

Hospitality Hits an All-Time Workforce High as a New Labor Crisis Emerges, New 2025 Report Finds

NEW YORK CITY, NY, UNITED STATES, December 1, 2025 /EINPresswire.com/ -- The Staffing Agency has

released The Hospitality Labor Report, a national white paper that reveals a sharp truth about the industry. Hospitality has reached record workforce levels, yet the labor market beneath that growth is more fragile than it has been in years.

“

Labor costs continue to outpace revenue growth, particularly for independent operators, compressing profitability and accelerating structural change.”

The Hospitality Labor Report

According to the report, the hospitality industry has more workers than ever recorded, but turnover remains at crisis levels. Restaurants and hotels now report annual turnover between 70 and 80 percent, while QSR roles often cross 100 percent. The report notes that recruitment timelines have slowed, and retention is now the single strongest driver of service quality.

Between 2020 and early 2025, average hospitality wages rose from \$16.84 to \$22.70, marking one of the sharpest increases in modern labor data. The report notes that wages have since stabilized, which it describes as a reset that establishes a new permanent baseline for compensation.

Another major shift unfolding is in Las Vegas. According to the report, Las Vegas is now the largest laboratory for unionized hospitality in the world and continues to reshape the national conversation on service work.

Every major resort on the Strip now operates under a union contract, with new agreements setting wage increases of 32 percent by 2030. The report identifies Las Vegas as the country's most important test case for the future of service work with predictable staffing, standardized wage progression and a shrinking gap between frontline and management conditions.

The new report also highlights immigrant labor as the backbone of the hospitality workforce. “The American hospitality industry is more dependent on immigrant labor than any other sector of the economy,” the report states.

One in three hospitality workers in the United States is foreign-born, and the share is far higher in New York, Miami and Los Angeles. Essential roles such as housekeeping and kitchen prep depend on a steady immigration pipeline. The report warns that new visa limits, higher fees and slower processing times are creating pressure points that operators feel immediately.

Technology is now a multiplier, not a replacement. The findings show that operators who pair technology with strong hiring, training and retention outperform those relying on headcount recovery alone. This includes systems for onboarding, scheduling, cross-training and internal mobility.

Operators are now rethinking what it means to be fully staffed. The Staffing Agency calls this a turning point. The report states that the winners in the next decade will be the companies that view labor as a strategic asset rather than a cost center. The ability to build stable teams, strengthen workplace culture and invest in long-term career paths will determine which brands grow and which struggle with persistent turnover and rising costs. "The challenge ahead is not simply rebuilding the workforce, but redefining it for a new era of expectations, technology, and labor realities," the report highlights.

The Hospitality Labor Report is available for download [here](#).

About The Staffing Agency:

The Staffing Agency is a national recruiting organization built on a growing portfolio of sector specific divisions, including The Chef Agency, The Supermarket Agency, Estate Agency and others. The company specializes in hospitality and service industry recruitment and maintains a proprietary nationwide pipeline supported by more than 14 years of industry experience. The Staffing Agency provides talent solutions to operators, ownership groups and corporate brands across the United States.

Bess Heifetz-Licht

The Staffing Agency

+1 917-310-4425

bh@thestaffingagency.com

Visit us on social media:

[LinkedIn](#)



The Hospitality Labor Report 2025 by The Staffing Agency

This press release can be viewed online at: <https://www.einpresswire.com/article/871626598>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2025 Newsmatics Inc. All Right Reserved.