

STATE OF THE AMERICAN WORKFORCE AND ITS IMPACT ON TRAVEL

THE EFFECTS OF COVID-19 ON TRAVEL, TOURISM AND THE U.S. ECONOMY

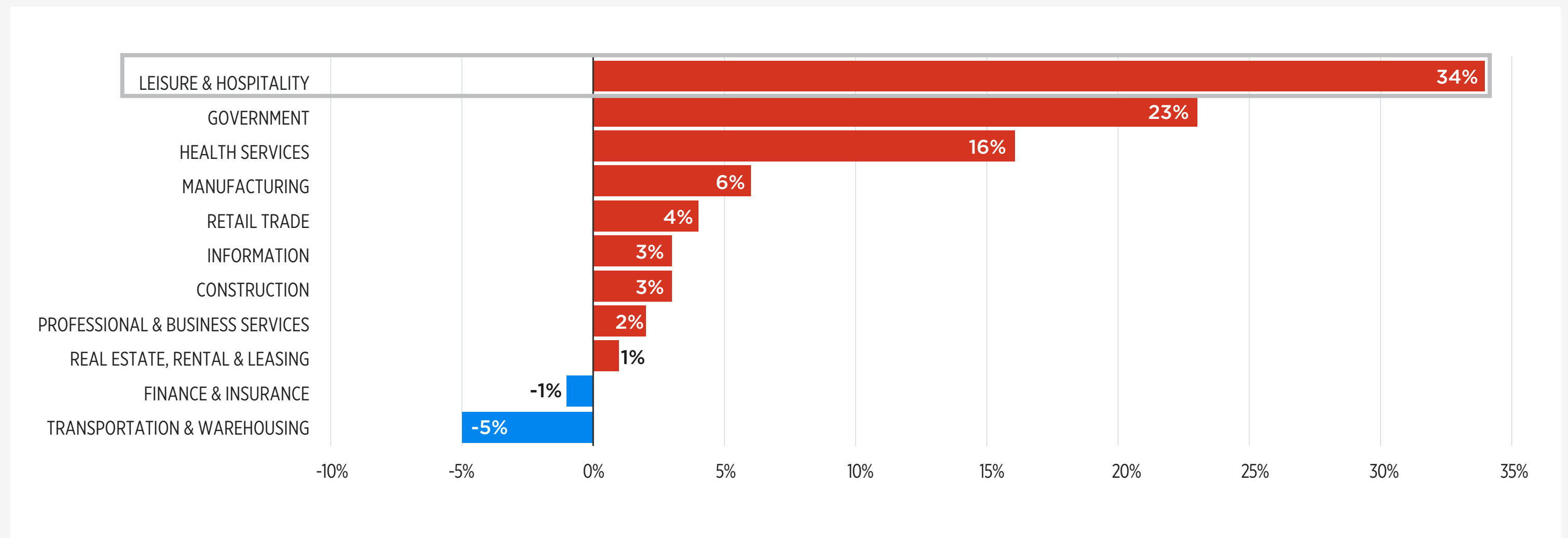
In 2020, direct travel jobs accounted for a disproportionate 35% of jobs lost and total travel supported jobs accounted for a **staggering 65% of all jobs lost.**

Leisure & Hospitality (L&H) accounted for 11% of pre-pandemic employment in the U.S. yet represents 34% of all jobs still lost as of November 2021.



SHARE OF TOTAL U.S. EMPLOYMENT LOSS BY INDUSTRY

% OF U.S. JOBS STILL LOST FROM FEB 2020 - NOV 2021

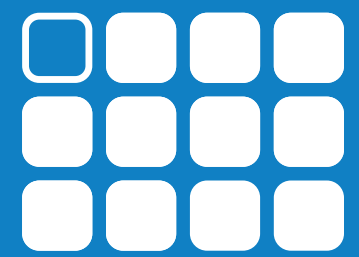


Source: Bureau of Labor Statistics

THE CURRENT STATE OF THE WORKFORCE

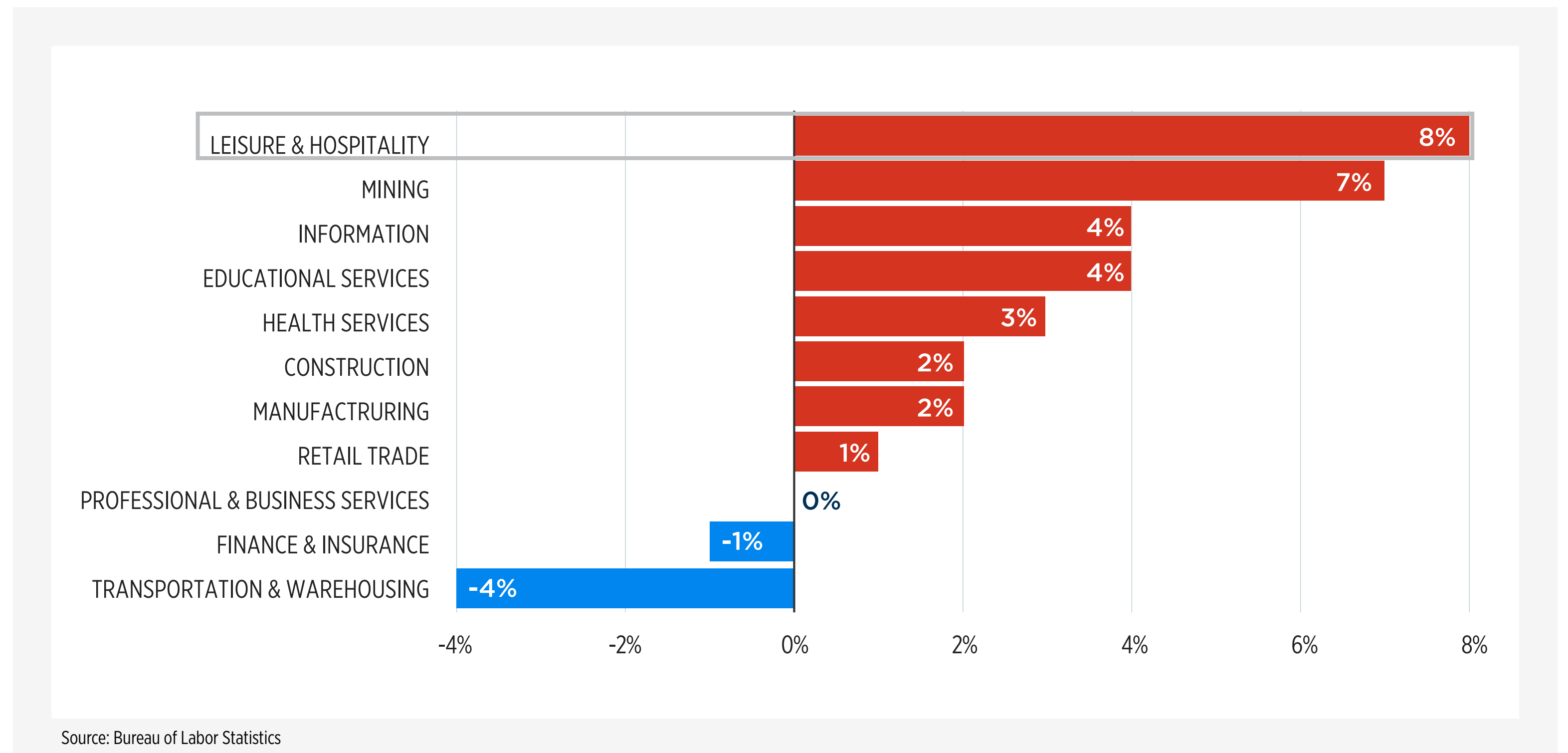
As of the end of October, there were 11 million job openings in the U.S.—**roughly one in six, or 1.8 million, in leisure and hospitality alone.**

Leisure & Hospitality employment **remains 8.2% below its pre-pandemic levels** as of November 2021.



One in 12 leisure and hospitality jobs remain lost

% OF INDUSTRY JOBS STILL LOST FROM FEB. 2020 - NOV 2021



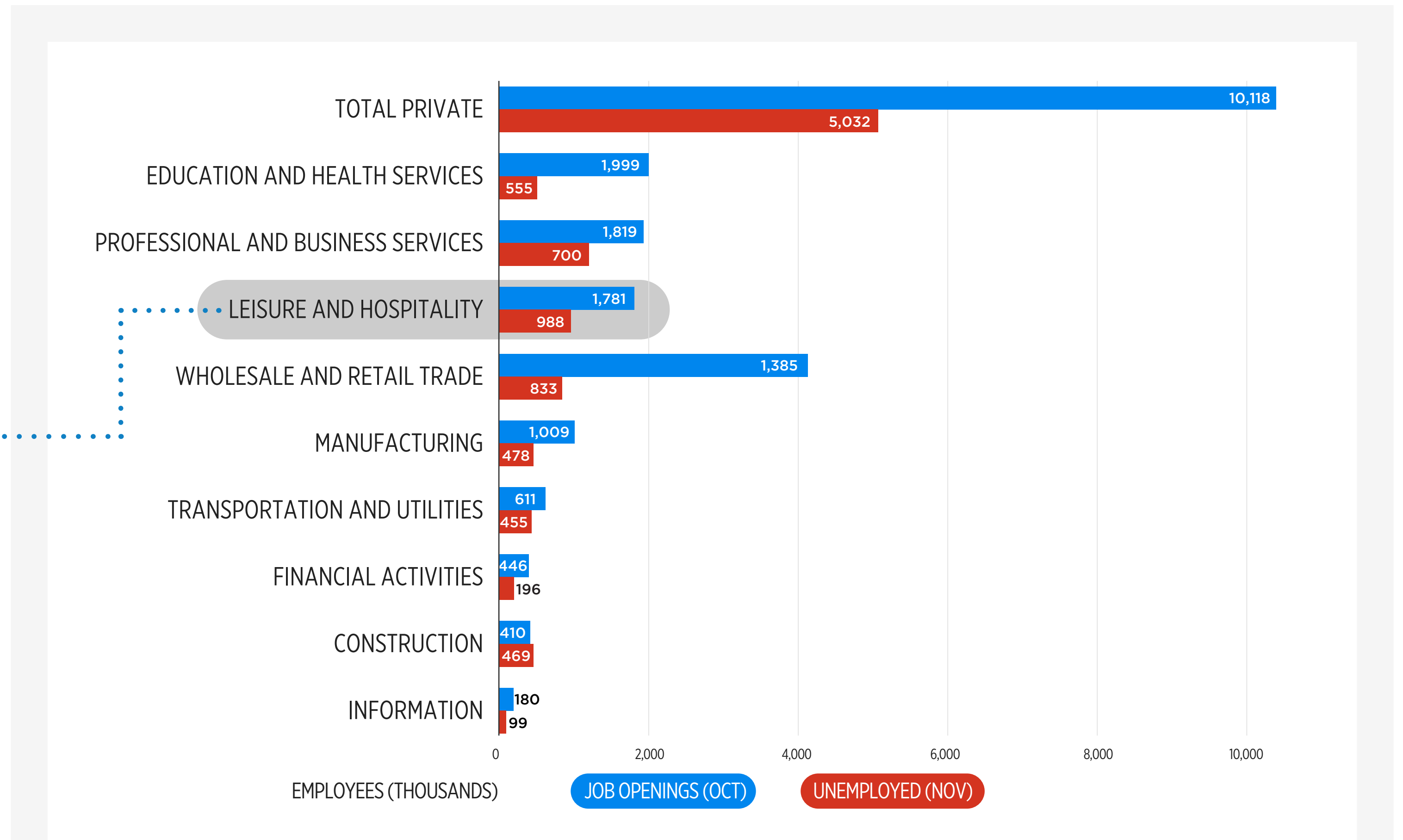
THE CURRENT STATE OF THE WORKFORCE



Job openings
outpace available
workers in many
sectors

There are **nearly 800,000 more job openings than there are available workers** in Leisure & Hospitality.

JOB OPENINGS VS. TOTAL UNEMPLOYED INDIVIDUALS BY INDUSTRY

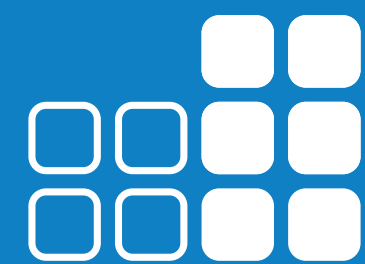
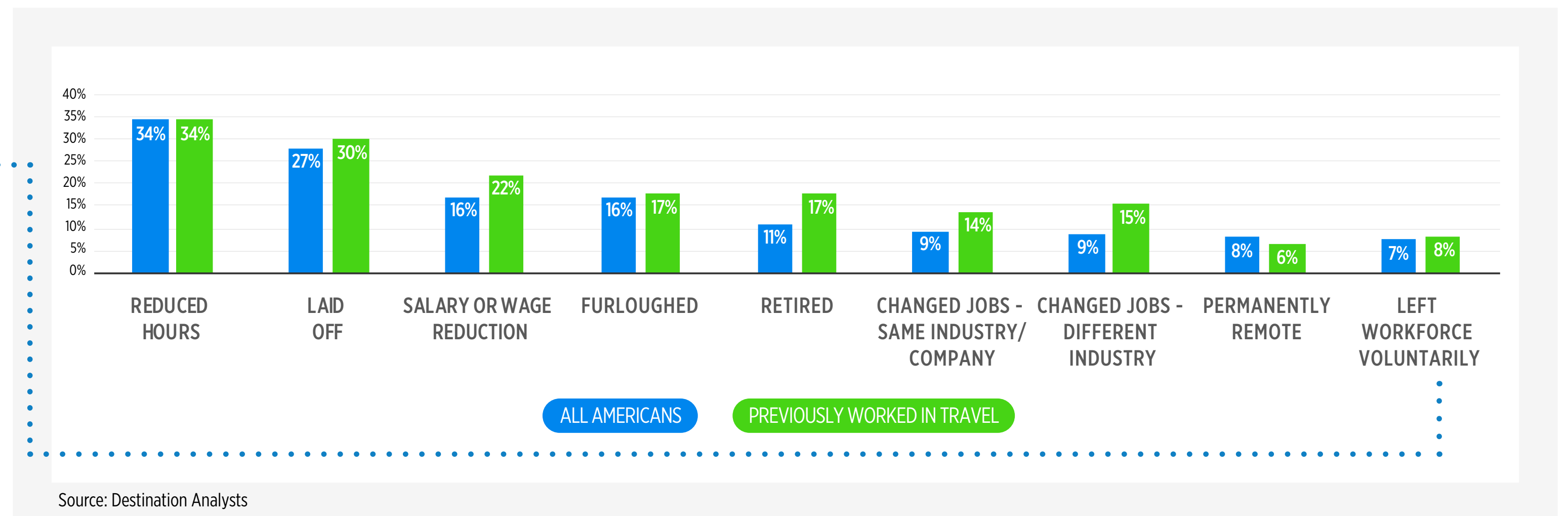


Source: Bureau of Labor Statistics

WORKFORCE SHAKE UP

- **Four in 10** of full-time employed Americans **experienced some sort of employment shift** during the pandemic
- **More than five million Americans left the workforce** including more than three million early retirees—double the number in 2019
- Even as of November, the labor force participation rate remained at 61.8% - **equating to 2.4 million fewer Americans in the workforce** than the same time in 2019
- **Six in 10 of workforce exits** since the start of the pandemic **are women**

EMPLOYMENT SHIFTS AMONG ALL AMERICANS VS. THOSE IN THE TRAVEL INDUSTRY



Four in 10 employed Americans experienced employment shifts during the pandemic

REASONS FOR WORKER SHORTAGES



1 | FINANCIAL CUSHION

The federal government provided over \$850 billion in direct payments to taxpayers — with additional savings **many decided they did not want to return to old jobs or the workforce at all.**



2 | CHILDCARE CHALLENGES

Lack of affordable quality childcare caused many women to choose between work and family and continued childcare labor shortages have resulted in many women remaining on the sidelines. **Nearly 1.3 million fewer women are in workforce** compared to November of 2019.



3 | SELF-REFLECTION - COVID CLARITY

More than two-thirds of Americans seeking new employment are **seriously considering changing their occupation or field of work.** And one-third of Americans cited the ‘desire to make a career change’ as the top reason for leaving their current job.



4 | SKILLS GAP

There is **a fundamental mismatch** between the industries that currently have the most job openings and how many unemployed people have experience in that industry.



5 | INTERNATIONAL VISA CHALLENGES

Travel organizations and destinations were **not able to access additional temporary workers as a result of visa processing delays**, backlogs and travel restrictions. This severely curtailed the ability of many international workers to enter the U.S.

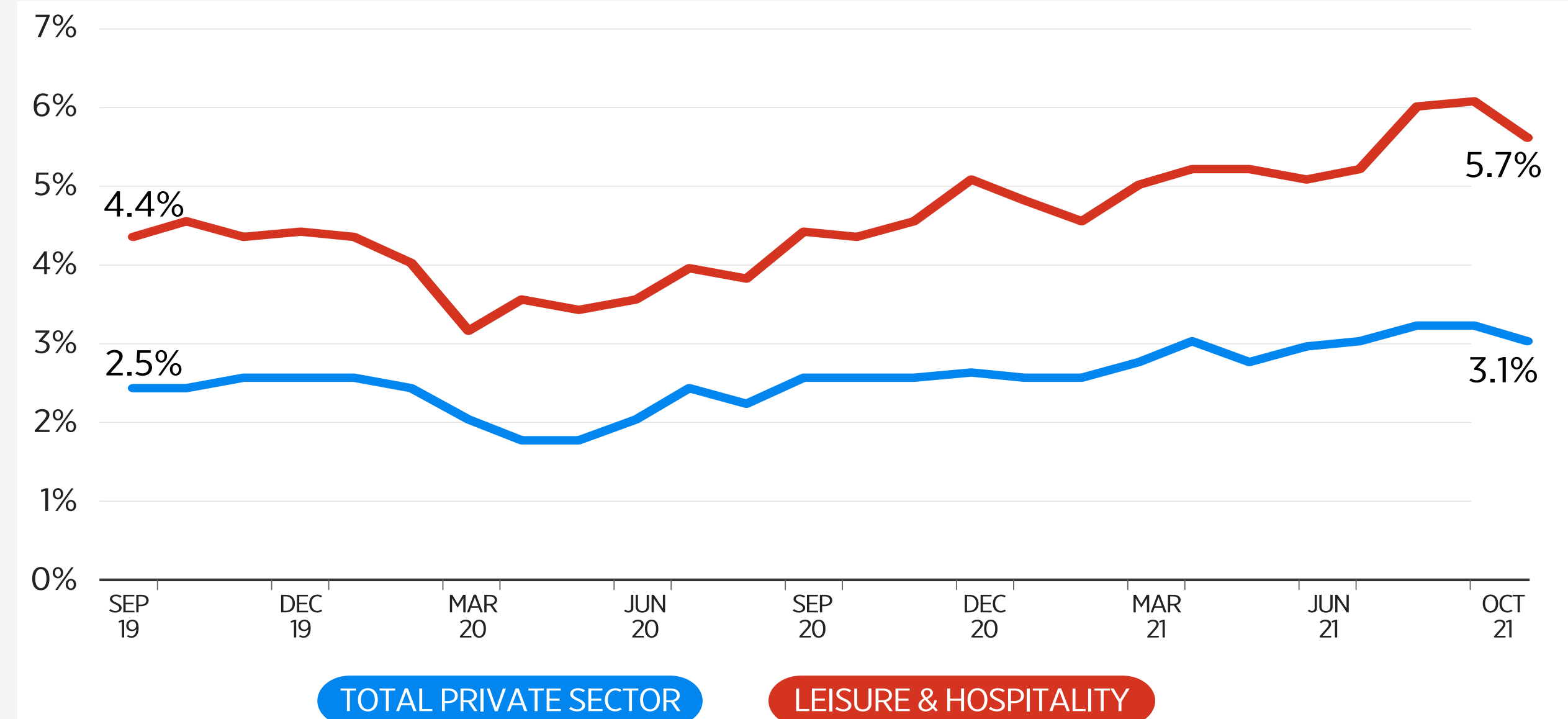
Additional detail on reasons for shortages can be found in the full report.

REASONS FOR WORKFORCE SHORTAGE: SELF REFLECTION

- One-third of Americans cited the **'desire to make a career change'** as the top reason for leaving their current job
- More than four million Americans quit their jobs in October - **more than one in five (21%) were within L&H**
- Americans who have previously worked in the travel industry and decided to change jobs **disproportionately switched to a different industry**

[Additional detail on reasons for shortages can be found in the full report.](#)

QUIT RATES IN THE LEISURE & HOSPITALITY INDUSTRY VS. TOTAL PRIVATE SECTOR



Source: Bureau of Labor Statistics

Reallocation Friction:

The idea that the array of jobs in the economy are changing and workers are taking time to figure out what new jobs they want—or what skills they need for different roles.



Leisure & Hospitality is experiencing elevated quit rates

REASONS FOR WORKFORCE SHORTAGE: ACCESS TO INTERNATIONAL WORKERS

- The labor force was **reduced by more than 500,000** just from a decline in temporary workers alone
- There were **more than 100,000 unused H2B and J1 work visas** in FY2021

“Employers are having to wait a long time to get their petitions approved, and renewals are not being processed in a timely manner. It’s going to take a long time for them to work through the backlog.”

- Stephen Yale-Loehr, immigration lawyer and teacher at Cornell Law School



Additional detail on reasons for shortages can be found in the full report.

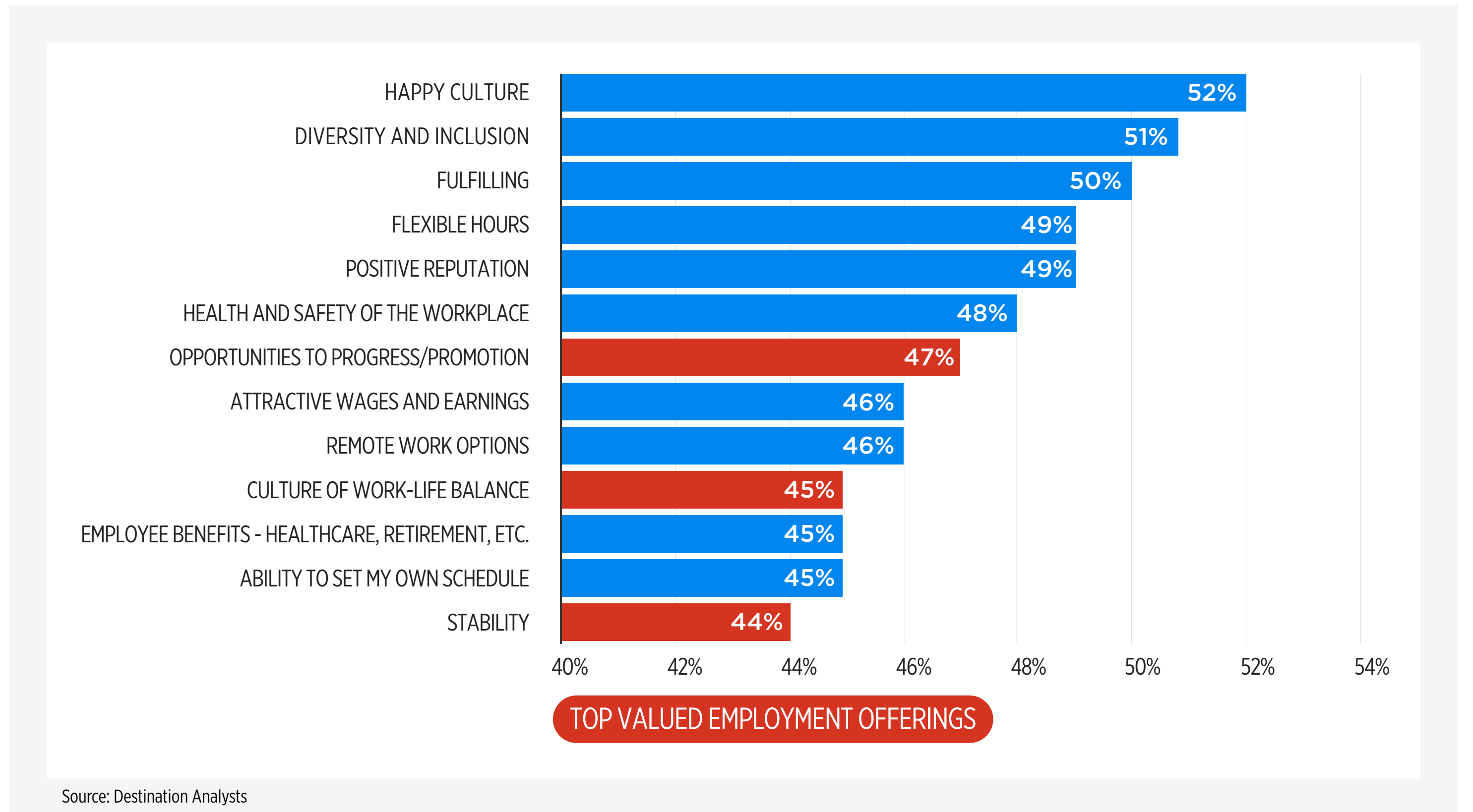
U.S. Travel Policy Recommendations: Alleviating Worker Visa Processing Delays

- Increase the cap on H-2B and J1 visas, and permanently exempt returning H-2B workers from the cap, such as proposed in the H-2B Returning Worker Exception Act (H.R. 3897)
- Streamline and Modernize H-2B Visa Programs

TRAVEL AND TOURISM HAS A PERCEPTION PROBLEM

- Many Americans have positive perceptions of careers in travel and tourism. However, **highly valued employment considerations** in today's environment such as stability, culture of work/life balance and attractive wages **fall to the bottom of perceptions associated with travel and tourism**
- **More than half of U.S. hospitality workers would not go back to their old jobs** for any reason and over a third aren't even considering re-entering the industry

OVERALL PERCEPTION OF TRAVEL EMPLOYMENT



Perceptions of travel employment do not align with top employment considerations

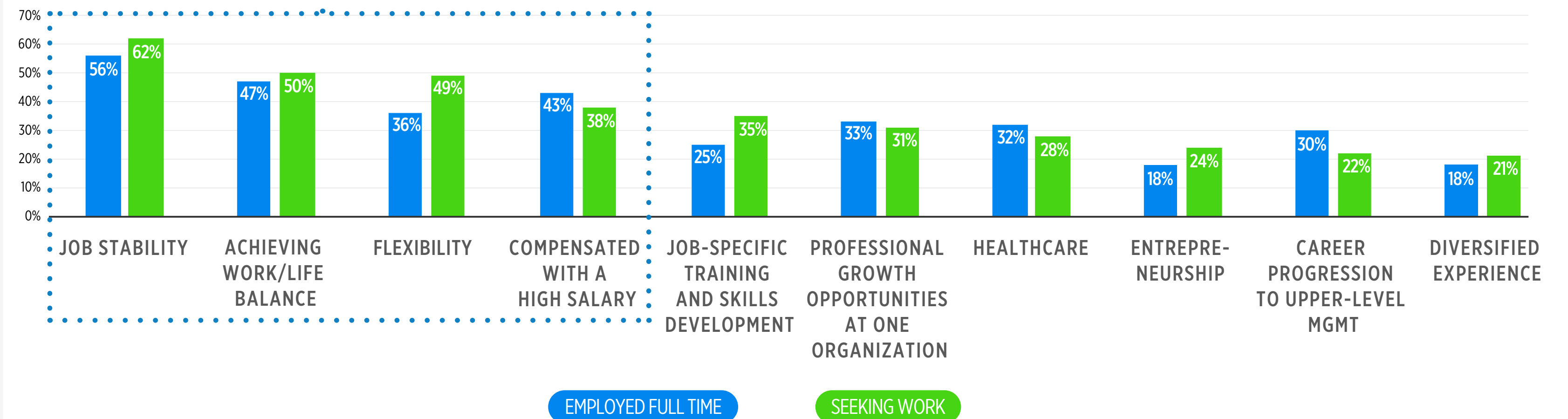
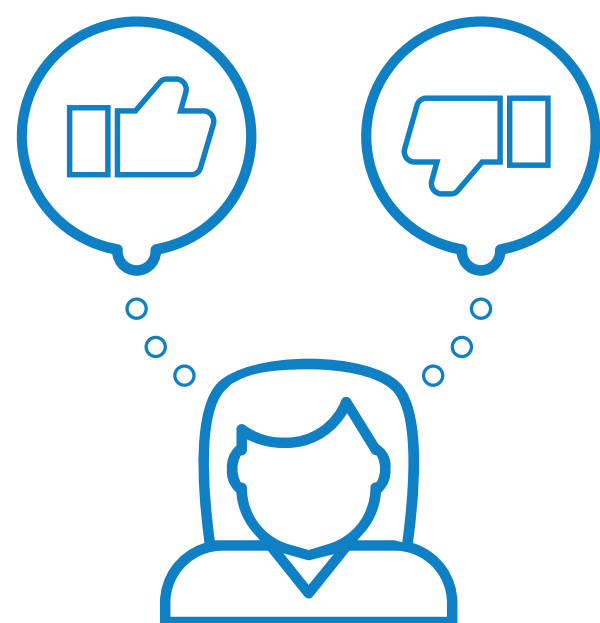
WHAT EMPLOYEES WANT

- Four in 10 U.S. workers are **actively searching for a new job right now**, or plan to soon – twice the rate of 2019
- **Flexibility and stability emerge as top considerations post-pandemic**

- Americans are prioritizing health and well-being. Even more than compensation, **work/life balance is increasingly important for today's workforce**

LONG-TERM CAREER GOALS

“People want a good job and a life well-lived.” - Gallup



Source: Destination Analysts

WHAT'S NEXT – INDUSTRY RECOMMENDATIONS



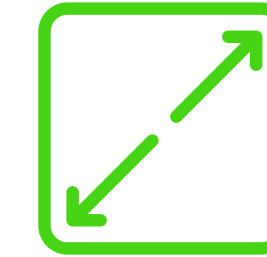
1 | HIGHLIGHT THE UNIQUE BENEFITS AND VALUE OF TRAVEL EMPLOYMENT

- Travel jobs are accessible
- Travel jobs are flexible
- Travel jobs are diverse
- Travel jobs provide training
- Travel jobs foster entrepreneurship and expand small business



2 | PROMOTE DIVERSE, EQUITABLE AND INCLUSIVE TRAVEL CAREER OPPORTUNITIES

- Embrace diversity, new values, mindsets and expectations of the new workforce
- Elevate importance of DE&I and ensure it is at the core of organization charts, strategic plan and recruiting s



3 | EXPAND HORIZONS

- Look beyond travel and tourism
- Redefine flexibility
- Understand needs and values of emerging workforce
- Improve access to international workers through U.S. Travel's policy recommend

LOOKING TO DIVE DEEPER?

The [full report](#) is available to U.S. Travel members. If you are a member looking for your login credentials, or are interested in becoming a member and unlocking access to U.S. Travel's suite of benefits, industry toolkits and research products, contact our [Membership team](#).

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U.S. TRAVEL ASSOCIATION DECEMBER 2021

IMPACT OF COVID-19 ON THE TRAVEL AND TOURISM INDUSTRY

WORKFORCE CHURN
Some 4.2 million Americans (2.8% of the workforce) quit their jobs but remained in the workforce in October.²² Workers know that jobs are plentiful and that they can secure another job easily if they leave theirs. The lack of workers is widespread across industries with only the construction and mining industries not experiencing a worker shortage.

LEVEL INDUSTRY IS DIVERSE

Percent of total employed,	Women	White/ Non-Hispanic	Black/ African American	Asian	Hispanic/Latino
All U.S. economy	47%	78%	12%	7%	18%
Leisure & Hospitality	51%	75%	13%	7%	24%
Travel accommodation	59%	66%	19%	10%	30%
Transportation	41%	68%	20%	7%	14%

UNEMPLOYMENT RATE BY RACE AND ETHNICITY

Race/Ethnicity	03 2020	03 2021
TOTAL	4%	9%
WHITE	3%	5%
BLACK OR AFRICAN AMERICAN	5%	8%
ASIAN	3%	6%
HISPANIC OR LATINO	4%	11%

WHAT IS THE DIFFERENCE BETWEEN TOTAL TRAVEL AND LEISURE & HOSPITALITY (L&H) EMPLOYMENT?

Leisure & Hospitality is an official "subsector" of the economy defined by the Bureau of Labor Statistics and includes:

- Accommodation and food services
- Arts, entertainment and recreation
- Travel planning
- Auto transportation
- Food services
- Retail
- Public transportation
- Recreation/management
- Leisure

TRAVEL EMPLOYMENT IMPACTS ALL SECTORS OF THE U.S. ECONOMY.

CHART 1 | Source: U.S. Travel Association

OF INDUSTRY JOBS STILL LOST FROM FEB. 2020 - NOV 2021

CHART 3 | Source: Bureau of Labor Statistics

“Occupational segregation— the fact that these workers are less likely to be found in higher-paid management professions, even within leisure and hospitality—exposed them to the worst of the job losses.” - Economic Policy Institute