Center for Women and Work

Fact Sheet

New Jersey Women in Leisure and Hospitality During COVID-19



August 2022

LEISURE AND HOSPITALITY, one of New Jersey's key <u>industry</u> sectors, experienced an enormous upheaval during the pandemic. As in other states across the country, the leisure and hospitality sector took an enormous hit from business closures caused by lockdowns and stay-at-home orders. Fears of contracting the virus contributed to further declines in demand for services offered in the leisure and hospitality industry, just as labor supply contracted as workers dealt with increased care responsibilities at home. While this upheaval has been well documented in the literature, less is known about how New Jersey's workforce in particular was impacted by these disruptions. Using American Community Surveys (ACS) data, we analyze how the pandemic altered the economic experiences of New Jersey women and men working in leisure and hospitality.¹

In this factsheet, the leisure and hospitality industry includes the following sub-industries as categorized in the American Community Surveys: ²

Arts, Entertainment, and Recreation:

- Performing Arts Companies
- Spectator Sports
- Promoters Of Performing Arts, Sports, And Similar Events, Agents and Managers for Artists, Athletes, Entertainers, And Other Public Figures
- Independent Artists, Writers, And Performers
- Museums, art galleries, historical sites, and similar institutions
- Bowling centers
- Other amusement, gambling, and recreation industries

Accommodation:

- Traveler accommodation
- Recreational vehicle parks and camps, and rooming and boarding houses, dormitories, and workers' camps

Food Service:

- Restaurants and other food services
- Drinking places, alcohol beverage

Women make up about half of New Jersey's leisure and hospitality workers. In 2020, 51% of the state's leisure and hospitality workers were women. Accommodation industries had the highest share of women workers: 56% of the industry's workers were women. Arts, entertainment, and recreation had the

¹Note that 2020 ACS data use <u>experimental survey weights</u> to account for COVID-related disruptions in survey collection. ACS are household survey data and therefore will not directly match state-level employment statistics.

² We explicitly examine industries, not occupational categories.

lowest share at 45%. Among the sub-industries, spectator sports had the lowest share of women at just 29%.



Women are overrepresented in many of the lowest-wage occupations in leisure and hospitality, including cashiers, host and hostesses, food preparation, and waiters and waitresses. Women are largely underrepresented in the industry's highest-wage occupations, especially engineering technicians, chief

executives, and musicians.

Figure 2. Highest & lowest paid leisure and hospitality occupations in New Jersey by gender breakdown, 2020



Highest Paid Occupations



Note: Top/bottom ten paid occupations in leisure and hospitality calculated by median 2020 income of full-time and year-round New Jersey workers. Median income reported in parenthesis. Sample limited to New Jersey respondents working in a leisure and hospitality industry. Source: Rutgers University's Center for Women & Work analysis of survey-weighted 1-year ACS data.

The <u>detailed industry analysis</u> from the state's Department of Labor and Workforce Development indicates that employment in New Jersey's leisure and hospitality industry fell in 2020 to numbers below that of the 2008-09 recession.

In fact, there was a substantial decrease (6%) in the number of women working in leisure and hospitality between 2019 and 2020 in New Jersey, while the number of men employed in leisure and hospitality decreased at a slightly lower rate (4%). Among all leisure and hospitality industries, arts, entertainment, and recreation experienced one of the largest decreases in women's employment between 2019 and 2020 (a 13% decrease, or nearly 9,000 women workers), while accommodation saw among the largest decreases in men's employment (an 18% decrease, or around 4,900 men).

Race and ethnicity also played a role. White and Asian women left or lost their leisure and hospitality jobs in large numbers in 2020: there was a 10% decrease in the number of Asian women working in leisure and hospitality between 2019 and 2020, and a 25% decrease among White women. This decline is larger than that of Hispanic women at 6%. In contrast, there was a 17% increase in Black women workers in leisure and hospitality between 2019 and 2020. Many of these were in accommodation (an increase of about 2,700 Black women workers) and food service (an increase of about 3,300 Black women workers).



Hispanic women earned the lowest wages in leisure and hospitality on average. In fact, in 2020, Hispanic women working full-time in leisure and hospitality earned a median annual wage of just \$25,000. These wages are for those working full-time (35 or more hours per week).



Women are overrepresented among part-time workers. In 2020, 62% of women and 46% of men working in leisure and hospitality in New Jersey were working part-time. Overall, individuals were working part-time at rates higher than in 2019, especially women and men with school-aged children.

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Figure 5. Share of leisure and hospitality workers employed parttime, by gender and parenthood status, New Jersey, 2019 and 2020

Note: Sample limited to New Jersey respondents working in leisure and hospitality. Workers are considered "part-time" if they indicated they typically work less than 35 hours per week.





From 2019 to 2020, the median wages of men who continued working full-time and year-round in leisure and hospitality industries increased by 11% (from \$36,000 to \$40,000) while women's median wages remained constant at \$30,000. These trends **exacerbated the gender pay inequities in leisure and hospitality: in 2019, women working full-time in leisure and hospitality earned 83% of what men earned, but this ratio fell to 75% in 2020.³ In other industries in New Jersey, the gender pay ratio began to improve, as women earned 79% of men's earnings in 2019 and 81% in 2020.**

Figure 6. Gender pay ratio in leisure and hospitality and in other industries in New Jersey, 2018 to 2020

Note: Sample limited to New Jersey individuals who have non-zero labor income and are working full-time and year-round. This includes all people 16 years old and over who usually worked 35 hours or more per week and worked for at least 50 weeks in the previous year.

Source: Rutgers University's Center for Women & Work analysis of survey-weighted 1-year ACS data.



³ Gender wage gaps are typically calculated using the wages of workers who were employed *full-time* and *year-round*. Using American Community Surveys data, we include respondents in this measurement group if they are over age 16, reported that they usually worked 35 or more hours per week, and worked at least 50 weeks during the previous 12 months. This means that the wages of those working part-time or seasonally are not included in wage gap analyses.

However, the gender pay ratio in leisure and hospitality improved among Black workers and Hispanic workers. Among Black leisure and hospitality workers, in 2019, women earned 86% of what Black men earned, but in 2020, this ratio rose to 100%. Among Hispanic leisure and hospitality workers, in 2019, women earned 80% of what Hispanic men earned, but in 2020 this ratio rose to 83%. The pay ratio worsened among Asian workers during in leisure and hospitality the onset of the pandemic.

Figure 7. Gender pay ratio in leisure and hospitality by race and ethnicity in New Jersey, 2018 to 2020



Source: Rutgers University's Center for Women & Work analysis of survey-weighted 1-year ACS data.



Ultimately, leisure and hospitality workers suffered during the onset of the pandemic. Women, who often occupy the lowest-paid occupations in the industry, were commonly forced out of the industry and the gender pay gap in the industry generally grew. With already low wages, the leisure and hospitality sector offered limited and especially precarious employment for women and men in New Jersey during the pandemic. As New Jersey continues to rebuild the economy, policy makers need to focus not only on restoring jobs but improving them with legislation that boosts their pay, ensures fair work schedules, and safeguards workers' abilities to care for their families.

ABOUT THE AUTHORS

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ABOUT THE CENTER FOR WOMEN AND WORK

<u>The Center for Women and Work (CWW)</u> engages in research, education and programming that promotes economic and social equity for women workers, their families, and communities. CWW's work focuses on addressing women's advancement in the workplace; providing technical assistance and designing programming for educators, industry, and government; and, engaging in issues that directly affect the living standards of working families in New Jersey and around the world.

ABOUT THE COUNCIL ON GENDER PARITY

The Council on Gender Parity in Labor and Education's mission is to recommend policies, strategies and programs that address gender-based barriers and encourage equal participation of students and workers in education, training, and employment. The Council on Gender Parity in Labor and Education is a joint effort of the New Jersey State Employment and Training Commission and the Division on Women funded through the New Jersey State Budget.



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