



## INDUSTRY UPDATE

PRESS RELEASE

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# Hotel Industry & Union Join To Urge Congress For Aid AHLA, Unite Here Call On Congress To Pass 'Save Hotel Jobs Act' To Help Hotel Workers

## 3.1 Million Leisure, Hospitality Jobs Lost During Pandemic Urban Hotels Hit Hardest; Nearly 200 Hotels Permanently Closed in New York City

4 min

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The American Hotel & Lodging Association (AHLA) and UNITE HERE, the largest hospitality workers union in North America, today joined forces to call on Congress to pass the Save Hotel Jobs Act. The bill, introduced by U.S. Senator Brian Schatz (D-Hawaii) and U.S. Representative Charlie Crist (D-Fla.), provides a lifeline to hotel workers, providing the assistance they need to survive until travel returns to pre-pandemic levels.



**Chip Rogers, president and CEO of AHLA**, applauded Senator Schatz and Representative Crist for introducing this critical legislation to support hotel workers.

*"Every day, hotels are closing for good, and hardworking, loyal employees are sadly being let go," said Rogers. "No industry has been more affected by the pandemic than hospitality. Government-issued travel bans and restrictions, which are meant to slow the spread of the virus, have wiped out 10 years of job growth in our industry. Now, millions of jobs and thousands of businesses are at risk—not just hotels, but the many businesses and workers hotels also support in the community. Congress must step up now to support the hotel industry workforce with targeted relief."*

**D. Taylor, president of UNITE HERE**, representing more than 300,000 employees said, *"UNITE HERE members do critical work cleaning hotel rooms, cooking food, and welcoming travelers that is*



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*Hotel Jobs Act will provide important assistance in bringing back good hospitality jobs and making sure that workers who were laid off during the pandemic are recalled back to work."*

*"The pandemic has left millions of hotel employees out of work and many more struggling to get by with less hours. They need help," **said Senator Schatz.** "Our bill creates a new grant program that will bring back hotel jobs, pay workers, and help our economy recover."*

*"After a devastating year for the Florida tourism industry and the incredibly hardworking employees whose labor makes it all possible, I am proud to join the American Hotel & Lodging Association, UNITE HERE, and Senator Brian Schatz to announce legislation that will get our hotel workers back on the job and give our tourism economy the jump start it needs," **said Rep. Crist.** "With the end of the pandemic within our sights, we need to make sure that the workers and hotels make it through to the other side as well. That's what the Save Hotel Jobs Act is all about. When the rest of America is ready to return to Florida's beaches safely, our workers and hotels will be ready!"*

The pandemic has been devastating to the hospitality industry workforce. Leisure and hospitality has lost 3.1 million jobs during the pandemic that have yet to return, representing more than a third of all unemployed persons in the United States, according to the Bureau of Labor Statistics. Even more stark, the unemployment rate in the accommodation sector specifically remains 330% higher than the rest of the economy.

Unfortunately, the road to recovery for the hotel industry is long. While leisure travel will start returning this summer as more people are vaccinated, business travel—the largest source of hotel revenue—is down 85% and is not expected to begin its slow return until the second half of this year. Full recovery is not expected until 2024.

The Save Hotel Jobs Act will provide critical support to hotels and their workers during this crucial period. Key provisions include the following:

- **Supporting Hotel Workers:** Direct payroll grants will be utilized for payroll and benefits expenses for workers. The legislation would also require grantees to give laid-off workers recall rights to ensure those who lost their hotel jobs due to the pandemic are able to get back to work.
- **Allowing Worker-Friendly Tax Credits:** Provides a Personal Protective Equipment Tax Credit to promote worker safety measures, which would allow for a payroll tax credit for



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enhanced cleaning protocols that do not negatively impact the level of work for housekeeping staff.

Empty or permanently closed hotels have a ripple effect on communities throughout the country, hurting a wide range of businesses that rely on the presence of hotel guests, such as restaurants and retail, hotel supply companies and construction. For every 10 people directly employed on a hotel property, hotels also support an additional 26 jobs in the community, according to a study by Oxford Economics. With hotels expected to end 2021 down 500,000 jobs, based on the pre-pandemic ratio, an additional 1.3 million hotel supported jobs are in jeopardy this year without additional support from Congress.

This crisis has been especially devastating in urban areas, hurting minority communities. Urban hotels, which are more reliant on business and group travel and more likely to host larger events, ended January down 66% in room revenue compared to last year. That does not include the lost revenue from groups, meetings and food and beverage, which contribute significantly to business in these markets. According to recent reports, New York City has seen one-third of its hotel rooms—more than 42,000—wiped out by the COVID-19 pandemic, with nearly 200 hotels closing permanently in the city.

## About UNITE HERE

UNITE HERE is a labor union that represents over 300,000 members working in the hotel, gaming, food service, manufacturing, textile, distribution, laundry, transportation, and airport industries in the U.S. and Canada. Over 70% of UNITE HERE hotel members are still out of work as a result of the COVID-19 pandemic, down from a peak of 98%.

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## About the American Hotel & Lodging Association

The American Hotel & Lodging Association (AHLA) is the sole national association representing all segments of the U.S. lodging industry. Headquartered in Washington, D.C., AHLA focuses on strategic advocacy, communications support and workforce development programs to move the industry forward. In the wake of COVID-19 pandemic, the hospitality was the first industry impacted and it will be among the last to recover. That is why AHLA is committed to promoting safe travel while also creating a standardized safety experience nationwide through the Safe Stay initiative. With an enhanced set of health and safety protocols designed to



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