

Hospitality: Securing the Workforce Behind Our Hotels and Restaurants

Overview

The hospitality industry including hotels, restaurants, and travel — is one of the largest economic engines in the United States. But staffing shortages are threatening its future. Businesses cannot stay open without reliable workers. Immigrant workers are not just helping; they are essential to keeping this industry running.

Key Facts

- The hospitality sector employs more than 11 million workers, contributing over \$760 billion to the American economy.
- One in three workers in hotels and lodging is an immigrant.
- Immigrants own:
 - 43% of small hotels and motels
 - 37% of restaurants
 - One in three new hospitality businesses
- One in four food service industry workers is an immigrant.
- A 2024 survey showed:
 - 65% of hotels reported serious staffing shortages
 - Restaurants experienced <u>75%</u> employee turnover in the past year

The Real Issue: A Sector Still Struggling to Recover

The hospitality and leisure industries support over 15 million jobs and contribute \$2.6 trillion to the U.S. economy each year. Nearly one million jobs in the sector remain unfilled. Hotels alone lost 680,000 direct employees between 2019 and 2020. While 400,000 of those workers have returned, staffing levels remain below pre-pandemic levels. As of January 2024, 67.6% of hoteliers report ongoing shortages.

This is not sustainable. If restaurants and hotels cannot operate at full capacity, local businesses lose revenue, workers lose hours, and overall economic recovery stalls.



Immigrant Workers: Serving the Industry and the Country

Immigrants are essential to the daily operation and long-term health of the hospitality sector. Over one million undocumented individuals currently work in hospitality, particularly in hotels and restaurants. They reduce turnover, meet staffing demands, and help keep businesses open. Without them, the labor shortage could double, placing the entire industry at greater risk. Practical, long-term solutions are needed to protect this workforce and keep the economy moving.

Policy Recommendations

To strengthen the American hospitality industry, policymakers must:

- Expand pathways for qualified immigrant hospitality workers to legally work in the U.S.
- Ensure restaurant and hospitality employers have access to a stable and sustainable labor pool
- Treat workforce stabilization as a core part of small business investment and economic development not a side issue

Bottom Line

You cannot have a service economy without service workers. Immigrant workers are already doing the job keeping businesses open, guests served, and local economies thriving.

The choice is clear: secure the border and secure the workforce, or risk collapsing one of America's largest industries from the inside out.