We can’t Recover from COVID-19 without Restaurants

By Bob Bonney, Missouri Restaurant Association

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The pace at which the COVID-19 pandemic descended upon us is still difficult to comprehend. On March 11, the NBA suspended its season. Soon after, MLB stopped spring training and postponed its opening day, the NCAA canceled March Madness, and the NHL shut down.

Other announcements followed: schools were closed, stay at home orders were issued, and restaurant dining rooms across Missouri were ordered to close. Many restaurants quickly pivoted to carryout and tried to hold on to business; however, sales were in free-fall decline, and within a matter of days, two thirds of restaurant employees in America, more than 8 million people, were out of work, according to a National Restaurant Association (NRA) survey of restaurant operators. The restaurant industry has suffered the most significant sales and job losses of any industry since the coronavirus outbreak began.

The devastation of the restaurant industry contributed significantly to the spiraling U.S. economy. Few people realize the importance of the restaurant industry – or its size. According to Bureau of Economic Analysis data, the economic impact of restaurants exceeds the combined effect of the hotel and lodging industry, food and beverage stores, the airline industry, and transit and ground passenger transportation. Restaurants contribute more to the national economy than the petroleum industry and agriculture – combined.

We cannot fully restore the American economy unless restaurants successfully re-emerge on the other side of the pandemic.
What's at Stake

Prior to the pandemic, the restaurant industry in America created 1,000 jobs a day according to the Bureau of Labor Statistics (BLS). A 2020 survey from the National Restaurant Association found that one in two Americans get their first job in a restaurant. From historical data collected from an NRA Educational Foundation survey, we know that from this group, which begins in an entry-level, hourly position, will come 90% of tomorrow’s restaurant managers and 80% of future owners. What an extraordinary measure of upward mobility!

Over a recent five-year period, when the overall number of restaurants in the nation increased by 12%, the number of minority-owned restaurants grew at a rate over four times greater. The U.S. Census Bureau indicates that the growth in middle-class jobs in the restaurant sector over the same period has been four times that of the economy as a whole.

In Missouri, restaurants employ 10% of the state’s workforce - 300,300 people according to NRA projections. We are an industry where an individual can begin with no experience and no formal education and reach the middle class and beyond. BLS data indicates that the restaurant industry is the second largest private-sector employer in America and the state, and it employs more women and minorities in management positions than does any other. Restaurant job creation consistently outpaces the overall private sector by a wide margin — as it has for each of the last 19 years.

The next time you dine in a restaurant, pay attention to what’s around you. Our food and our people mirror the melting pot that made this nation so great. Every day, in cities and communities across Missouri and the country, the career opportunities that the restaurant industry provided for workers of every background are on display. The Missouri Restaurant Association is here to serve restaurant employees and owners across the state, and we advocate for this community each and every day. Check out our website for more information on what we do and how we do it.

Bob Bonney is CEO of the Missouri Restaurant Association.