

New Jersey's Leisure & Hospitality Industry

Prepared by:
New Jersey Department of Labor & Workforce Development
Office of Research & Information
Bureau of Labor Market Information
Winter 2019-2020



Office of
Research and
Information

THE GOAL OF THIS REPORT IS TO GET AN “IDEA” OF WHAT L & H MEANS TO NEW JERSEY

Identify the types of industries and establishments that make up the leisure and hospitality industry, based on a standard industry classification system

Describe any similarities and differences among its components with regard to such variables as employment, wage, occupation type, education, and demographic characteristics

Examine any present distinctions within the sector and its components that give New Jersey a competitive advantage compared to neighboring states, regions or the nation, or show areas where New Jersey could improve to add to the state’s economy

Analyze the current state of the leisure and hospitality and provide an outlook for employment into the future



Office of
Research and
Information

LEISURE & HOSPITALITY : Background

- Whether you are out for a meal or down the shore at a New Jersey casino or boardwalk, jobs in the Leisure & Hospitality industry are all around you. While there are many entry-level jobs with entry-level hourly wages, many of those jobs can lead workers to a variety of long-term career paths to better paying jobs. In some L&H occupations, workers are paid mainly through tips, allowing workers in those occupations opportunities to earn well above the minimum wage.
- New Jersey has a well-earned reputation as a place for great entertainment and vacations which is why the L&H industry continues to thrive throughout the state. A career in hospitality can be rewarding if you enjoy making sure that people are having fun, enjoying their stay, appreciating their meal, and having a positive experience. Dedicated, enthusiastic people with strong communication and people skills thrive in this type of work.



Office of
Research and
Information

LEISURE & HOSPITALITY : Background

- The hospitality industry is directly linked to the economy. When the economy is weak, the first things people scale back on are their travel and leisure activities. The domino effect continues from there, with hotels and restaurants tightening their budgets and laying off workers.

- No two days are alike in most hospitality jobs. The nature of the work and environment changes daily, so people are rarely bored. Many of the jobs are outside of the cubicle. There are plenty of opportunities to meet new people and to also find work anywhere in the world.



Office of
Research and
Information

DESCRIPTION AND OVERVIEW



What is the Leisure and Hospitality Industry?

Composition of NAICS Codes

71 Arts, Entertainment & Recreation

711 Performing Arts and Spectator Sports

712 Museums, Parks and Historical Sites

713 Amusement, Gambling & Recreation Industries

72 Accommodations and Food Services

721 Accommodations

722 Food Services and Drinking Places



Office of
Research and
Information

Highlights of the L&H Industry Sector

The latest data shows that:

- Leisure and hospitality employment totaled 385,956 in 2018 (or 11.1%) of all private sector workers in the state. In comparison, the sector represented 13.0 percent of the nation's private sector employment in 2018.
- LHR represented nearly \$18 billion or 3.2 percent of the state's real Gross Domestic Product in 2018 while the U.S. had a 3.8 percent representation in its GDP.
- New Jersey leisure and hospitality employers paid over \$10.1 billion in total wages during 2018, or 4.5 percent of the state total. In addition, the same businesses accounted for 9.2 percent of all units in the statewide total private sector in 2018. (8.8% for US)



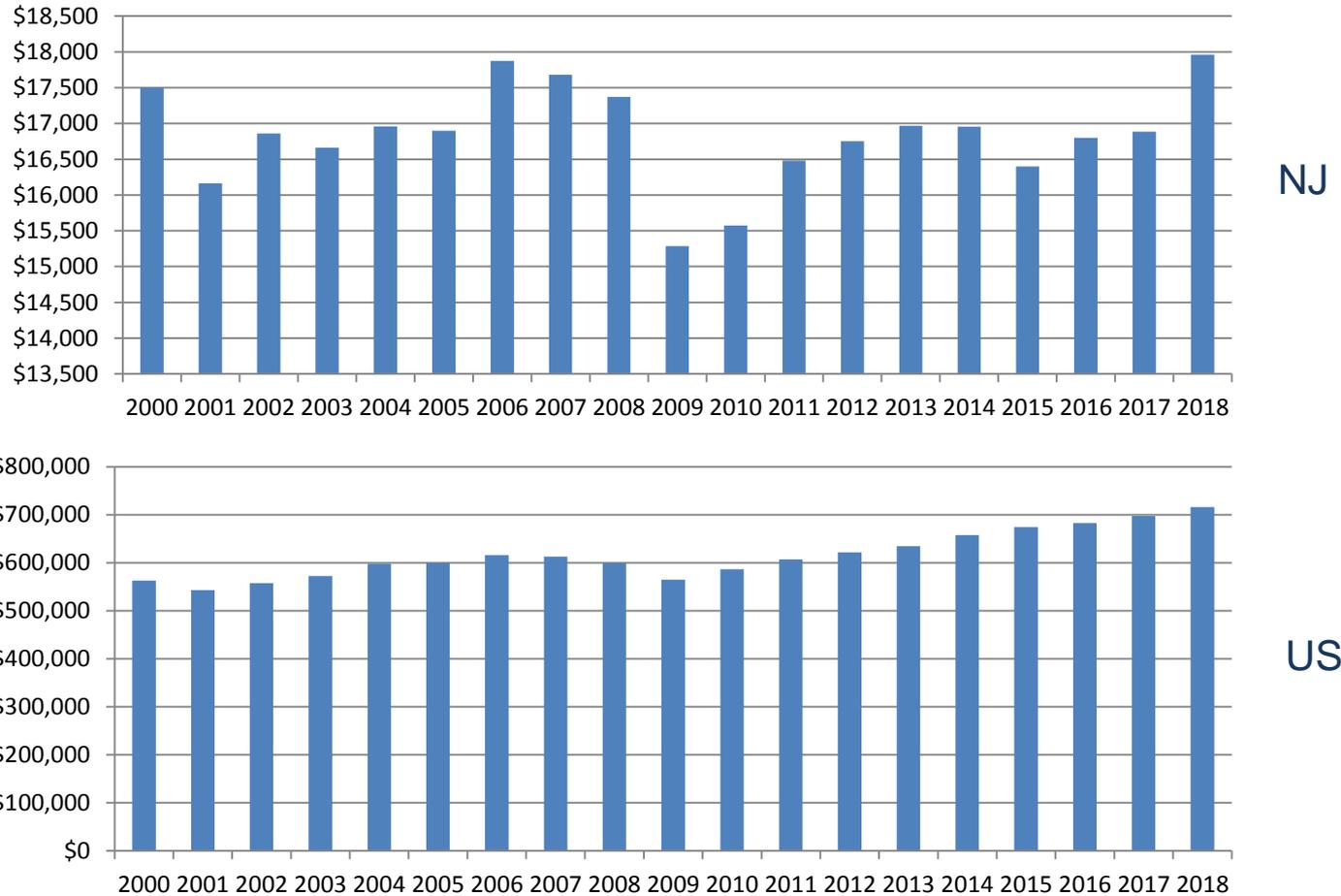
Office of
Research and
Information

Source: NJLWD, Quarterly Census of Employment and Wages,
Bureau of Economic Analysis,
Prepared by: New Jersey Department of Labor and Workforce
Development, December 2020

Leisure and Hospitality Real GDP: 2000 - 2018

(millions of chained 2012 dollars): NJ vs. US

The real gross domestic product (GDP) for Leisure & Hospitality in the US has continually risen since 2009 while NJ's has increased each year since 2015.



Office of
Research and
Information

Source:
Bureau of Economic Analysis
Prepared by: New Jersey Department of Labor and
Workforce Development, December 2020

Breakdown of Leisure & Hospitality by Industry

➤ The 2018 average annual wage for New Jersey's Leisure & Hospitality sector was \$26,317 or less than half the state average for all private sector workers (\$65,355).

➤ In comparison, the annual average wage in the nation's sector was \$24,074 in 2018 or over 40 percent (42.1%) of the national average for all private sector workers (\$57,198).

New Jersey's Leisure and Hospitality Industry (2018)

Industry Components	Employment	Establishments	Average Annual Wage (\$)
Leisure & Hospitality	385,596	24,132	26,317
Arts/Entertainment/Recreation	67,989	3,864	37,382
Accommodations	51,390	1,387	40,200
Food Services & Drinking Places	266,216	18,881	20,810
Private Sector Employment, NJ Total	3,472,321	263,159	65,355

Source: NJ Department of Labor and Workforce Development, Quarterly Census of Employment and Wages, 2018 Annual Average

- Total wages paid in New Jersey's L&H industry during 2018 accounted for 4.5 percent of the private sector wages paid in the state versus 5.5%, nationally.
- The industry's much lower average annual wage reflects the entry level, lower skill, seasonal and part-time nature of many of the occupations found within it.



Office of
Research and
Information

DETAILED INDUSTRY EMPLOYMENT: CURRENT AND TREND ANALYSIS



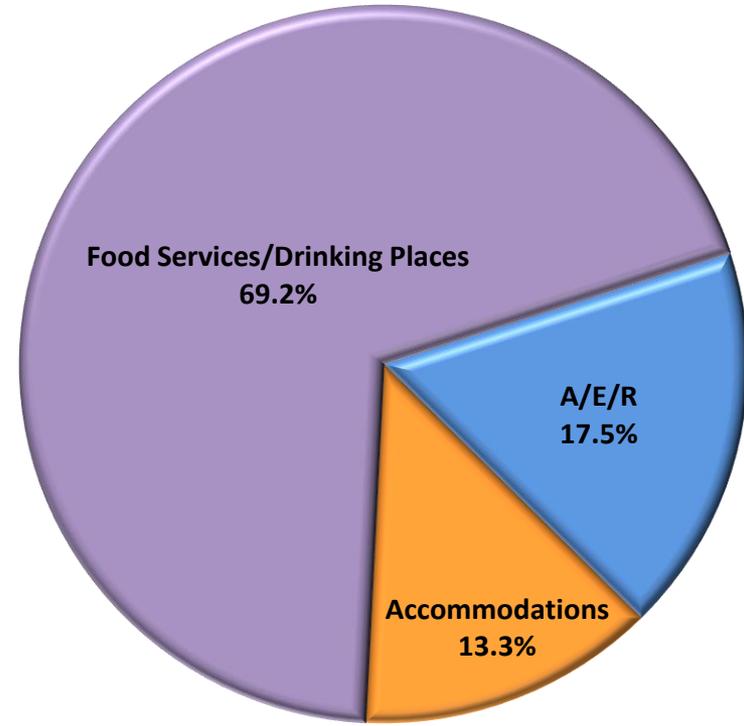
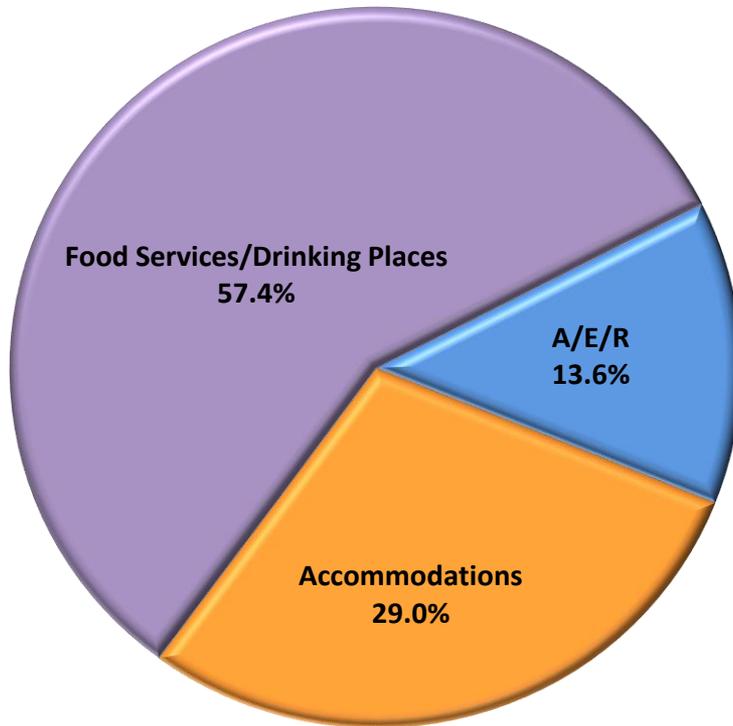
THE LANDSCAPE OF LEISURE & HOSPITALITY HAS CHANGED DRAMATICALLY OVER THE PAST 28 YEARS

Employment of Components as a Percentage of Leisure & Hospitality

1990

New Jersey, 1990 & 2018

2018



Office of
Research and
Information

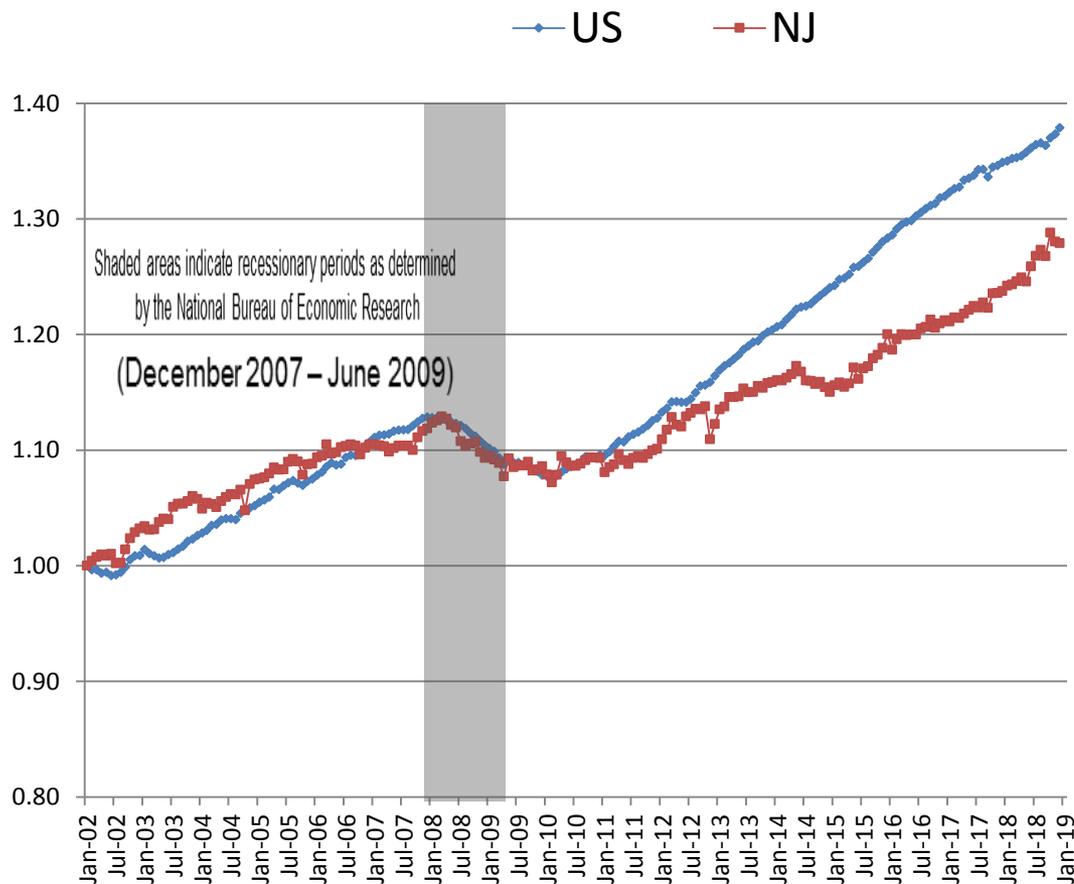
Source: NJLWD, Current Employment Statistics, Annual Averages

Prepared by: New Jersey Department of Labor and Workforce Development, December 2020

NJ and US Employment Index: Leisure & Hospitality

January 2002 – December 2018

Seasonally Adjusted Current Employment Statistics (CES)



From January 2002 until the fall of 2006, employment in leisure and hospitality fared better in the state than the U.S.

Between the end of 2006 to the end of 2010, LHR job growth in NJ and the U.S. occurred at about the same pace.

Since then, leisure and hospitality employment in the U.S. has taken off separating itself from NJ's which is mainly due to the downsizing and closing of several casino hotels in Atlantic City.

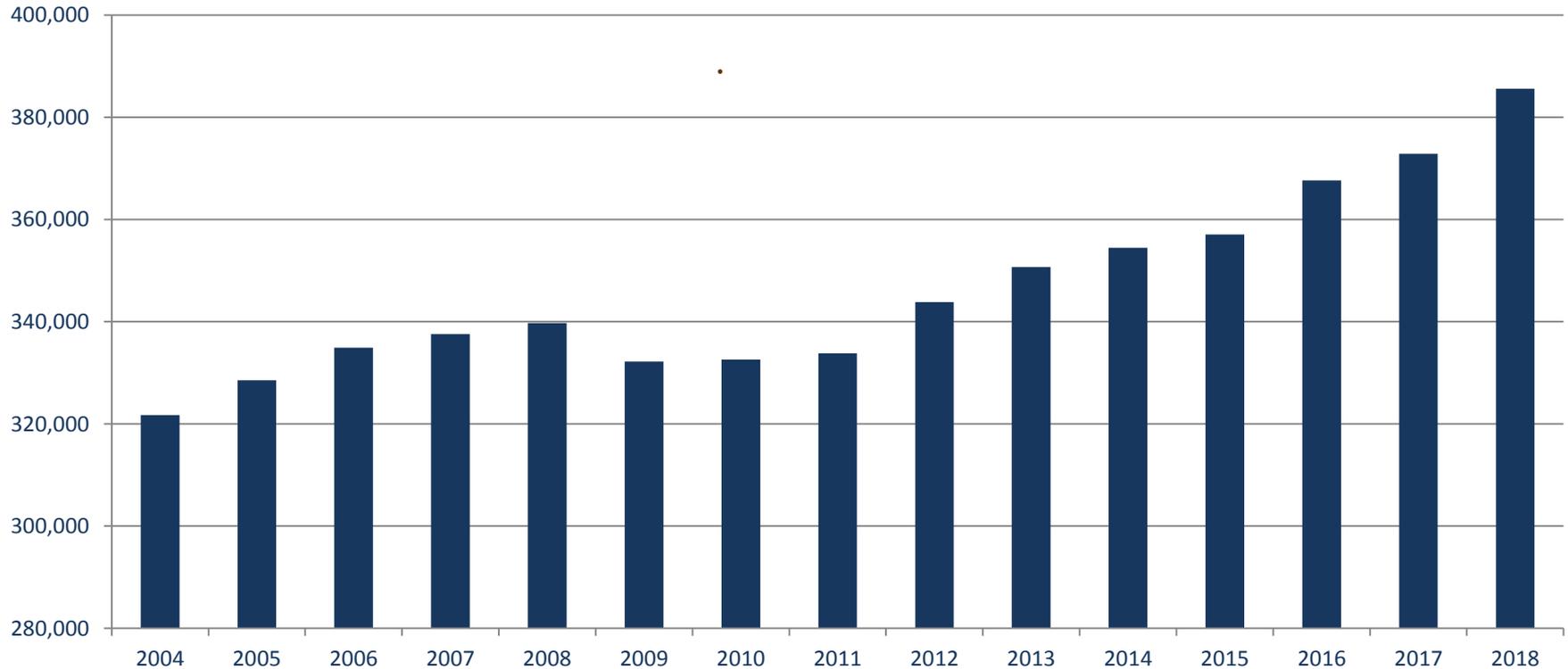


Office of
Research and
Information

Source: NJLWD, Current Employment Statistics
Prepared by: New Jersey Department of Labor and Workforce
Development, December 2020

Leisure & Hospitality Quarterly Census of Employment & Wages Statewide

Employment: Annual Averages, 2004 - 2018



As illustrated above, New Jersey's LHR employment has shown steady improvement after being down in two consecutive years: '07-'08 and '08-'09... as a result of the recession.



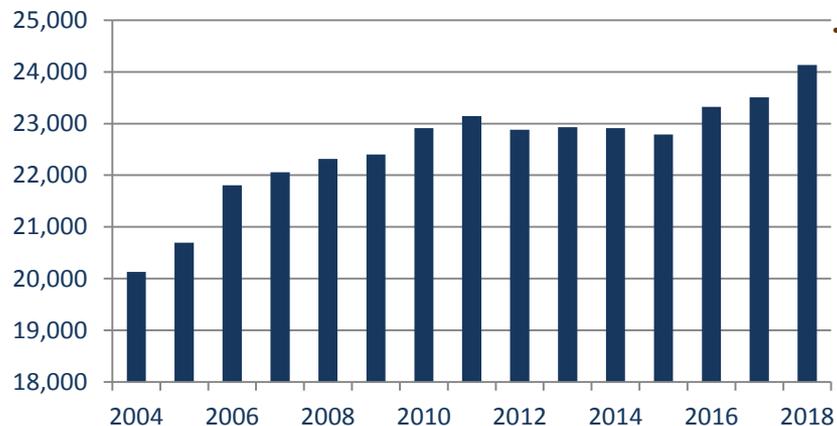
Office of
Research and
Information

Source: NJLWD, Quarterly Census of Employment and Wages, Annual Averages
Prepared by: New Jersey Department of Labor and Workforce Development, December 2020

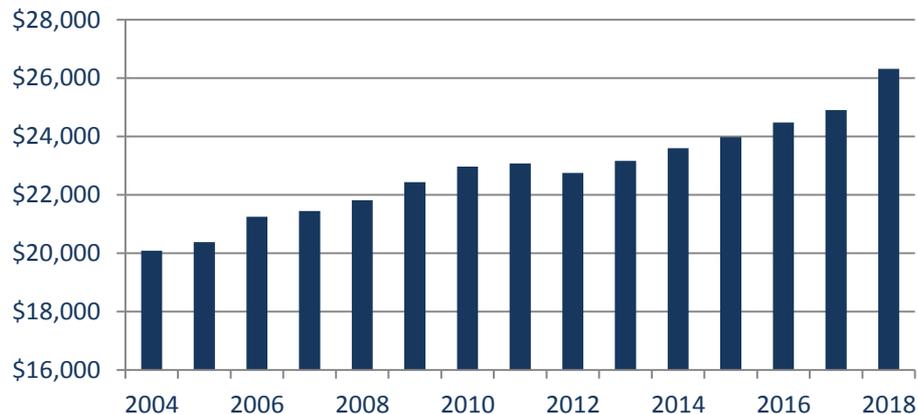
Leisure & Hospitality Quarterly Census of Employment & Wages

Establishments & Wages: Annual Averages, 2004 - 2018

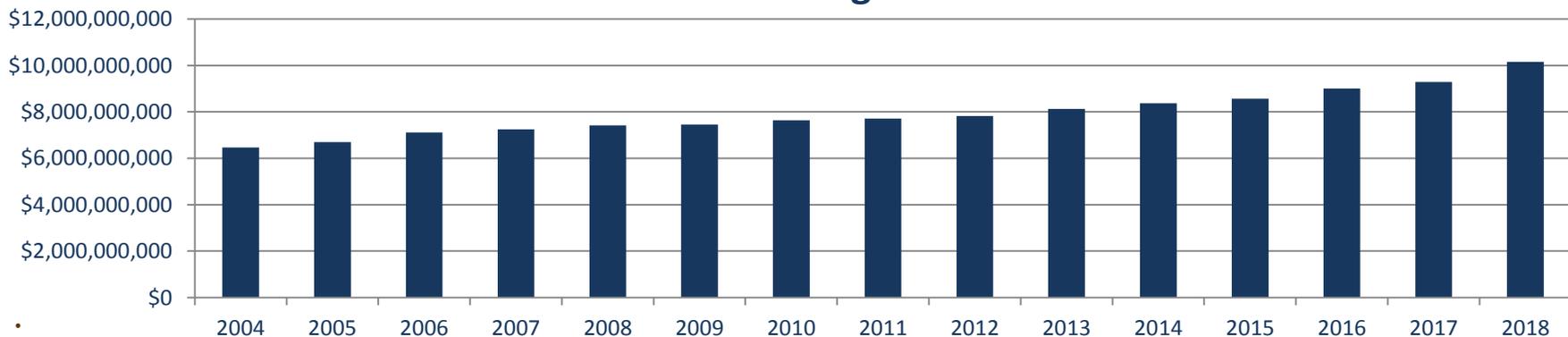
Establishments/Units



Average Wages



Total Wages

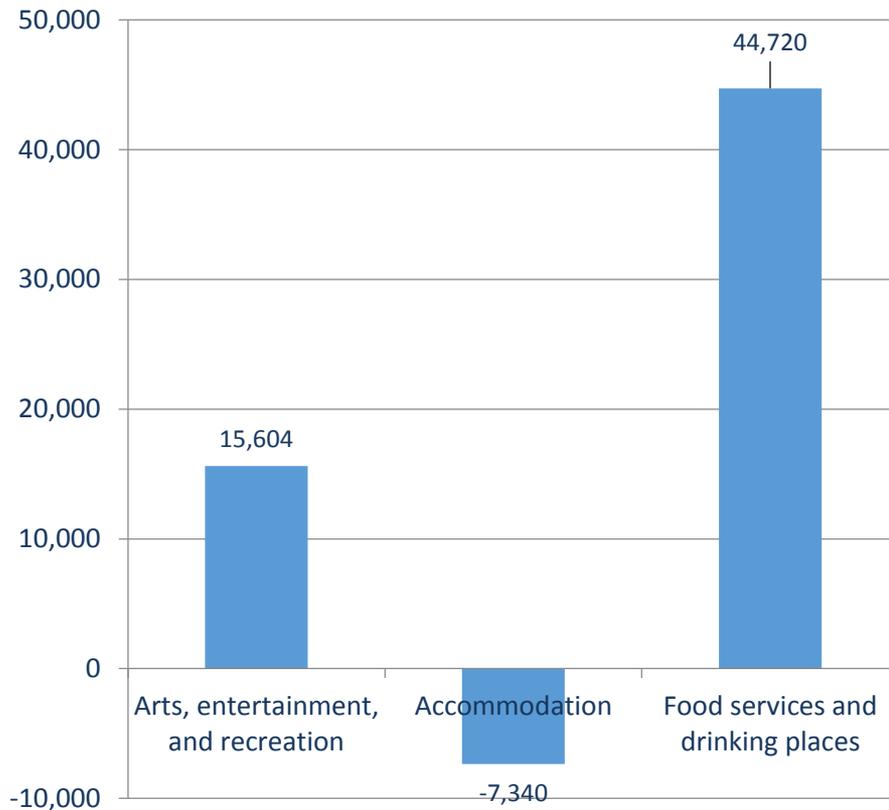


Office of
Research and
Information

Source: NJLWD, Quarterly Census of Employment and Wages,
Annual Averages
Prepared by: New Jersey Department of Labor and Workforce
Development, December 2020

More Recent Analysis: 2010 - 2018

NJ L&H Employment Change: 2010 to 2018



- In Accommodations, an abundance of the losses occurred within Atlantic City's casino hotels due in part to competition from casino expansion in the region resulting in a rash of casino closings. In comparison, the nation's casino industry gained nearly 21,300 (8.3%) from 2010 to 2018.
- The other two of the sector's four primary components (Food Services/Drinking Places and Arts/Entertainment/Recreation) added jobs during this period.
- In Food Services/Drinking Places, Full-service restaurants accounted for over half of the gains (55.3%) while the fastest-growing segment was in the Mobile Food industry which grew 114.8% (+163 jobs).
- Fitness & Recreational Sports Centers created more than four in 10 new jobs (40.7%) in the A/E/R industry.

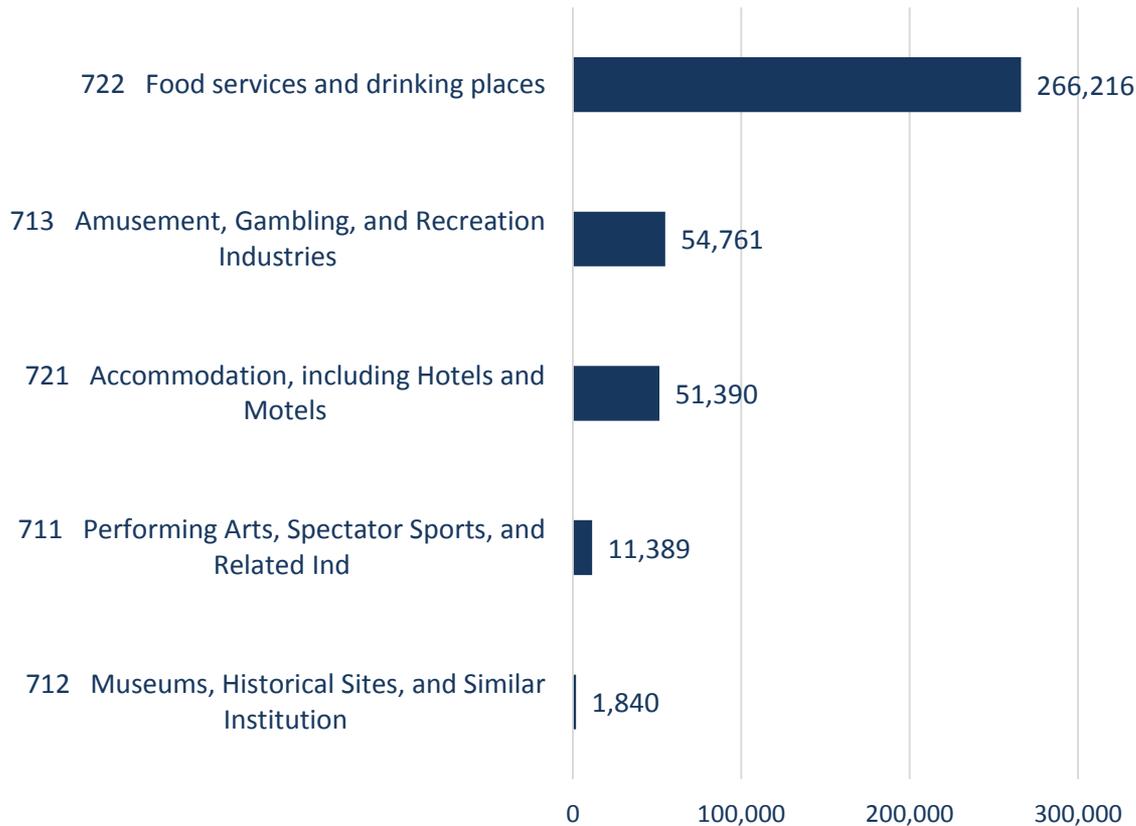


Office of
Research and
Information

Source: NJLWD,
Quarterly Census of Employment and Wages
Prepared by: New Jersey Department of Labor and
Workforce Development, December 2020

“Food” plays a significant role in the L&H industry sector

NJ Leisure & Hospitality 2018 Employment by 3-digit NAICS



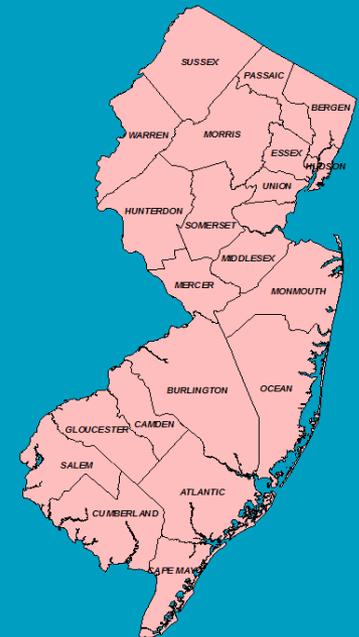
- Within the *Food Services/Drinking Places* industry, (NAICS 7225) restaurants and other eating places dominates with 85.7 percent of the establishments/units, 84.2 percent of the employment and 81.0 percent of the total wages paid in 2018.
- The 2018 annual average wage of those employed in Food Services/Drinking Places was \$20,810, which was just 31.8 percent of the state’s private sector annual average wage (\$65,355) and 79.1 percent of the L&H sector’s annual average wage of \$26,317.
- Fitness & Recreational Sports Centers accounted for 42.3 percent of the Amusement, Gambling and Recreation industry



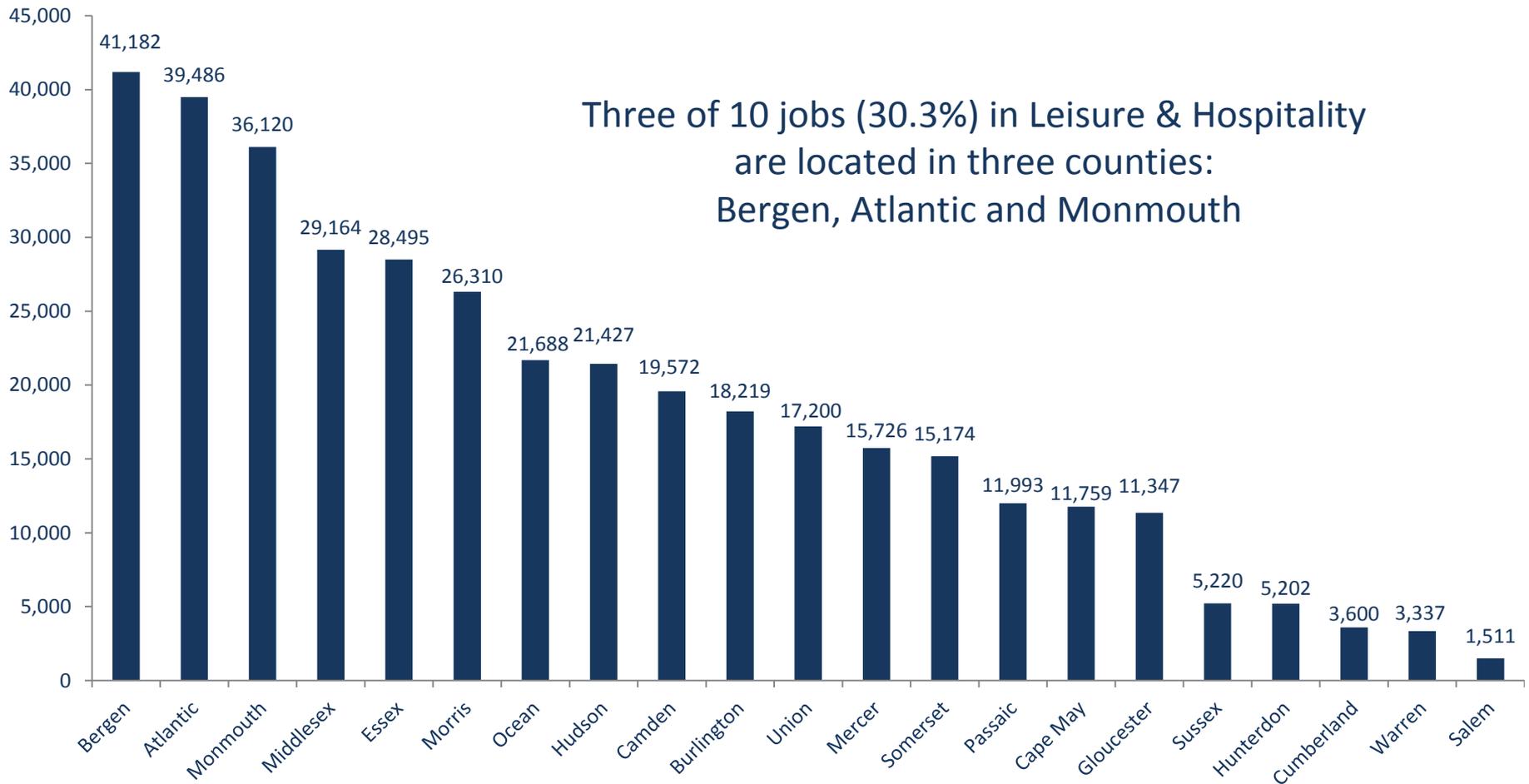
Office of
Research and
Information

Source: NJLWD,
Quarterly Census of Employment and Wages
Prepared by: New Jersey Department of Labor and
Workforce Development, December 2020

County-wide L&H data: Analysis at a local level



2018 Annual Average QCEW (Leisure & Hospitality) Employment by County

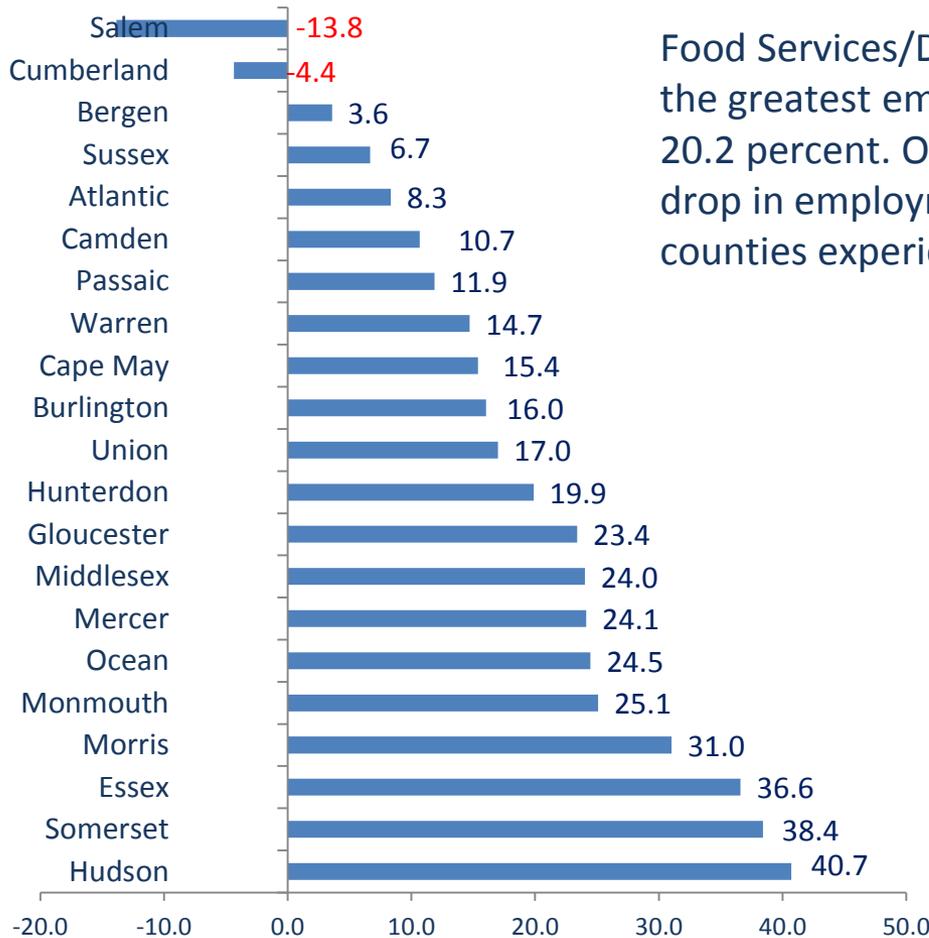


Office of
Research and
Information

Source: NJLWD, Quarterly Census of Employment & Wages, Annual Averages

Prepared by: New Jersey Department of Labor and Workforce Development, December 2020

Food Service and Drinking Places Employment Gains/Losses: 2010 - 2018 by County (Percent)



Food Services/Drinking Places was the L&H component with the greatest employment gain from 2010-to-2018 (44,720) or 20.2 percent. Only two of the state's 21 counties recorded a drop in employment over this seven-year period. Three counties experienced over 30 percent gains and one over 40%.

The last national recession had some impact on consumer discretionary spending which impacted statewide employment in Food Services/Drinking Places. This industry constantly added to its annual payrolls since at least 2004 *except for the 2008 to 2009 period*.

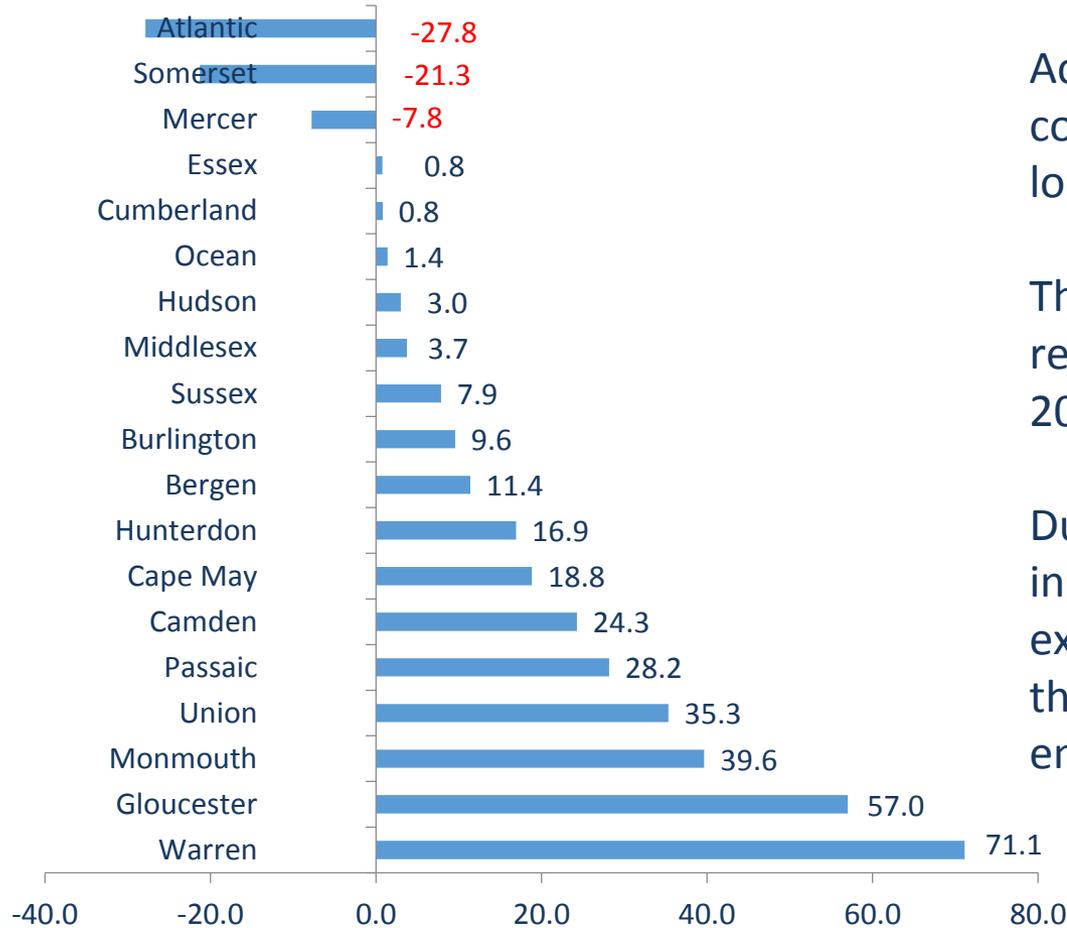
In general, this industry also experiences a high degree of business openings and closings regardless of the economic conditions.



Office of
Research and
Information

Source: NJLWD, Quarterly Census of Employment & Wages, Annual Averages
Prepared by: New Jersey Department of Labor and Workforce Development, December 2020

Accommodations Employment Gains/Losses: 2010 - 2018 by County (Percent)



Accommodations was the L&H component with the only employment loss from 2010-to-2018.

Three of the state's 21 counties recorded a drop in employment since 2010.

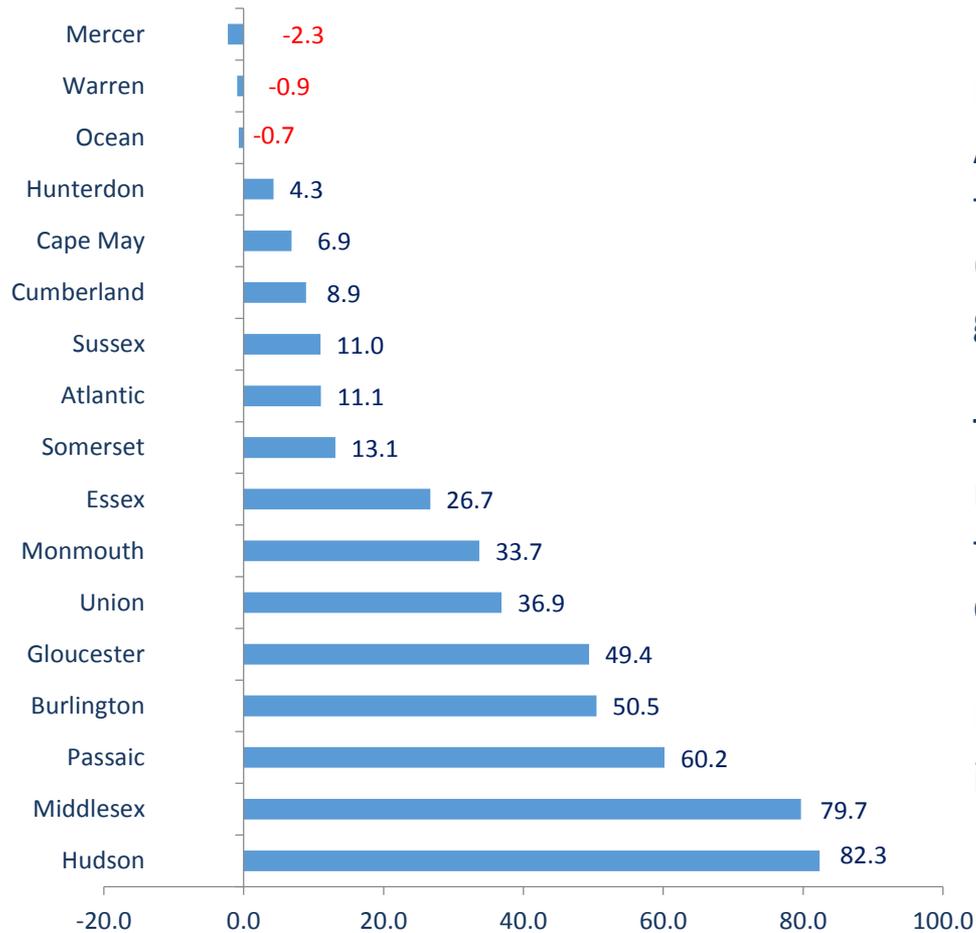
Due to the rash of hotel/casino closings in Atlantic City, Atlantic County experienced the most job loss during that time while Warren County's employment jumped significantly.



Office of
Research and
Information

Note: Morris & Salem data are suppressed due to employer confidentiality issues Source: NJLWD, Quarterly Census of Employment & Wages, Annual Averages
Prepared by: New Jersey Department of Labor and Workforce Development, December 2020

Arts, Entertainment & Recreation Employment Gains/Losses: 2010 - 2018 by County (Percent)



Due to its smaller employment base, A/E/R was the L&H component with the least job gain from 2010-to-2018 (15,604). However, percentagewise, it grew the fastest at 29.8 percent.

Three of the state's 21 counties recorded a drop in employment over the period while four were suppressed due to employer confidentiality issues.

Hudson County added 1,395 jobs from its 2010 total of about 1,694.

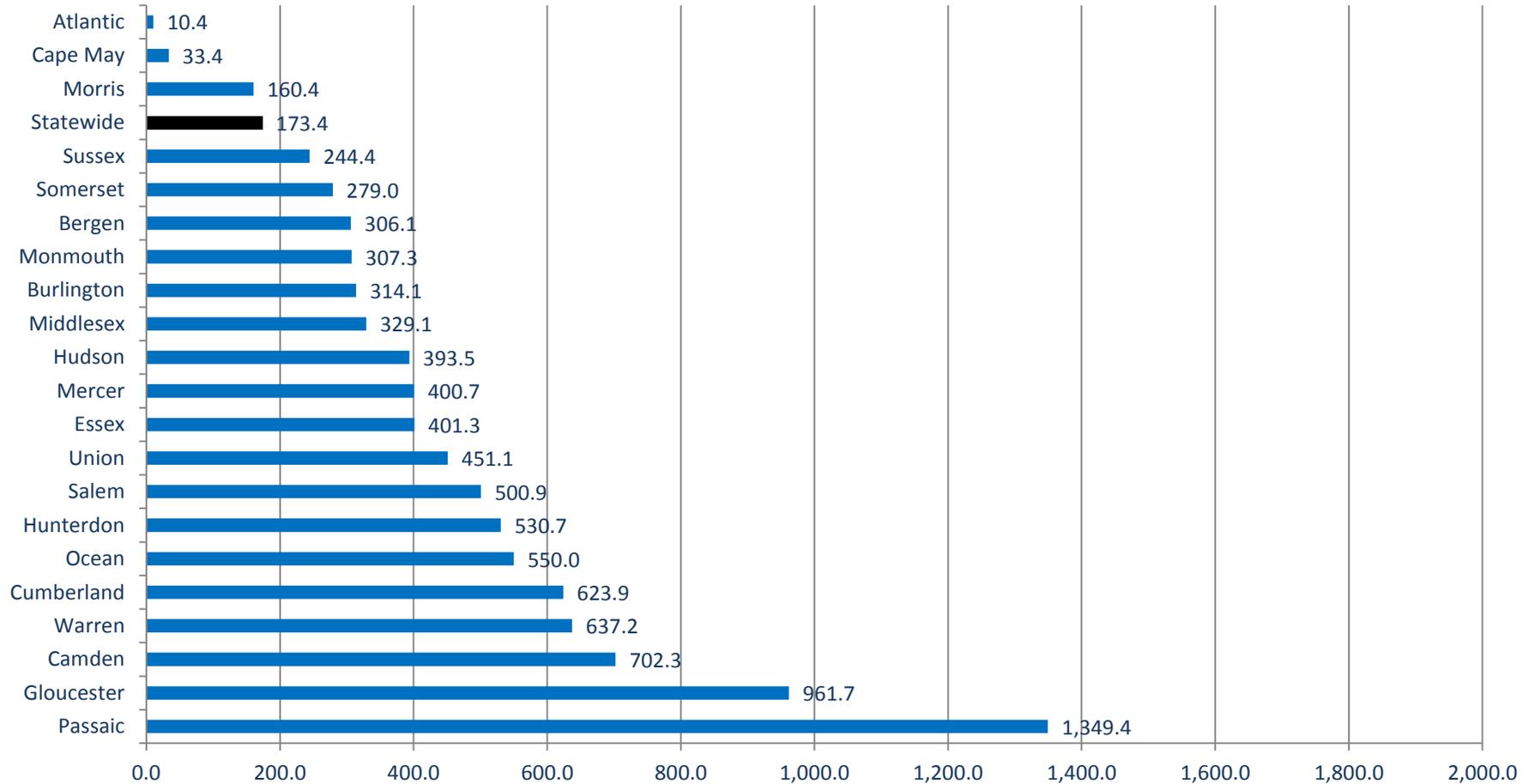


Office of
Research and
Information

Note: Bergen, Camden, Morris & Salem data are suppressed due to employer confidentiality issues Source: NJLWD, Quarterly Census of Employment & Wages, Annual Averages Prepared by: New Jersey Department of Labor and Workforce Development, December 2020

Accommodations Employment & Population: 2018

Number of County Residents Per Accommodations Job

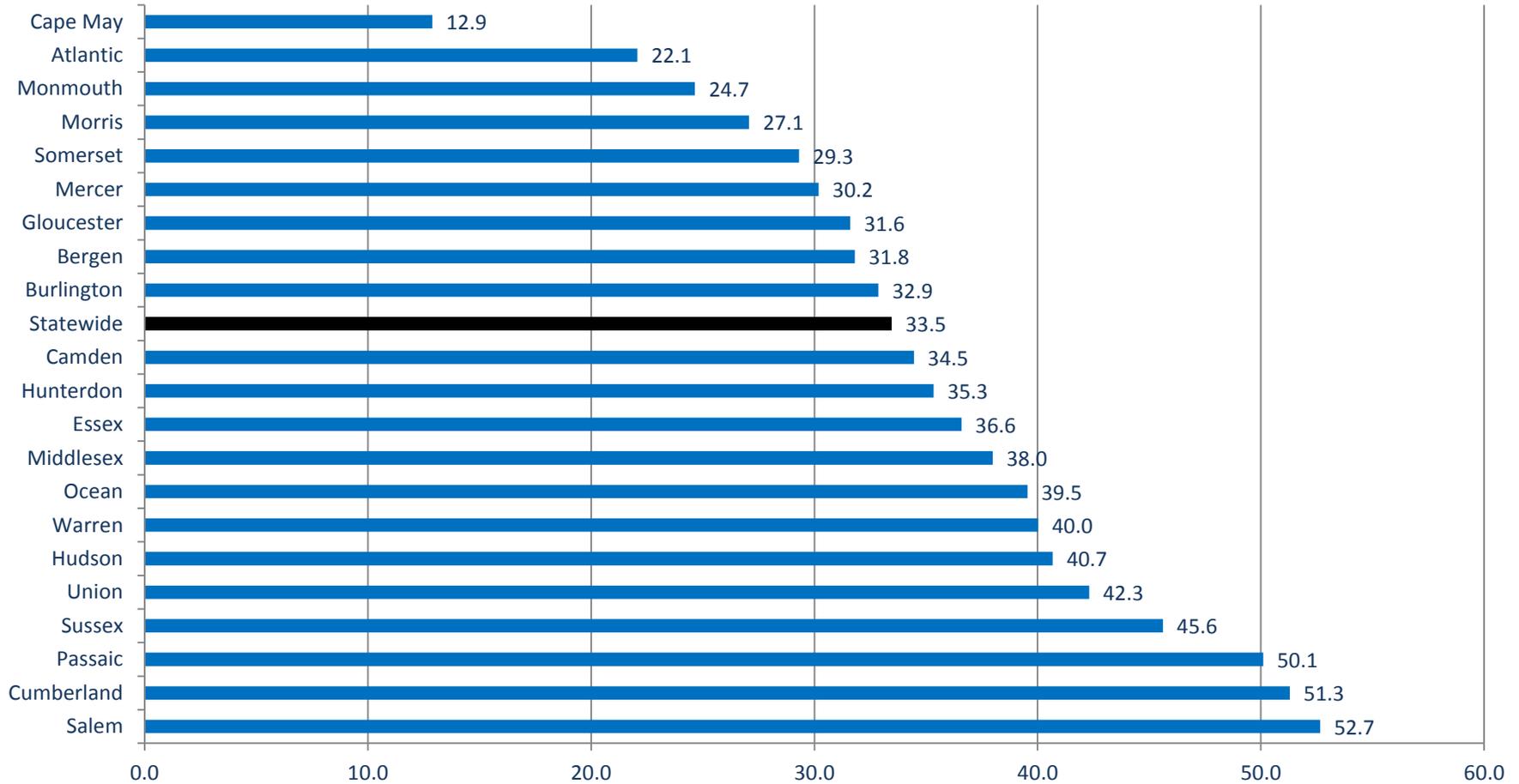


Office of
Research and
Information

Source: NJLWD, US Census Bureau, 2018 Population Estimates, Quarterly Census of Employment & Wages, Annual Averages, Prepared by: New Jersey Department of Labor and Workforce Development, December 2020

Food Services and Drinking Places Employment & Population: 2018

Number of Residents Per Food Services & Drinking Places Job



Office of
Research and
Information

Source: NJLWD, US Census Bureau, 2018 Population Estimates, Quarterly Census of Employment & Wages, Annual Averages, Prepared by: New Jersey Department of Labor and Workforce Development, December 2020

OCCUPATIONAL ANALYSIS



New Jersey Resident 2017 Workforce Characteristics: Occupations in All Industries in NJ vs. L&H (Percentage)

➤ The sector had a higher proportion in only **six** out of 18 occupational categories due to the defined nature of the industry components' type of work.

➤ For example, “Food preparation & service” is mainly in Food Services/Drinking Places while “cleaning/maintenance” workers are at hotels and motels (accommodations) which are components of Leisure & Hospitality.

Characteristic By Occupation

	<u>All</u>	<u>LH</u>
Management/Business/Financial	17.8%	13.3%
Scientist/Engineer	6.5%	0.7%
Community/Social services	1.8%	0.1%
Legal services	1.4%	0.0%
Education/Training/Library worker	6.5%	0.7%
Arts/Entertainment	2.1%	4.0%
Health care	8.0%	0.5%
Protective	2.4%	2.1%
Food preparation & service	4.8%	47.5%
Cleaning/Maintenance	3.5%	5.4%
Personal Care	3.4%	8.2%
Sales/Marketing	10.1%	8.1%
Administrative support	13.0%	4.9%
Farming/Fishing/Forestry	0.2%	0.0%
Construction/Extraction	4.2%	0.3%
Installation/Repair	2.6%	0.6%
Production	3.9%	0.8%
Transportation/Material moving	6.7%	2.8%
Military/Never worked	1.1%	13.3%



Office of
Research and
Information

Source: U.S. Census Bureau, 2017 American Community Survey, Public Use Micro-data Sample (5% Sample), December 2020

Wages by Occupation

- The wage data published are possible due to thousands of New Jersey employers who participated in the Occupational Employment Statistics (OES) Wage Survey over the past three years. The data collected in the OES Wage Survey provides valuable input for wage comparisons and for identifying trends in emerging or declining occupations -- *precisely the kind of information needed by both employers as well as those who are choosing or changing careers.*
- In leisure & hospitality, the lower wages are mainly due to entry-level, part-time, lower skill and education requirements.
- According to the June 2019 Occupational Employment Statistics Survey, NAICS 71 (Arts, entertainment & recreation's) two largest occupations are fitness trainers/aerobics instructors and amusement and recreation attendants. The 25th percentile of those can be considered "entry-level" vary greatly while being on the upper-end and lower-end of the pay scale (\$31,300 and \$19,200, respectively).



Office of
Research and
Information

Source: NJLWD, Occupational Employment Statistics Survey, June 2019

Prepared by: New Jersey Department of Labor and Workforce Development, December 2020

Wages by Occupation

- As might be expected, (NAICS 72, which houses the food services and drinking places' segment), the largest occupational category, *waiters/waitresses*, pays about \$9.80/hour for entry-level and \$15.50/hour for more experienced. To the extent that tip income is reported accurately, *waiters/waitresses* earn somewhat better than the annual wage of \$27,600.
- The occupation with the 2nd highest estimated employment in the state, *combined food preparation and serving workers, including fast food*, pays about an annual hourly wage of \$10.65 and \$22,100 for the annual wage.
- The 3rd highest employment was Counter Attendants, Cafeteria, Food Concession, and Coffee Shop which earn similar wages as food prep workers (\$10.40 and \$21,600).
- On the upper end of the pay scale, leisure & hospitality occupations that pay an average of \$100,000 or more per year mostly include *managers* of all types.



Office of
Research and
Information

Source: NJLWD, Occupational Employment Statistics
Survey, June 2019

Prepared by: New Jersey Department of Labor and
Workforce Development, December 2020

Top occupations within NAICS 71 with estimated 2018 employment & wages

(25th percentile can be considered “entry-level” while 75th percentile can be “more experienced”)

Occ'l (SOC) Code	Occupational Title	Est'd Empl.	Mean (Avg.) Hourly	Mean (Avg.) Salary	25th Pctile. Hourly	25th Pctile. Salary	75th Pctile. Hourly	75th Pctile. Salary
00-0000	Total all occupations	63,880	19.65	40,800	10.35	21,500	24.25	50,400
39-9031	Fitness Trainers and Aerobics Instructors	8,230	25.40	52,800	15.05	31,300	30.85	64,200
39-3091	Amusement and Recreation Attendants	6,640	10.45	21,700	9.20	19,200	11.00	22,900
27-2022	Coaches and Scouts	5,080		52,600		30,400		62,100
33-9092	Lifeguards, Ski Patrol, and Other Recreational Protective Service Workers	3,190	12.00	25,000	9.65	20,000	11.80	24,500
37-3011	Landscaping and Groundskeeping Workers	2,670	14.60	30,400	11.25	23,400	16.75	34,800
35-3031	Waiters and Waitresses	2,320	12.85	26,700	9.65	20,100	14.85	30,900
43-4171	Receptionists and Information Clerks	1,900	13.15	27,300	10.10	21,000	15.50	32,300
37-2011	Janitors and Cleaners, Except Maids and Housekeeping Cleaners	1,660	13.05	27,200	10.10	21,000	14.20	29,500
39-9032	Recreation Workers	1,260	16.20	33,700	10.65	22,100	19.80	41,200
41-2011	Cashiers	1,070	11.35	23,600	9.25	19,200	12.05	25,100
43-4051	Customer Service Representatives	1,050	14.80	30,800	10.70	22,200	17.20	35,800
11-1021	General and Operations Managers	1,040	57.95	120,600	34.10	70,900	71.90	149,500
39-1021	First-Line Supervisors of Personal Service Workers	1,030	20.20	42,000	15.35	31,900	24.45	50,900
39-9011	Childcare Workers	1,010	11.30	23,500	9.30	19,300	11.95	24,900
35-3011	Bartenders	1,000	12.75	26,600	10.05	20,900	14.65	30,400
39-3031	Ushers, Lobby Attendants, and Ticket Takers	1,000	13.20	27,500	9.65	20,100	16.85	35,000
43-9061	Office Clerks, General	950	14.65	30,500	10.25	21,300	18.35	38,200
49-9071	Maintenance and Repair Workers, General	940	19.00	39,500	13.80	28,700	23.30	48,500
41-3099	Sales Representatives, Services, All Other	910	28.30	58,800	12.50	26,000	33.80	70,300



Office of
Research and
Information

Source: NJLWD, Occupational Employment Statistics Survey,
June 2019

Prepared by: New Jersey Department of Labor and
Workforce Development, December 2020

Top occupations within NAICS 72 with estimated 2018 employment & wages

(25th percentile can be considered “entry-level” while 75th percentile can be “more experienced”)

Occ'l (SOC) Code	Occupational Title	Est'd Empl.	Mean (Avg.) Hourly	Mean (Avg.) Salary	25th Pctile. Hourly	25th Pctile. Salary	75th Pctile. Hourly	75th Pctile. Salary
00-0000	Total all occupations	313,060	13.95	29,000	9.50	19,700	15.25	31,800
35-3031	Waiters and Waitresses	55,470	13.25	27,600	9.80	20,400	15.50	32,200
35-3021	Combined Food Preparation and Serving Workers, Including Fast Food	37,830	10.65	22,100	9.30	19,300	11.45	23,800
35-3022	Counter Attendants, Cafeteria, Food Concession, and Coffee Shop	29,280	10.40	21,600	9.15	19,000	11.10	23,100
35-2014	Cooks, Restaurant	19,510	15.95	33,200	12.75	26,500	18.45	38,400
35-2021	Food Preparation Workers	18,970	11.70	24,300	9.25	19,200	13.05	27,200
35-1012	First-Line Supervisors of Food Preparation and Serving Workers	16,180	21.05	43,800	15.65	32,600	26.10	54,300
35-3011	Bartenders	15,670	14.50	30,100	11.00	22,900	17.50	36,400
35-9011	Dining Room and Cafeteria Attendants and Bartender Helpers	12,460	11.60	24,200	9.50	19,800	12.50	26,000
35-2015	Cooks, Short Order	10,290	12.00	24,900	9.30	19,300	14.00	29,100
35-9031	Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop	10,080	11.65	24,300	9.45	19,700	12.05	25,100
35-2011	Cooks, Fast Food	8,630	11.15	23,200	9.50	19,800	12.75	26,500
35-9021	Dishwashers	8,370	10.85	22,600	9.50	19,800	11.75	24,400
37-2012	Maids and Housekeeping Cleaners	8,350	11.85	24,600	9.75	20,300	13.30	27,700
41-2011	Cashiers	6,230	11.95	24,900	9.30	19,400	12.50	26,000
43-4081	Hotel, Motel, and Resort Desk Clerks	3,640	12.20	25,400	10.45	21,700	13.30	27,700
53-3033	Light Truck or Delivery Services Drivers	3,610	12.25	25,400	9.00	18,700	14.25	29,600
35-2012	Cooks, Institution and Cafeteria	3,390	16.15	33,600	13.05	27,100	18.70	38,900
53-3031	Driver/Sales Workers	3,280	12.10	25,200	9.20	19,200	12.35	25,700
37-2011	Janitors and Cleaners, Except Maids and Housekeeping Cleaners	3,090	13.60	28,300	10.35	21,500	14.45	30,100
11-9051	Food Service Managers	2,650	40.10	83,400	30.05	62,500	48.60	101,100
35-3041	Food Servers, Nonrestaurant	2,230	12.80	26,600	10.15	21,200	15.15	31,500
35-1011	Chefs and Head Cooks	2,140	34.05	70,800	24.60	51,200	39.75	82,600



Office of
Research and
Information

Source: NJLWD, Occupational Employment Statistics Survey,
June 2019

Prepared by: New Jersey Department of Labor and
Workforce Development, December 2020

DEMOGRAPHIC CHARACTERISTICS OF THE INDUSTRY WORKFORCE



New Jersey Resident Workforce Demographic Characteristics

All Industries in NJ vs. L&H: 2017 by Age, Sex, Race & Hispanic Origin

➤ The L&H industry sector is characterized by a large number of seasonal and part-time jobs and by workers who are younger than the average for all industries. Over one-half (52.9%) of all workers in the sector are under 35 years old compared with nearly one-third (32.6%) for all industries.

➤ Many businesses in the sector increase hiring during the summer, often employing high school-age and college-age workers. Some segments of the industry sector are heavily reliant on immigrant and guest workers such as boardwalk and amusement establishments.

	<u>By Age</u>	<u>All</u>	<u>L&H</u>
	Less than 25	11.8%	30.9%
	25-34	20.8%	22.0%
	35-44	20.6%	16.1%
	45-54	22.4%	17.1%
	55-64	18.2%	10.4%
	65 & over	6.2%	3.5%
	<u>By Sex</u>		
	Male	52.5%	50.9%
	Female	47.5%	49.1%
	<u>By Race</u>		
	White	68.3%	65.6%
	Black	13.4%	14.2%
	American Indian/Alaska Native	0.2%	0.1%
	Asian	10.1%	9.3%
	Native Hawaiian/Pacific Islander	0.0%	0.0%
	Some Other Races	5.9%	8.3%
	Two or more races	2.1%	2.4%
	<u>By Hispanic origin</u>		
	Non-Hispanic	80.0%	74.0%
	Hispanic	20.0%	26.0%



Office of
Research and
Information

Source: 2017 American Community Survey
Public Use Micro-data Sample (5% Sample),
December 2020

New Jersey Resident Workforce Characteristics

All Industries in NJ vs. L&H: 2017 Earnings

	<u>By Personal Earnings</u>	<u>All</u>	<u>L&H</u>
<p>➤ The Leisure & Hospitality sector had a significantly higher proportion than “All industries” in the lowest dollar range in <i>Personal Earnings</i>: “Less than \$25,000”.</p>	Less than \$25,000	32.0%	62.8%
	\$25,000 - \$50,000	23.2%	21.7%
	\$50,000 - \$75,000	17.7%	9.2%
	\$75,000 - \$100,000	9.9%	2.8%
<p>➤ This is the result of the low paying nature of the occupations in the leisure, hospitality industry.</p>	\$100,000 - \$150,000	9.5%	1.9%
	\$150,000 - \$200,000	3.4%	0.8%
	\$200,000 & more	4.2%	0.9%

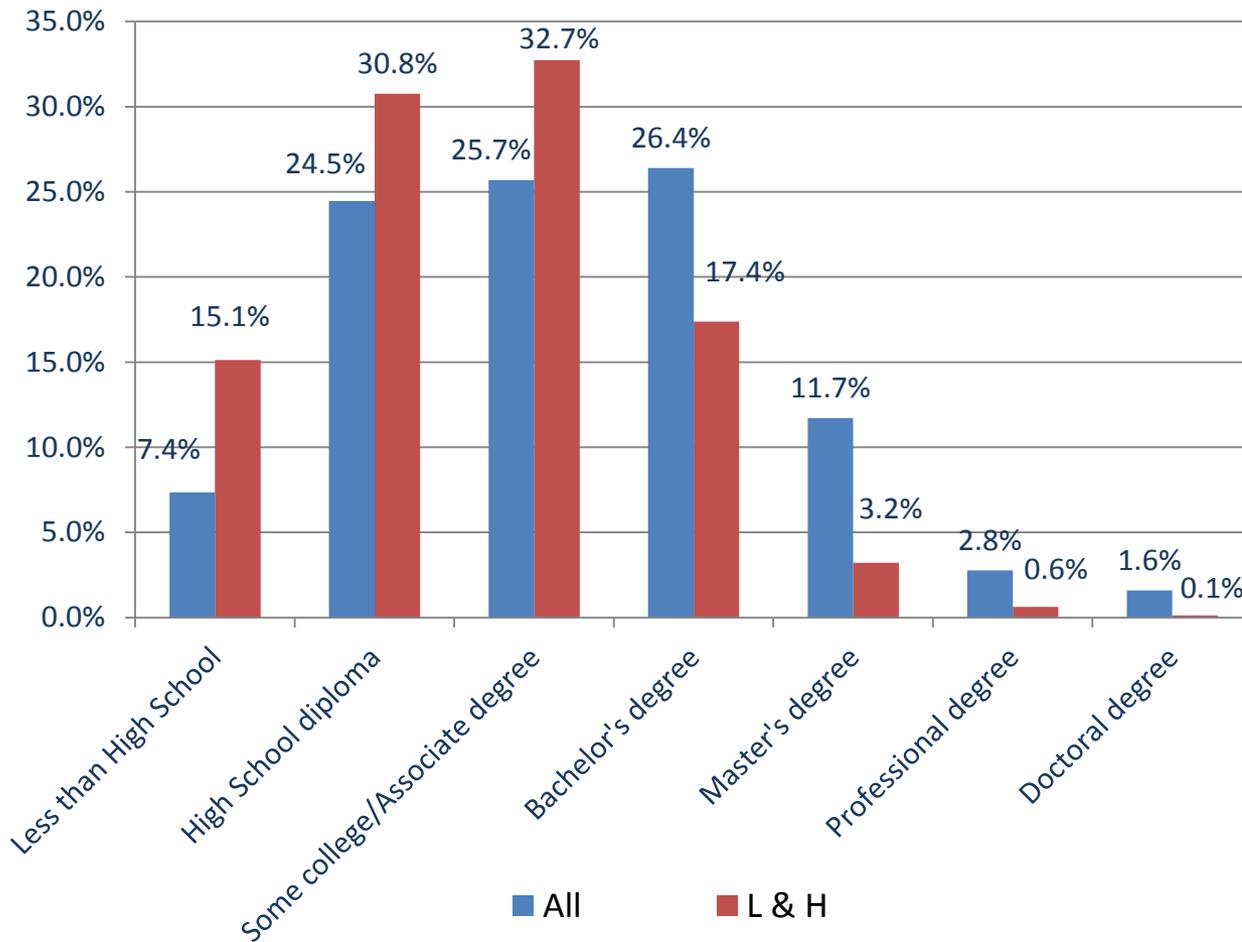


Office of
Research and
Information

Source: 2017 American Community Survey
Public Use Micro-data Sample (5% Sample),
December 2020

New Jersey Resident Workforce Characteristics

All Industries vs. L&H: 2017 Educational Attainment



- A greater proportion of L&H workers have achieved a lower level of education than workers overall due to its lower skilled, entry-level positions with a higher turnover rate.
- The 2017 American Community Survey states nearly 1/2 (45.9%) of the workers in this industry sector do not have any formal education beyond high school compared with about 1/3 (31.9%) for employees in all industries statewide.



Office of
Research and
Information

Source:
2017 American Community Survey Public Use
Micro-data Sample (5% Sample), December 2020

OUTLOOK AND PROJECTIONS



The top nine, and overall, 11 (in red) of the top 13 occupations in the state with the greatest number of projected average annual job openings can work within L&H. The typical minimum requirements for these occupations are no work experience, short-term on-the-job training and no college degree.

The eleven occupations account for 25.6% (or 133,360) of all average annual job openings that New Jersey is expected to add through 2026.

Occupation	Employment		Change 2016-2026		Annual Average Openings			
	2016	2026	Number	Percent	Exits	Transfers	Change	Total
	Actual	Projected						
Total, All Occupations	4,318,450	4,671,200	352,750	8.2	209,590	276,160	35,270	521,020
Retail Salespersons	131,600	137,800	6,200	4.7	8,530	10,690	620	19,840
Laborers and Freight, Stock, and Material Movers, Hand	120,400	138,300	17,900	14.9	6,410	11,060	1,790	19,260
Cashiers	96,100	94,200	-1,900	-2.0	8,930	8,720	-190	17,460
Waiters and Waitresses	62,050	70,600	8,550	13.8	4,910	7,520	860	13,290
Combined Food Preparation & Serving Workers, Incl. Fast Food	49,000	59,600	10,600	21.6	4,810	5,030	1,060	10,890
Janitors & Cleaners, Except Maids and Housekeeping Cleaners	69,850	76,450	6,600	9.4	4,760	4,600	660	10,020
Customer Service Representatives	70,750	74,350	3,600	5.1	3,710	5,440	360	9,510
Stock Clerks and Order Fillers	70,050	73,700	3,650	5.2	3,920	5,120	370	9,410
Office Clerks, General	73,450	72,050	-1,400	-1.9	4,270	4,160	-140	8,290
Home Health Aides	42,550	63,500	20,950	49.3	3,220	2,680	2,100	8,000
Receptionists and Information Clerks	54,000	60,050	6,050	11.2	3,550	3,780	600	7,930
Nursing Assistants	59,900	67,150	7,250	12.0	3,860	3,210	720	7,790
Counter Attendants, Cafeteria, Food Concession & Coffee Shop	31,700	34,900	3,200	10.1	4,000	3,140	320	7,460



Office of
Research and
Information

Source: NJLWD, Current Employment Statistics,
Industry & Occupational Employment
Projections, 2016-2026

NEW JERSEY, 2016 – 2026

PROJECTED EMPLOYMENT CHANGE BY INDUSTRY

<u>Industry Title (Two-Digit NAICS)</u>	<u>2016 Jobs</u>	<u>2026 Jobs</u>	<u>Change: 2016 -2026</u>	
			<u>Number</u>	<u>Percent Annual</u>
Total Nonfarm	3,967,500	4,228,350	260,850	0.6
Health Care and Social Assistance	581,700	682,930	101,230	1.6
Accommodation and Food Services	305,500	345,910	40,410	1.3
Administrative and Support and Waste Management and Remediation Services	282,900	312,870	29,970	1.0
Professional, Scientific, and Technical Services	297,900	327,250	29,350	0.9
Transportation and Warehousing	174,900	202,900	28,000	1.5
Construction	153,600	176,260	22,660	1.4
Other Services (except Government)	171,000	189,650	18,650	1.0
Arts, Entertainment, and Recreation	64,300	79,870	15,570	2.2
Educational Services	426,200	440,550	14,350	0.3
Retail Trade	461,700	475,130	13,430	0.3
Manufacturing	242,100	252,080	9,980	0.4
Management of Companies and Enterprises	81,900	90,000	8,100	0.9
Wholesale Trade	217,200	223,720	6,520	0.3
Finance and Insurance	186,900	192,880	5,980	0.3
Real Estate and Rental and Leasing	57,400	58,500	1,100	0.2
Utilities	14,200	14,330	130	0.1
Natural Resources and Mining	1,300	1,400	100	0.7
Information	71,500	67,950	-3,550	-0.5
Government	281,400	267,990	-13,410	-0.5

Note: Total nonfarm employment excludes self-employed and unpaid family workers.

- Based on official employment projections for New Jersey's industries prepared by the Department of Labor and Workforce Development, payrolls in Leisure & Hospitality (in blue) are projected to grow by nearly 56,000 from 2016-to-2026.
- The sector's rate of job growth is faster than that projected for the state overall (12.9%, L&H vs. 6.6%, all industries).

NOTE: Employment data are rounded to the nearest hundred. Percentages and percent changes are based on unrounded data.



Office of
Research and
Information

Source: NJLWD, Current Employment Statistics, Industry & Occupational Employment Projections, 2016-2026,
Prepared by: New Jersey Department of Labor and Workforce Development, Workforce Research & Analytics

NEW JERSEY, 2016 – 2026

PROJECTED EMPLOYMENT CHANGE IN LEISURE & HOSPITALITY INDUSTRY

NAICS Industry Code	Industry Title	2016 Estimated Employment	2026 Projected Employment	Numeric Change	Annual Growth Rate
71 & 72	Leisure and Hospitality	369,800	425,780	55,980	1.4
71	Arts, Entertainment and Recreation	64,300	79,870	15,570	2.2
713	Amusement, Gambling & Recreation Industries	51,600	66,000	14,400	2.5
719	Arts, Entertainment, and Recreation, All Others	12,700	13,870	1,170	0.9
72	Accommodation and Food Services	305,500	345,910	40,410	1.3
721	Accommodation, including Hotels and Motels	49,300	53,790	4,490	0.9
72120	Casino Hotels	21,200	24,000	2,800	1.2
72190	Accommodation, All Other	28,100	29,790	1,690	0.6
7220	Food Services and Drinking Places	256,200	292,120	35,920	1.3
7223	Special Food Services	30,600	34,000	3,400	1.1
7224	Drinking Places (Alcoholic Beverages)	9,500	9,200	-300	-0.3
7225	Restaurants and Other Eating Places	216,100	248,920	32,820	1.4

➤ Continuing the trend, food services & drinking places is projected to increase the most in Leisure & Hospitality through 2026.

➤ Drinking Places (Alcoholic Beverages) is the only industry projected to decline.

NOTE: Employment data are rounded to the nearest hundred. Percentages and percent changes are based on unrounded data



Office of
Research and
Information

Source: NJLWD Current Employment Statistics, Industry & Occupational Employment Projections, 2016 - 2026.
Prepared by: New Jersey Department of Labor and Workforce Development, Workforce Research & Analytics

Outlook

The Foods Services/Drinking Places component is projected to create the second highest number of new jobs in the state (35,920) from 2016-to-2026 with an annual growth rate of 1.3 percent.

The sector's Arts/Entertainment/Recreation segment is projected to add 15,570 new jobs while experiencing annual growth rates of 0.3 percent and 2.2 percent, respectively.



Office of
Research and
Information

Southern Region Industry Projections: Accommodations & Food Services

<u>County</u>	2016 Estimated Employment	2026 Projected Employment	Numeric Change	Annual Growth Rate (%)	Total Percent Change	Outlook
Atlantic	35,630	45,610	9,980	2.5	28.0	Growing
Burlington	14,230	15,550	1,320	0.9	9.2	Growing
Camden	15,560	16,880	1,320	0.8	8.5	Growing
Cape May	9,640	10,460	820	0.8	8.6	Growing
Cumberland	3,230	3,300	100	0.3	3.2	Stable
Gloucester	8,760	8,920	160	0.2	1.8	Stable
Salem	1,220	1,180	-40	-0.4	-3.8	Declining



Office of
Research and
Information

Source: NJLWD, New Jersey Industry and
Occupational Projections, 2016-2026
Prepared by: New Jersey Department of Labor and
Workforce Development, December 2020

Central Region Industry Projections: Accommodations & Food Services

<u>County</u>	2016 Estimated Employment	2026 Projected Employment	Numeric Change	Annual Growth Rate (%)	Total Percent Change	Outlook
Mercer	12,990	14,600	1,610	1.2	12.5	Growing
Middlesex	23,240	24,070	830	0.4	3.6	Stable
Monmouth	26,400	30,300	3,900	1.4	14.7	Growing
Ocean	15,620	17,290	1,670	1.0	10.7	Growing



Office of
Research and
Information

Source: NJLWD, New Jersey Industry and
Occupational Projections, 2016-2026
Prepared by: New Jersey Department of Labor and
Workforce Development, December 2020

Northern Region Industry Projections: Accommodations & Food Services Trade

<u>County</u>	2016 Estimated Employment	2026 Projected Employment	Numeric Change	Annual Growth Rate (%)	Total Percent Change	Outlook
Bergen	31,820	37,990	6,170	1.8	19.4	Growing
Essex	22,700	24,680	1,980	0.8	8.7	Growing
Hudson	17,280	20,110	2,830	1.5	16.3	Growing
Hunterdon	3,810	4,160	350	0.9	9.2	Growing
Morris	20,540	24,310	3,770	1.7	18.4	Growing
Passaic	10,190	11,070	880	0.8	8.6	Growing
Somerset	12,110	13,450	1,340	1.1	11.1	Growing
Sussex	3,630	3,640	10	0.0	0.4	Stable
Union	14,000	15,110	1,110	0.8	7.9	Growing
Warren	2,930	3,220	290	0.9	9.9	Growing



Office of
Research and
Information

Source: NJLWD, New Jersey Industry and
Occupational Projections, 2016-2026
Prepared by: New Jersey Department of Labor and
Workforce Development, December 2020

Outlook

- Along with other service sectors such as the retail industry, leisure and hospitality is a critical point of entry, or “gateway,” into the labor force and provides workers with foundational skills in customer service, punctuality, and responsibility.
- The leisure and hospitality industry offers substantial employment opportunities. Part-time and temporary work is plentiful across a range of employers, from small, independent businesses to national and multinational chains.
- A college degree can afford direct entry into management training programs and regional/corporate level career paths.



Office of
Research and
Information

LEISURE & HOSPITALITY

This workforce product was funded by a grant awarded by the U.S. Department of Labor's Employment and Training Administration. The product was created by the grantee and does not necessarily reflect the official position of the U.S. Department of Labor's product. The Department of Labor makes no guarantees, warranties, or assurances of any kind, express or implied, with respect to such information, including any information on linked sites and including, but not limited to, accuracy of the information or its completeness, timeliness, usefulness, adequacy, continued availability, or ownership. This product is copyrighted by the institution that created it. Internal use by an organization and/or personal use by an individual for non-commercial purposes is permissible. All of the uses require the prior authorization of the copyright owner.



Office of
Research and
Information

NEW JERSEY LEISURE & HOSPITALITY INDUSTRY SECTOR CONTACT INFORMATION

New Jersey Department of Labor & Workforce Development

<http://lwd.dol.state.nj.us/>

PO Box 057
Trenton, NJ 08625-0057

Office of Research and Information

http://lwd.dol.state.nj.us/labor/lpa/LMI_index.html

Michael J. Dugan – Labor Market Analyst

Tel: (609) 633-6425

Email: michael.dugan@dol.nj.gov



Office of
Research and
Information