

The hospitality, leisure, travel and tourism sector



Key facts and figures

Size and scope of the sector

- The sector covers 14 industries from hotels and restaurants through to events, gambling and travel services.
- There are approximately 139,200 individual hospitality, leisure, travel and tourism business enterprises in the UK, of which 45 are restaurants and an additional 33 percent restaurants.
- The sector is dominated by small and medium sized enterprises (74 percent) with less than one percent employing more than 250 people. However, they account for a relatively small proportion of the workforce.
- Businesses with over 250 staff account for less than one percent of businesses but employ 43 percent of the workforce.

Productivity

- The sector has the lowest labour productivity of any sector in the UK economy, with a similar service sector (retail) having double the labour productivity of the sector.
- Whilst international comparisons of productivity are difficult to make, figures have suggested the sector lags behind the United States, France and Germany.

Workforce

- The sector employs over two million people.
- The restaurant is the largest industry in terms of employment, employing over 600,000 people (31 percent of the workforce), followed by hospitality services (18 percent) and pubs, bars and nightclubs (16 percent).
- The sector has an important presence across the UK. However, England has the greatest share of the sector's workforce (83 percent).

For the latest skills and labour market intelligence on the sector go to:
www.people1st.co.uk/research

- The sector employs a young workforce with 13 percent of staff aged 16-19 and a further 18 percent aged 20-24.
- 14 percent of the workforce are from ethnic minorities, higher than average across the whole economy.
- 54 percent of the workforce are full-time staff.
- Roughly one in five (21 percent) of the sector's workforce are from overseas. This rises to 59 percent in London.

Core occupations

The sector employs both a large number of core occupations (specific to the sector) and additional occupations (found in most sectors). The following provides employment numbers for the sector's core occupations:

- Kitchen and catering assistants (402,200)
- Chefs and cooks (273,200)
- Waiting staff (235,200)
- Bar staff (196,100)
- Restaurant and catering managers (158,200)
- Housekeepers and related occupations (59,800)
- Hotel and accommodation managers (58,400)
- Travel agents (47,600)
- Publicans and managers of licensed premises (43,500)
- Leisure and theme park attendants (24,000)
- Conference and exhibition managers (22,400)
- Travel and tour guides (16,600)
- Hotel porters (12,100)
- Travel agency managers (8,500)

Hard-to-fill vacancies and skill shortages

- 17 percent of sector establishments report having vacancies, 22 percent of which are hard-to-fill.
- 66 percent of these vacancies are hard-to-fill because applicants lack the required skills.

For the latest skills and labour market intelligence on the sector go to:
www.people1st.co.uk/research

- In terms of skills that employers find difficult to obtain from applicants, 50 percent of employers report that applicants lack customer handling skills, 47 percent say team working skills are lacking, 43 percent oral communication skills and 39 percent believe applicants lack problem solving skills.

Labour turnover

- Labour turnover for the whole sector stands at around 31 percent (although large employers sometimes report double or even treble this figure).
- Based on average expenditure on recruitment and initial training this costs the sector around £33.4m per year.
- However, only 17 percent of employers feel that their labour turnover is too high.

Skills gaps

- 11 percent of the workforce do not hold any qualifications.
- Ten percent of publicans and managers of licensed premises, seven percent of hotel and accommodation managers and seven percent of restaurant managers have no qualifications at all.
- At the skilled trade level, ten percent of chefs have no qualifications.
- 26 percent of businesses in the sector report they have staff who are not fully proficient to meet the needs of their business compared to 19 percent across all businesses.

Training and development

- The proportion of employers offering training rose from 61 percent in 2005 to 66 percent in 2007 and stood at 68 percent in 2009.
- As regards training methods, employers most commonly offer informal training to their staff with introductory/induction training also frequently available.
- Large operators are much more likely to provide training.
- Employers are most likely to provide training to supervisors followed by bar and waiting staff. Housekeepers, room attendants and cleaning staff are least likely to receive training.

Industries covered

- Events
- Food and service management
- Gambling
- Holiday parks
- Hospitality services
- Hostels
- Hotels
- Membership clubs
- Pubs, bars and nightclubs
- Restaurants
- Self catering accommodation
- Tourist services
- Travel services
- Visitor attractions

Last updated: December 2010

For the latest skills and labour market intelligence on the sector go to:
www.people1st.co.uk/research