

TRAVEL INDUSTRY EMPLOYMENT THROUGH APRIL 2021

Prepared for:
U.S. Travel Association



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HISTORICALLY STRONG JOB GROWTH IN LEISURE & HOSPITALITY AND TRAVEL

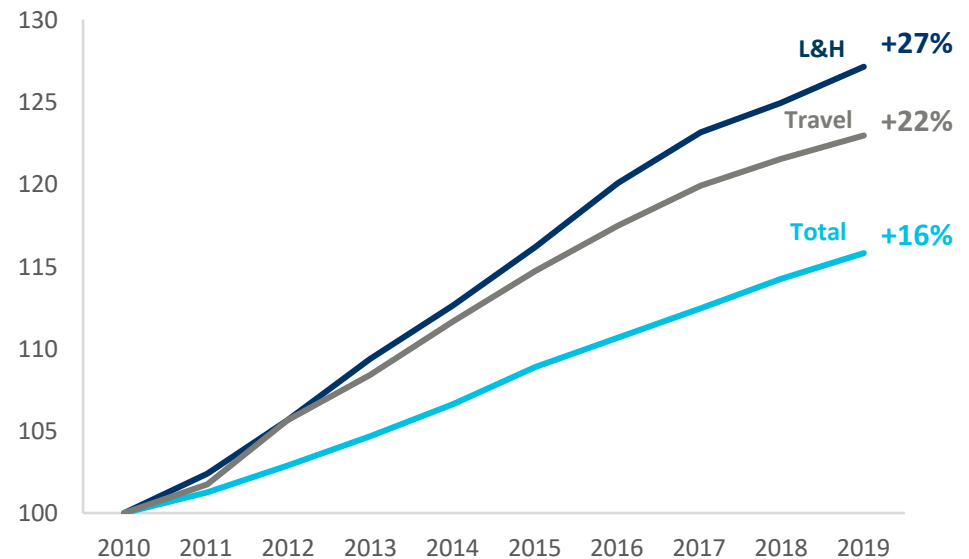
Travel-related industries generally outpaced the overall US economy over the past decade. Employment in the leisure and hospitality (L&H) sector expanded 27% from 2010-2019 while total US economy employment grew just 16%.

L&H employment includes the accommodation, food & beverage, and arts, entertainment, & recreation sectors. While L&H encompasses both visitor and local resident activity, the overlap with the travel sector is significant.

Travel-supported employment also includes transportation industries, which reside outside of the leisure & hospitality sector. Direct travel-supported employment also outpaced overall US employment, growing 22% from 2010-2019.

Travel employment in the United States

Index (2010=100)

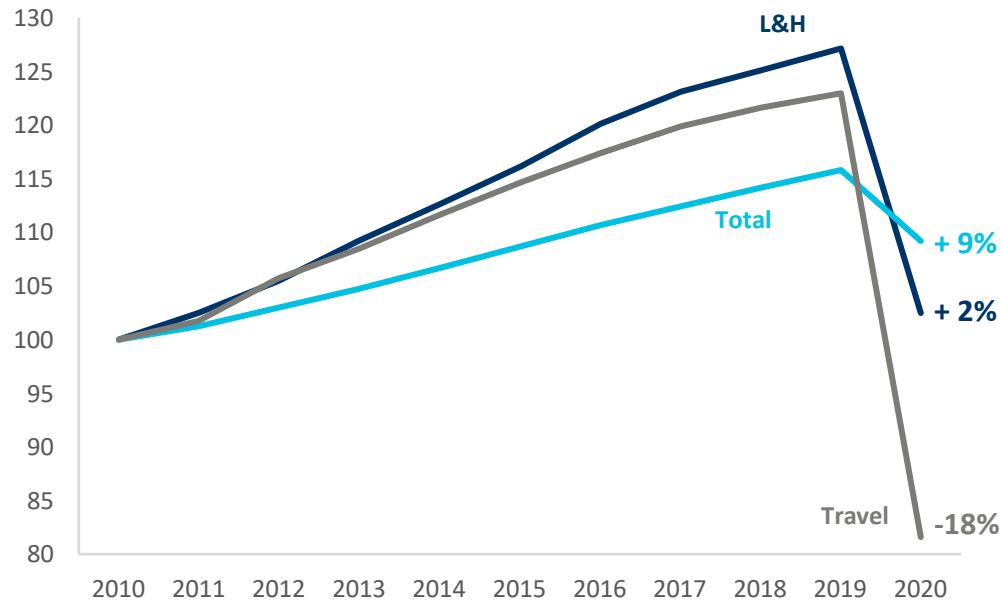


Source: BLS

TRAVEL EMPLOYMENT PLUNGED IN 2020 – FALLING TO 18% BELOW ITS 2010 LEVEL

Travel employment in United States

Index (2010=100)



Source: BLS

ONE-IN-SIX L&H INDUSTRY JOBS HAVE BEEN LOST

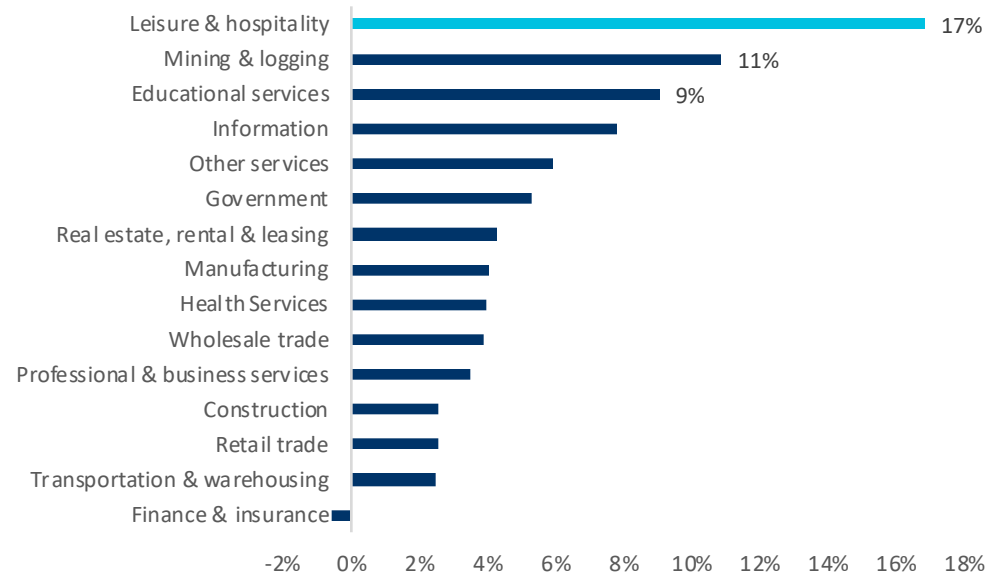
Nearly half of the 16.9 million jobs in the Leisure & Hospitality industry, as defined by the North American Industry Classification System (NAICS), were lost in March and April 2020.

While 4.9 million jobs were restored between April and November 2020, more than 500,000 L&H jobs were lost in December 2020 and January 2021.

Bolstered primarily by gains in the Food & Beverage sub-industry, L&H recovered 950,000 jobs between February 2021 and April 2021. As of the April 2021 jobs report, Leisure & Hospitality employment remains 17% below February 2020 levels; this is six percentage points more than the next most hard-hit industry.

Share of jobs lost in major industries

% of industry jobs lost from Feb. 2020-Apr. 2021



Source: BLS

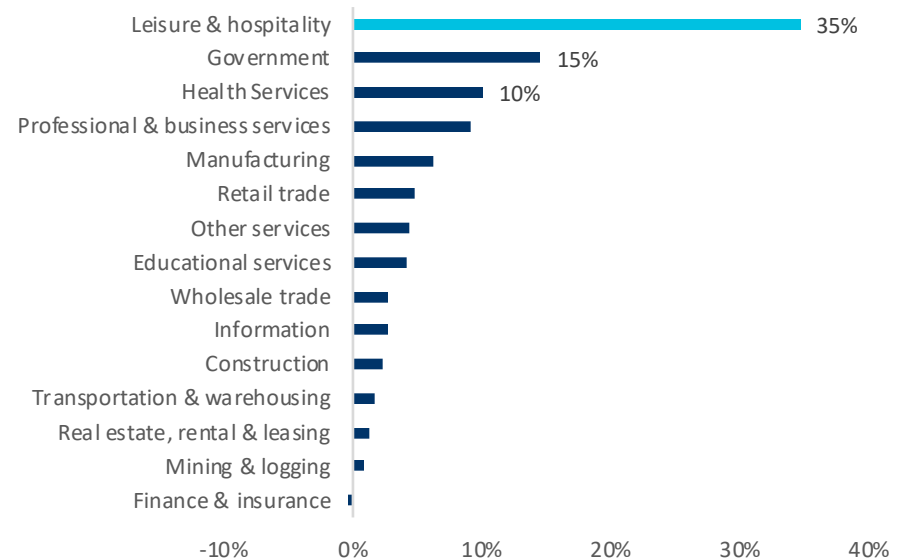
L&H REPRESENTS THE LARGEST SHARE OF US EMPLOYMENT LOSSES

The Leisure & Hospitality industry accounted for 11% of pre-pandemic employment in the United States yet has suffered 35% of all job losses between February 2020 and April 2021.

While still more than double that of the industry with the next highest share of jobs losses, this is a moderate improvement compared to the lows L&H experienced in the winter months, which peaked in January 2021 with L&H registering 39% of all jobs lost to that point.

Share of total US employment loss by industry

% of all US jobs lost from Feb. 2020-Apr. 2021



Source: BLS

GAP BETWEEN L&H AND OVERALL ECONOMY NARROWED IN APRIL

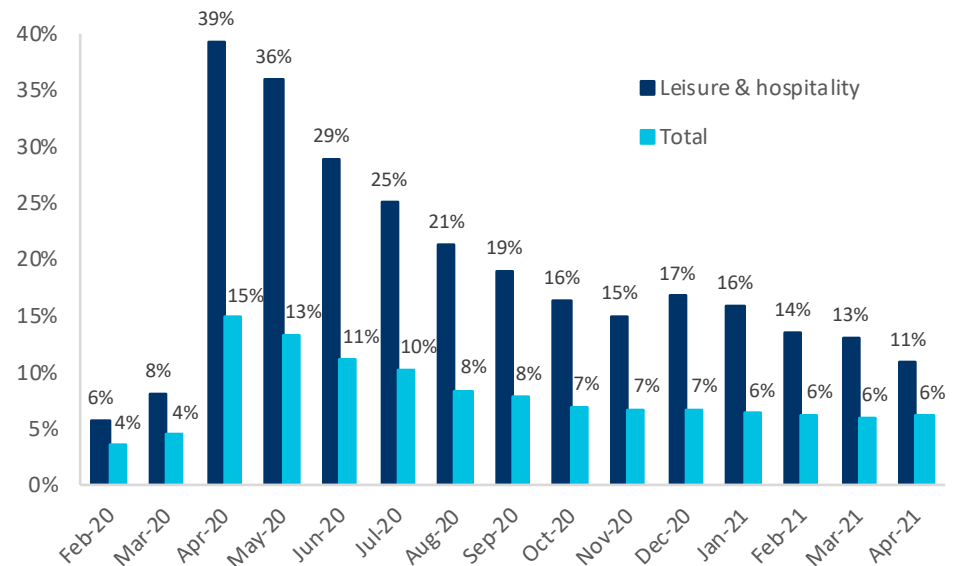
Employment in the Leisure & Hospitality industry grew 331,000 in April. Despite these gains, losses in other industries, such as Professional & Business Services (-79,000 jobs) and Transportation & Warehousing (-74,000 jobs), led to the economy overall adding a mere 266,000 jobs.

Within the L&H sector, the Food & Beverage sub-industry continues to lead the recovery, accounting for 187,000 of the 331,000 new L&H jobs.

The national unemployment rate in April edged up from 6.0% to 6.1%. Due to its drastic overperformance of the overall job market in April, the L&H industry's unemployment rate fell from 13.0% to 10.8%.

Unemployment rate

%



Source: BLS

GAINING MOMENTUM IN UNDERPERFORMING SUB-INDUSTRIES

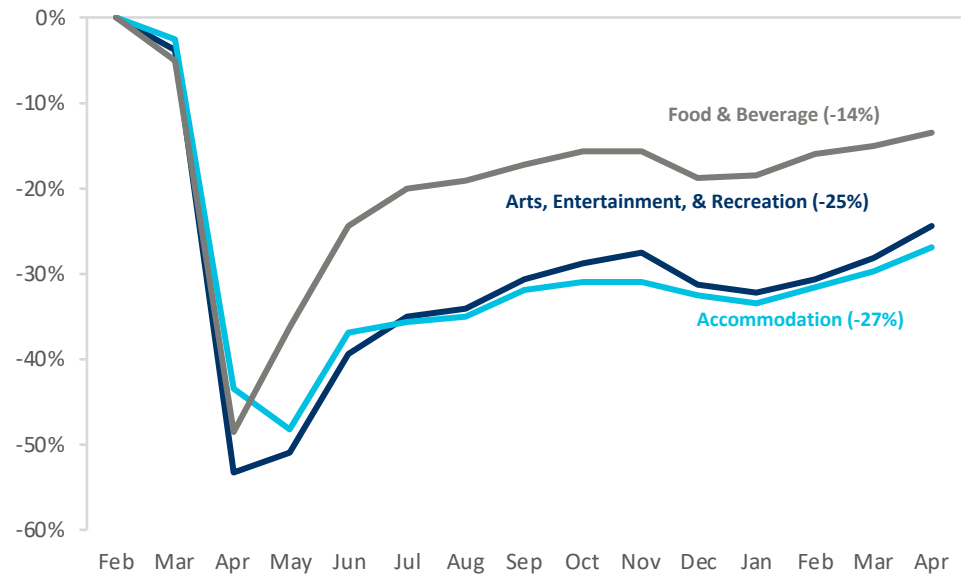
All three L&H sub-industries experienced an uptick in employment in April, reaching new pandemic-era highs.

The Food & Beverage segment has outperformed the other L&H sub-sectors due to the resiliency of local demand insulating it from the loss of travel demand.

However, the continued easing of pandemic-related restrictions in many parts of the country produced positive momentum in the Arts, Entertainment, and Recreation and Accommodation segments, which have seen their share of jobs lost improve by seven and six percentage points, respectively, since the start of 2021.

Share of jobs lost in L&H sub-industries

% of industry jobs lost from February 2020



Source: BLS

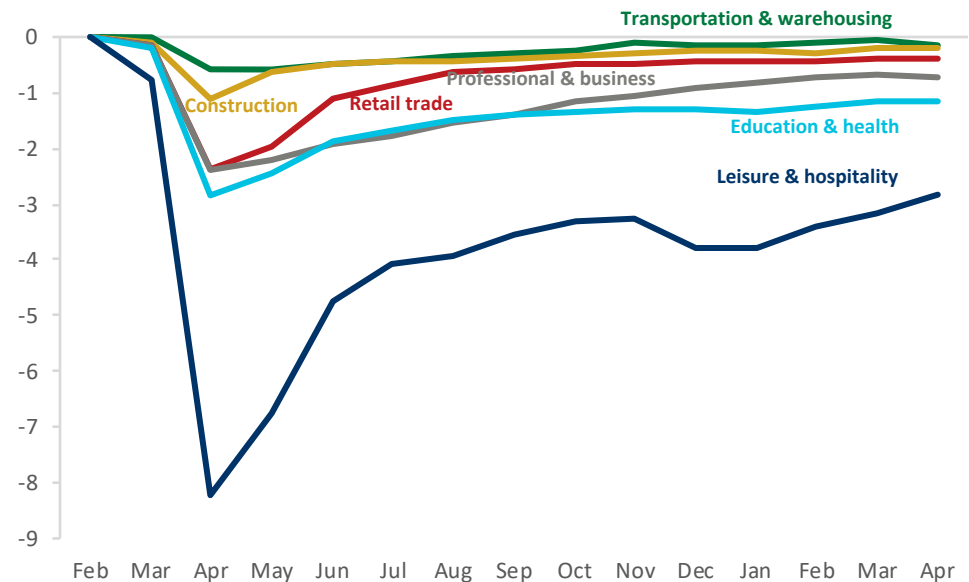
INDICATORS POINTING TO A QUICKENED L&H RECOVERY IN SUMMER

While the L&H industry added 950,000 jobs over the past three months, it continues to be the worst performing sector since the onset of the pandemic.

Continued vaccinations, massive fiscal stimulus, and warmer weather will form a powerful catalyst to economic growth. COVID-19 variants and rapid state re-openings raise the risk of a backsliding recovery, but the health crisis appears increasingly contained and economic conditions are positioned to drive significant pent-up demand for leisure travel in the coming months.

Other industries are recovering

Change in total jobs from Feb. 2020, millions of jobs



Source: BLS

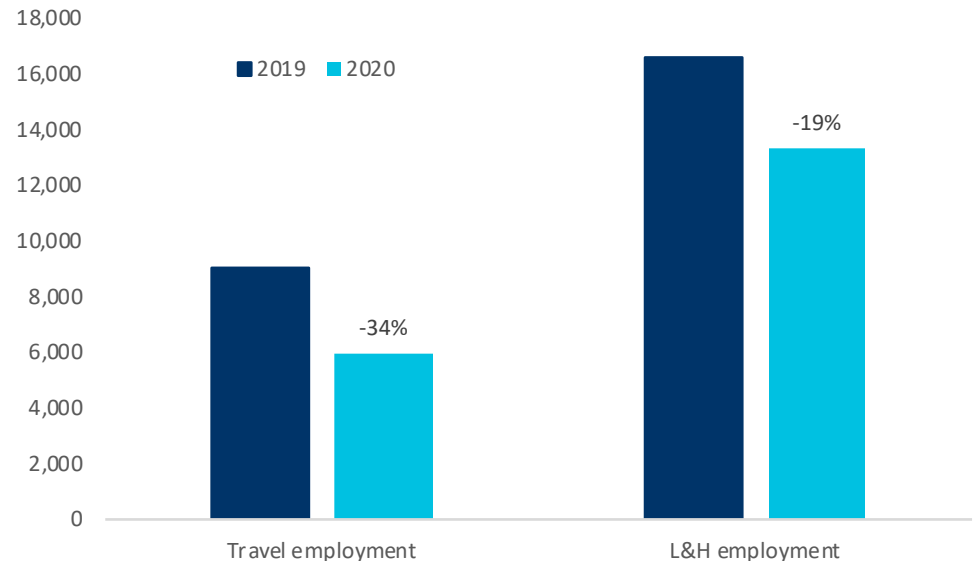
TRAVEL EMPLOYMENT HAS UNDERPERFORMED L&H SINCE THE ONSET OF THE PANDEMIC

While L&H employment growth approximates travel employment growth in a normal year, 2020 has proved to be an exception. The prolonged collapse in travel demand and the subsequently quick rebound in local demand led the L&H employment situation to appear less dire than the reality of the travel industry.

In 2020, direct travel jobs fell 34%, 15 percentage points more than L&H's 19% decline over the same time period. The broader classification of L&H and its sub-industries, such that local demand is included, results in relatively subdued employment declines compared to the travel industry.

Travel and L&H employment

Thousands of jobs



Source: BLS, Tourism Economics

Employment situation Jobs (thousands)			
Industry	Jobs lost (Feb. 2020- Apr. 2021)	% of jobs lost (Feb. 2020-Apr. 2021)	% of all jobs lost (Feb. 2020-Apr. 2021)
Mining & logging	-75	-11%	1%
Construction	-196	-3%	2%
Manufacturing	-515	-4%	6%
Wholesale trade	-228	-4%	3%
Retail trade	-400	-3%	5%
Transportation & warehousing	-142	-2%	2%
Information	-227	-8%	3%
Finance & insurance	39	1%	0%
Real estate, rental & leasing	-101	-4%	1%
Professional & business services	-748	-3%	9%
Educational services	-342	-9%	4%
Health Services	-828	-4%	10%
Leisure & hospitality	-2,848	-17%	35%
Arts, entertainment, and recreation	-614	-25%	7%
Accommodation	-569	-27%	7%
Food services and drinking places	-1,666	-14%	20%
Other services	-352	-6%	4%
Government	-1,198	-5%	15%
Total economy	-8,215	-5%	100%

Source: BLS

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- Global travel data-sets with the broadest set of country, city, and state coverage available
- Travel forecasts that are directly linked to the economic and demographic outlook for origins and destinations
- Economic impact analysis that highlights the value of visitors, events, developments, and industry segments
- Policy analysis that informs critical funding, taxation, and travel facilitation decisions
- Market assessments that define market allocation and investment decisions

Tourism Economics operates out of regional headquarters in Philadelphia and Oxford, with offices in Belfast, Buenos Aires, Dubai, Frankfurt, and Ontario.

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