



Ohio Travel
ASSOCIATION



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**National Economists States “Until we get travel and hospitality back on its feet,
there’s no way we get the Ohio economy back on its feet.”**

Organizations representing Ohio’s travel economy warn that more than a third of all Ohio jobs lost last year were in the travel and hospitality industry, and that the job losses continue. In December, 80 percent of job losses reported by the Ohio Department of Job and Family Services were from the travel and hospitality industry.

“Jobs lost include those in management, finance, marketing, engineering, human resources, and many other professions, as well as those jobs you may be most familiar with, such as those that are customer-facing,” Melinda Huntley, Ohio Travel Association Executive Director, said. “This industry experienced a devastating 22 percent unemployment rate in 2020. The unemployment rate in this industry is higher than any other industry in Ohio.”

Job losses peaked in April during pandemic shutdowns, when Ohio’s travel and hospitality lost 51 percent of its jobs, displacing 289,100 Ohioans. Many have not been able to return to work given the inability for businesses to recover.

Many businesses operating in this industry were among the first mandated to close and among the last permitted to open under Ohio Department of Health orders. Most are still operating under capacity limits and curfews that make it difficult to keep doors open and workers employed. Performance venues are only permitted the lesser of 15 percent capacity or 300 people, while meetings and conventions are limited by a state-mandated cap, regardless of venue size and their ability to implement social distancing measures.

“The current limitations on our business are still leading to cancellations and the inability to book business well into the future,” Joe Savarise, Executive Director of the Ohio Hotel & Lodging Association, said. “The resulting lost revenue puts more jobs and more businesses at risk of closure each week. In our larger urban markets, impacts on jobs are greatest with some hotels operating at less than 20 percent occupancy.”

Prior to the pandemic, Ohio’s travel and hospitality employment was experiencing a 20 percent job growth over the last 10 years, outpacing the overall job growth in Ohio of 11 percent.

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The job losses experienced in 2020 are a direct result of a loss of more than \$12.8 billion in business revenue last year, based on new information from Tourism Economics. This includes revenue generated by meetings and conferences, regular business travel, and leisure travel when people travel 50 miles or more one-way to explore new communities.

“When people travel, even if it’s just to explore a new restaurant or shop in a nearby community, they spend money,” Huntley said. “When they spend money, they support more than just jobs. Every other industry in Ohio is impacted as businesses buy goods and services to operate. There is a trickle-down effect that will soon be felt given the devastating blow to businesses in the travel economy. Our businesses simply don’t have the same money to spend on manufactured goods, construction, accounting, agricultural products and everything they need to operate. Also, when people travel, they pay taxes to support our way of life.”

Tax revenue generated through traveler spending has also taken a hit, with \$378 million lost state tax revenues, \$223 million in lost local tax revenues and \$808 in lost federal tax revenues, according to Tourism Economics.

“Travel has to be our focus for any economic recovery, because too much of the loss has been concentrated in travel and hospitality. Thirty-five percent (35%) of all the jobs lost in Ohio since February 2020 are in travel and hospitality, so there’s no way we get back to full recovery on an economic plane, until we get a recovery in travel. Until we get travel and hospitality back on its feet, there’s no way we get the Ohio economy back on its feet,” Adam Sacks, president, Tourism Economics, said.

Organizations representing the businesses that employ thousands in Ohio’s travel economy say the current situation makes direct investment by the state critical.

“Governor DeWine recognizes that direct support for our negatively-impacted businesses needs to be a priority with the Investing in Ohio Initiative,” Savarise said. “This is a welcome starting point and an appropriate step to counter the effects of the response to the pandemic. Travel-related businesses historically lead the recovery phase after economic downturns. We need to ensure Ohio’s marketing efforts are stepped up so our industry is positioned to help accelerate the rebound of our entire state.”

The Ohio travel and hospitality industry includes business operating in the transportation, tourism-related service, arts and entertainment, accommodations and food services tax code classifications. Business include hotels, restaurants, museums, historical sites, attractions, ferryboats and sightseeing cruises, performing arts, spectator sports, tour operator companies, airports, campgrounds and many other businesses who depend on traveler spending