

Benchmarking New Orleans' Tourism Economy: Hotel and Full-Service Restaurant Jobs

BY ROBERT HABANS AND ALLISON PLYER

Introduction

Tourism is the focus of increasing scrutiny in New Orleans. In May of this year, workers protested lack of health benefits at the New Orleans Tourism Marketing Corporation board meeting.¹ And a proposal to publicly subsidize a new hotel at the foot of Convention Center Boulevard received significant criticism from analysts at the Bureau of Governmental Research.² More broadly, New Orleanians have grumbled for decades that tourism capitalizes on New Orleans' culture but does little to benefit those who create that culture.³

As the debate on tourism has heated up, The Data Center has been called upon frequently to provide objective data on the tourism economy in New Orleans. Promoters and critics alike are eager to know the actual number of jobs "created" by the cluster as well as actual wages, with comparisons to other cities. This brief provides a complete and transparent documentation of the data we have on tourism in New Orleans and provides additional details about both the hotel and full-service restaurant industries.

Defining Tourism

Quantifying tourism employment proves to be surprisingly difficult with conventional data on local economies. Typically, tourists spend money on hotels, restaurants, retail purchases, and a variety of leisure, cultural, and recreational activities (museums, tours, zoos, etc.). Local residents also eat at restaurants, shop at local stores, and enjoy local attractions. As a result, distinguishing employment that is created by tourism requires making assumptions. Should entire industries be counted as part of tourism just because they serve tourists, even if those tourists are a minority? How can we distinguish external demand from local demand? These are difficult questions, and their answers have implications for analysis.

The concept of an industry cluster provides a useful framework for analyzing related economic activities that do not fit neatly into standard industry classifications. A cluster may be defined as a regional concentration of related industries. Firms within these industries have both traded and untraded linkages, share key assets like infrastructure and access to a skilled workforce, and collectively experience externalities and other spill-over effects. Businesses within a cluster often compete and collaborate in both direct and indirect ways and operate within a similar regional context of market conditions, public policy and regulation, culture and tacit knowledge, and other institutional factors. As an economic activity, tourism is diverse and difficult to define, but a cluster perspective helps to capture some of that diversity.

Industry cluster definitions are often the subject of debate with promoters pushing for definitions that are as large and encompassing as possible. Defining clusters has often been a rather subjective activity, leaving definitions vulnerable to pressures to make industry clusters look as large and inclusive as possible.⁴ Fortunately, in 2014, Harvard University released a rigorous quantification of industry clusters and made them publicly available on their U.S. Cluster Mapping project website.⁵ The Data Center began relying on Harvard's definitions of industry clusters in 2014 in our original Coastal Index publication. We used the Harvard definitions in our New Orleans Index at Ten in 2015 and have continued to use these definitions, most recently in The New Orleans Prosperity Index: Tricentennial Edition. For the admittedly complex task of defining the extent of tourism's footprint in the regional economy, Harvard's definitions offer a reasonable starting point.



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According to Harvard's definition, the "Hospitality and Tourism" cluster is a *tourist-serving* cluster with 15,458 jobs in New Orleans in 2017. The bulk of the cluster's jobs are the 11,647 jobs in the 161 hotels in New Orleans. A full roster of the other industries that make up the Harvard-defined "Hospitality and Tourism" cluster (such as tour operators, zoos, museums, etc.), appears in Appendix A, along with the 2017 number of jobs in New Orleans in each.

On the other hand, Harvard considers full-service restaurants to be *local-serving* businesses (along with country clubs, fitness centers, etc.) within a separately defined "Hospitality Establishments" cluster. A full roster of the industries in the Harvard-defined "Hospitality Establishments" cluster as well as the 2017 number of New Orleans jobs in each appears in Appendix B. However, there is no doubt that New Orleans' 564 full-service restaurants with 14,804 jobs serve a mix of tourists as well as locals.

This underscores the fact that, while Harvard's approach to defining clusters provides an empirically grounded basis for identifying an expanded set of activities associated with tourism, just like any other method, it is not without limitations. Harvard's approach treats its clusters as either locally serving or traded. However, tourist-serving industries also serve local residents. This creates the likely possibility of over-counting tourism jobs, especially if the full-service restaurant industry is categorized entirely as tourist-serving. Conversely, under-counting may exist in other sectors. For example, while the vast majority of retail establishments primarily serve local residents, tourism undoubtedly supports some retail industry demand, especially in areas with heavy tourist traffic. Drawing such lines between local demand and external demand raises as many questions as it answers. At the end of the day, there is no perfect way to define tourism. As a result, our reliance on established cluster definitions is intended as a benchmark that avoids both inconsistent assumptions that complicate measurement and implausible approaches that over-simplify and exaggerate the size of the industry.

Regardless of how the cluster is defined, hotels and full-service restaurants represent the bulk of jobs in both the "Hospitality and Tourism" cluster and the "Hospitality Establishments" cluster. The remainder of this brief drills down to provide greater detail about jobs in hotels and full-service restaurants in New Orleans and the New Orleans metro.

Hotel jobs in New Orleans

In total, New Orleans' hotels employ 11,647 people. This represents 5.6 percent of New Orleans' 207,863 jobs. While this percent may not seem large, the hotel industry in New Orleans has a location quotient of 4.5 indicating that New Orleans has a high concentration of hotel jobs and that this industry is an important part of the city's economic base.

New Orleans' hotel workforce is 57 percent African American, 9 percent Hispanic, 4 percent Asian, and 29 percent white. Fully 60 percent of hotel workers in New Orleans are 35 years of age or older.

Overall, New Orleans' hotel industry offers jobs at a range of wage levels, with annual average earnings per job, including tips, of \$41,623. However, three-fourths of New Orleans' hotel industry employment is in occupations that had median hourly earnings under \$15 in 2017. While the hotel industry includes some relatively high-paying jobs, the balance of the industry's workforce is skewed toward lower-wage occupations.

COMPARISON TO OTHER ESTIMATES OF NEW ORLEANS' TOURISM CLUSTER

The tourism cluster in New Orleans has been widely touted as having 80,000 to 100,000 jobs.⁶ Discussion with local experts and extensive web searches reveal no publicly available documentation for the methodology yielding this number. One possible method that approximates 80,000 would be to rely on the "supersector" 2-digit NAICS codes of Arts, Entertainment, and Recreation (71), and Accommodation and Food Services (72). When combined at the 5-parish New Orleans metro area level, these two supersector NAICS codes have roughly 80,000 jobs. Certainly, these two broad supersectors include many tourism jobs, but they also encompass many businesses that have few if any tourist patrons. This becomes apparent after reviewing a 2010 report compiled by the Regional Planning Commission (RPC) listing the names and locations of businesses with 50+ employees within the Arts, Entertainment, and Recreation (71), and Accommodation and Food Services (72) sectors.⁷ The RPC's full listing of these businesses and locations can be found in Appendix C. A recent report sponsored by the Hilton Foundation similarly yields a total of 73,237 "hospitality and tourism" jobs in the 10-parish greater New Orleans region. This report uses a very broad definition which excludes establishments such as fast-food restaurants, but otherwise includes most of the "supersector" 2-digit NAICS listed in the RPC report. Like the RPC listing, the Hilton Foundation-sponsored report by JFF counts in its "hospitality and tourism" industry many businesses that have few tourist customers.⁸

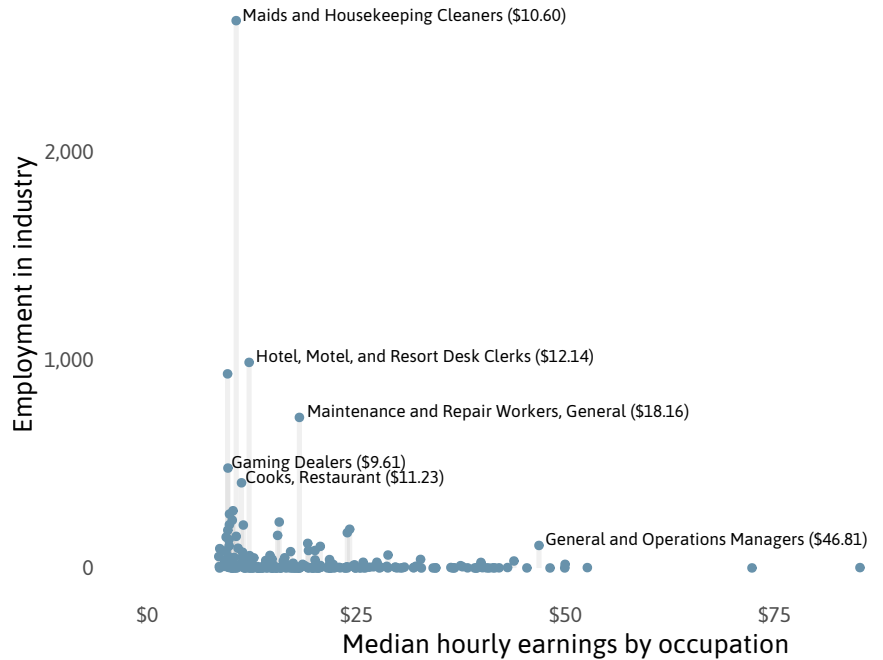
WHAT IS A LOCATION QUOTIENT?

A Location Quotient (LQ) is calculated as the industry percent of employment locally divided by the industry percent of employment nationally. Any LQ over 1 indicates a larger local concentration of jobs than the national average and suggests that the industry's relative concentration likely services external demand.

Black and Hispanic workers represent a disproportionate number of the individuals filling the large number of low-wage jobs in New Orleans' hotels. For example, of the thousands of housekeepers, who earn a median of \$10.60 per hour, 68 percent are African American and 13 percent are Hispanic. In the graphs below, each bubble represents an occupation in the New Orleans hotel industry: the larger the bubble, the more jobs within that occupation. These bubbles are then plotted on three different graphs revealing their share of employees who are African American, white, or Hispanic (horizontal axis) juxtaposed against the median hourly earnings of each occupation (vertical axis).

The number of jobs in higher paying occupations in New Orleans' hotels is relatively small. Top paying occupations are CEO, Architectural and Engineering Managers, Computer and Information Systems Managers, and so on. Each of these occupations is disproportionately filled by white workers in New Orleans. As a result, occupations in the hotel industry that pay less than \$15 per hour are disproportionately filled by people of color, and occupations that pay over \$15 per hour are disproportionately filled by white people.

Figure 1. HOTEL INDUSTRY EMPLOYMENT BY OCCUPATION AND MEDIAN HOURLY EARNINGS, NEW ORLEANS, 2017



Source: EMSI Data Run 2018, Q2.

Figure 2. HOTEL INDUSTRY EMPLOYMENT BY OCCUPATION, RACE/ETHNICITY, AND MEDIAN HOURLY EARNINGS, NEW ORLEANS, 2017

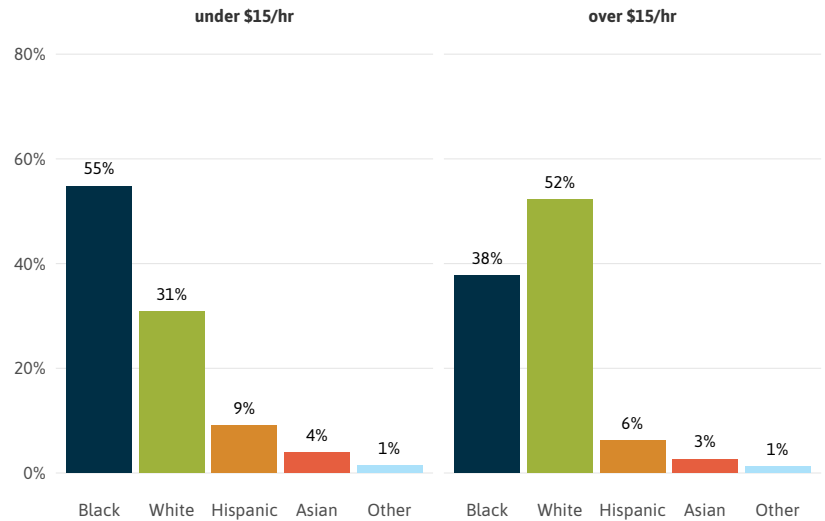


Ample research has established that the over-representation of people of color in certain occupations and white people in other occupations is not only a reflection of differences in educational attainment but also of discrimination—much of it unconscious—in hiring and compensation practices.¹⁰

Women are concentrated in lower earning hotel industry occupations. Female workers make up a slight majority (56 percent) of hotel industry workers and fill a slightly greater majority, 61.6 percent, of hotel industry occupations earning below \$15 per hour. Male workers make up the majority of hotel industry occupations earning above \$15 per hour, also roughly 62 percent, despite holding only a minority (44 percent) of total industry jobs. Many of the larger, lower-earning occupations like housekeeping cleaners, desk clerks, and waitstaff are majority female occupations.

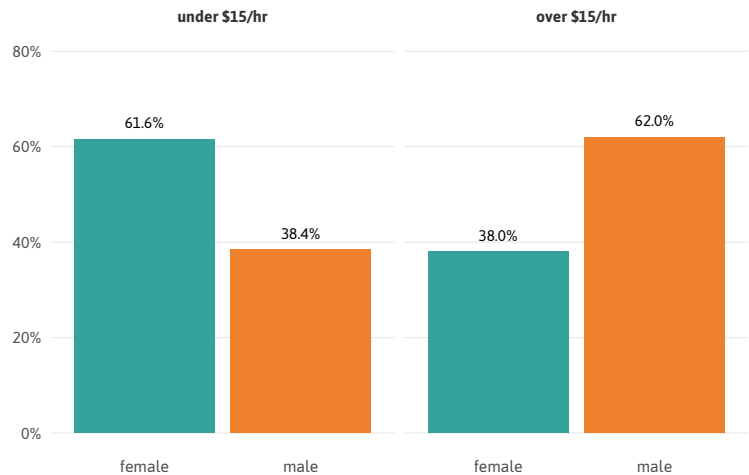
Lower wages should be understood in the context of the current cost of living in New Orleans. One of the most rigorous estimates of the cost of living for a given locale can be found in MIT's living wage calculations, which determine actual costs for housing, transportation, food, childcare, medical, and other essentials based on household size and type – the number of children and working adults in the household. Housing represents the largest portion of cost of living in New Orleans (as in most localities) followed by transportation. There is no doubt that housing in the New Orleans area has become more expensive post-Katrina. Indeed, median rent in metro New Orleans rose 18 percent from \$788 in 2004 (in 2016 dollars) to \$931 in 2016.¹¹ According to MIT, rent now represents up to 40 percent of the basic cost of living in New Orleans (depending on household size). Transportation costs represent another 21 percent.

Figure 3. RACE/ETHNICITY IN HOTEL OCCUPATIONS WITH MEDIAN HOURLY EARNINGS BELOW AND ABOVE \$15 PER HOUR, NEW ORLEANS, 2017



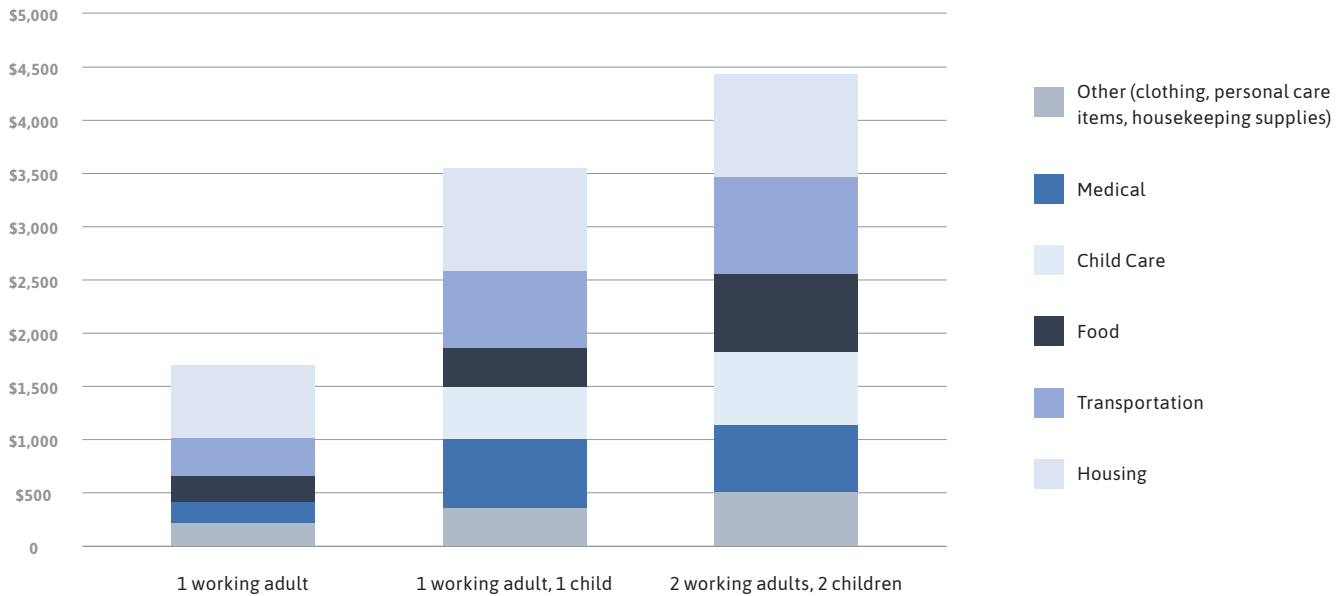
Source: EMSI Data Run 2018, Q2.

Figure 4. GENDER IN HOTEL OCCUPATIONS WITH MEDIAN HOURLY EARNINGS BELOW AND ABOVE \$15 PER HOUR, NEW ORLEANS, 2017



Source: EMSI Data Run 2018, Q2.

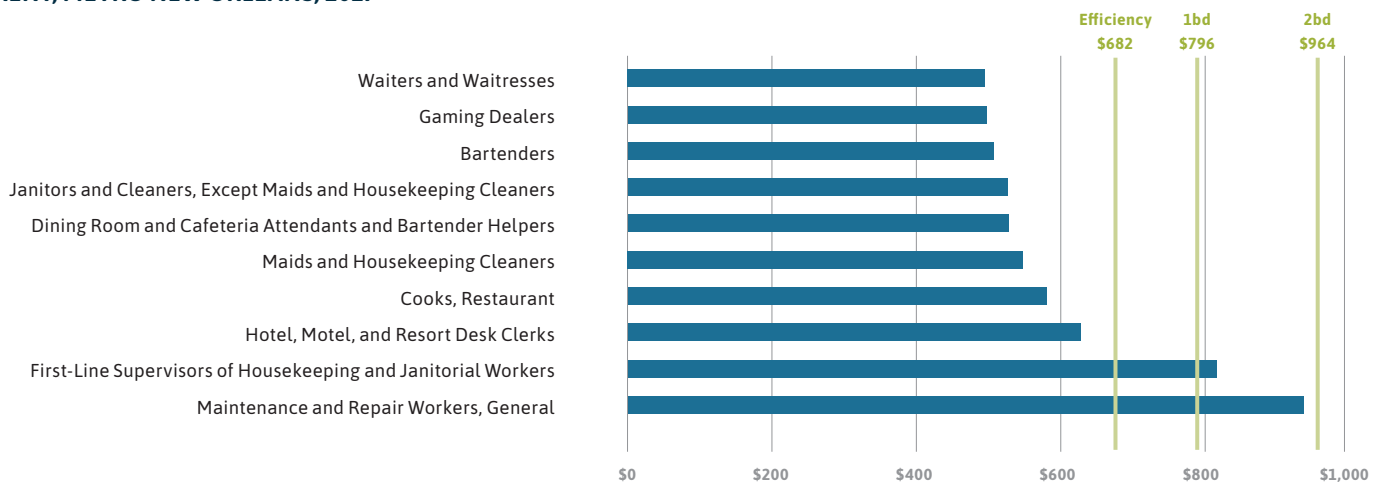
Figure 5. BASIC HOUSEHOLD COSTS BY HOUSEHOLD TYPE, NEW ORLEANS, 2018



Source: MIT Living Wage Calculator, 2018

Federal standards classify households that pay more than 30 percent of their pre-tax household income on housing as “housing cost-burdened.” Workers in New Orleans hotels are more likely to be “housing cost-burdened” than other renters in New Orleans. According to The Data Center’s analysis of individual- and household-level data, approximately 57 percent of New Orleans renters employed in the “traveler accommodations” industry are housing cost-burdened, compared with approximately 43 percent of renters employed in all other industries.¹² Indeed, eight out of the top ten occupations in New Orleans’ hotels earn wages too low to afford even the fair market rent for an efficiency apartment in the metro area.¹³

Figure 6. AFFORDABLE MONTHLY RENT BY TOP 10 OCCUPATIONS IN HOTEL INDUSTRY, NEW ORLEANS, 2017; FAIR MARKET RENT, METRO NEW ORLEANS, 2017



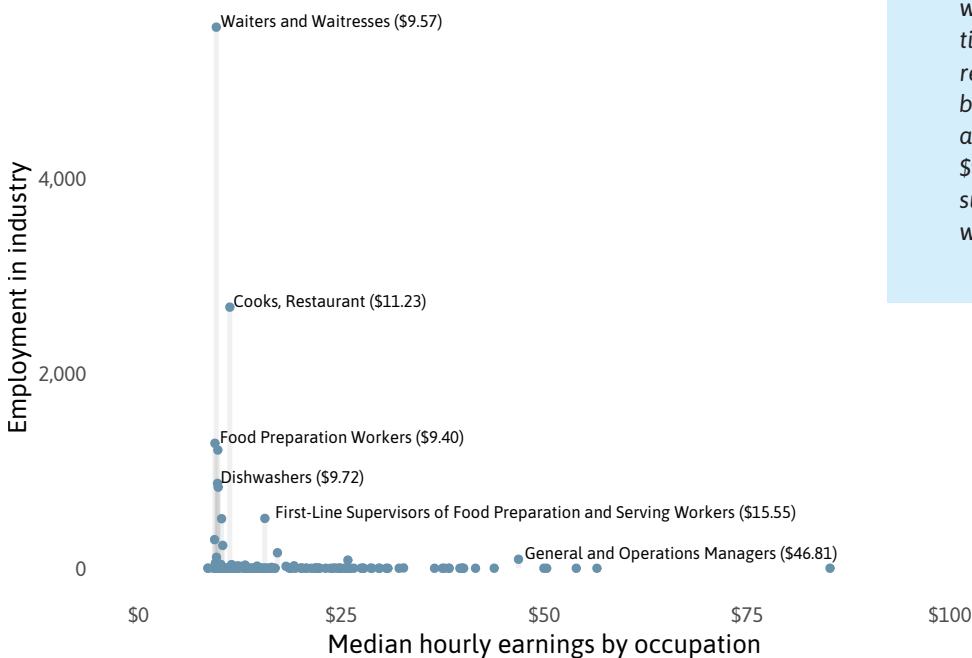
Source: EMSI and HUD. Note: Affordable monthly rent is defined as 30 percent of monthly median wages. Monthly median wages have been calculated by multiplying the hourly median wage by a “year-round, full-time” hours figure of 2,080 hours, and then dividing by 12.

Full-Service Restaurant Jobs in New Orleans

As mentioned above, New Orleans' 564 full-service restaurants employed 14,804 people in 2017. This number hews closely to the 605 full-service restaurants in New Orleans that *The New Orleans Advocate* painstakingly identified from food safety licenses data from the state of Louisiana.¹⁴ With a location quotient of 1.98, full-service restaurants serve many people from outside the local area and are an important part of the city's economy.

Workers in New Orleans' restaurants are 47 percent white, 39 percent African American, 7 percent Hispanic, and 4 percent Asian. In addition, the restaurant workforce skews younger than the hotel workforce with only 39 percent of workers in full-service restaurants being 35 years of age or older.

Figure 7. FULL-SERVICE RESTAURANT EMPLOYMENT BY OCCUPATION AND MEDIAN HOURLY EARNINGS, NEW ORLEANS, 2017



Source: EMSI Data Run 2018, Q3.

However, full-service restaurant jobs support annual average earnings per job of only \$29,464, including tips. Fully 93 percent of workers in New Orleans' full-service restaurants are in occupations that pay less than a median wage of \$15 per hour.

In 2017, there were 5,720 waiters and waitresses working in New Orleans' full-service restaurants. They earned a median wage of \$9.57 per hour which includes \$2.13 per hour minimum wage that the employer must pay and \$7.44 per hour in tips. The second largest job category in New Orleans' full-service restaurants are the 2,526 cooks who earn \$11.23 per hour and 1,124 food preparation workers who earn \$9.39 per hour.¹⁵

While 55 percent of waiters and waitresses in New Orleans are white, 56 percent of cooks and 44 percent of food preparation workers are black. In addition, like in hotels, the highest paid occupations in the full-service restaurant industry are disproportionately filled by white workers. A full breakdown of the top ten occupations (by job number and by wage level) in New Orleans hotels and restaurants, and the racial breakdown of the workforce in these occupations, can be found in Appendix D and Appendix E. For a comparison of these industries with other sectors of the New Orleans economy, see Appendix F.

INCOME AND WAGE DATA INCLUDE TIPS.

Many tourism promoters have asserted that earnings in hotels and restaurants are substantially larger than reported because of tip income. However, with the proliferation of credit card tipping as well as POS systems that facilitate the gathering of tip income, the ability for employers to accurately report income including tips is greatly increased. Moreover, in 2002 the Supreme Court held an employer liable for unpaid taxes on tips that employees had failed to report. In this high-profile case, the employer was made to pay both the employer and the employee FICA taxes. Since this case, employers now have a stronger incentive (as well as greater ability) to accurately report tipped incomes.⁹ Some level of cash tipping remains difficult to quantify. However, the gap between the tipped minimum wage of \$2.13 and the estimated median hourly earnings of \$9.57 for waiters and waitresses suggests that substantial earnings from tips do make their way into the data.

Comparisons to Other Metros

The Data Center has often been asked to compare tourism wages in New Orleans to tourism wages in other cities. Comparing economic or demographic measures across cities is fraught with problems because some cities are dense and developed while others encompass outlying suburban neighborhoods, making municipalities or counties less than ideal as geographic units for comparison. However, metropolitan areas provide a better basis for comparison because they are defined not as political units but as larger contiguous areas with a high degree of economic integration as determined by commuting patterns. As such, the metro represents a functional regional economy that can be compared with other similarly defined regional economies.

For this reason, we selected a relevant set of metro areas with which to compare the wages in the metro New Orleans hotel and full-service restaurant industries. First, we compared the city of New Orleans to metro New Orleans to understand how the city's concentration of hotels and full-service restaurants might differ from those of the entire region, if at all.

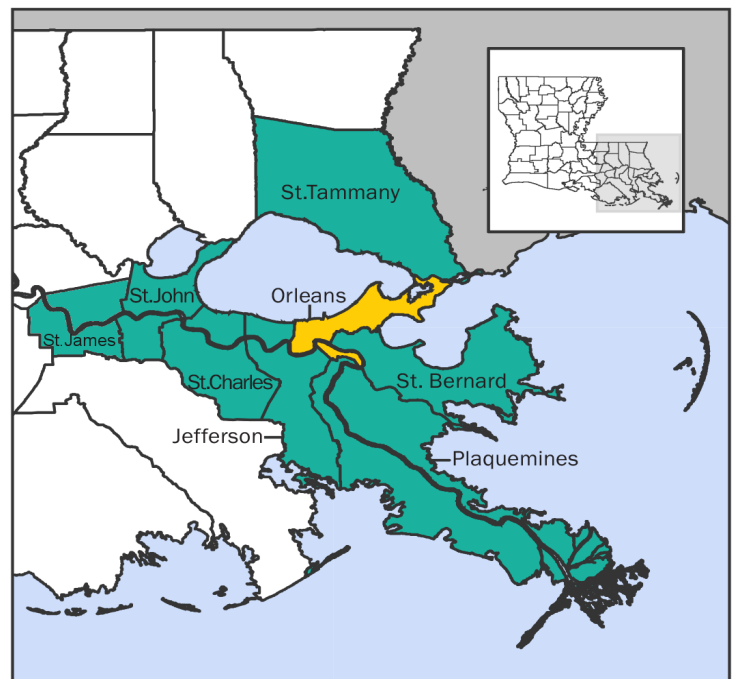
We found that 51 percent of metro New Orleans' hotels are located in the city of New Orleans, but 80 percent of the metro's hotel jobs are located in the city. This confirms that New Orleans is the center of tourist activity in the region, but that visitors do find accommodations in other metro area parishes on occasion as well.

In contrast, only 50 percent of all metro New Orleans' full-service restaurants and 44 percent of all full-service restaurant jobs are located in the city of New Orleans. This suggests that the full-service restaurant industry benefits from substantial patronage by locals as well as tourists.

Like in the city, 60 percent of all hotel workers across metro New Orleans are 35 years or older. However, restaurant workers across the metro skew slightly younger than restaurant workers in New Orleans, with only 37 percent being 35 years or older in the metro area.

Metro Las Vegas' tourism cluster is an obvious choice for comparison with metro New Orleans' tourism cluster because Las Vegas is known to have a uniquely large tourism economy. In addition, we examined Southern metros that have had strong economic growth and have similar state policy environments. We examined location quotients for the Atlanta, Nashville, Houston, and Charlotte metros to see which of these metros might have a particular dependence on tourism. While each of these metros had a LQ higher than 1 for full-service restaurants, only the Las Vegas and Nashville metros had LQs over 1 for hotels, thus we narrowed our comparisons to Las Vegas and Nashville as two metros with greater than average concentrations of tourist activity and similar costs of living.¹⁸

Figure 8. NEW ORLEANS AND METRO NEW ORLEANS



Orleans Parish is the city of New Orleans. New Orleans and Orleans Parish are interchangeable. Their boundaries are the same and they contain the same population.

Metro New Orleans is the 7-parish area including Jefferson, Orleans, Plaquemines, St. Bernard, St. Charles, St. John the Baptist, and St. Tammany Parishes.

HOTEL WORKERS ARE NOT LIKELY TO BE CHILDLESS

With 60 percent of all hotel workers aged 35 years or older in metro New Orleans (and the city itself), it's not likely that most of them are childless. Data on women in New Orleans indicate that 80 percent are mothers before the age of 35.¹⁶ And national fertility studies have concluded that 52 percent of men are fathers by the age of 30, while 76 percent of men are fathers by the age of 40.¹⁷ Thus, while the data suggests that restaurant workers in New Orleans are younger and therefore more likely to be childless, most hotel workers in metro New Orleans (who are 56 percent female and 44 percent male) are likely to be supporting children in some form or fashion.

Figure 9. EMPLOYMENT LOCATION QUOTIENTS FOR SELECT METRO AREAS, 2017

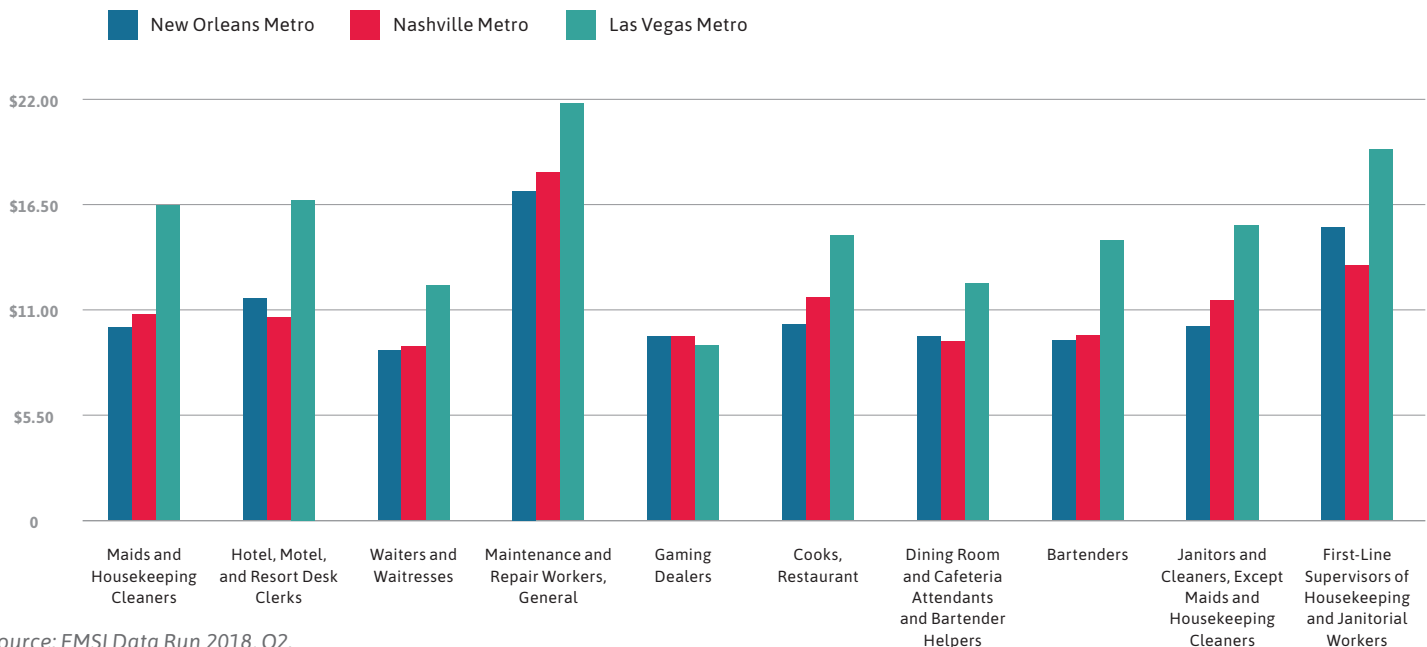
The hotel industry is even more highly concentrated in Las Vegas’ economy than in New Orleans as evidenced by metro Las Vegas’ LQ of 13.52 for the hotel industry. Metro Nashville’s hotel industry LQ (1.07) is lower than New Orleans’, suggesting that the hotel industry is less central to Nashville’s economy than it is to New Orleans’.

Metro Nashville had 363 hotels as of 2017 with 12,820 jobs, while metro Las Vegas had 304 hotels with a whopping 165,583 hotel jobs. Like in metro New Orleans, 61 percent of all hotel workers in Nashville are at least 35 years old, while in metro Las Vegas, hotel workers skew even older with 74 percent over 35 years old. The wages in hotel occupations in metro Las Vegas are markedly higher than in metro New Orleans, as depicted in the graphic below. For example, the median hourly wage for housekeepers in metro Las Vegas is \$16.38 compared to only \$10.01 in metro New Orleans. This difference likely owes to the unique concentration of large casino hotels in the Las Vegas market and a relatively high union density among hotel workers.¹⁹ Metro Nashville also has higher wages (\$10.70) for housekeepers than metro New Orleans. However, wages in Nashville for hotel occupations are roughly on par with wages in New Orleans’ hotel occupations.

2017 LOCATION QUOTIENT	RESTAURANTS	HOTELS
New Orleans Metro	1.40	2.04
Atlanta–Sandy Springs–Roswell, GA	1.12	0.74
Charlotte–Concord–Gastonia, NC–SC	1.03	0.70
Houston–the Woodlands–Sugarland, TX	1.11	0.68
Las Vegas–Henderson–Paradise, NV	1.43	13.52
Nashville–Davidson–Murfeesboro–Franklin, TN	1.20	1.07

Source: EMSI Data Run 2018, Q2.

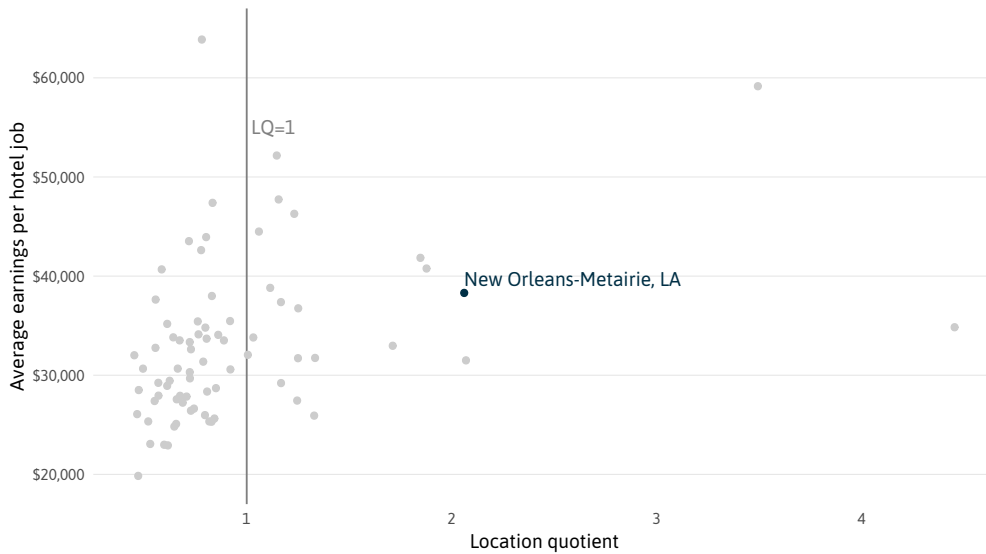
Figure 10. MEDIAN HOURLY EARNINGS, TOP TEN OCCUPATIONS IN METRO NEW ORLEANS HOTEL INDUSTRY WITH COMPARISONS TO NASHVILLE AND LAS VEGAS METROS, 2017



Source: EMSI Data Run 2018, Q2.

Broadening the comparison reveals that greater New Orleans is not exceptional for having relatively low wages in the hotel industry. While average earnings can be misleadingly skewed by high-earning workers, greater New Orleans’ average earnings per job is typical of regions with a high concentration of hotel employment and higher than in many regions with a low concentration of hotel employment.

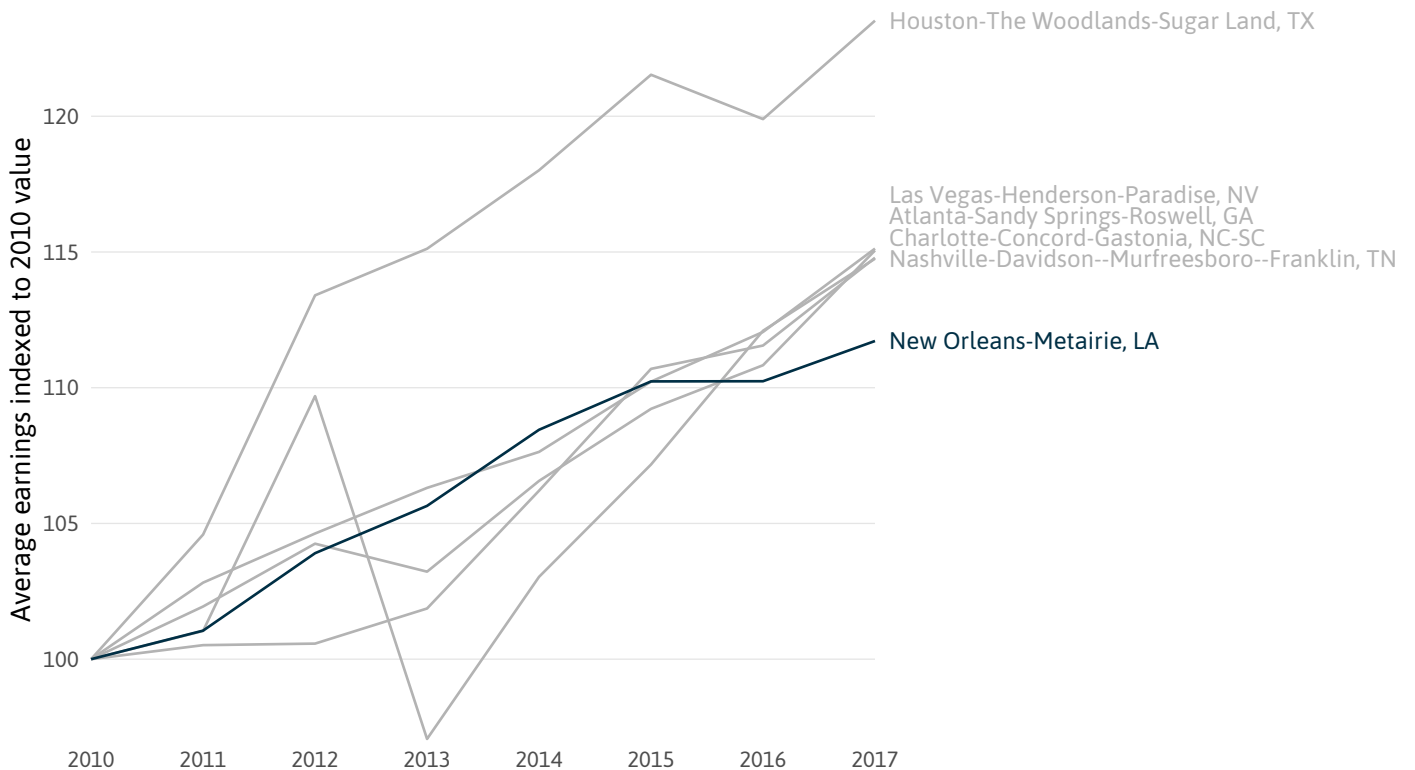
Figure 11. EMPLOYMENT CONCENTRATION AND AVERAGE EARNINGS PER JOB IN THE HOTEL INDUSTRY, METRO AREAS WITH OVER 750,000 POPULATION, 2017



Source: EMSI Data Run 2018, Q4.²⁰

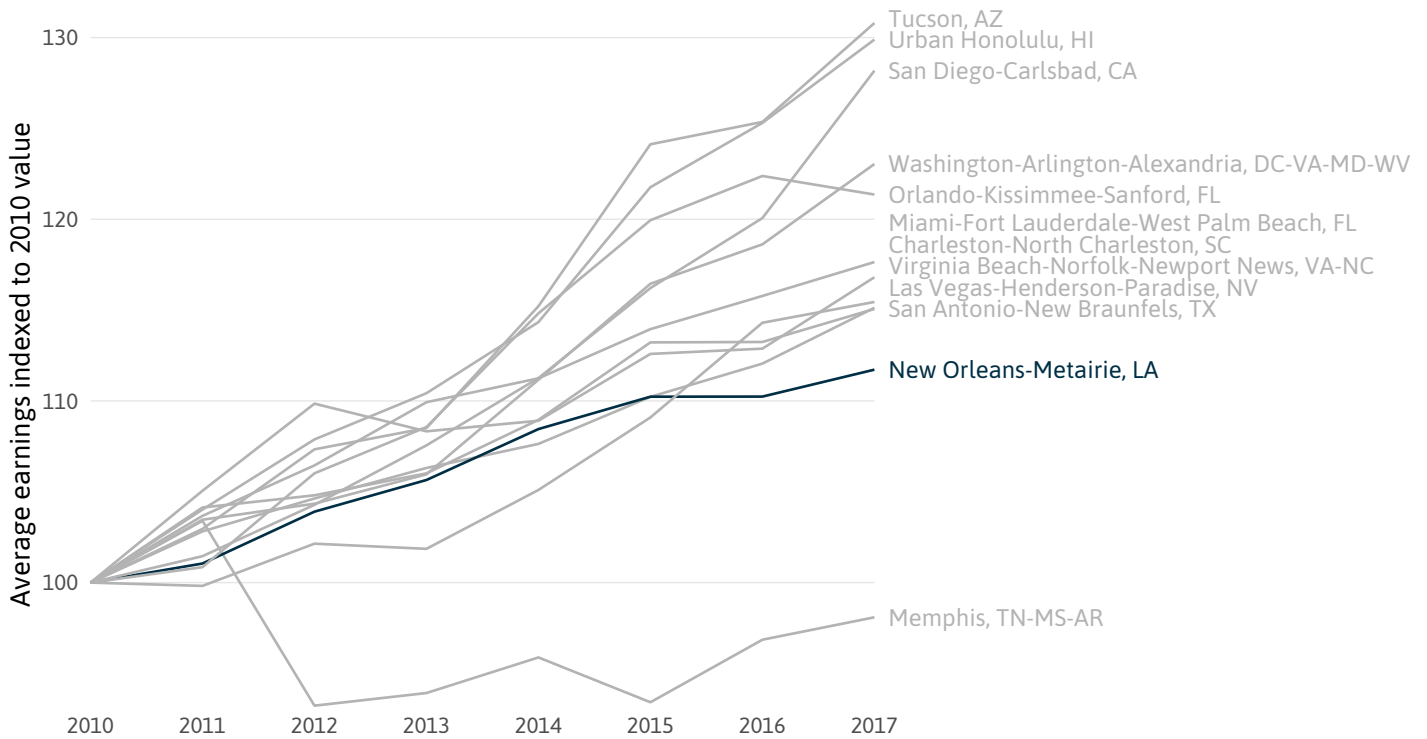
However, during the post-recession period, industry earnings have been relatively stagnant locally. This is evident from comparing average earnings growth across the six metropolitan areas identified previously and across all metropolitan areas that meet the more objective criteria of having a population greater than 750,000 and a relatively strong concentration of hotel industry employment (defined here as greater than location quotient of 1.1). While average earnings have increased in New Orleans, the increase has occurred at a slower rate than in other large regions with a strong concentration of hotel employment.

Figure 12. EARNINGS GROWTH IN HOTEL INDUSTRY IN SELECT METRO AREAS



Source: EMSI Data Run 2018, Q4.

Figure 13. EARNINGS GROWTH IN HOTEL INDUSTRY IN METRO AREAS OVER 750,000 POPULATION AND 1.1 LOCATION QUOTIENT



Source: EMSI Data Run 2018, Q4

Conclusion

This brief responds to questions about the number and quality of tourism jobs in New Orleans while being transparent about the limitations of measuring tourism’s contribution to the economy and income levels for tipped workers. The wide gap in attitudes toward these questions reflects the high degree of visibility of various aspects of the tourism economy, anecdotes about unreported tips, and the flexibility in how tourism is defined as an economic activity. Defining tourism coherently, separating tourist demand from local demand, and validating the accurate measurement of earnings for tipped workers remain difficult with available data. As a result, we have favored rigorous external definitions and comparisons with other regions as benchmarks for evaluating the quantity and quality of jobs directly supported by the tourism industry.

Our numbers are based on established data sources, but we have also been clear about their limitations. Unlike hospitals, oil refineries, or car factories, tourism does not align neatly with the standard categories used to define different industries. The diversity of tourism-related businesses significantly complicates their ability to be quantified with readily available data. In response, we adopt external cluster-based definitions of tourism to assess total employment. Then, we examine two more specific industries, full-service restaurants and hotels, which cover the majority of tourism jobs and are relatively easy to define, to dive deeper into questions about wage levels and occupational stratification by race, gender, and age. We find that, although these industries support a range of earnings levels, most of the jobs are in low-wage occupations. In addition, while these industry workforces are diverse, women and workers of color disproportionately occupy lower-earning occupations. While these industries do support employment at a range of earnings levels, these jobs are less likely to support middle- and high-earning wages compared to the balance of industries that make up the New Orleans economy.

As reported above, hourly wages and annual earnings include tips. However, tipped earnings are potentially susceptible to under-reporting in the administrative- and survey-based data sources behind our estimates. While this is a real measurement problem that warrants further investigation, it should not cast doubt on the finding that many tourism jobs are indeed low-wage jobs that likely do not receive extensive “hidden” compensation from unmeasured tips. The fact that some workers, most of whom are servers in restaurants, earn significant tipped income, a portion of which may be undercounted, does not dramatically alter the central findings reported in this brief.

Our analysis only begins to address the many pressing and difficult questions associated with the tourism economy in New Orleans. In addition to assessing measurement issues associated with tips, additional research should seek ways to distinguish local demand and tourist demand within tourism-serving industry clusters. Such analysis would improve estimates of the total number of jobs that tourism supports and inform a clearer picture of how tourism dollars reverberate throughout the regional economy. This brief focuses on the wages of tourism workers, but a second topic for additional research could focus on other dimensions of job quality. For example, the nature of many tourism jobs raises questions about scheduling. What is the full-time/part-time split among tourism workers? Do some workers get too few hours to make a living, and do others have to work too many hours just to get by? How variable are schedules, and what is the mix of advantages and hardships associated with scheduling flexibility? As in other service industries, tourism workers may experience involuntary part-time employment and irregular scheduling, which can limit consumer spending, slow career progression, increase turnover costs, and otherwise complicate the daily routines of workers.²¹ Such scheduling questions are especially pertinent to those with non-work responsibilities like care-giving and education.

Finally, and perhaps most importantly, future research should aim to move past the admittedly complicated task of describing the quality and quantity of tourism jobs. A more fundamental set of questions concern the role of tourism, and its alternatives, in career pathways for New Orleans' workers. Do tourism jobs, even low-wage jobs, function as an on-ramp to participation in a wider set of job market opportunities, or are there truly few alternatives for entry-level workers? Previous research on the New Orleans metro has concluded that 17 percent of total jobs in the tourism and hospitality cluster are "good jobs," which pay a living wage or provide pathways to jobs in other occupations that pay a living wage. Because the tourism and hospitality cluster is relatively large, it provides a large number of these "good jobs." Nonetheless, of all metro New Orleans' traded clusters, tourism jobs were the least likely to be "good jobs."²² This finding, in conjunction with the analysis presented within this report, underscores the conclusion that improving the quality of existing job opportunities – and connecting low- and middle-skilled workers to better ones – involves more than tourism and hospitality. Better understanding such dynamics at and beyond the margins of the tourism economy is crucial to the efforts of public policymakers, workforce and economic development stakeholders, and private employers to strike a productive balance between tourism and its alternatives in the regional economy.

Appendix A

NEW ORLEANS	JOBS, 2017	ESTABLISHMENTS, 2017
HOSPITALITY AND TOURISM	15,458	404
Hotels (except Casino Hotels) and Motels	9,514	160
Casino Hotels	2,134	1
Zoos and Botanical Gardens	800	1
Racetracks	609	2
Museums	602	16
Scenic and Sightseeing Transportation, Water	313	4
All Other Amusement and Recreation Industries	197	26
Other Spectator Sports	178	17
Art Dealers	177	51
Scenic and Sightseeing Transportation, Land	161	12
Convention and Visitors Bureaus	141	2
Marinas	136	2
Tour Operators	82	16
All Other Travel Arrangement and Reservation Services	79	10
Bed-and-Breakfast Inns	61	18
Rooming and Boarding Houses, Dormitories, and Workers' Camps	61	9
Travel Agencies	52	27
Other Gambling Industries	44	8
RV (Recreational Vehicle) Parks and Campgrounds	40	4
Historical Sites	29	2
Sports Teams and Clubs	16	1
Recreational Goods Rental	14	7
Amusement Arcades	12	1
Hunting and Trapping	0	0
Nature Parks and Other Similar Institutions	0	0
Amusement and Theme Parks	0	0
Casinos (except Casino Hotels)	0	0
Skiing Facilities	0	0
Recreational and Vacation Camps (except Campgrounds)	0	0
Scenic and Sightseeing Transportation, Other	<10	1
All Other Traveler Accommodation	<10	7

Source: The Data Center analysis of EMSI, Data Run 2018, Q1

Appendix B

NEW ORLEANS	JOBS, 2017	ESTABLISHMENTS, 2017
("LOCAL") HOSPITALITY ESTABLISHMENTS	28,998	1,545
Full-Service Restaurants	14,804	564
Limited-Service Restaurants	5,308	353
Drinking Places (Alcoholic Beverages)	3,276	252
Food Service Contractors	2,060	49
Snack and Nonalcoholic Beverage Bars	1,418	136
Fitness and Recreational Sports Centers	568	52
Gift, Novelty, and Souvenir Stores	540	79
Caterers	492	29
Golf Courses and Country Clubs	274	4
Sports and Recreation Instruction	91	13
Cafeterias, Grill Buffets, and Buffets	85	13
Bowling Centers	84	2

Source: The Data Center analysis of EMSI, Data Run 2018, Q1

Appendix C

COMPANY NAME	CITY	EMPLOYEES
Boomtown Casino	Harvey	1100
Audubon Aquarium of Amencas	New Orleans	600
Audubon Institute	New Orleans	360
Elmwood Fitness Ctr	New Orleans	300
National World War II Museum	New Orleans	300
Pelican Athletic Club	Mandeville	250
New Orleans Zephyrs Baseball	Metairie	200
New Orleans Parks & Parkway	New Orleans	200
Audubon Zoo	New Orleans	200
Franco's Athletic Club	Mandeville	200
YMCA	Metairie	160
TPC Louisiana	Avondale	150
East Jefferson YMCA	Metairie	150
Chateau Golf Course	Kenner	125
New Orleans Country Club	New Orleans	120
Cross Gates Fam Fitness	Slidell	120
New Orleans Saints	Mandeville	100
Fair Grounds Race Course & Slots	New Orleans	100
New Orleans Hornets	New Orleans	100
Fair Grounds OTB Casino	Gretna	80
Kern Studios	New Orleans	80
YMCA	New Orleans	80
Slidell Athletic Club	Slidell	80
City Park	New Orleans	75
Boston Club West Inc	Gretna	70
Planet Beach Franchising Corp	Marrero	65
H2O Salon & Spa	Metairie	60
New Orleans Jazz & Heritage	New Orleans	60
Southern Yacht Club	New Orleans	60
Clear Water Wildlife Sanctuary	Mandeville	60
West St Tammany Family YMCA	Covington	60
New Orleans Museum of Art	New Orleans	57
YMCA	New Orleans	56
Bellemeade Swim Club	Gretna	50
Earthsavers	Metairie	50
Colonial Golf & Country Club	Harahan	50
Timberlane Golf & Country Club	Gretna	50
Natchez Steamboat	New Orleans	50

NAICS Code 71 Arts, Entertainment, and Recreation

METRO NEW ORLEANS, 2010 COMPANIES WITH 50 OR MORE EMPLOYEES

Total Number of Employees	10,168
Total Number of Establishments	750

COMPANY NAME	CITY	EMPLOYEES
Festival Production Inc	New Orleans	50
Mandeville Lions	Mandeville	50
Star Fitness Ctr	Covington	50
Oak Harbor Golf Club	Slidell	50

COMPANY NAME	CITY	EMPLOYEES
Harrah's New Orleans Casino	New Orleans	2700
Harrah's Casino & Hotel	New Orleans	2400
Hilton-New Orleans Riverside	New Orleans	1400
Treasure Chest Casino LLC	Kenner	800
Ritz-Carlton-New Orleans	New Orleans	600
Roosevelt Hotel	New Orleans	600
Marriott-New Orleans	New Orleans	500
ART Catering & Contracting	Belle Chasse	500
Alexa Hotel	New Orleans	400
Crowne Plaza-Astor	New Orleans	400
Intercontinental-New Orleans	New Orleans	384
House of Blues	New Orleans	370
Westin-Canal Place	New Orleans	350
J W Marriott-New Orleans	New Orleans	340
Omni-RoyalOrleans French Qtr	New Orleans	330
Delta Catering Inc	New Orleans	320
Windsor Court Hotel	New Orleans	302
Royal Sonesta Hotel	New Orleans	300
Hotel Inter Conti Veranda	New Orleans	300
Sheraton	New Orleans	300
Monteleone Hotel	New Orleans	299
Commander's Palace Restaurant	New Orleans	250
W Hotels-New Orleans Poydras	New Orleans	250
Renaissance-Pere Marquette	New Orleans	230
Hilton-New Orleans Airport	Kenner	210
Best Western-French Qtr Lndmrk	Metairie	200
Landmark Hotel	Metairie	200
Prince Conti Hotel	New Orleans	200
Bourbon House	New Orleans	200
Loews Hotels-New Orleans	New Orleans	200
Rick's Cabaret New Orleans	New Orleans	200
Beau Chene Country Club	Mandeville	200
Hilton-St Charles Ave	New Orleans	180
Olive Garden Italian Rstrnt	Kenner	175
Copeland's Cheesecake Bistro	New Orleans	175
Sheraton-New Orleans	New Orleans	170
Le Pavilion Hotel	New Orleans	170
Pat O'Brien's Bar	New Orleans	170
Crowne Plaza-New Orleans Arprt	Kenner	156
AcmeOysterhouse	Metairie	150

NAICS Code 72

ACCOMMODATION AND
FOOD SERVICES**METRO NEW ORLEANS, 2010
COMPANIES WITH 50 OR MORE EMPLOYEES**

Total Number of Employees	68,716
Total Number of Establishments	3,520

COMPANY NAME	CITY	EMPLOYEES
Houston's Restaurant	Metairie	150
Marriott-New Orleans	New Orleans	150
Wyndham-Avenue Plaza	New Orleans	150
Brennan's Restaurant	New Orleans	150
Ruth's Chris Steak House	New Orleans	150
Concession Air Corp Intl	New Orleans	140
Cracker Barrel Old Country Str	Slidell	131
P F Chang's China Bistro	Metairie	130
Doubletree-New Orleans	New Orleans	130
Antoine's Restaurant	New Orleans	130
Houston's Restaurant	New Orleans	130
Red Fish Grill	New Orleans	130
Court of Two Sisters	New Orleans	125
Embassy Suites	New Orleans	125
Radisson-New Orleans	Kenner	120
Catering Supply Co	New Orleans	120
Mr B's Bistro	New Orleans	120
Drago's Seafood Restaurant	New Orleans	120
Holiday Inn-Downtown Superdome	New Orleans	120
Nola Restaurant	New Orleans	120
Razzoo Bar & Patio	New Orleans	120
Wyndham-Chateau Bourbon	New Orleans	115
Outback Steakhouse	Metairie	110
Bubba Gump Shrimp CO Rstrnt	New Orleans	106
Sodexo Remote Sites	New Orleans	101
Hard Rock Cafe	New Orleans	101
Best Western-Inn Airport	Kenner	100
New Orleans Lakeside Hotel	Metairie	100
Quality Inn	Metairie	100
Copeland's of New Orleans	Jefferson	100
Copeland's Social City	Metairie	100
Drago's Seafood Restaurant	Metairie	100
Texas Roadhouse	Harvey	100
Travel Hospitality Svc	Kenner	100
John L Soileau Inc	Grand Isle	100
Centerplate	New Orleans	100
Wyndham-Riverfront Hotel	New Orleans	100
Emeril's Delmonico Restaurant	New Orleans	100
Emeril's Restaurant	New Orleans	100
Mulate's the Original Cajun	New Orleans	100

COMPANY NAME	CITY	EMPLOYEES
Ralphs On the Park	New Orleans	100
Arnaud's	New Orleans	100
Renaissance-New Orleans Arts	New Orleans	100
Zea Rotisserie & Grill	Covington	100
Mc Donald's Regional Office	Metairie	98
Galatoire's Restaurant Inc	New Orleans	98
Olive Garden Italian Rstrnt	Slidell	97
Crescent City Brewhouse	New Orleans	95
Outback Steakhouse	Covington	95
Copeland's of New Orleans	Harvey	90
Outback Steakhouse	Marrero	90
7 On Fulton	New Orleans	90
Pat O'Brien's Private Parties	New Orleans	90
Romano's Macaroni Grill	Mandeville	90
Copeland's of New Orleans	Covington	90
Mc Donald's	New Orleans	85
Felix's Restaurant & Oyster	New Orleans	84
Bravo! Cucina Italiana	Metairie	81
Holiday Inn-New Orleans	New Orleans	81
Causeway Hospitality	Metairie	80
Clarion Inn	Gretna	80
Four Points-New Orleans	Metairie	80
Holiday Inn-West Bank Tower	Gretna	80
Chevys Fresh Mex	Metairie	80
St Louis Hotel	New Orleans	80
Cuvee Restaurant	New Orleans	80
Palace Cafe	New Orleans	80
Maison Dupuy Hotel	New Orleans	80
Mc Donald's	Chalmette	80
Longhorn Steakhouse	Covington	80
Ryan's Grill Buffet & Bakery	Slidell	80
Holiday Inn-Covington	Covington	80
Copeland's of New Orleans	Slidell	75
Kehoe France School & Camp	Metairie	75
Chili's Grill & Bar	Metairie	75
Sheraton-Metairie New Orleans	Metairie	75
Holiday Inn-French Quarter	New Orleans	75
Provincial Hotel	New Orleans	75
Applebee's Neighborhood Grill	New Orleans	75
Bourbon Street Blues Co	New Orleans	75

COMPANY NAME	CITY	EMPLOYEES
Outback Steakhouse	Slidell	74
Serrano's Salsa Co	Metairie	70
Chuck E Cheese's	Metairie	70
Hooters	Metairie	70
Red Lobster	Metairie	70
Bourbon Orleans Hotel	New Orleans	70
La Bayou	New Orleans	70
Superior Grill	New Orleans	70
IHOP Restaurant	New Orleans	70
Larry Flynt's Hustler Club	New Orleans	70
Chili's Grill & Bar	Slidell	70
Mc Donald's	New Orleans	69
Mc Donald's	Slidell	68
Mc Donald's	New Orleans	67
China Doll Restaurant	Harvey	65
Corky's Bar-B-Q	Metairie	65
Chili's Grill & Bar	Harvey	65
Golden Corral Buffet & Grill	Kenner	65
Mc Donald's	Harvey	65
Hilton Garden Inn-French Qtr	New Orleans	65
Mc Donald's	Meraux	65
Chili's Grill & Bar	Mandeville	65
Ryan's Grill Buffet & Bakery	Marrero	64
Mc Donald's	New Orleans	62
Andrea's Restaurant & Cateri	Metairie	60
Nacho Mamas Mexican Grill	New Orleans	60
Piccadilly Cafeteria	Metairie	60
Zea Rotisserie & Grill	Harvey	60
Applebee's Neighborhood Grill	Metairie	60
Applebee's Neighborhood Grill	New Orleans	60
IHOP Restaurant	Gretna	60
Capdeboscq Catering Svc LLC	Marrero	60
Dickie Brennan's Steakhouse	New Orleans	60
G W Fins	New Orleans	60
Huey's 24/7 Diner	New Orleans	60
Landry's Seafood House	New Orleans	60
Margaritaville-Jimmy Buffett's	New Orleans	60
Mother's Restaurant	New Orleans	60
Pat O'Brien's Courtyard Rstrnt	New Orleans	60
Wendy's	New Orleans	60

COMPANY NAME	CITY	EMPLOYEES
Audubon Catering	New Orleans	60
Papa John's Pizza	Chalmette	60
Southside Cafe	Slidell	60
Applebee's Neighborhood Grill	Covington	60
Ruby Tuesday	Slidell	60
Mc Donald's	Covington	59
Mc Donald's	New Orleans	57
Queen & Crescent Hotel	New Orleans	56
Tropi Rich	New Orleans	55
Casa Garcia Mexican Restaurant	Metairie	55
Fox & Hound English Pub-Grille	New Orleans	55
Piccadilly Cafeteria	Jefferson	55
Raising Cane's Chicken Fingers	Metairie	55
Sicily's Italian Buffet	Harvey	55
Shoney's	Gretna	55
Cannon's Restaurants	New Orleans	55
Gumbo Shop Restaurant	New Orleans	55
Restaurant August	New Orleans	55
Mc Donald's	New Orleans	55
Applebee's Neighborhood Grill	Slidell	55
Chick-Fil-A	Covington	55
Mc Donald's	Pearl River	54
Raising Cane's Chicken Fingers	New Orleans	53
Mc Donald's	New Orleans	53
Hilton Garden Inn-Airport	Kenner	52
Mc Donald's	New Orleans	52
Bourbon Pub Inc	New Orleans	52
K-Paul's Louisiana Kitchen	New Orleans	51
Brent House Hotel	Jefferson	50
Days Hotel	Metairie	50
La Quinta Inn-Airport	Kenner	50
Boudreaux's Road House	Marrero	50
Come Back Inn	Kenner	50
New Orleans Hamburger & Sfd	Metairie	50
Piccadilly Cafeteria	Gretna	50
Raising Cane's Chicken Fingers	Kenner	50
Red Maple Restaurant & Lounge	Gretna	50
Semolina Restaurant Clearview	Metairie	50
Southeast Restaurant Devmnt	Metairie	50
Zea Rotisserie & Grill	Kenner	50

COMPANY NAME	CITY	EMPLOYEES
Mc Donald's	Gretna	50
Mc Donald's	Marrero	50
Mc Donald's	Westwego	50
Shoney's	Metairie	50
Super 8-Airport New Orleans	Metairie	50
Dauphine Orleans Hotel	New Orleans	50
Ambassador Hotel	New Orleans	50
Royal St Charles Hotel	New Orleans	50
W French Quarter Hotel	New Orleans	50
Angeli On Decatur	New Orleans	50
Bacco Restaurant	New Orleans	50
Byblos Restaurant	New Orleans	50
Cochon Butcher	New Orleans	50
Five Happiness Restaurant	New Orleans	50
Fresco	New Orleans	50
Mila	New Orleans	50
Ralph & Kacoo's	New Orleans	50
Roberts Gumbo Shop	New Orleans	50
Arby's	New Orleans	50
Aramark	New Orleans	50
Columns Hotel	New Orleans	50
D & S Wingery LLC	Arabi	50
Wendy's	Chalmette	50
Chick-Fil-A	Covington	50
IHOP Restaurant	Covington	50
IHOP Restaurant	Slidell	50
Italian Pie	Slidell	50
Mc Donald's	Slidell	50
Mc Donald's	Slidell	50
Mc Donald's	Mandeville	50
Sonic Drive-in	Slidell	50
Tre Yuen Cuisine Of China	Mandeville	50
Friends Coastal Restaurant	Madisonville	50
Restaurant Amis	Pearl River	50

Appendix D

TOTAL NUMBER OF HOTEL INDUSTRY JOBS

City of New Orleans / Orleans Parish

2012	2013	2014	2015	2016	2017
11,225	10,671	10,865	11,070	11,629	11,647

TOP TEN OCCUPATIONS BY EMPLOYMENT IN THE HOTEL INDUSTRY									2017 RACE/ETHNICITY OF OCCUPATION				
CODE	OCCUPATION	MEDIAN HOURLY WAGE	2012	2013	2014	2015	2016	2017	BLACK	WHITE	HISPANIC OR LATINO	ASIAN	OTHER
37-2012	Maids and Housekeeping Cleaners	\$10.59	2,456	2,299	2,360	2,421	2,587	2,631	68%	15%	13%	3%	1%
43-4081	Hotel, Motel, and Resort Desk Clerks	\$12.14	927	874	892	912	967	988	55%	33%	6%	4%	2%
35-3031	Maintenance and Repair Workers, General	\$9.57	888	833	853	872	926	933	32%	55%	7%	5%	2%
49-9071	Waiters and Waitresses	\$18.12	675	627	648	666	716	724	37%	52%	7%	2%	1%
39-3011	Gaming Dealers	\$9.61	528	538	531	528	516	481	52%	30%	7%	9%	2%
35-2014	Cooks, Restaurant	\$11.23	387	367	375	383	405	410	56%	30%	10%	4%	2%
35-9011	Dining Room and Cafeteria Attendants and Bartender Helpers	\$10.21	258	242	248	254	271	275	46%	36%	12%	4%	2%
35-3011	Bartenders	\$9.80	247	232	238	243	258	260	19%	72%	6%	2%	2%
37-2011	Janitors and Cleaners, Except Maids and Housekeeping Cleaners	\$10.19	224	217	219	222	230	230	56%	31%	11%	2%	1%
37-1011	First-Line Supervisors of Housekeeping and Janitorial Workers	\$15.79	208	195	200	205	219	221	62%	27%	8%	Insuf. Data	3%

TOP TEN OCCUPATIONS IN THE HOTEL INDUSTRY BY MEDIAN HOURLY EARNINGS (2017)									2017 RACE/ETHNICITY OF OCCUPATION				
CODE	OCCUPATION	MEDIAN HOURLY WAGE	2012	2013	2014	2015	2016	2017	BLACK	WHITE	HISPANIC OR LATINO	ASIAN	OTHER
11-1011	Chief Executives	\$85.51	<10	<10	<10	<10	<10	<10	14%	80%	Insf. Data	Insf. Data	Insf. Data
11-9041	Architectural and Engineering Managers	\$72.26	<10	<10	<10	<10	<10	<10	7%	85%	Insf. Data	Insf. Data	Insf. Data
11-3021	Computer and Information Systems Managers	\$52.64	<10	<10	<10	<10	<10	<10	17%	73%	3%	6%	1%
15-1143	Computer Network Architects	\$49.94	<10	<10	<10	<10	<10	<10	20%	67%	Insf. Data	Insf. Data	Insf. Data
11-3031	Financial Managers	\$49.93	17	16	17	17	18	18	22%	70%	4%	3%	1%
17-2051	Civil Engineers	\$48.12	<10	<10	<10	<10	<10	<10	10%	80%	4%	5%	2%
11-1021	General and Operations Managers	\$46.85	102	95	98	100	107	109	21%	71%	4%	2%	1%
17-2141	Mechanical Engineers	\$45.35	<10	<10	<10	<10	<10	<10	9%	81%	Insf. Data	6%	Insf. Data
11-2022	Sales Managers	\$43.81	32	30	31	32	33	34	15%	77%	4%	Insf. Data	Insf. Data
17-2199	Engineers, All Other	\$43.04	<10	<10	<10	<10	<10	<10	13%	76%	3%	7%	2%

Source: The Data Center analysis of EMSI, Data Run 2018, Q1

Note: Median Hourly Wage Estimates and Race/Ethnicity reflect the stated occupation in the city of New Orleans in any industry, not just the hotel industry. Occupations represent the ten occupations with the highest number of employees in the hotel industry from 2012-2017.

Definitions: Hotels are defined by two NAICS Codes: 721110-Hotels (except Casino Hotels) and Motels & 721120-Casino Hotels

Appendix E

**TOTAL NUMBER OF FULL-SERVICE
RESTAURANT JOBS**

City of New Orleans / Orleans Parish

	2012	2013	2014	2015	2016	2017
	11,690	12,466	13,428	13,865	14,654	14,804

TOP TEN OCCUPATIONS BY EMPLOYMENT IN FULL-SERVICE RESTAURANTS									2017 RACE/ETHNICITY OF OCCUPATION				
CODE	OCCUPATION	MEDIAN HOURLY WAGE	2012	2013	2014	2015	2016	2017	BLACK	WHITE	HISPANIC OR LATINO	ASIAN	OTHER
35-3031	Waiters and Waitresses	\$9.57	4,568	4,865	5,232	5,389	5,679	5,720	32%	55%	7%	5%	2%
35-2014	Cooks, Restaurant	\$11.23	1,918	2,054	2,226	2,319	2,474	2,526	56%	30%	10%	4%	2%
35-2021	Food Preparation Workers	\$9.39	856	928	1,012	1,046	1,114	1,124	44%	41%	8%	5%	2%
35-9031	Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop	\$9.76	900	965	1,044	1,078	1,142	1,153	37%	52%	6%	3%	2%
35-3011	Bartenders	\$9.80	645	696	759	791	847	864	19%	72%	6%	2%	2%
35-9021	Dishwashers	\$9.71	619	649	688	703	731	729	55%	31%	11%	2%	2%
35-1012	First-Line Supervisors of Food Preparation and Serving Workers	\$15.55	439	466	501	517	546	552	48%	43%	6%	3%	2%
35-9011	Dining Room and Cafeteria Attendants and Bartender Helpers	\$10.21	455	482	516	532	561	567	46%	36%	12%	4%	2%
35-2015	Cooks, Short Order	\$10.36	234	250	269	274	286	284	50%	36%	10%	3%	2%
41-2011	Cashiers	\$9.36	196	209	225	231	243	245	52%	36%	6%	5%	2%

TOP TEN OCCUPATIONS IN FULL-SERVICE RESTAURANTS BY MEDIAN HOURLY EARNINGS (2017)									2017 RACE/ETHNICITY OF OCCUPATION				
CODE	OCCUPATION	MEDIAN HOURLY WAGE	2012	2013	2014	2015	2016	2017	BLACK	WHITE	HISPANIC OR LATINO	ASIAN	OTHER
11-1011	Chief Executives	\$85.51	<10	<10	<10	<10	<10	<10	14%	80%	Insf. Data	Insf. Data	Insf. Data
11-3031	Financial Managers	\$49.93	<10	<10	<10	<10	<10	<10	22%	70%	4%	3%	1%
11-1021	General and Operations Managers	\$46.85	82	87	94	97	103	104	21%	71%	4%	2%	1%
11-2022	Sales Managers	\$43.81	<10	<10	<10	<10	<10	<10	15%	77%	4%	Insf. Data	Insf. Data
11-3011	Administrative Services Managers	\$40.01	<10	<10	<10	<10	<10	<10	28%	66%	4%	Insf. Data	Insf. Data
11-9199	Managers, All Other	\$39.88	<10	<10	<10	<10	<10	<10	24%	68%	4%	3%	1%
53-5021	Captains, Mates, and Pilots of Water Vessels	\$38.22	<10	<10	<10	<10	<10	<10	15%	79%	4%	Insf. Data	Insf. Data
11-2021	Marketing Managers	\$37.69	0	0	<10	<10	<10	<10	14%	78%	Insf. Data	Insf. Data	Insf. Data
13-2011	Accountants and Auditors	\$32.64	<10	<10	<10	<10	<10	<10	23%	67%	3%	6%	1%
11-2011	Advertising and Promotions Managers	\$29.68	<10	<10	<10	<10	<10	<10	Insf. Data	79%	Insf. Data	Insf. Data	Insf. Data

Source: The Data Center analysis of EMSI, Data Run 2018, Q1

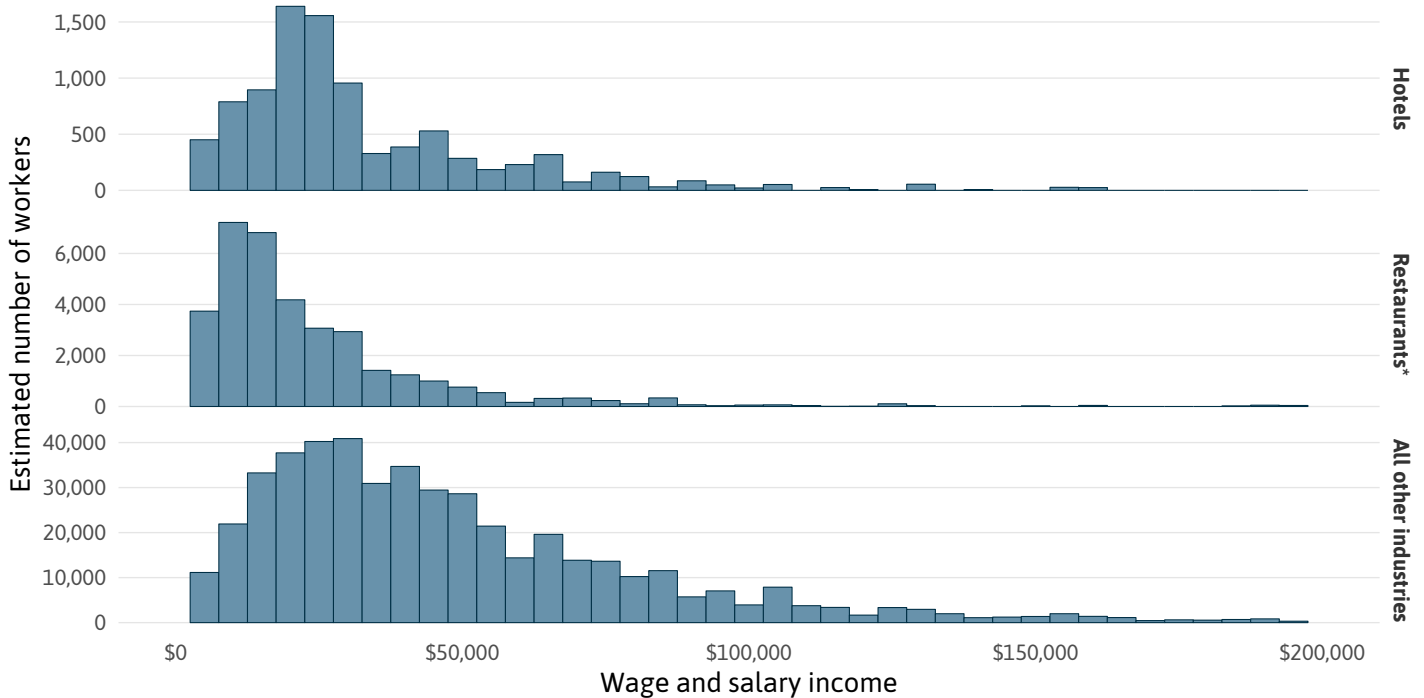
Note: Median Hourly Wage Estimates and Race/Ethnicity reflect the stated occupation in the city of New Orleans in any industry, not just the restaurant industry. Occupations represent the ten occupations with the highest number of employees in the restaurant industry from 2012-2017.

Definitions: Full Service Restaurants are establishments identified by the NAICS code 722511. These establishments primarily engaged in providing food services to patrons who order and are served while seated (i.e., waiter/waitress service) and pay after eating. These establishments may provide this type of food service to patrons in combination with selling alcoholic beverages, providing carryout services, or presenting live nontheatrical entertainment.

Appendix F

Both restaurant and hotel workers tend to earn lower annual incomes than workers in other sectors of the New Orleans economy. Comparing the distributions of annual wage and salary earnings for New Orleans residents employed year-round in the “restaurant and other food services” industry, which includes both limited- and full-service restaurants, to those of residents employed in all other industries shows that earnings are likely to be lower for limited- and full-service restaurants.²³ The same is true for the “traveler accommodations” industry, which includes hotels and casino hotels, albeit to a lesser extent. Wages and salaries in these industries are substantially less likely to reach middle income levels (for example, around \$50,000) than other sectors of the economy. To be clear, this estimated distribution is based on a separate analysis of household survey data that is different from the wage data reported in the rest of this report. Instead of hourly wages, this household survey data reports wage and salary earnings over the previous 12 months for workers who were employed at the time of the survey and had worked for at least 48 of the previous 52 weeks. Also, this data set does not distinguish between full-service restaurants and limited-service restaurants, which likely inflates the lower end of the earnings distribution.

Annual earnings distribution by industry
 Estimated annual average count of employed residents of Greater New Orleans earning less than \$200,000, 2012-2016



*Due to the limitations of the source data, restaurant industry includes limited-service restaurants and thus is not directly comparable to other restaurant data in this report.

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15. Given the predominance of low wages in the restaurant industry, as with hotel workers, many restaurant workers struggle with the affordability of basic household expenses. According to The Data Center analysis of household survey data from 2012 and 2016, an estimated 55 percent of New Orleans renters who worked in “restaurants and other food services,” which includes both full- and limited-service restaurants, paid more than 30 percent of household income in gross rent. For comparison, the rate was 42 percent for workers in all other industries. Other indicators of job quality, such as employee benefits also tend to be disproportionately low for restaurant employment. For example, based on the same data, more than one out of every three of restaurant workers below age 65 did not have health insurance between 2012 and 2016. For all other workers, this rate was one out of every six. This is according to analysis of the American Community Survey Public Use Microdata Series samples covering Orleans Parish from 2012 to 2016. This dataset, extracted from IPUMS-USA, uses a modified version of NAICS industry codes, and 722z “Restaurants and other food services” is the lowest level available. This category also includes limited-service restaurants, e.g., fast food, and likely skews lower in earnings levels than full-service restaurants. See <https://usa.ipums.org/usa/volii/indcross03.shtml>. Also note that, partly due to changing policies at the state level, the uninsured rate has dropped substantially during the period from which the five-year sample was drawn, 2012-2016.
16. The Data Center analysis of Centers for Disease Control and Prevention (CDC) Wonder database.
17. Martinez, G., Daniels, K., & Chandra, A. (2012). *Fertility of men and women aged 15–44 years in the United States: National Survey of Family Growth, 2006–2010*. Retrieved from <http://www.cdc.gov/nchs/data/nhsr/nhsr051.pdf>.
18. Based on local estimates of housing costs and other typical expenses, the MIT Living Wage Calculator reports that the living wage for a one-adult household is \$10.97 in Las Vegas-Henderson-Paradise, NV; \$11.15 in Nashville-Davidson—Murfreesboro—Franklin, TN; and \$11.37 in New Orleans-Metairie, LA. In higher cost regions on the east and west coast, living wage estimates are routinely above \$13 and above \$15 in the highest cost regions. The New Orleans, Las Vegas, and Nashville metros also have similar scores on the C2ER Cost-of-Living Index, as reported by EMSI. See <http://livingwage.mit.edu/> for the MIT Living Wage Calculator.

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20. For clarity, this chart excludes Casino Hotels and only depicts location quotients based on Hotel employment. Casino Hotels employment dramatically skews the location quotient toward a very small number of regions with a high concentration of casinos, like Las Vegas, and makes the overall pattern less apparent.
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23. This is according to analysis of the American Community Survey Public Use Microdata Series samples covering Orleans Parish from 2012 to 2016. For this chart, "year-round" work is defined as 48 or more weeks. Survey respondents report their income for the previous 12 months but their industry at the time of the survey, so the data does not account for industry-switching during the previous year. The graphs do not adjust for part-time work.

About the Authors

Dr. Robert Habans has over a decade of research experience focusing on urban policy, local economic development, labor market change, and the economics of place from the neighborhood to the regional scale. He has published research reports and peer-reviewed journal articles that span a wide range of topics, including low-wage work and the future of work, timely policy issues at the state and local level, and the uneven development of industries and institutions. Dr. Habans' research and commentary have been featured in media outlets like the Los Angeles Times and Chicago Tribune. Prior to joining The Data Center, Robert held research appointments at the University of California, Los Angeles, and the University of Illinois at Urbana-Champaign. A native of Greater New Orleans, Dr. Habans earned his PhD in Urban Planning and Policy from the University of Illinois at Chicago with a focus on local economic development planning. He also holds an undergraduate degree from the University of California, Berkeley, and a masters degree from the University of New Orleans.

Dr. Allison Plyer is co-author of The New Orleans Prosperity Index which examines the extent to which economic outcomes have improved for black New Orleanians since the end of the Civil Rights era. She is also author of The New Orleans Index series, developed in collaboration with the Brookings Institution, to analyze the state of the New Orleans recovery and later to track the region's progress toward prosperity. She frequently provides commentary on regional recovery and development to local and national media such as Fox8 television, WBOK radio, the New Orleans Times Picayune, NPR, the Associated Press, and the New York Times. Allison received her Doctorate in Science from Tulane University, her MBA from the J.L. Kellogg Graduate School of Management at Northwestern University, and a BA in religious studies and Spanish from Vanderbilt University. Dr. Plyer is Chair of the U.S. Census Bureau's Scientific Advisory Committee, and she is a Life Fellow of the Louisiana Effective Leadership Program.

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For More Information

Robert Habans
Economist
The Data Center
roberth@datacenterresearch.org

Allison Plyer
Chief Demographer
The Data Center
allisonp@datacenterresearch.org

About the Data Center

The Data Center is the most trusted resource for data about greater New Orleans and Southeast Louisiana. Since 1997, The Data Center has been an objective partner in bringing reliable, thoroughly researched data to conversations about building a more prosperous, inclusive, and sustainable region.

The Data Center (formerly known as the Greater New Orleans Community Data Center) became the local authority for tracking post-Katrina recovery with The New Orleans Index, developed in partnership with the Brookings Institution.

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For More Information

Lamar Gardere
Executive Director
The Data Center
lamarg@datacenterresearch.org