

TRAVEL INDUSTRY EMPLOYMENT THROUGH MARCH 2021

Prepared for:
U.S. Travel Association



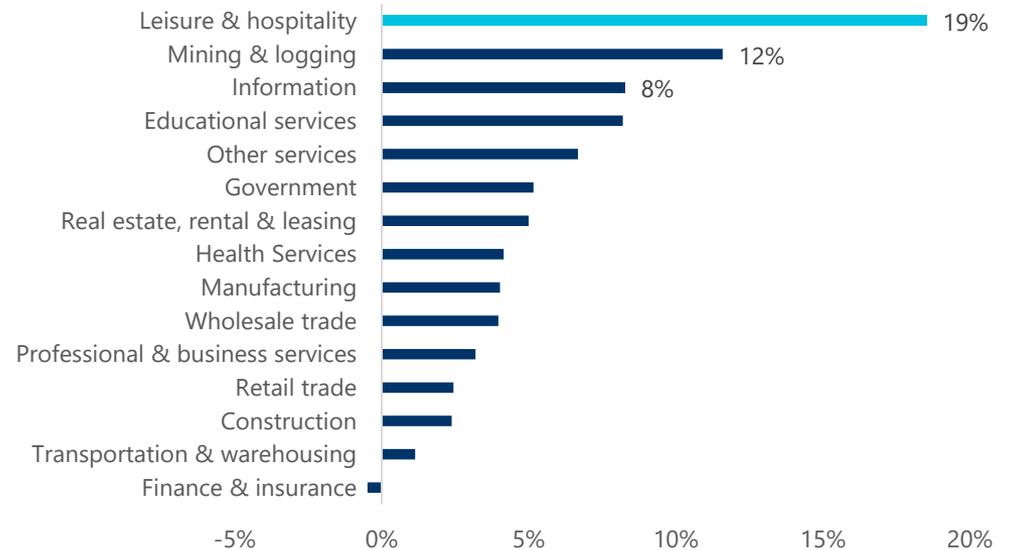
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NEARLY ONE-FIFTH OF L&H INDUSTRY JOBS LOST

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. While 4.9 million jobs had been created or restored between April and November, over 500,000 L&H jobs were lost in December and January. Bolstered primarily by gains in the Food & Beverage sub-industry, L&H recovered nearly 700,000 jobs in February and March. This results in 19% fewer Leisure & Hospitality jobs than in February 2020 – seven percentage points more than the next most hard-hit industry.

Share of jobs lost in major industries

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



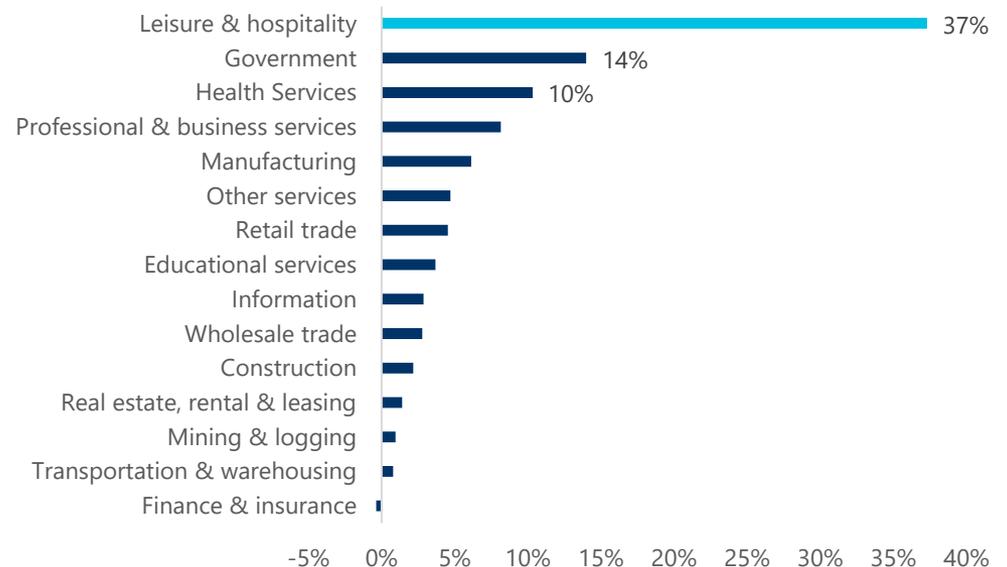
Source: BLS

L&H SUFFERING DISPROPORTIONATE EMPLOYMENT LOSSES

The Leisure & Hospitality industry accounted for 11% of pre-pandemic employment in the United States, yet has suffered 37% of all job losses between February 2020 and March 2021. While this is a slight improvement compared to L&H's 39% share of all job losses seen through January 2021, it did edge upwards 0.7% compared to last month.

Share of total US employment loss by industry

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



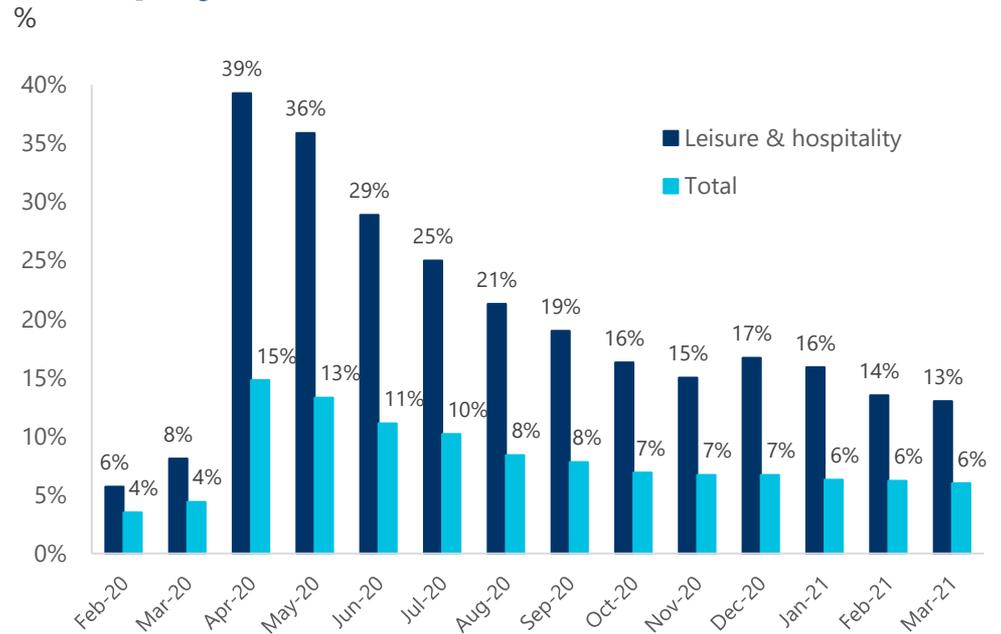
Source: BLS

MODERATE PROGRESS IN MARCH

The Leisure & Hospitality industry accounted for about 31% of all new jobs in March, equating to 280,000 of the 916,000 total new jobs. The Food & Beverage sub-industry continues to lead the recovery within the L&H sector, accounting for 176,000 of the 280,000 new L&H jobs.

The national unemployment rate in March edged lower from 6.2% to 6.0%. The L&H industry's unemployment rate stubbornly remains more than double the national rate despite improving from 13.5% to 13.0% in March.

Unemployment rate



Source: BLS

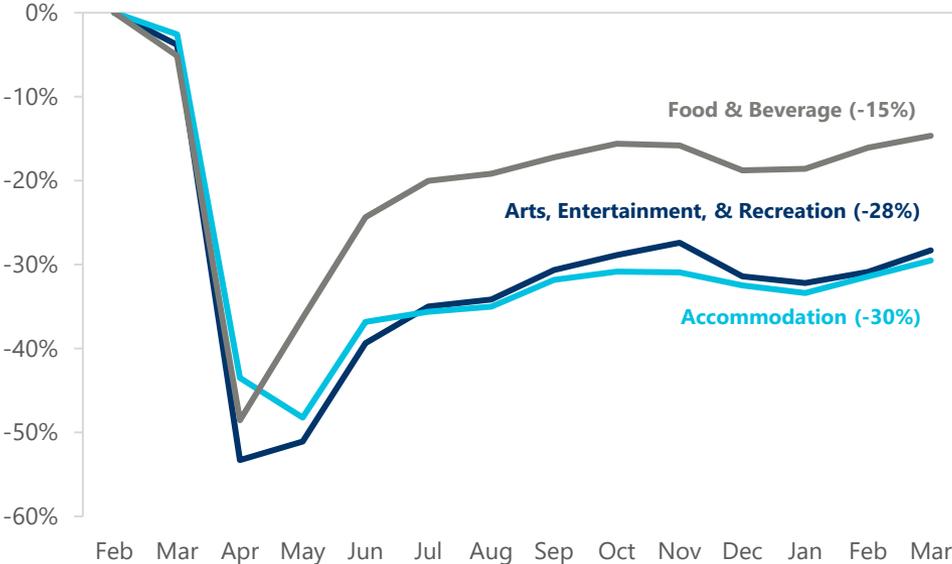
SUB-INDUSTRIES TRENDING UPWARDS SLIGHTLY

All three L&H sub-industries experienced an uptick in employment in March, with all three reaching their highest employment levels since March 2020.

The Food & Beverage segment has been the star performer of the L&H industry, as the Arts, Entertainment, & Recreation and Accommodation segments have seen approximately double the percentage decline in employment. This is a result of the Food & Beverage segment being more well-insulated from the loss of travel demand and benefitting from the resiliency of local demand since the easing of lockdown measures.

Share of jobs lost in L&H sub-industries

% of industry jobs lost from February 2020



Source: BLS

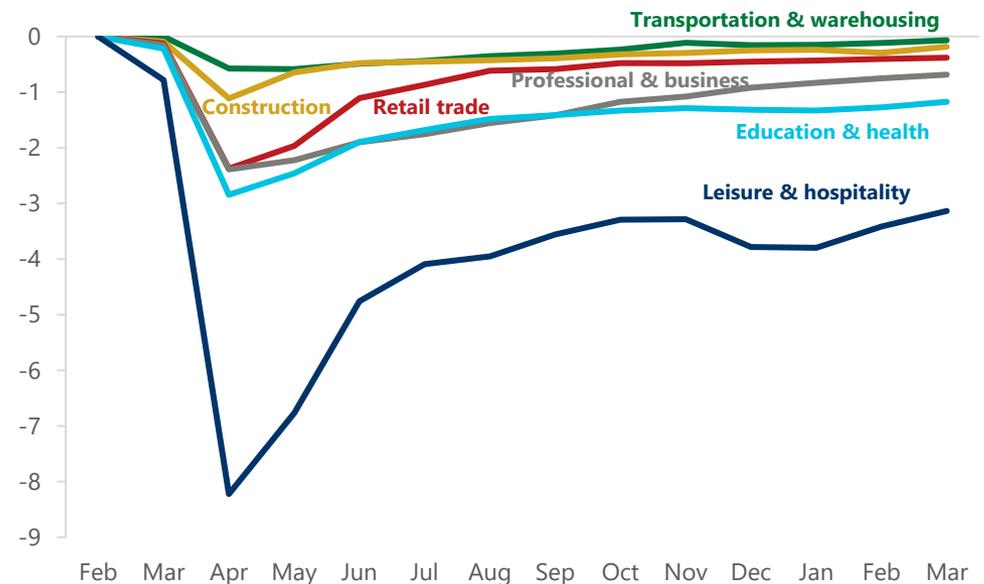
POSITIVE SIGNALS ABOUND AS VACCINE ROLLOUT EXPANDS

While the L&H industry added 280,000 jobs in March to go with the over 380,000 jobs gained in February, it continues to be the worst performing sector since the onset of the pandemic.

Improving health conditions, expanding vaccine distribution, and generous fiscal stimulus support the outlook of a robust travel recovery in the latter half of the year. Downside risks remain as vaccine deployment delays, the rise of COVID-19 variants, and hasty reopening procedures may slow down the pace of the travel industry's recovery.

Other industries are recovering

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



Source: BLS

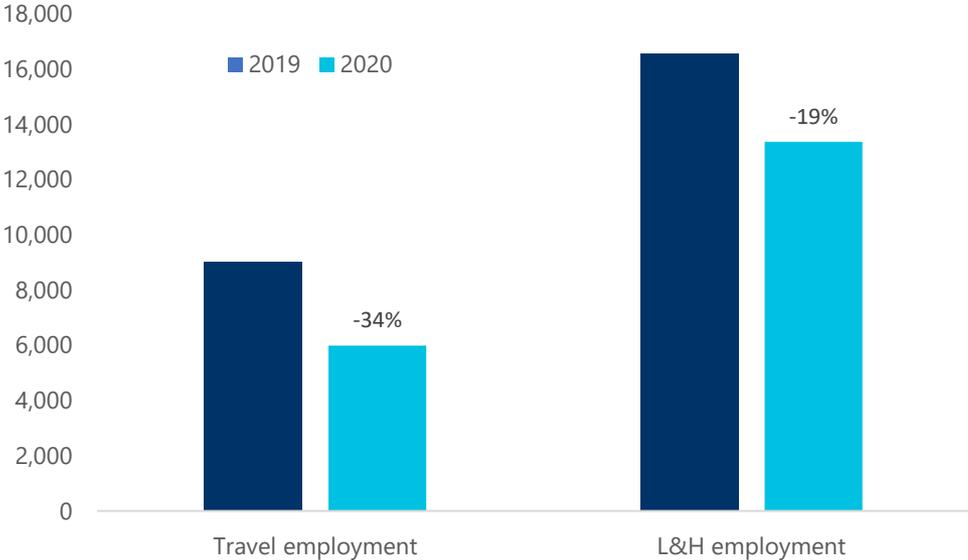
TRAVEL EMPLOYMENT HAS CHRONICALLY UNDERPERFORMED L&H SINCE THE ONSET OF THE PANDEMIC

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- Mar. 2021)	% of jobs lost (Feb. 2020-Mar. 2021)	% of all jobs lost (Feb. 2020-Mar. 2021)
Mining & logging	-80	-12%	1%
Construction	-182	-2%	2%
Manufacturing	-515	-4%	6%
Wholesale trade	-234	-4%	3%
Retail trade	-381	-2%	5%
Transportation & warehousing	-66	-1%	1%
Information	-241	-8%	3%
Finance & insurance	31	0%	0%
Real estate, rental & leasing	-118	-5%	1%
Professional & business services	-685	-3%	8%
Educational services	-310	-8%	4%
Health Services	-863	-4%	10%
Leisure & hospitality	-3,134	-19%	37%
Arts, entertainment, and recreation	-708	-28%	8%
Accommodation	-621	-30%	7%
Food services and drinking places	-1,804	-15%	21%
Other services	-396	-7%	5%
Government	-1,176	-5%	14%
Total economy	-8,403	-6%	100%

Source: BLS

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- 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
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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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