COVID-19 IMPACT ON TOURISM: CASE STUDY OF LAS VEGAS

Dr. Stephen M. Miller, Director
Center for Business and Economic Research
Lee Business School
University of Nevada, Las Vegas
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Macroeconomic Background

- Great Recession
  - Housing bubble, collapse, and financial crisis
  - Construction collapses

- Coronavirus
  - 100-year event
  - Government imposed lockdowns
  - COVID-19 Recession
  - Construction essential sector
COVID-19 and Las Vegas
Pandemic Effects on Economy

- Affects “Gather-Together” Sectors
  - Leisure and hospitality
  - Eating and drinking
  - Sports entertainment
  - Doctors and dentists
  - Hospitals

- Las Vegas Hit “Big-Time” in Each Sector

- Economic/COVID-19 Recoveries
Las Vegas Share of Employment by Industry

- Natural Resources & Mining
- Construction
- Manufacturing
- Trade, Transportation & Utilities
- Information
- Financial Activities
- Professional & Business Services
- Education and Health Services
- Leisure and Hospitality
- Other Services
- Government
CBER Southern Nevada Coincident Index Responds to COVID-19 Recession

Index

Southern Nevada Recessions  Southern Nevada Coincident Index
Las Vegas Employment Growth Slowed Recently and Then Dropped due to COVID-19 Recession

Thousands of Jobs

Southern Nevada Recessions

Las Vegas Employment
COVID-19 Recession Caused Clark County Taxable Sales to Fall Below Its Prior Peak before Recovering Significantly
Clark County Gross Gaming Revenue Hits the Floor and then Bounces Upward Significantly

Southern Nevada Recessions

Gross Gaming Revenue (SA)
Las Vegas Unemployment Rate Rises Dramatically due to COVID-19 Recession and then Drops Significantly
Clark County Tourism Index Also Fell Off a Cliff and then Rose Dramatically
McCarran Airport Passengers Collapses to Near Zero and Recovers More Slowly than Other Data Series

Millions of Passengers

Southern Nevada Recessions

McCarran Passengers (SA)
Clark County Hotel Occupancy Takes a Vacation But Recovery Is Underway

Southern Nevada Recessions

Hotel Occupancy (SA)
Clark County Visitor Volume Fell Dramatically in March, Recovery Also Underway
Clark County Construction Index Did Not Head South, Yet

Southern Nevada Recessions

Southern Nevada Construction Index
Clark County Construction Employment Not Affected Too Much by COVID-19 Recession
Risks to Recovery

- Failure of Reopening Protocols
- Failure to Pass CARES Extension
- COVID-19 Virus Second Wave
- Bad Flu Season