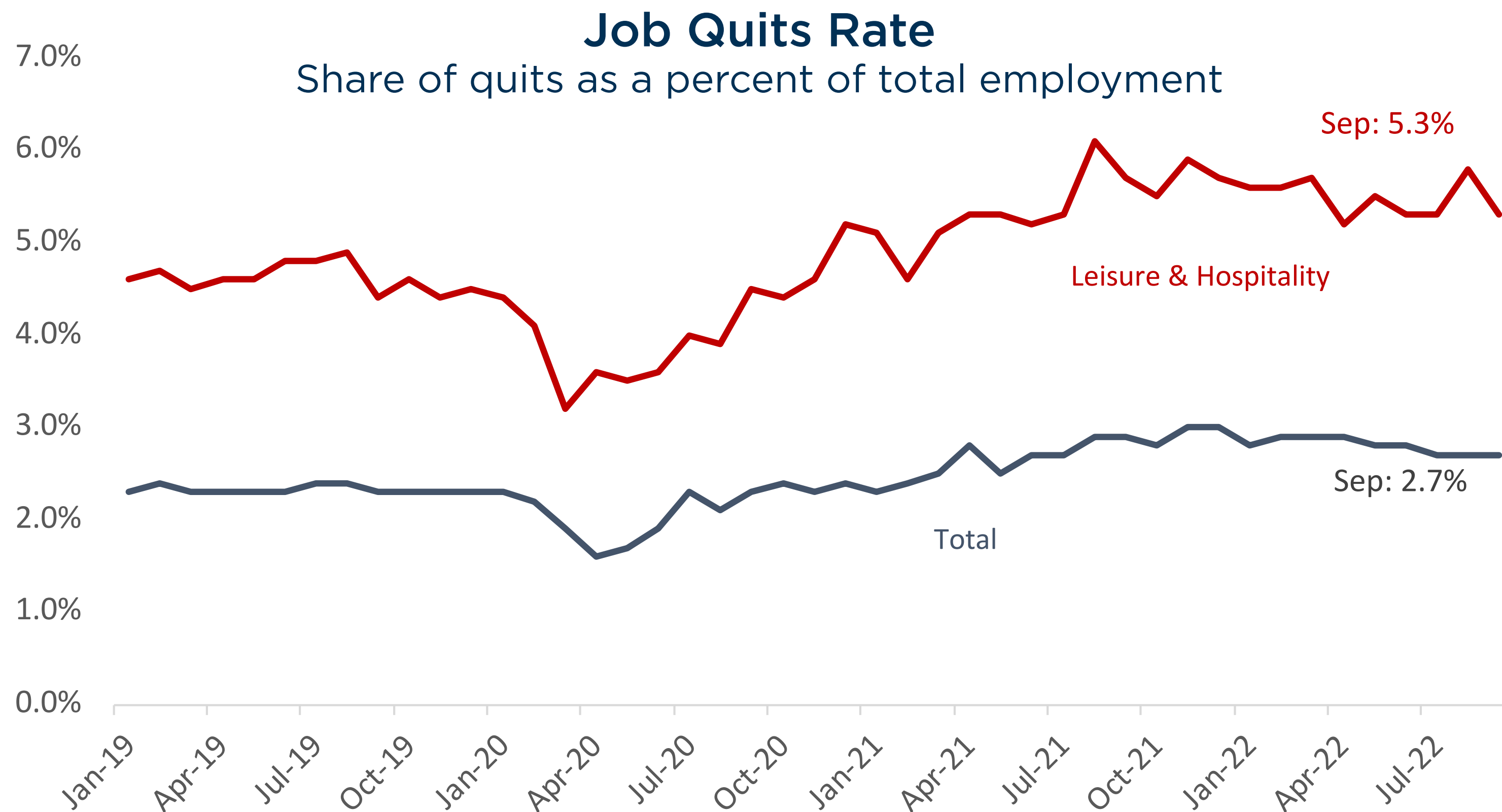


L&H still accounted for 15% of all U.S. job openings in September 2022



Source: BLS

# L&H has experienced a surge in “job quits” as a result of the pandemic, and its “job quits rate” remains substantially higher than that of the overall economy



Source: BLS

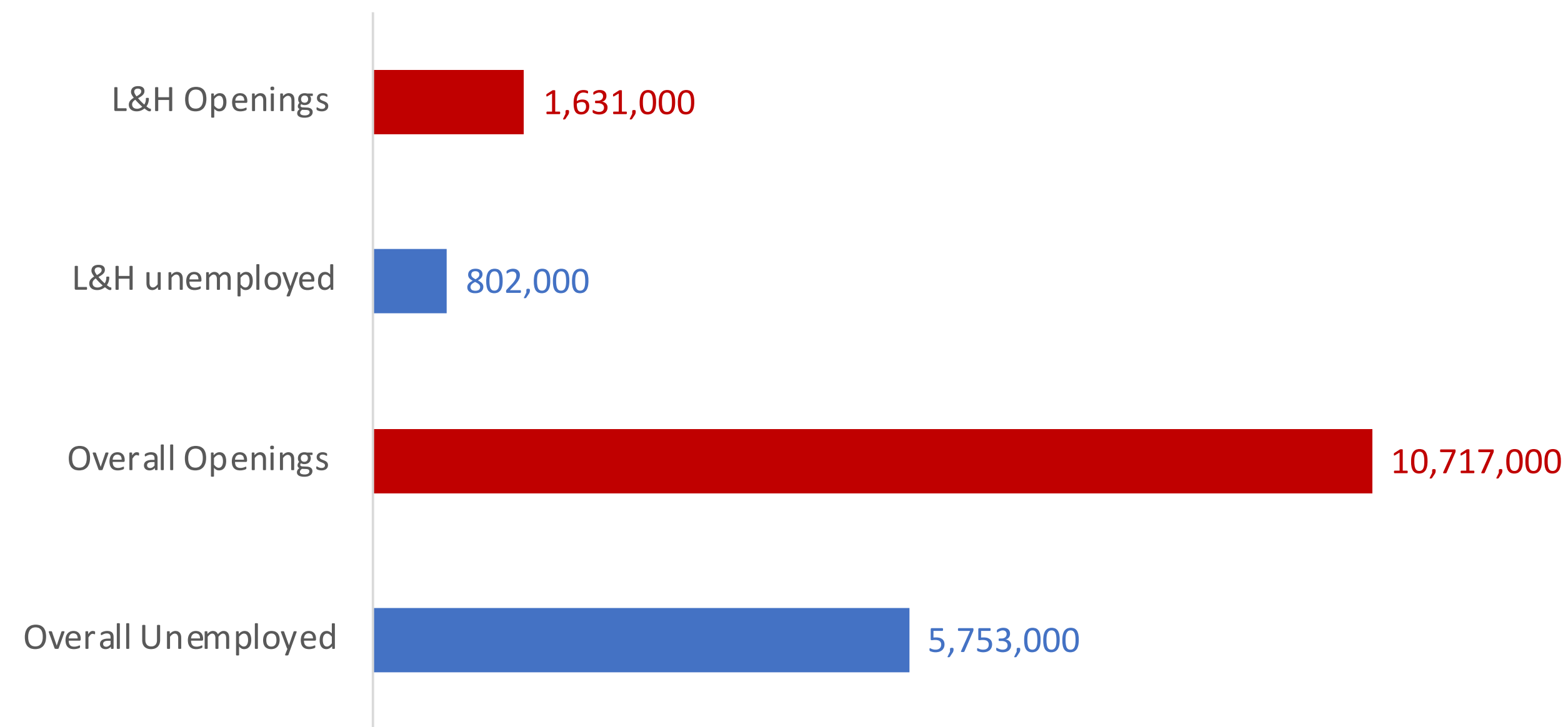
**The “job quits rate” for L&H decreased from August but remained elevated at 5.3% in September. This compares to 2.7% for the overall economy.**

844,000 L&H workers quit their jobs in September, **which represents a disproportionate 21%** of the 4.1 million Americans who quit their jobs.

With such high quit rates, and so many other job options, it has been difficult to hire additional works.

# There are not enough unemployed people to fill new positions

Number of unemployed vs job openings, September 2022



Source: BLS

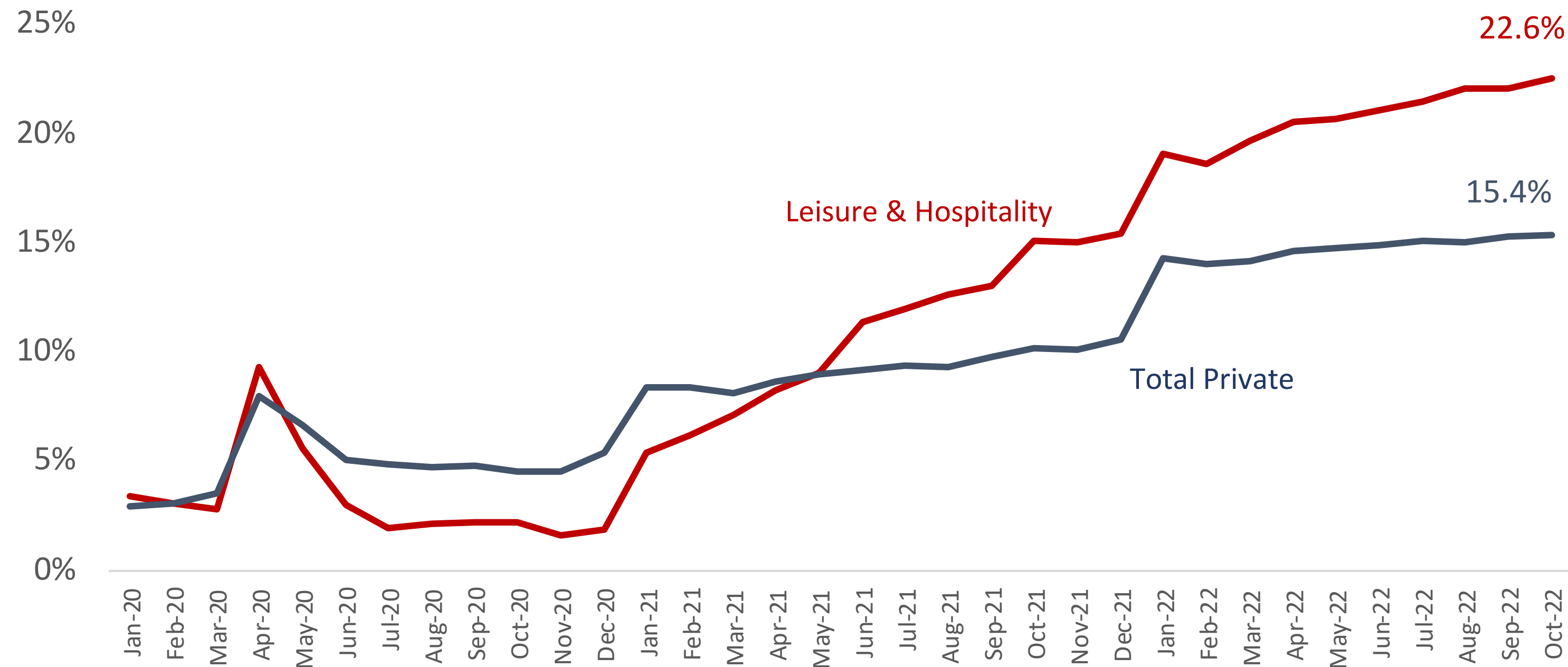
**The number of openings within L&H far exceeds the number of unemployed Americans who previously worked within L&H** (and remain within the labor force).

The overall economy is suffering from the same crisis (10.7 million openings and just 5.8 million unemployed). Even if every unemployed American took a job right now, we would still have 5 million job openings. **For every 100 openings, there are only 54 unemployed workers.**

To get our labor force back to pre-COVID levels, the travel industry must, therefore, not only be competitive and recruit from the general U.S. population but will also need workers from outside the country.

# Average L&H wages have surged as the industry must compete for a limited number of workers

**Average Hourly Earnings**  
% change relative to same month in 2019



**L&H wages grew significantly since the end of 2020, from \$17.12 in December 2020 to \$20.43 in October 2022.**

This compares to an average of \$32.58 for the total private sector.

L&H wages were 23% above 2019 levels in October 2022 (and +6% YOY) while overall private sector wages were 15% above 2019 levels (and +5% YOY).