UPDATED THROUGH NOVEMBER 2024 | REGIONAL

EQUITABLE GROWTH INDICATORS

Raji Chakrabarti, Thu Pham, Beck Pierce, and Maxim Pinkovskiy

nyfed.org/egi

Table of Contents

Full Report Highlights

- **INFLATION**
  Inflation rates have converged across groups with different incomes, ages, and education levels. This is, in part, because of rising inflation in a variety of important consumption categories in the region.

- **EARNINGS**
  Average real earnings are higher in the region compared to the national average. Real earnings gaps across racial and ethnic groups, educational groups, and between men and women have remained in their long-run ranges, though the gender earnings gap is slowly shrinking over time.

- **EMPLOYMENT**
  Labor market gaps have declined in the region at rates similar to those of the nation as a whole. In particular, the gender gap in the region has declined faster and fallen lower than the national gender gap.

INFLATION

UPDATED THROUGH NOVEMBER 2024 | REGIONAL

Raji Chakrabarti, Thu Pham, Beck Pierce, and Maxim Pinkovskiy

Takeaways | Inflation

- Inflation in the Second District in November 2024 stood at 4.23%, as compared to 2.6% in the nation. Food inflation was below the regional average, transportation inflation was at the regional average and housing inflation was above the regional average.

- AAPI households experienced inflation that was around 0.65 percentage point above the regional average, and Black households experienced inflation 0.21 percentage point above the regional average. Hispanic households experienced the regional average inflation, and white households experienced inflation below the regional average.

- Inflation for households of different incomes, ages, and education levels was largely similar in November 2024.

- Inflation gaps in the Second District were much larger during the 2021-22 inflationary episode, when groups with high exposure to transportation inflation (Hispanic, middle- and high-income, non-college, and middle-age households) had inflation well above the region average. These gaps have now subsided

Demographic inflation gaps are calculated as demographic inflation less Second District overall inflation.

Data & Methods

- Data on inflation by demographic groups are not produced by the Bureau of Labor Statistics.

- To calculate demographic inflation, the Consumer Expenditure Survey (CEX) is used to compute spending shares of various consumption categories (for example, cereal, rent, and used cars) by demographic group (for example, Black, Hispanic, some college, and aged 45-54).

- The region in the CEX is defined to be the union of the New York-New Jersey metro area (excluding counties in Pennsylvania) with all other counties in New York state.

- To compute the contribution of a consumption category in a particular city to demographic inflation for a specific group, that group's spending share on that category in that city (from the CEX) in the previous year is multiplied by the twelve-month inflation for that consumption category in that city (from the Consumer Price Index).

- All the contributions are then summed to get an inflation index for the demographic group.

- This method is similar to the previous literature, for example, Hobijn and Lagakos (2005), McGranahan and Paulson (2006), and Jaravel (2019). The EGIs are the first to exploit price variation across cities whereas the aforementioned studies assume people in different demographic groups and cities face the same prices.

- Demographic inflation gaps are calculated as demographic inflation less Second District overall inflation.
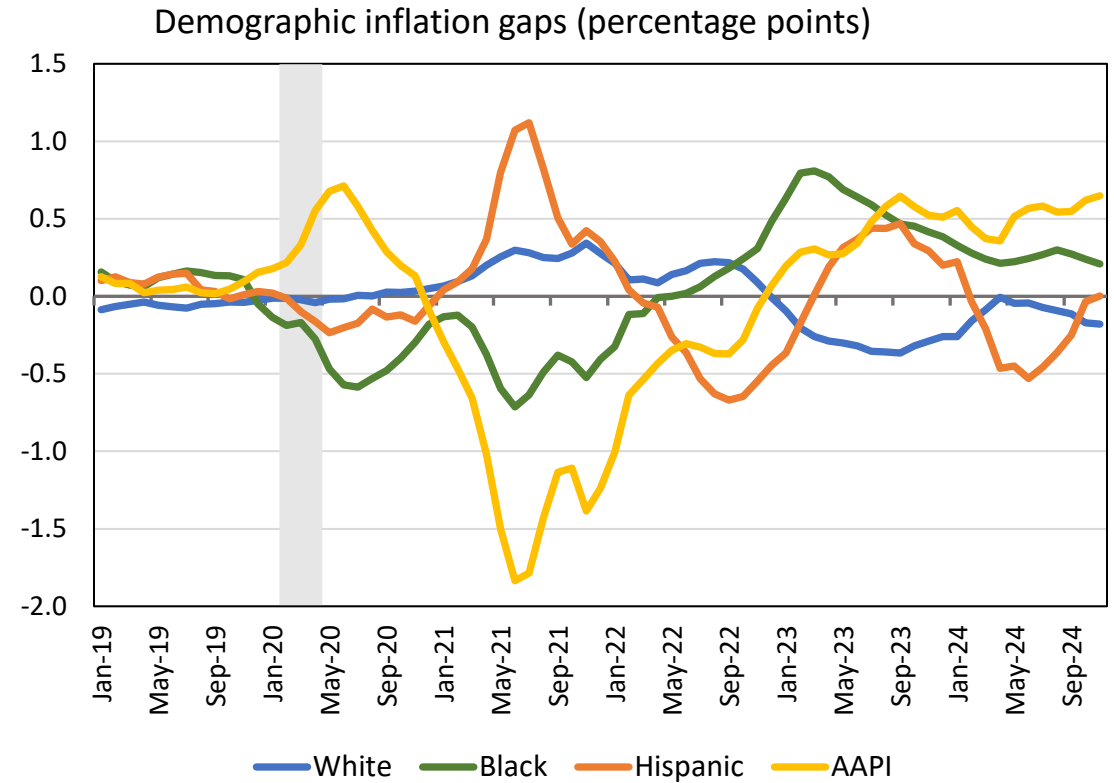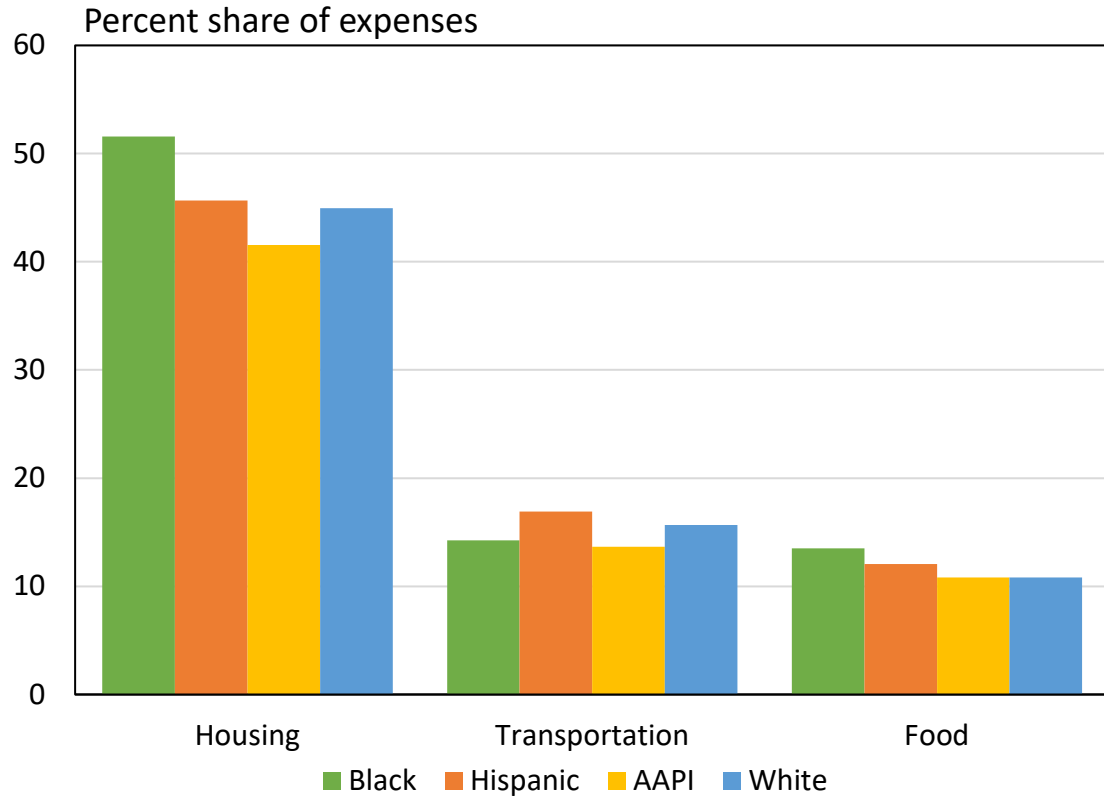
Inflation by Sector

12-Month CPI Inflation (%), by Sector
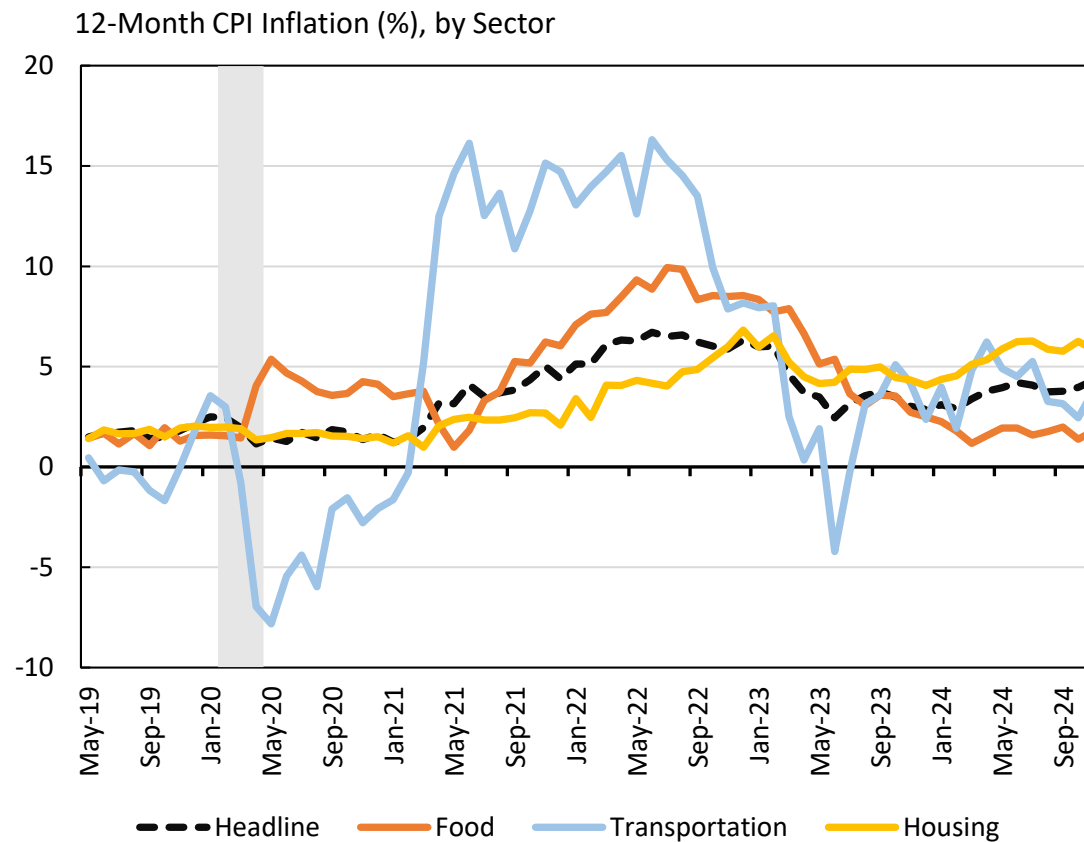
Sources: CPI via Haver Analytics; authors' calculations.

Note: Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.

Demographic Inflation by Race/Ethnicity

Percent share of expenses

Legend: Black, Hispanic, AAPI, White

Demographic inflation gaps (percentage points)
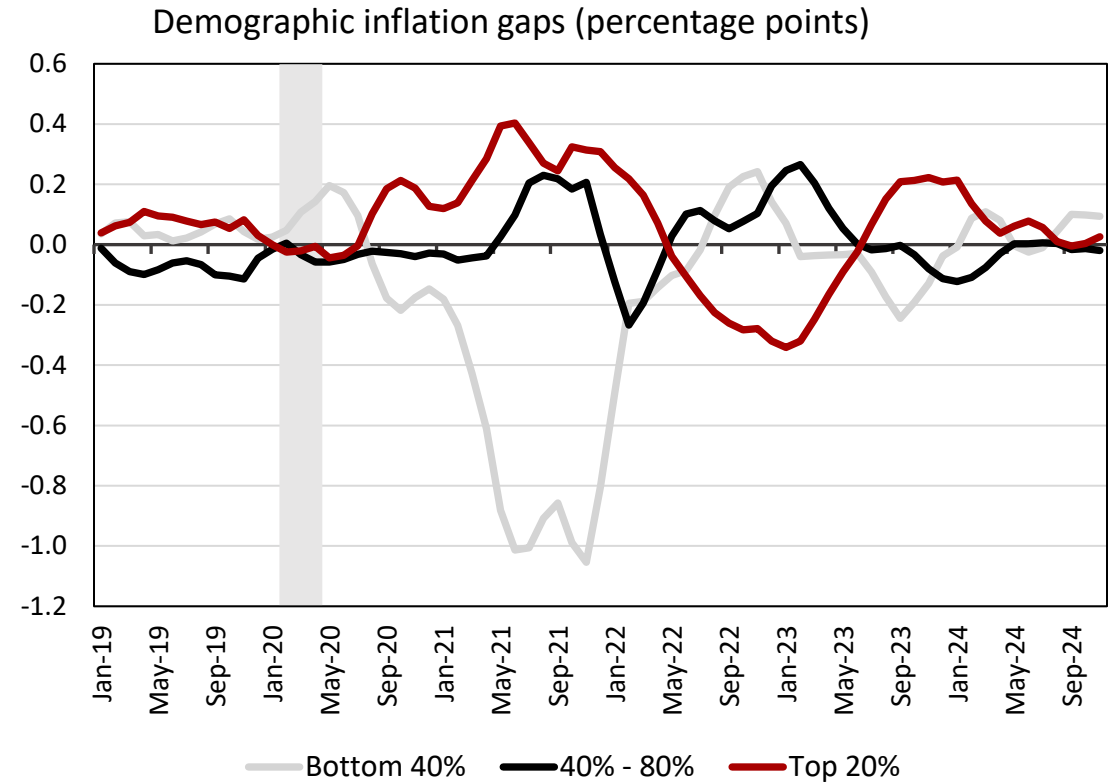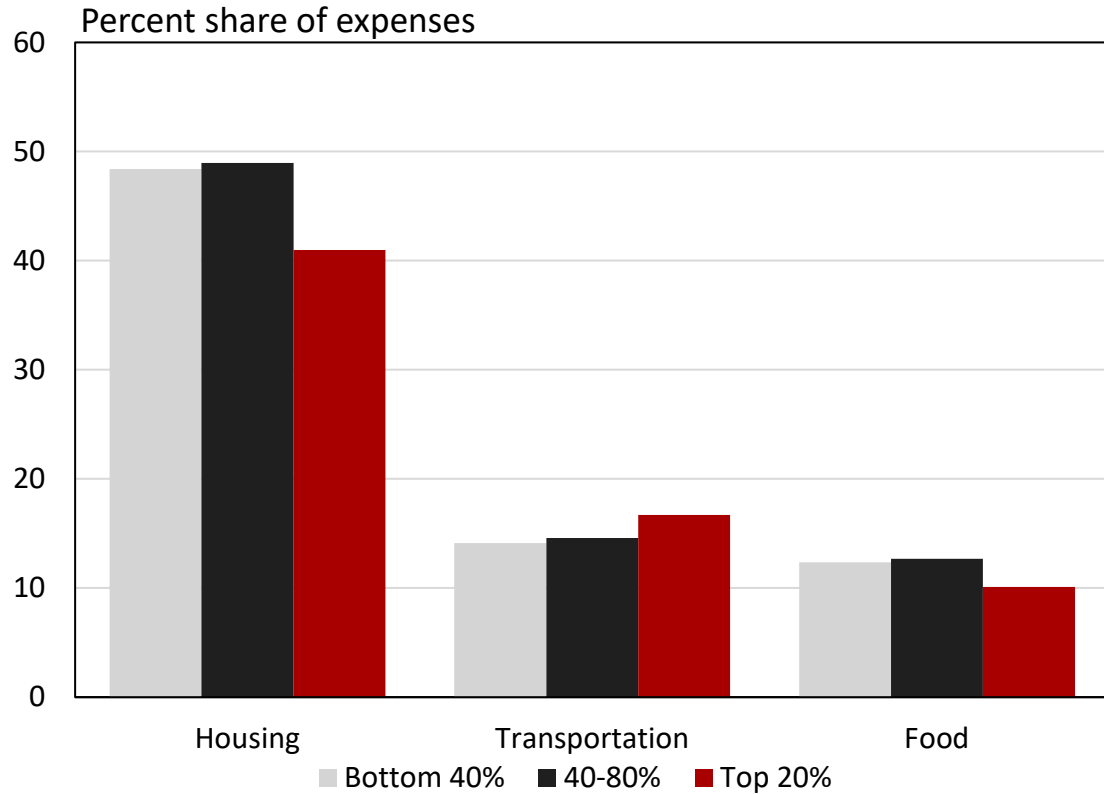
Legend: White, Black, Hispanic, AAPI

Sources: BLS Consumer Expenditure Survey microdata; BLS Consumer Price Indexes.

Notes: Expenditure shares use 2021 CEX microdata. Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.

Demographic inflation gaps are calculated as demographic inflation less Second District overall inflation.

Demographic Inflation by Income

Percent share of expenses

Bottom 40% 40-80% Top 20%

Demographic inflation gaps (percentage points)
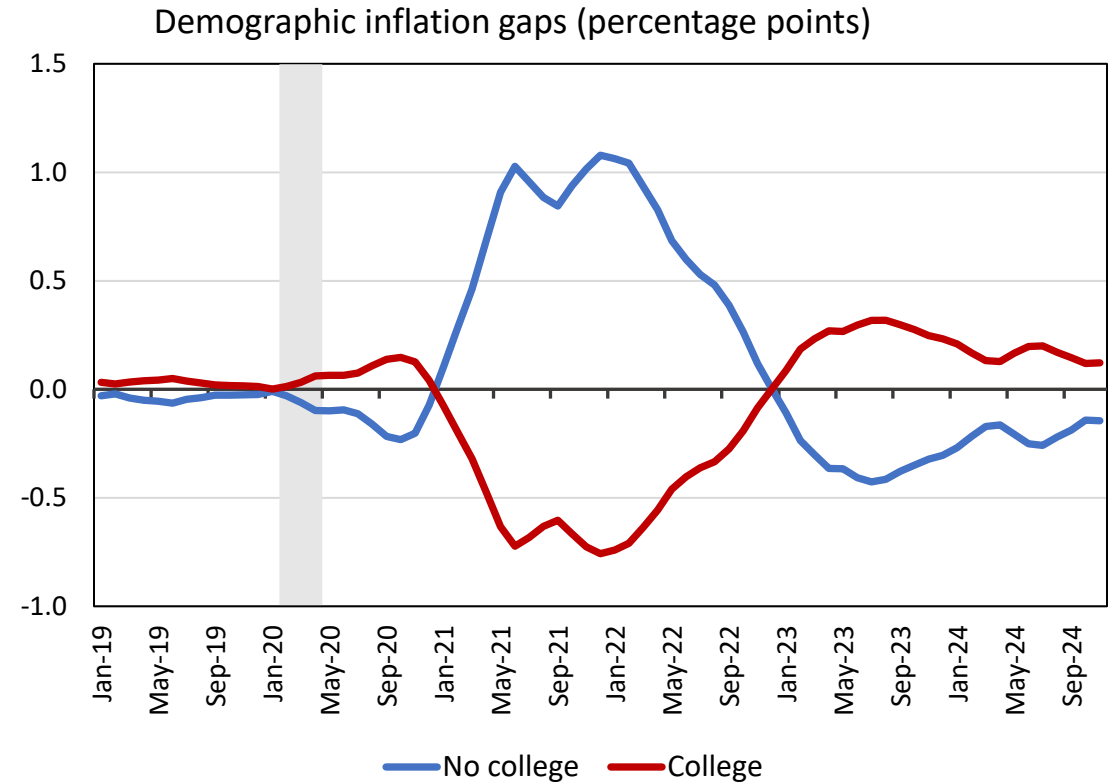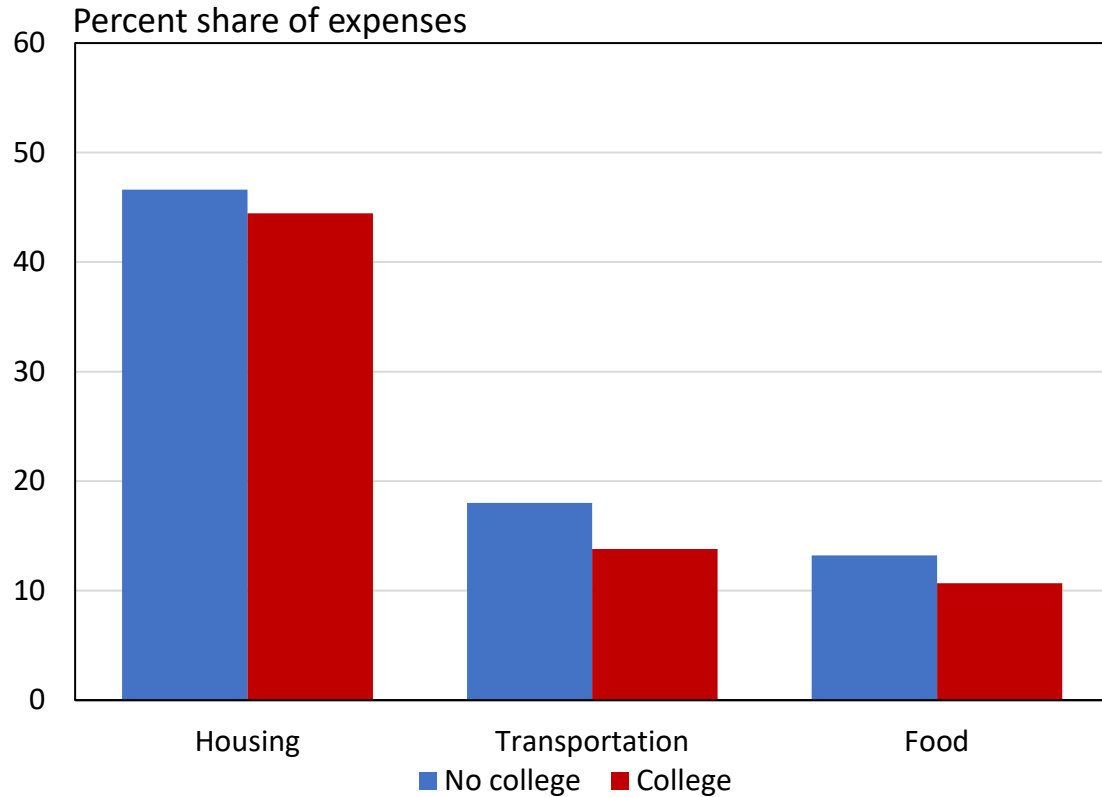
Bottom 40% 40% - 80% Top 20%

Sources: BLS Consumer Expenditure Survey microdata; BLS Consumer Price Indexes.

Notes: Expenditure shares use 2021 CEX microdata. Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.

Demographic inflation gaps are calculated as demographic inflation less Second District overall inflation.
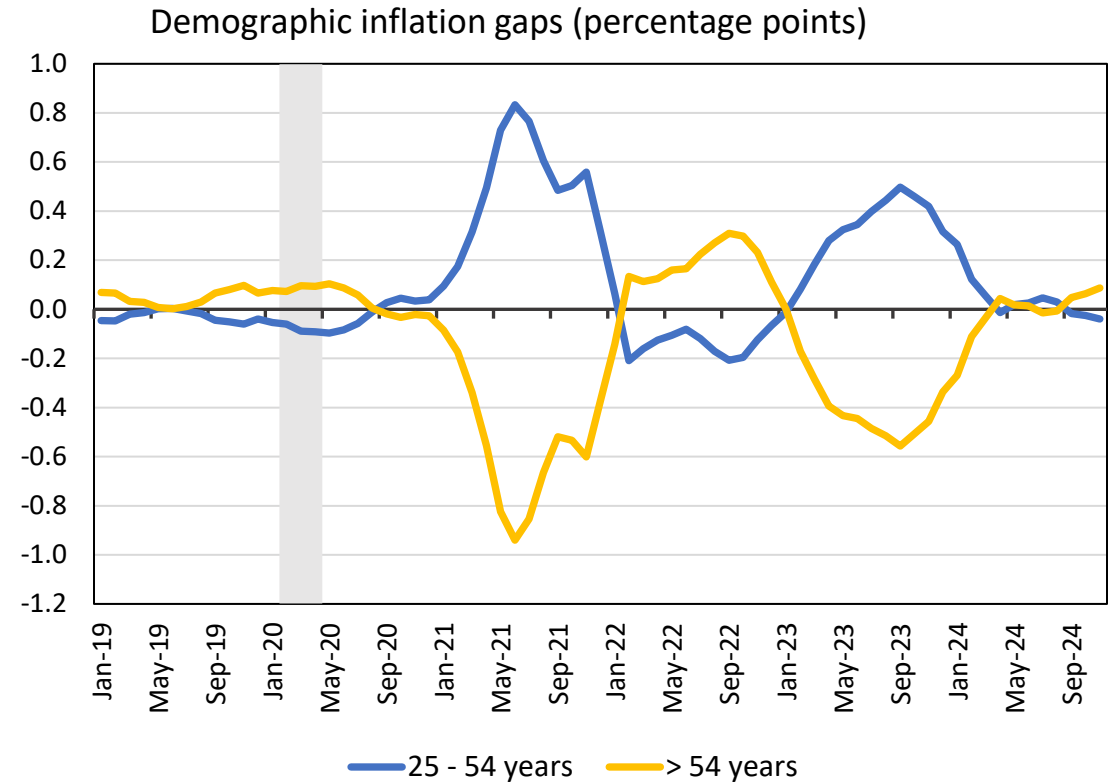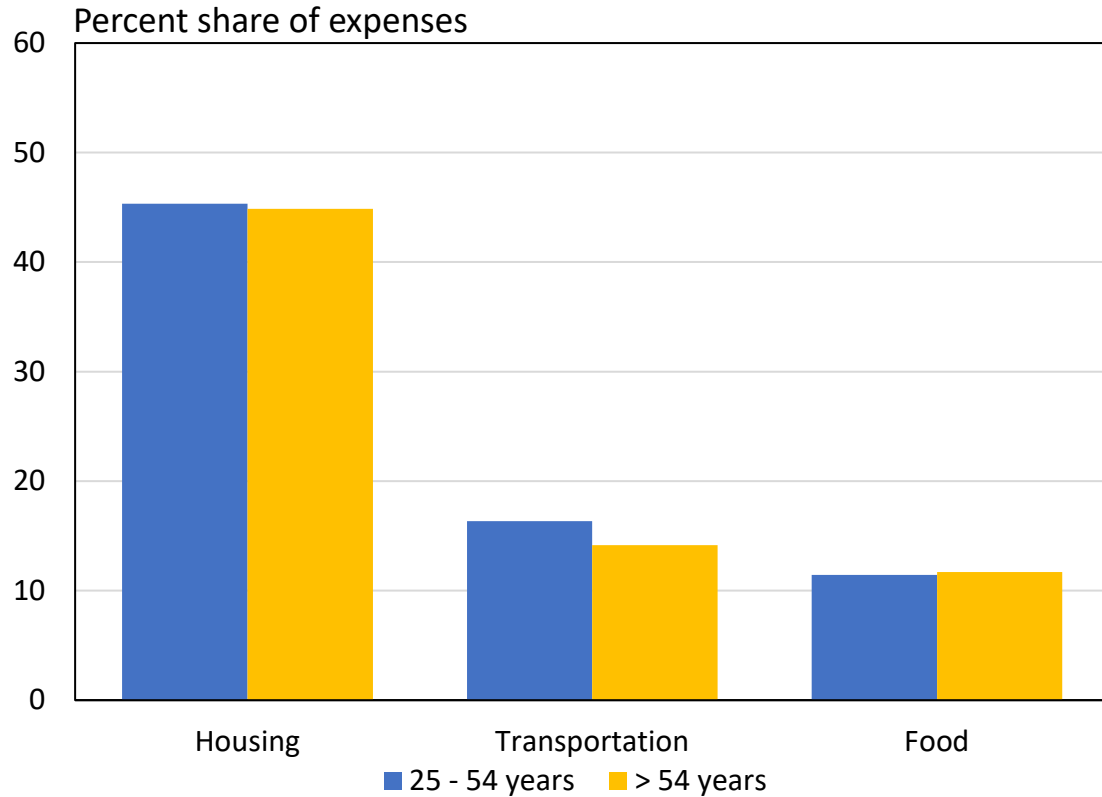
Demographic Inflation by Education

Percent share of expenses

Demographic inflation gaps (percentage points)

Sources: BLS Consumer Expenditure Survey microdata; BLS Consumer Price Indexes.

Notes: Expenditure shares use 2021 CEX microdata. Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.

Demographic inflation gaps are calculated as demographic inflation less Second District overall inflation.

Demographic Inflation by Age

Percent share of expenses

Demographic inflation gaps (percentage points)

Legend: 25 - 54 years (blue), > 54 years (yellow)

Sources: BLS Consumer Expenditure Survey microdata; BLS Consumer Price Indexes.

Notes: Expenditure shares use 2021 CEX microdata. Shaded region indicates the COVID-19 recession.
Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S.
Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.

Demographic inflation gaps are calculated as demographic inflation less Second District overall inflation.

EARNINGS

UPDATED THROUGH NOVEMBER 2024 | REGIONAL

Raji Chakrabarti, Thu Pham, Beck Pierce, and Maxim Pinkovskiy
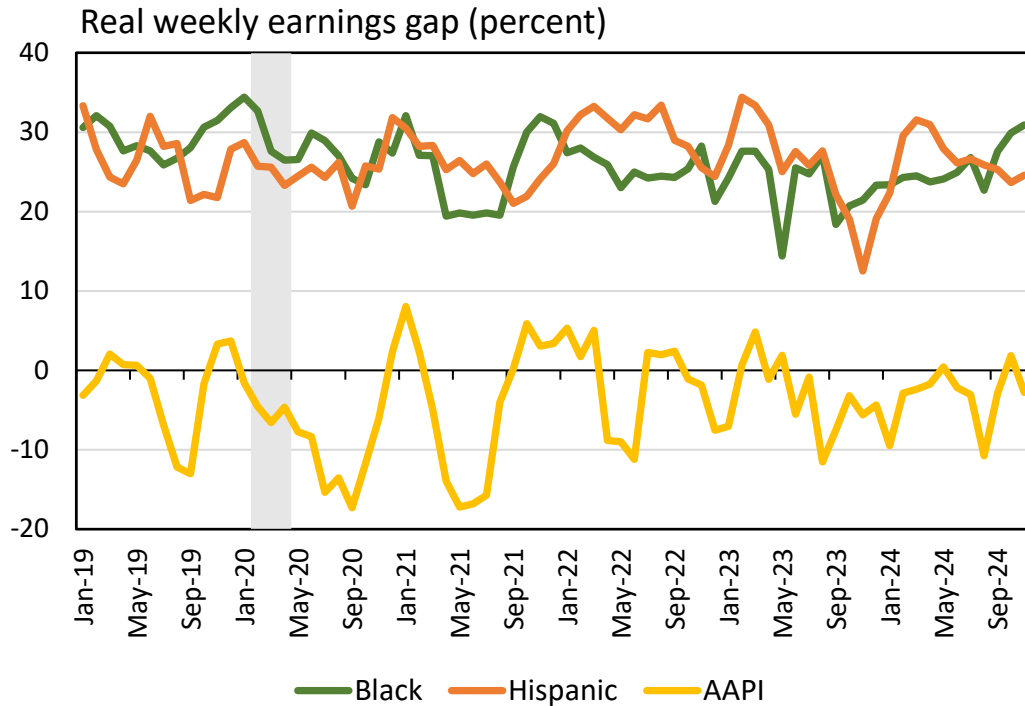
Takeaways | Earnings

- Similar to the rest of the nation, real earnings in the region peaked during the pandemic recession and have fallen since, and disparities (both nominal and real) are largest across education categories, with smaller but still substantial gaps across racial and ethnic categories, gender, and age.

- The average earnings for the region are higher than the rest of the country.

- The Black and Hispanic earnings gaps remain in the 20%-30% range, although the Black earnings gap has risen to 30.9% in November 2024 in a sharp reversal since 2024:Q3.

- The gender gap has declined to 14.0 percentage points in November 2024 relative to 17.2 percentage points in November 2019, consistent with it declining in the region as well as in the nation.

- The college premium remains in the 80%-100% range in which it has been since January 2019. As of November 2024, it stands at 81.9%. The college premium in the region tends to be somewhat higher than in the nation as a whole.

Gaps are defined as the percentage difference in earnings between a majority group and a minority group in the labor market.

Data & Methods

- Real earnings are computed by deflating nominal earnings for each demographic using the EGI's estimates of demographic-specific inflation.

- Gaps are defined as the percentage difference in earnings between a majority group and a minority group in the labor market.

- The gender gap is defined as the percentage difference between male and female earnings.

- The racial gaps are defined as the percentage differences between earnings of white non-Hispanic workers and earnings of workers of the race or ethnicity in question.

- The college premium is defined as the percentage difference between earnings of college graduates and earnings of workers who did not graduate from college.

- The region in the CPS is defined to be the union of the New York-New Jersey metro area (excluding counties in Pennsylvania) with all other counties in New York state.

Real/Nominal Earnings by Race/Ethnicity

Real weekly earnings gap (percent)

Legend: Black, Hispanic, AAPI

Weekly earnings (nominal)

Legend: White, Black, Hispanic, AAPI, All

Weekly earnings (real)

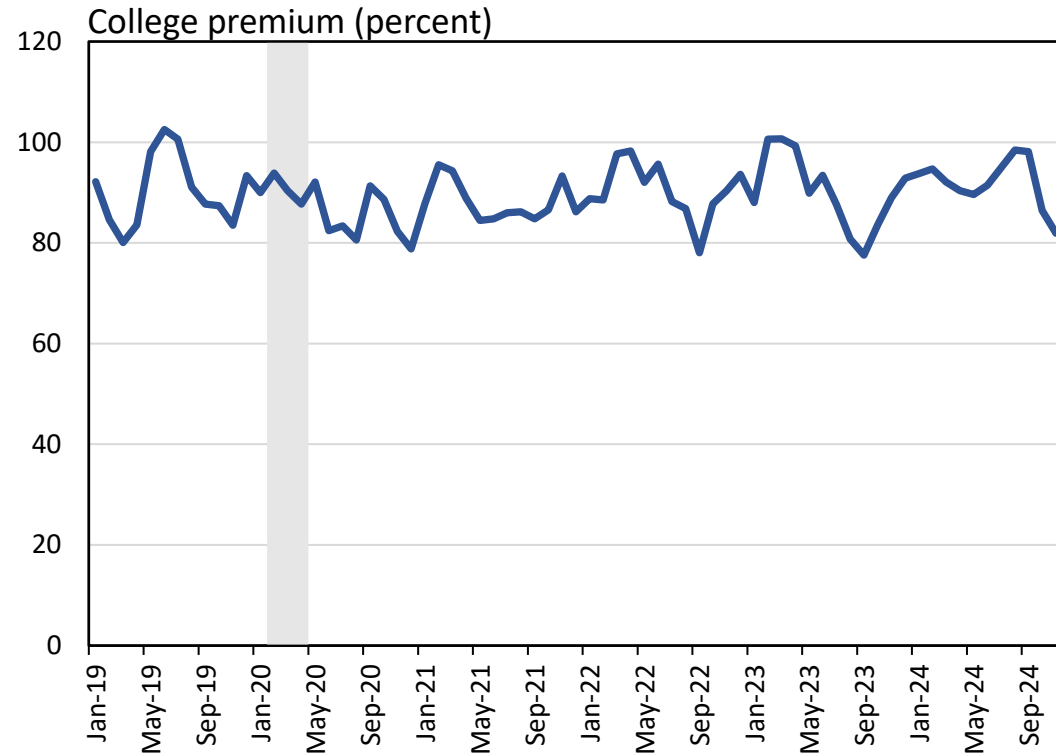Legend: White, Black, Hispanic, AAPI, All

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations, three-month moving averages.

Notes: Real earnings uses corresponding demographic prices, indexed to June 2019. Shaded region indicates the COVID-19 recession. The race gap is defined here as the percent less in real earnings that the average Black/Hispanic/AAPI American earns on average compared to white Americans. For instance, a gap of 20% implies that the average Black/Hispanic/AAPI American earns 80% of the average white American. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.
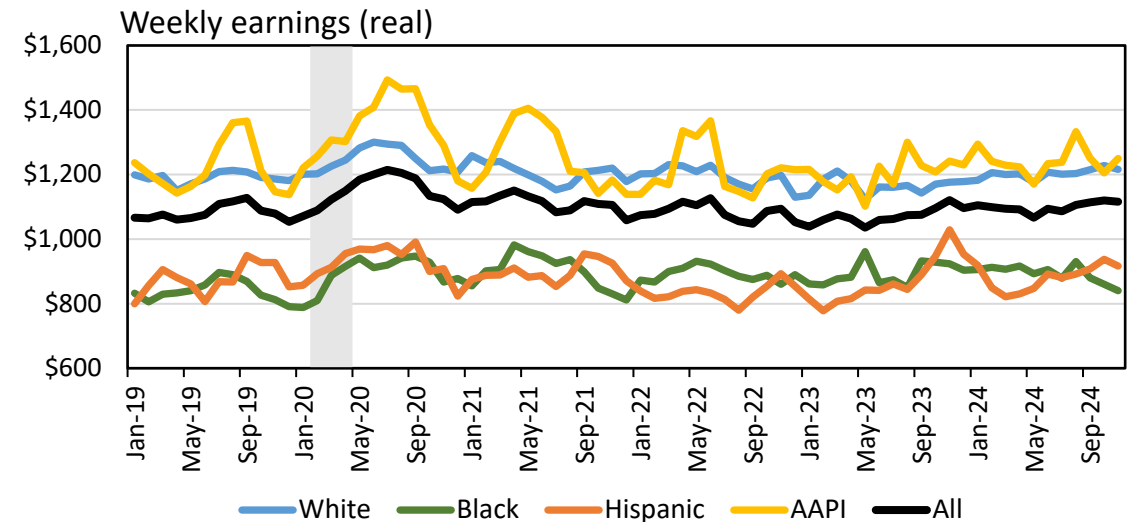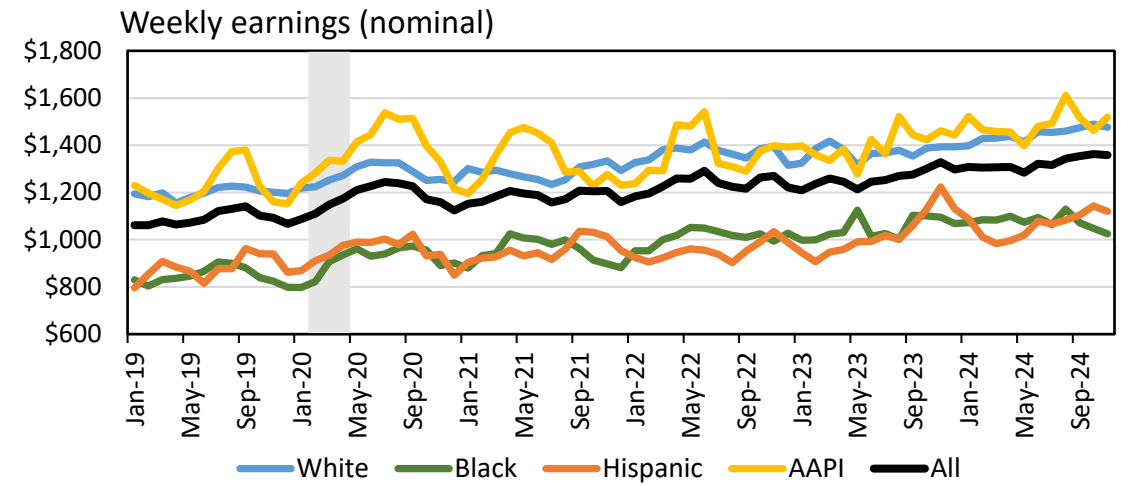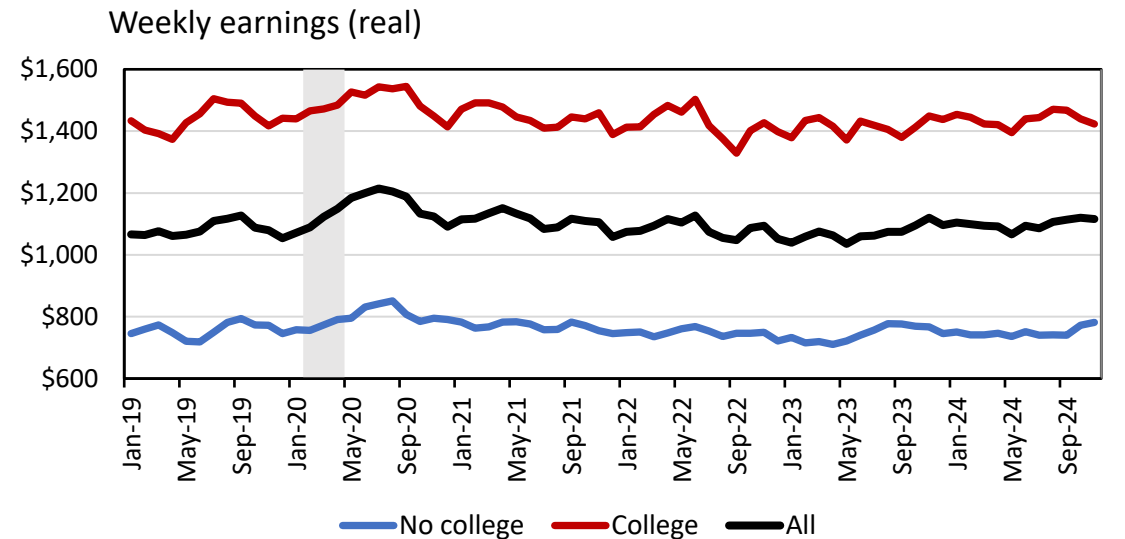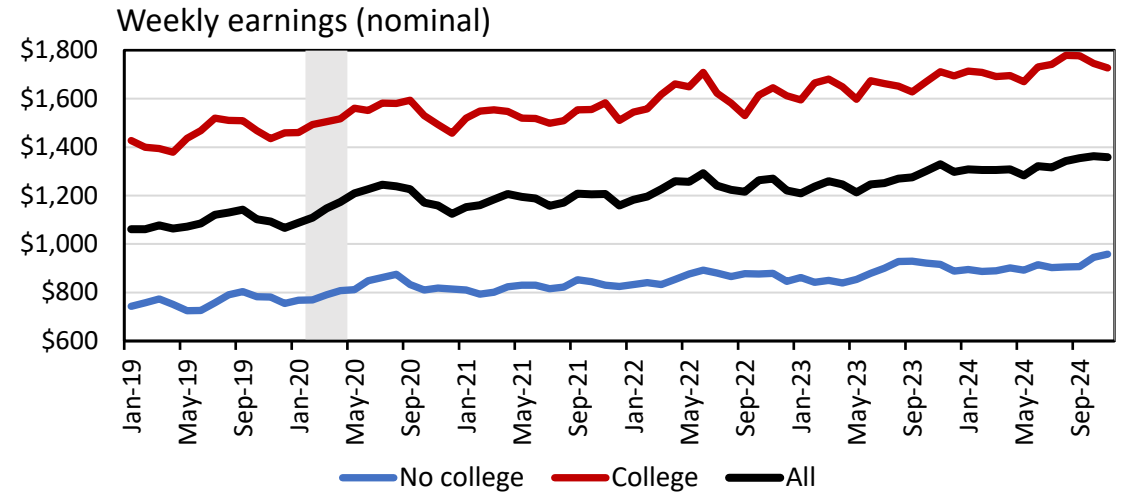
Individual weekly earnings from April 2023 onward are top coded to $2,884.61, in accordance with pre-April 2023 CPS data conventions for continuity.

Real/Nominal Earnings by Education

College premium (percent)

Weekly earnings (nominal)

No college — College — All

Weekly earnings (real)
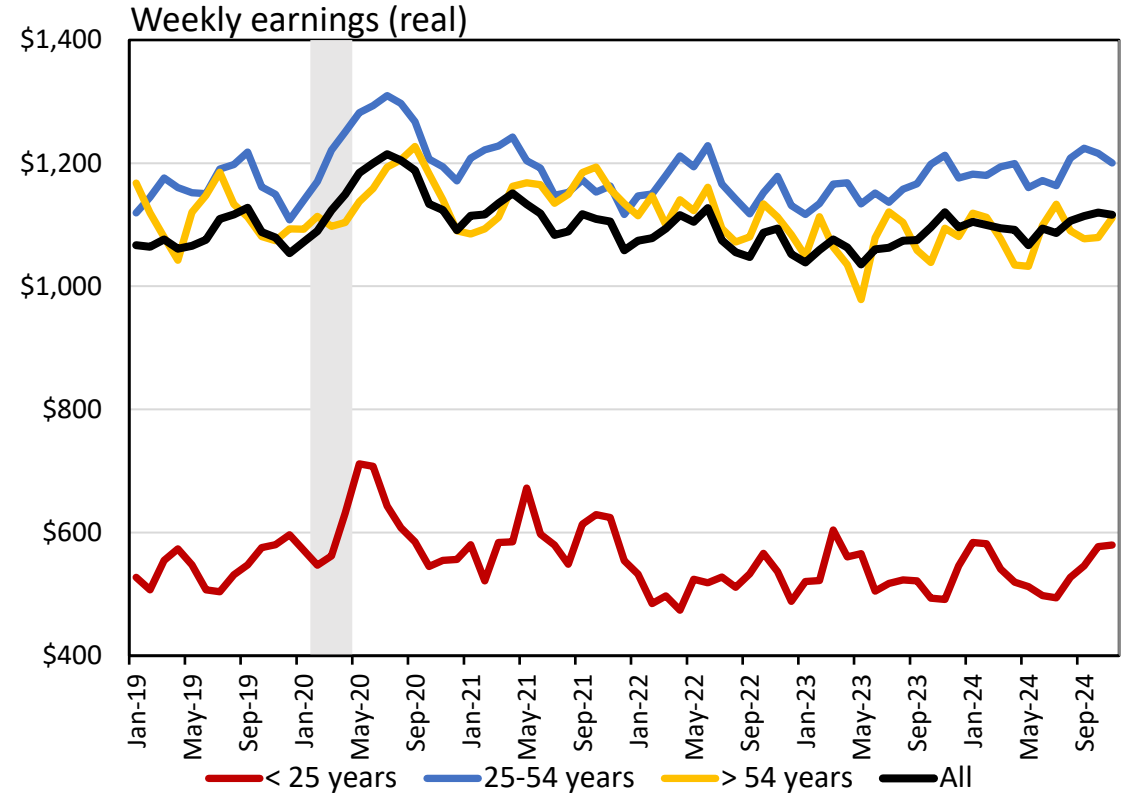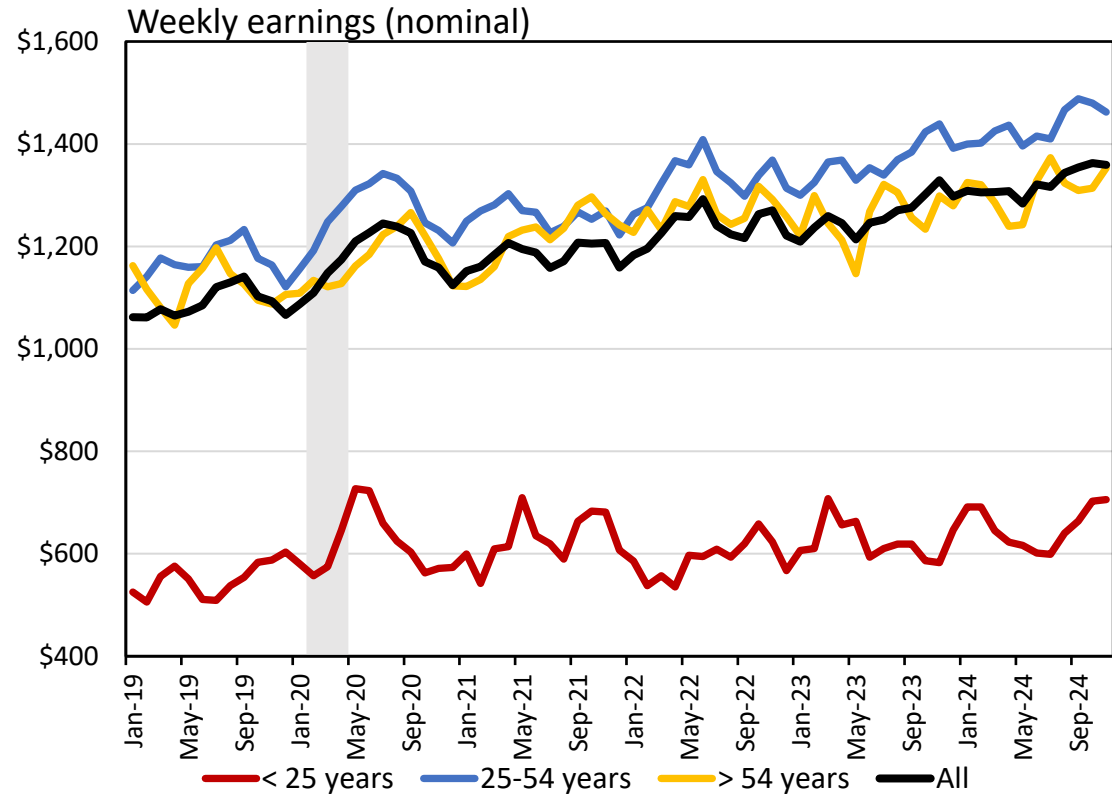

No college — College — All

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations, three-month moving averages.
Notes: Real earnings uses corresponding demographic prices, indexed to June 2019. Shaded region indicates the COVID-19 recession. College premium is defined here as the percent more that college graduates earn (weekly) on average compared to non-graduates. For instance, a gap of 80% implies that the average graduate earns 80% more than the average non-graduate. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.

Individual weekly earnings from April 2023 onward are top coded to $2,884.61, in accordance with pre-April 2023 CPS data conventions for continuity.
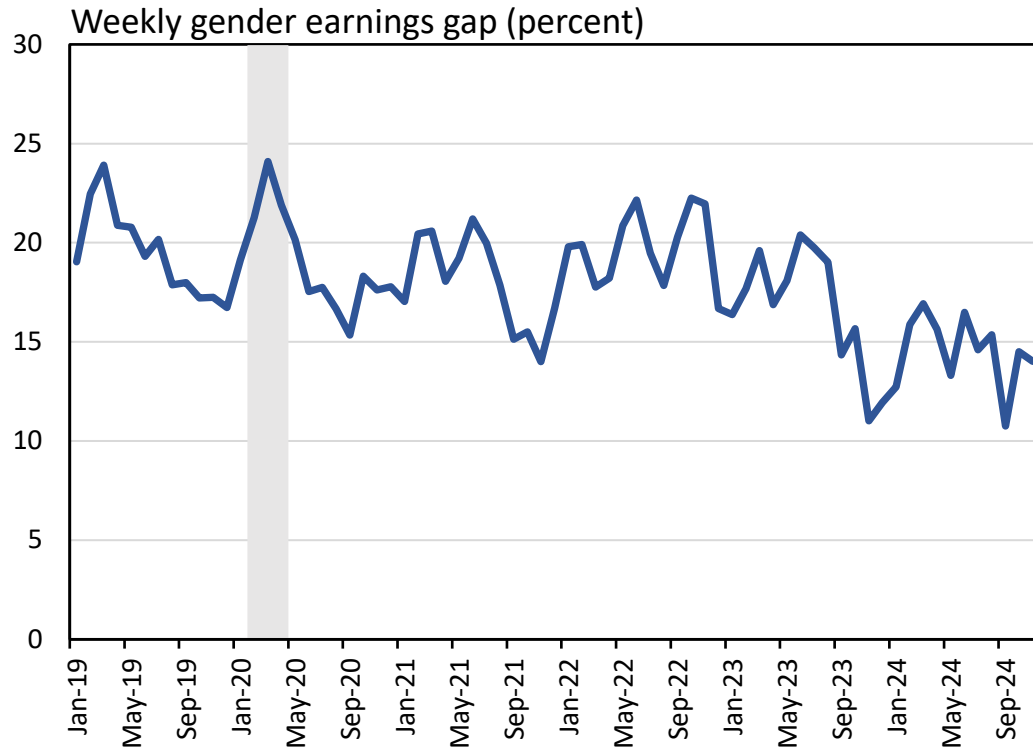
Real/Nominal Earnings by Age

Weekly earnings (nominal)

Weekly earnings (real)

Legend: < 25 years | 25-54 years | > 54 years | All

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations; three-month moving averages.
Notes: Real earnings uses corresponding demographic prices, indexed to June 2019. Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.
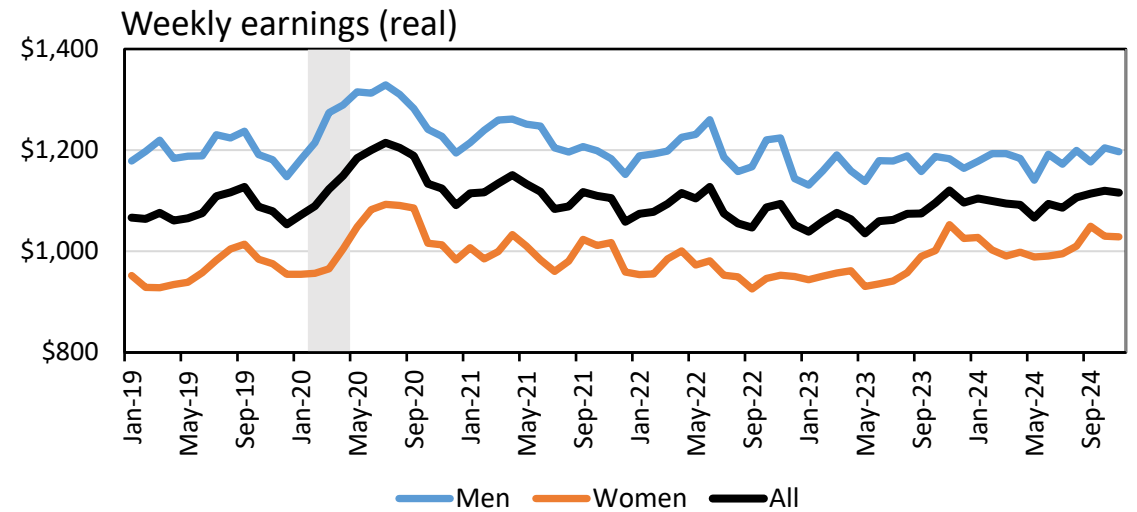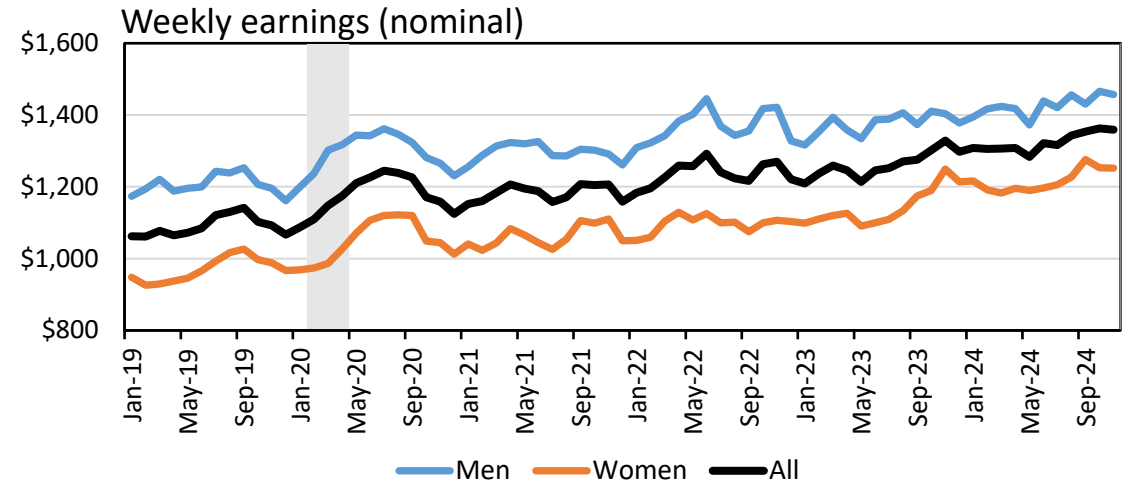
Individual weekly earnings from April 2023 onward are top coded to $2,884.61, in accordance with pre-April 2023 CPS data conventions for continuity.

Real/Nominal Earnings by Gender

Weekly gender earnings gap (percent)

Weekly earnings (nominal)

Men — Women — All

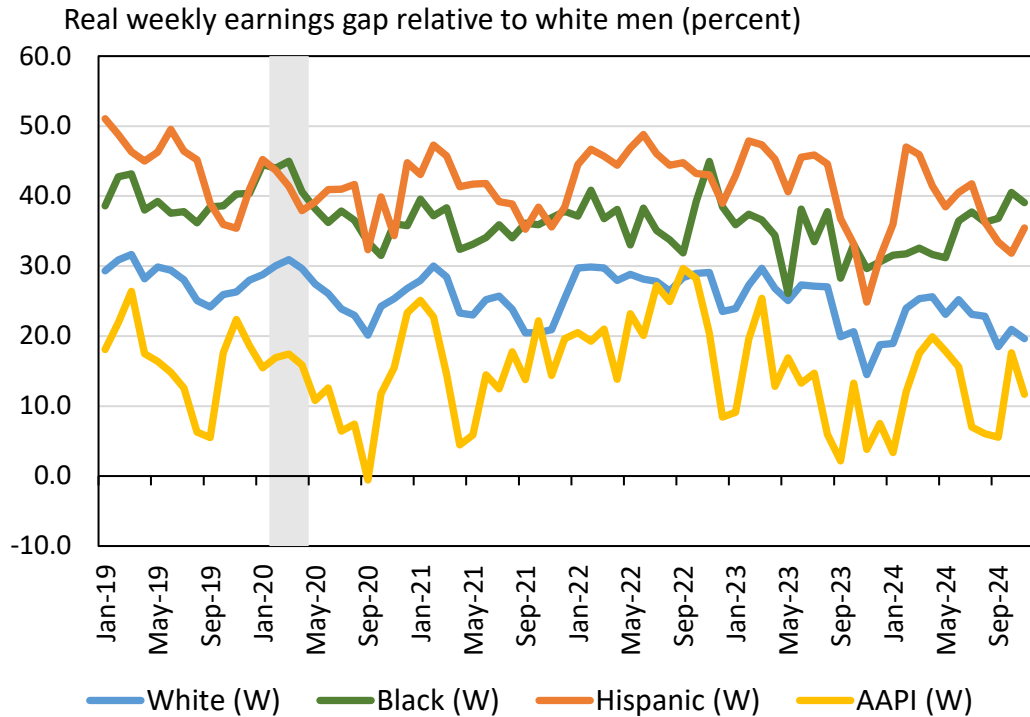## Weekly earnings (real)

Men — Women — All

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations; three-month moving averages.

Notes: Real earnings uses corresponding demographic prices, indexed to June 2019. Shaded region indicates the COVID-19 recession. The gender gap is defined here as the percent less that women earn on average compared to men. For instance, a gap of 20% implies that the average woman earns 80% of the average man. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.
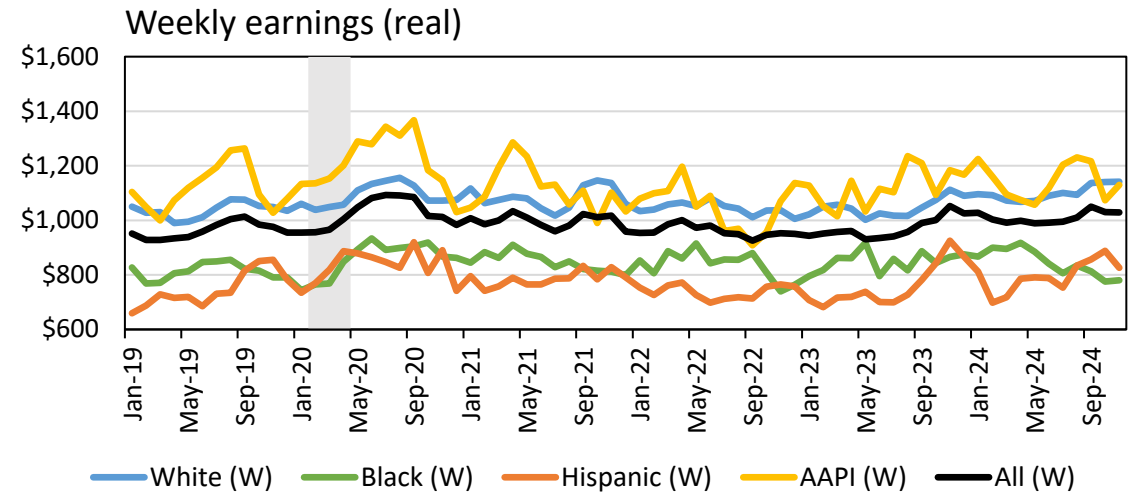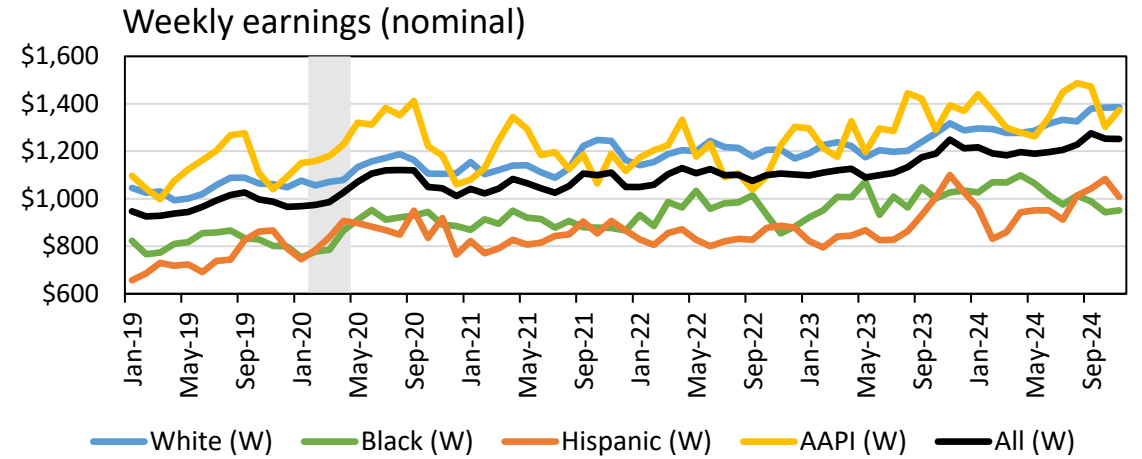
Individual weekly earnings from April 2023 onward are top coded to $2,884.61, in accordance with pre-April 2023 CPS data conventions for continuity.

Real/Nominal Earnings by Race x Gender (Women)

Real weekly earnings gap relative to white men (percent)

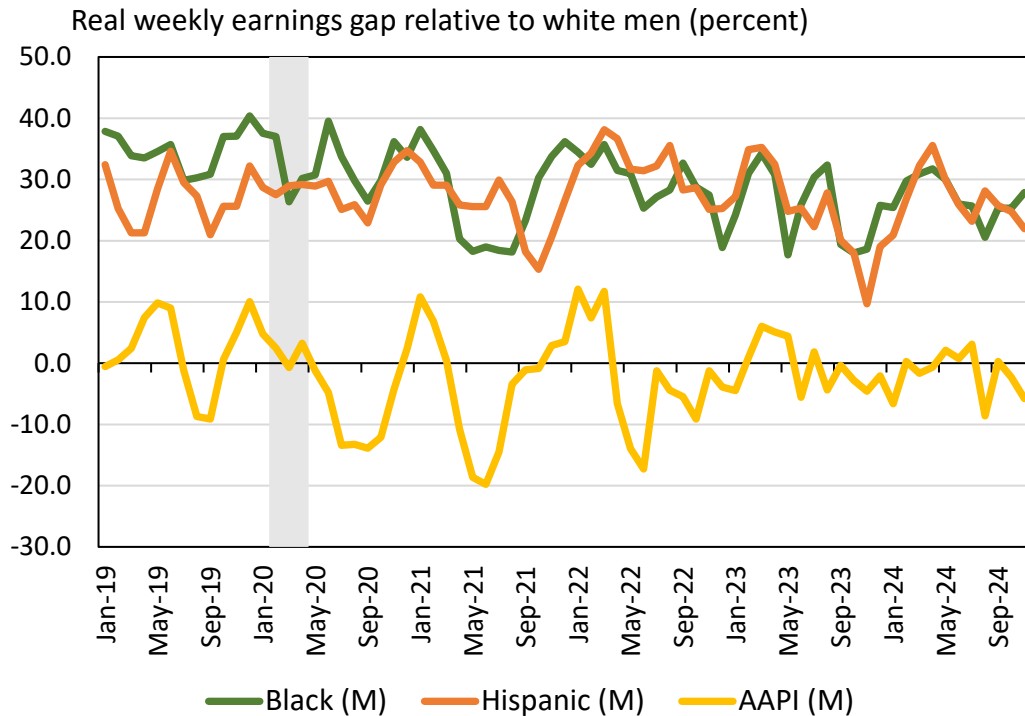White (W)　Black (W)　Hispanic (W)　AAPI (W)

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations; three-month moving averages.

Notes: Real earnings uses corresponding demographic prices, indexed to June 2019. Shaded region indicates the COVID-19 recession. The earnings gap is defined here as the percent less that a woman of each racial/ethnic group earns on average compared to white men. For instance, a gap of 40% implies that the average Black/Hispanic/AAPI/white woman earns 60% of the average white man. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.
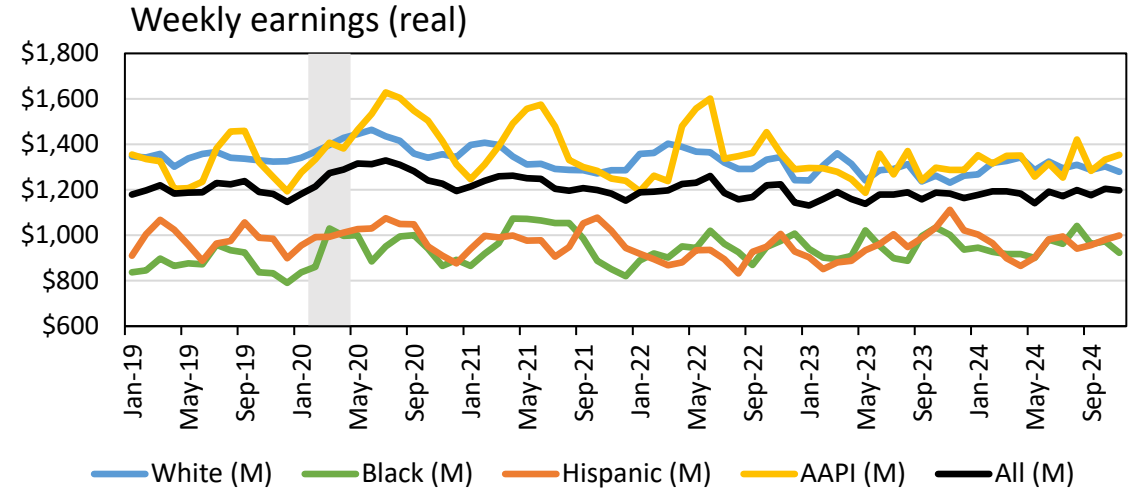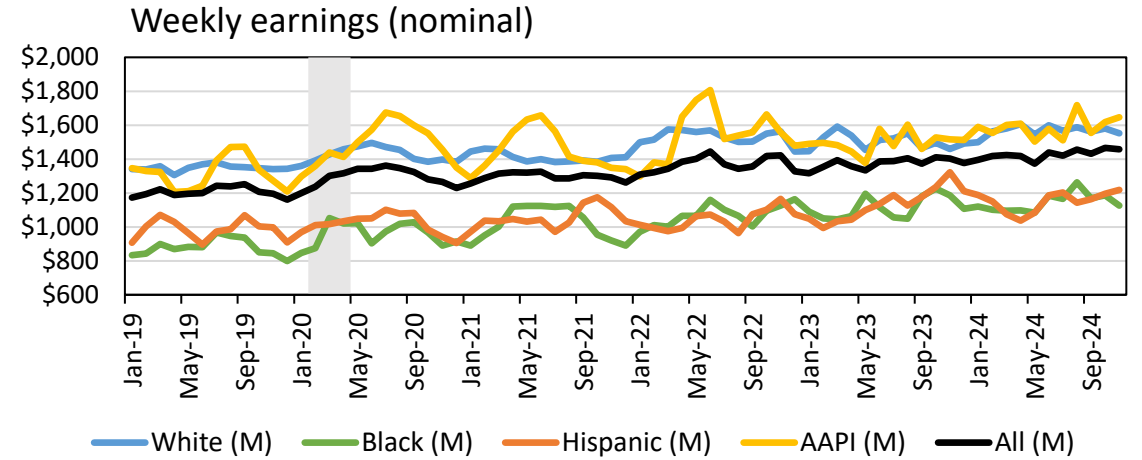
Weekly earnings (nominal)

White (W)　Black (W)　Hispanic (W)　AAPI (W)　All (W)

Weekly earnings (real)

White (W)　Black (W)　Hispanic (W)　AAPI (W)　All (W)

Individual weekly earnings from April 2023 onward are top coded to $2,884.61, in accordance with pre-April 2023 CPS data conventions for continuity.

Real/Nominal Earnings by Race x Gender (Men)

Real weekly earnings gap relative to white men (percent)

Legend: Black (M), Hispanic (M), AAPI (M)

Weekly earnings (nominal)

Legend: White (M), Black (M), Hispanic (M), AAPI (M), All (M)

Weekly earnings (real)

Legend: White (M), Black (M), Hispanic (M), AAPI (M), All (M)

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata, authors' calculations, three-month moving averages.

Notes: Real earnings uses corresponding demographic prices, indexed to June 2019. Shaded region indicates the COVID-19 recession. The earnings gap is defined here as the percent less that a man of each racial/ethnic group earns on average compared to white men. For instance, a gap of 20% implies that the average Black/Hispanic/AAPI man earns 80% of the average white man. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ. .

Individual weekly earnings from April 2023 onward are top coded to $2,884.61, in accordance with pre-April 2023 CPS data conventions for continuity.

EMPLOYMENT

UPDATED THROUGH NOVEMBER 2024 | REGIONAL

Raji Chakrabarti, Thu Pham, Beck Pierce, and Maxim Pinkovskiy

Data & Methods

- Employment is calculated using weighted estimates from the Current Population Survey (CPS).

- Comparable nonveterans are male high school graduates reweighted by age, race, and birthplace to match veterans.

- Gaps are defined as the percentage point difference in employment, labor force participation, and unemployment rate between different groups.

- The gender gap is defined as the percentage point difference in the employment statistic of women relative to men.

- The racial gaps are similarly defined as the difference between the employment of workers in the given racial or ethnic group relative to white workers.

- The college gap is calculated relative to non-college educated workers.

- The rural gap is defined relative to rural workers.
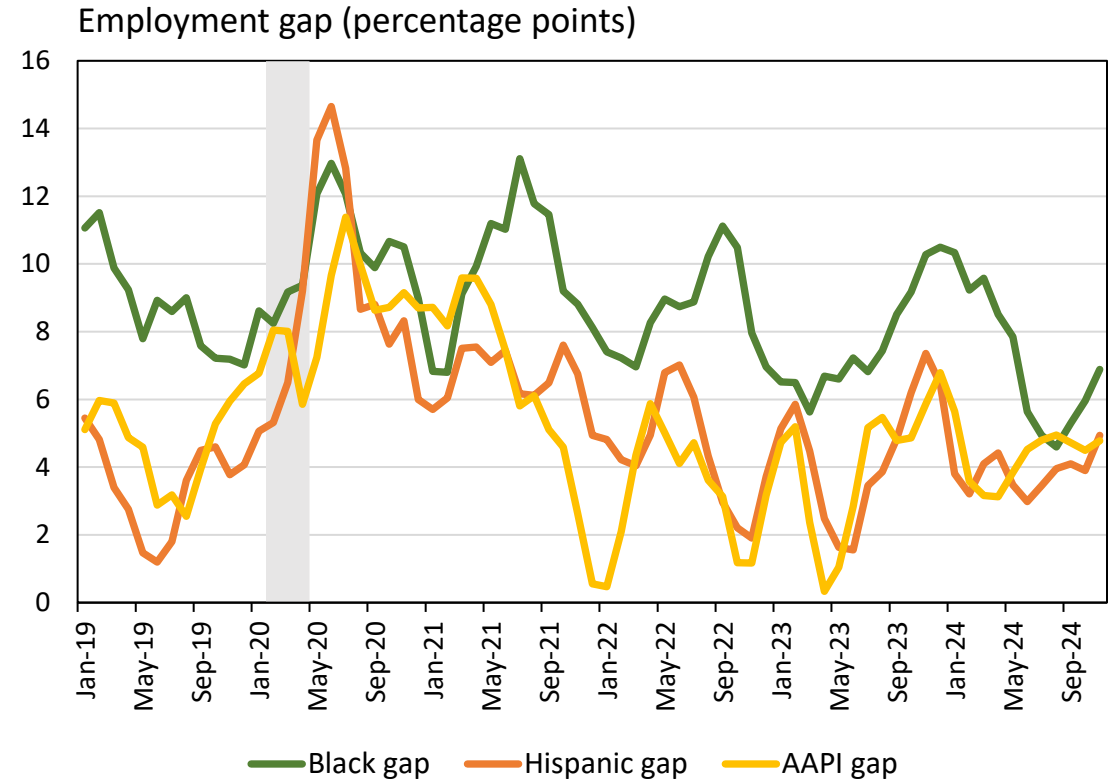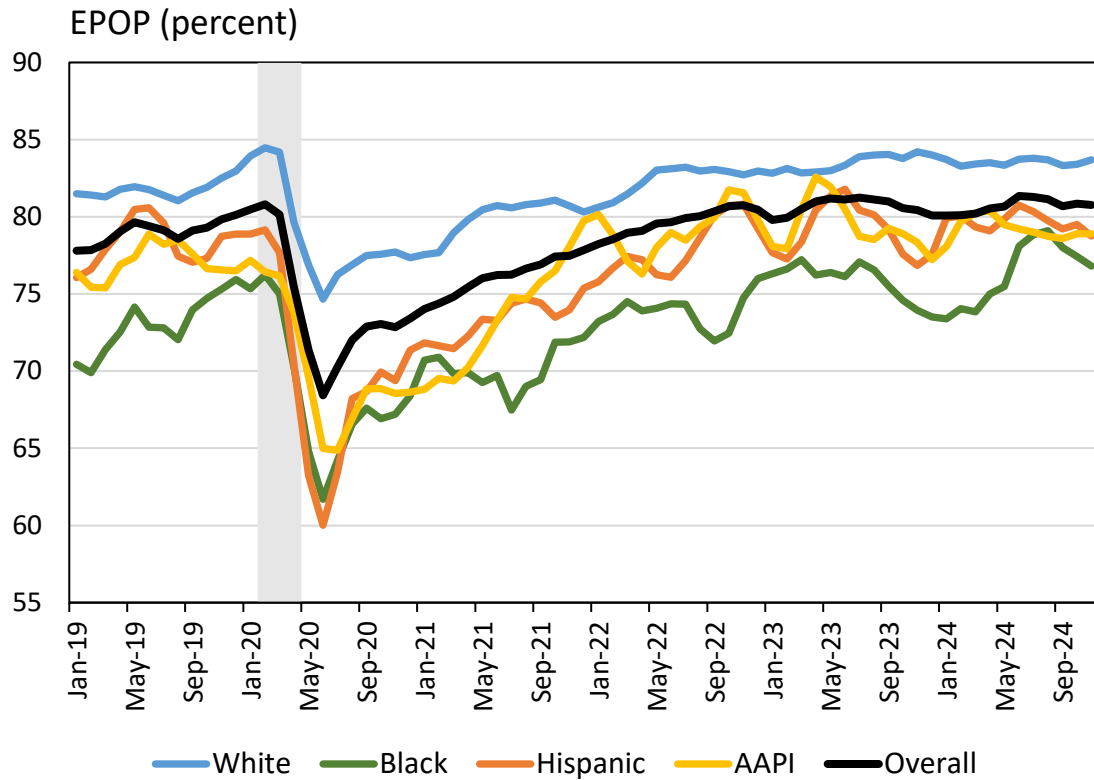
EMPLOYMENT: EMPLOYMENT-TO-POPULATION RATIO

UPDATED THROUGH NOVEMBER 2024 | REGIONAL

Takeaways | EPOP

- The employment-to-population ratio (EPOP) in the region is following many of the trends observed in the nation. In particular, EPOP has exceeded its pre-pandemic levels (compared with August 2019) but is lower than during mid-2023.

- As in the nation, employment gaps are largest for Black workers, followed by Hispanic and AAPI workers. These gaps all rose in the pandemic and have since declined to roughly pre-pandemic levels. In particular, the Black-white employment gap has been rising since September 2024 and stands at 6.89 percentage points in November 2024, higher than the nationwide Black-white gap, but close to its regional pre-pandemic level.

- The gender employment gap has been steady in the last three months, while the college employment gap has risen to 15.52 percentage points in November 2024 from 12.84 percentage points in August 2024.

- The region in the CPS for all labor market charts is defined to be the union of the New York-New Jersey metro area (excluding counties in Pennsylvania) with all other counties in New York state.

Gaps are defined as the percentage point difference in employment between different groups.

EPOP by Race/Ethnicity

EPOP (percent)

Employment gap (percentage points)

White · Black · Hispanic · AAPI · Overall
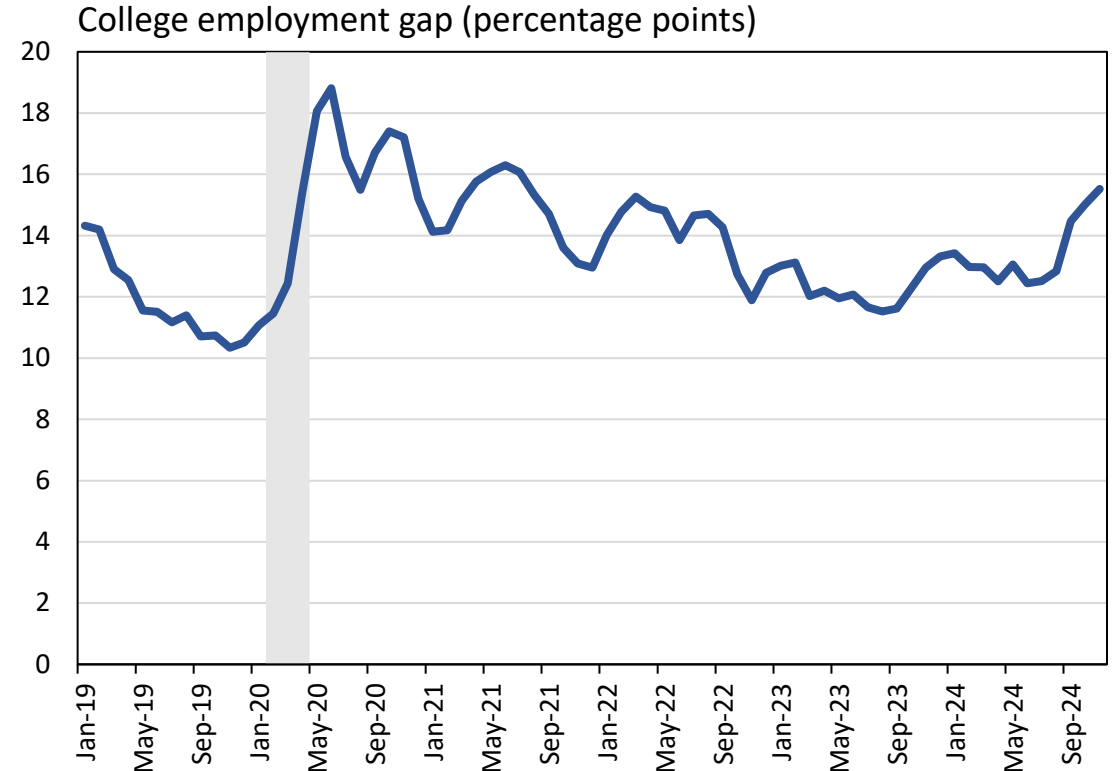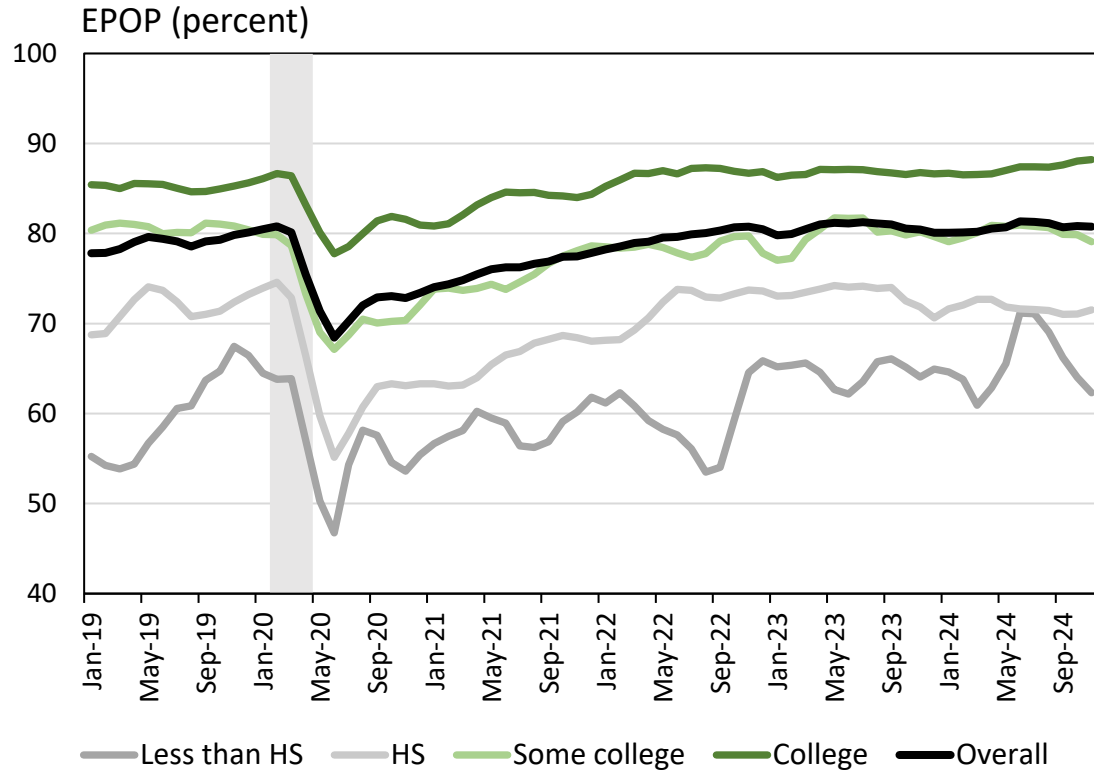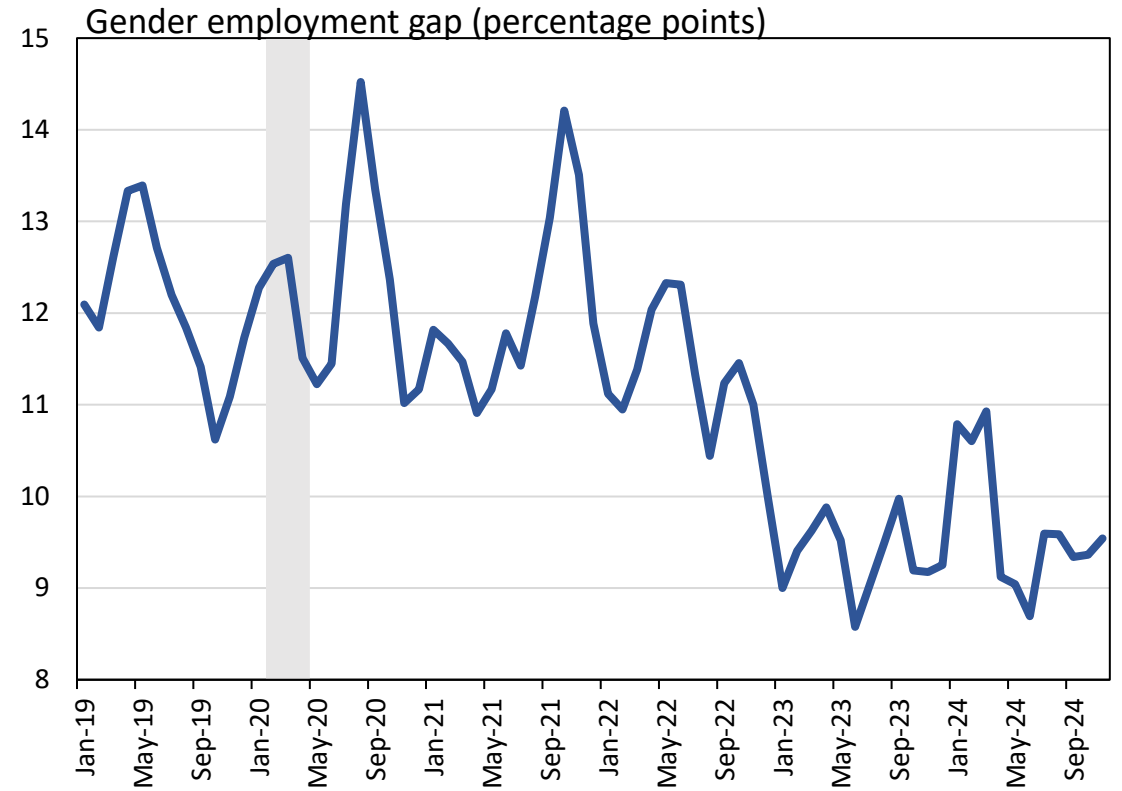
Black gap · Hispanic gap · AAPI gap

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations; three-month moving averages.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.

Employment gap defined relative to white employment.

EPOP by Education

EPOP (percent)

Legend: Less than HS, HS, Some college, College, Overall
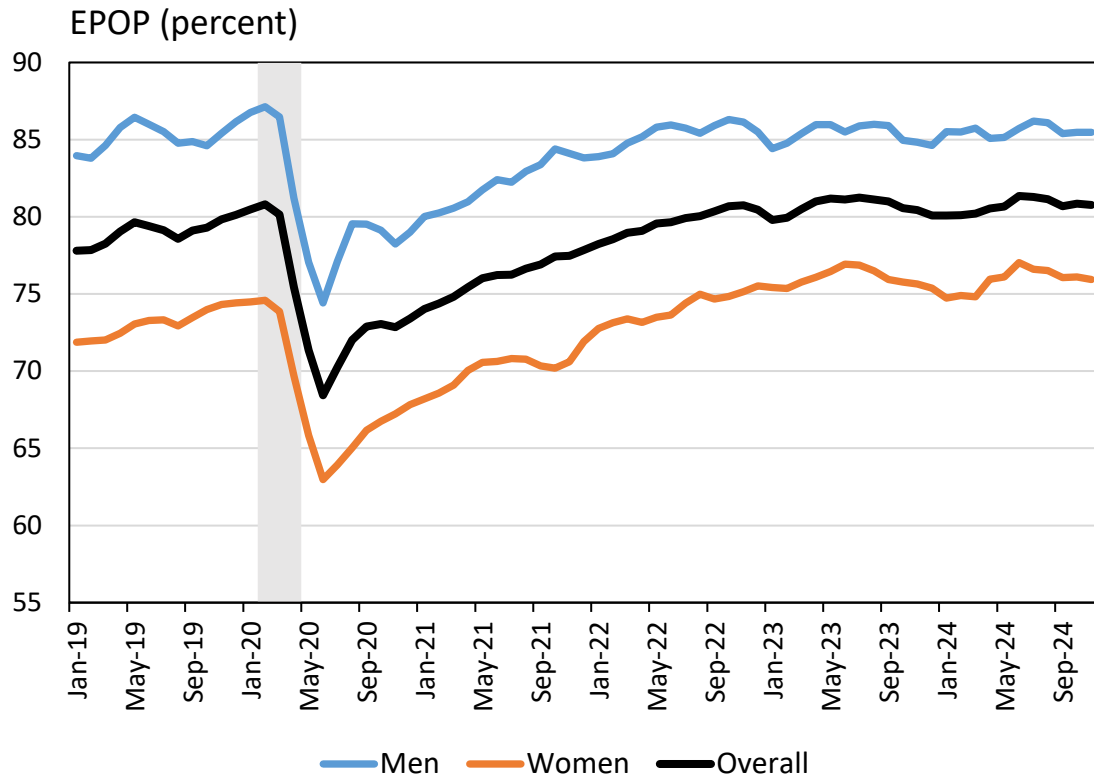
College employment gap (percentage points)

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations; three-month moving averages.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.

College employment gap defined as employment of college graduates relative to non-graduates.

EPOP by Gender

EPOP (percent)

Men — Women — Overall

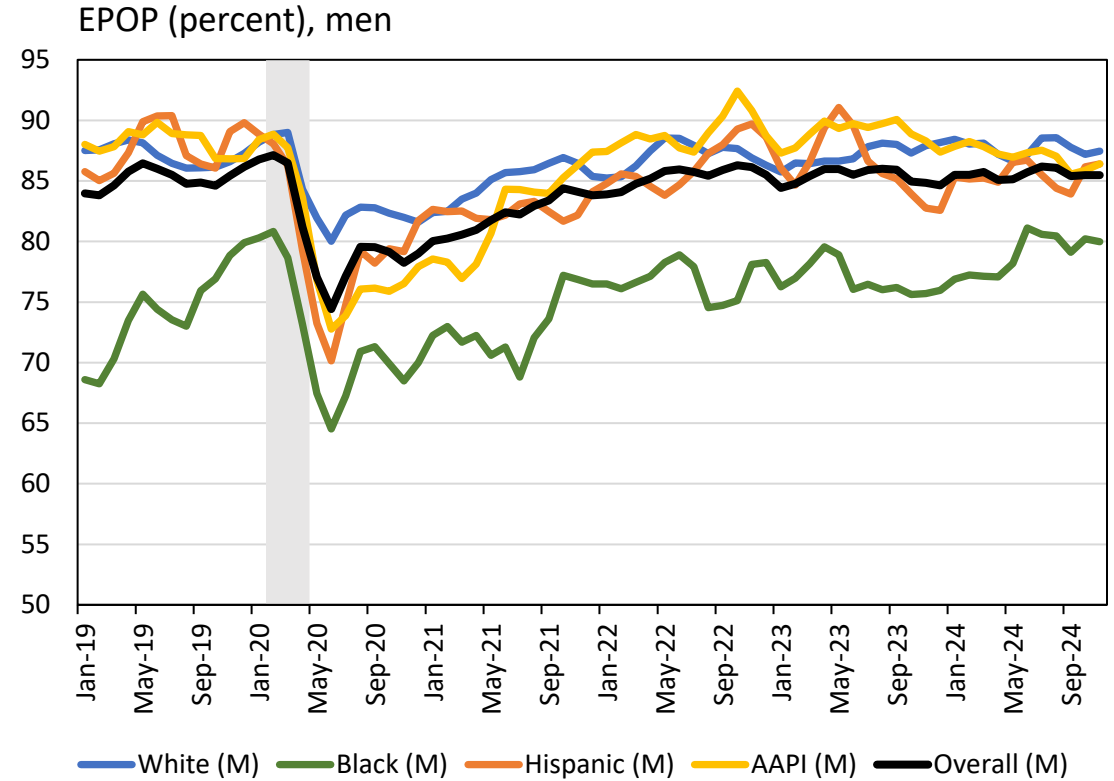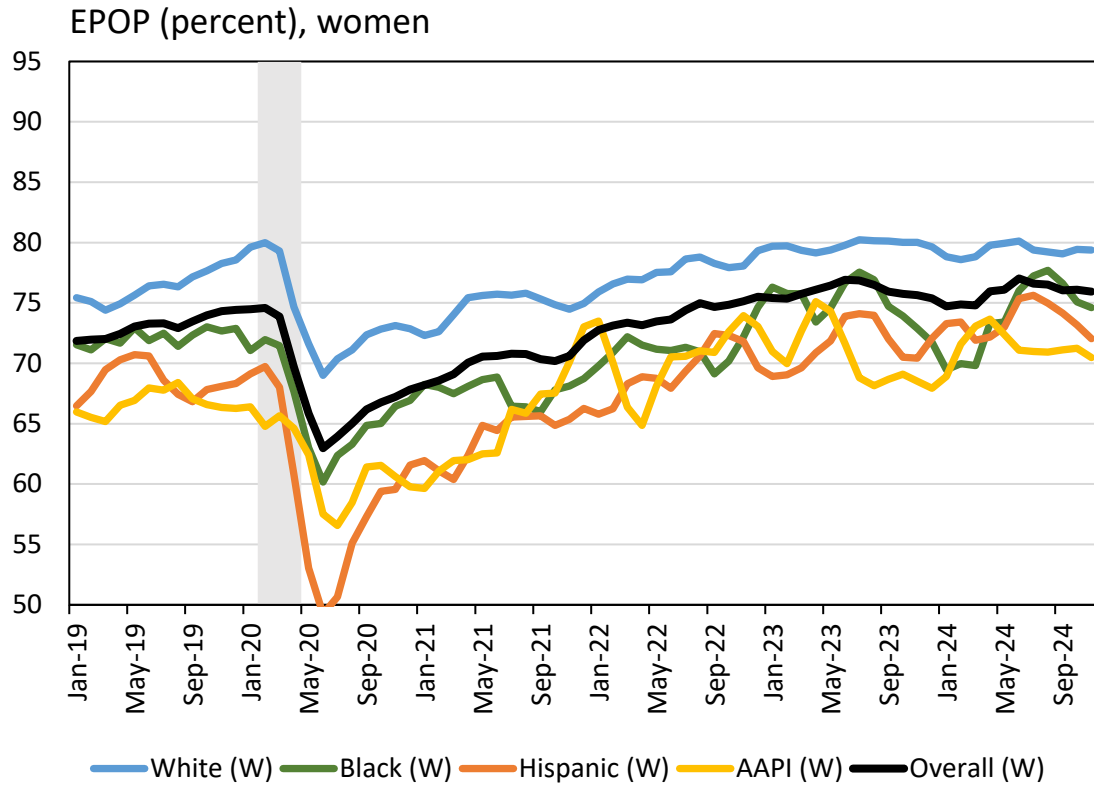Gender employment gap (percentage points)

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations; three-month moving averages.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.

Gender employment gap defined as employment of men relative to women.

EPOP by Race x Gender

EPOP (percent), women

White (W) — Black (W) — Hispanic (W) — AAPI (W) — Overall (W)

EPOP (percent), men

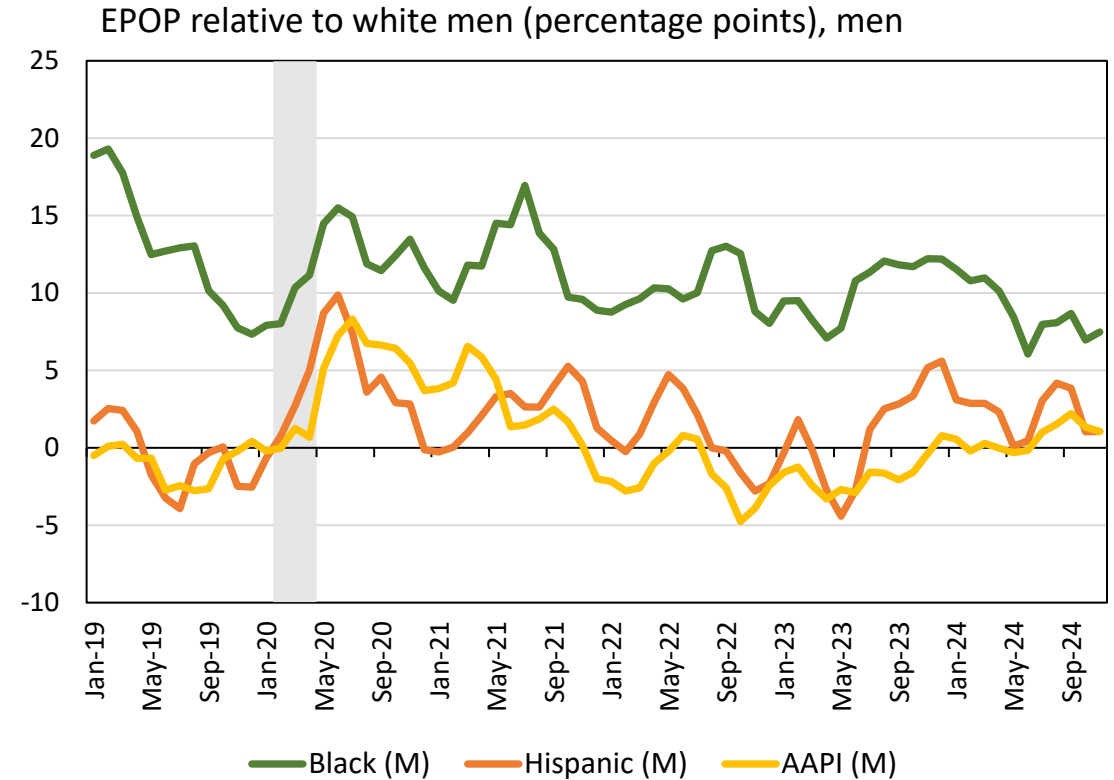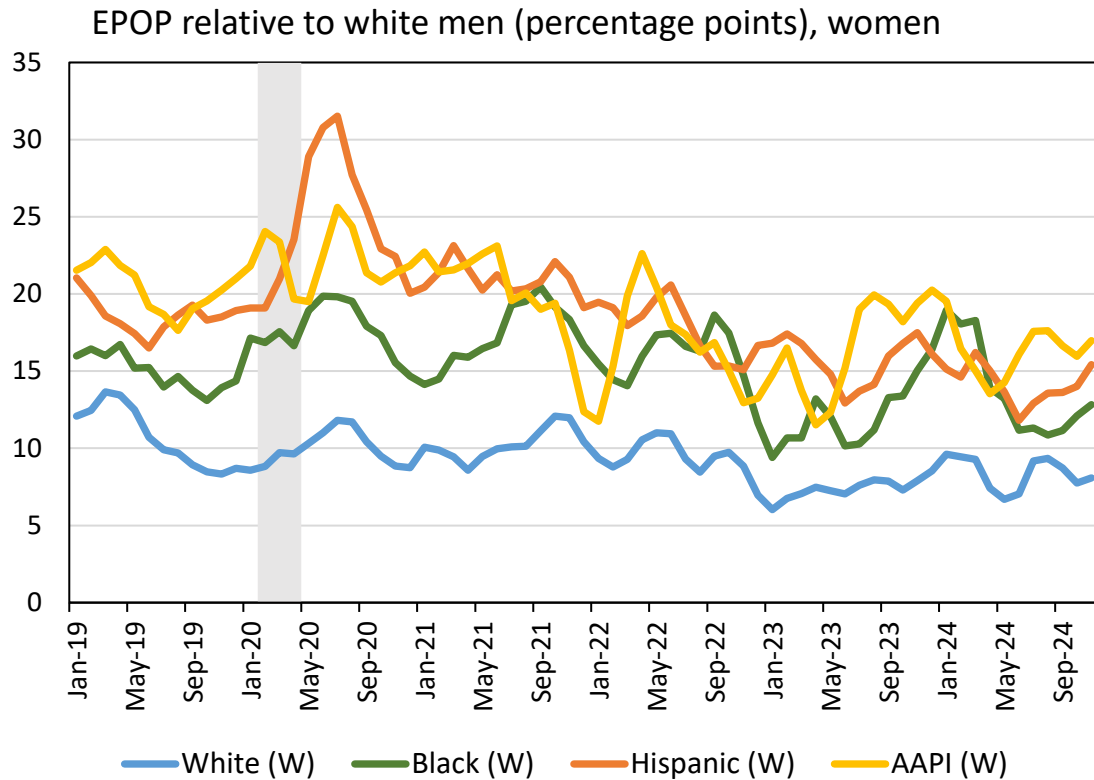White (M) — Black (M) — Hispanic (M) — AAPI (M) — Overall (M)

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations; three-month moving averages.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.

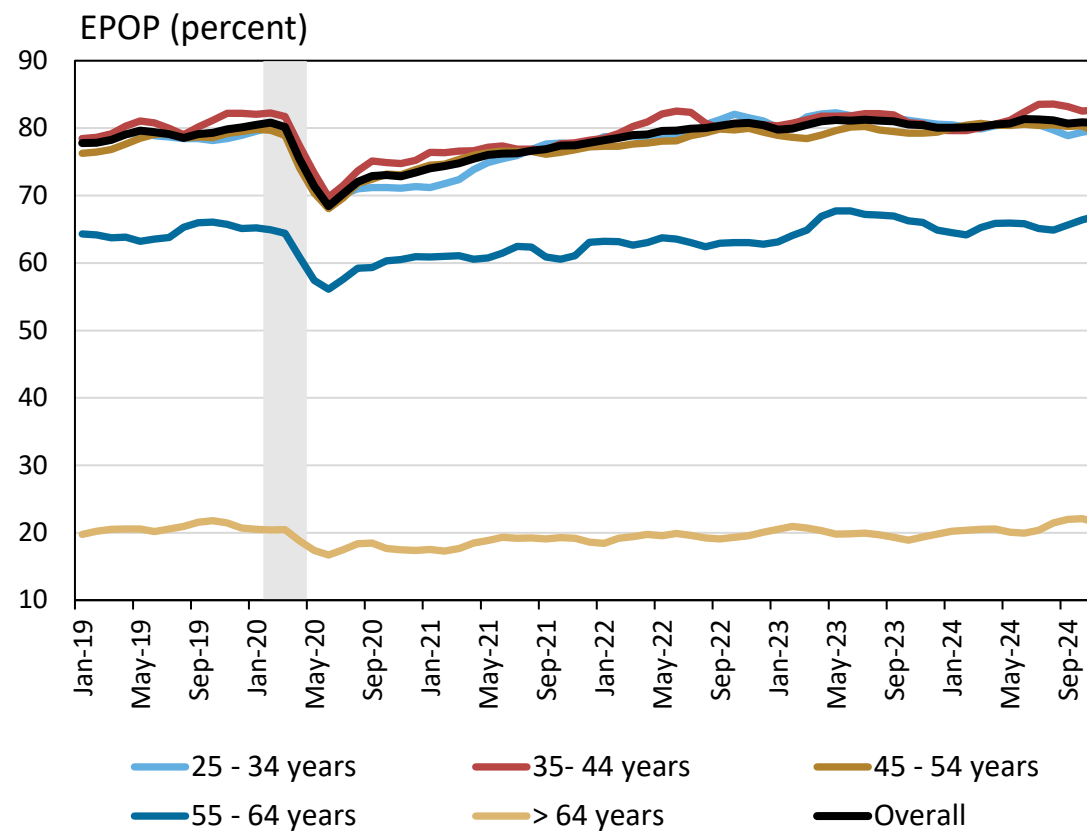Gender employment gap defined as employment of men relative to women.

EPOP Gaps by Race x Gender

EPOP relative to white men (percentage points), women

Legend: White (W), Black (W), Hispanic (W), AAPI (W)

EPOP relative to white men (percentage points), men

Legend: Black (M), Hispanic (M), AAPI (M)

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations; three-month moving averages.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.

EPOP by Age

EPOP (percent)

Legend:
- 25 - 34 years
- 35- 44 years
- 45 - 54 years
- 55 - 64 years
- > 64 years
- Overall

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations; three-month moving averages.

Notes: Overall line uses prime-age (25-54) sample. Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.

EPOP by Urban Status
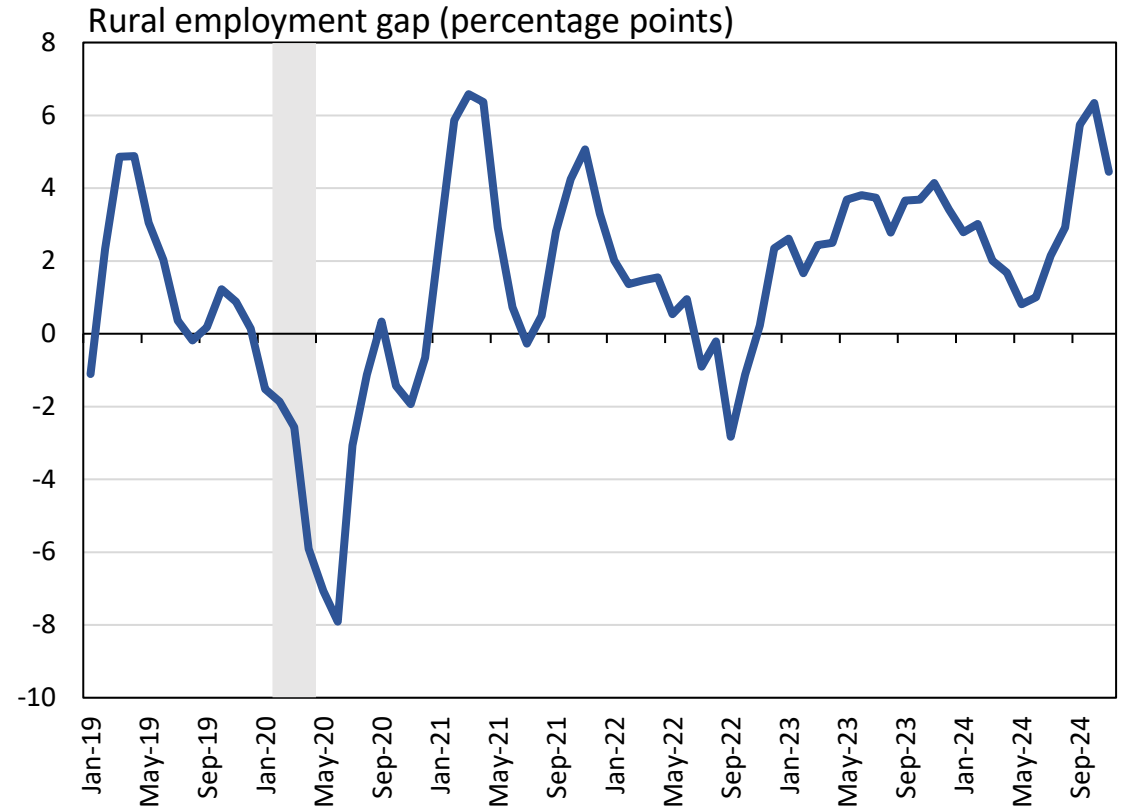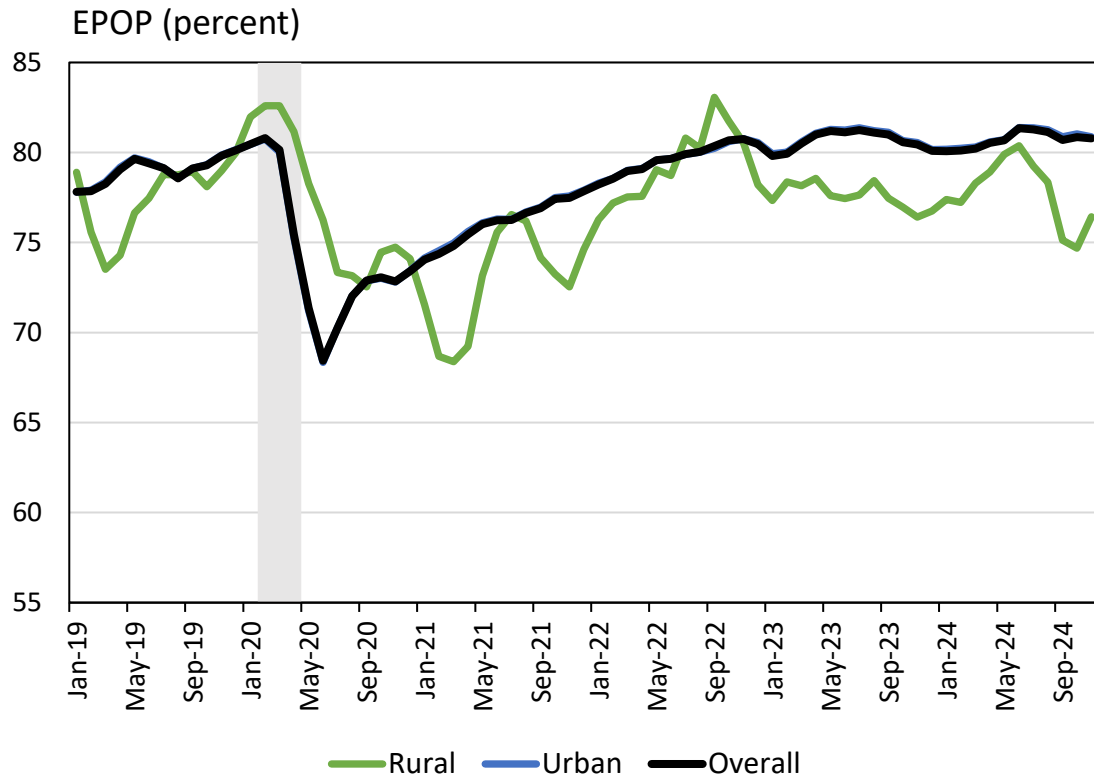
EPOP (percent)

Rural employment gap (percentage points)

Rural employment gap defined as employment of urban workers relative to rural workers.

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations; three-month moving averages.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ. The Urban and Overall EPOPs are very similar, hence their nearly identical lines above.
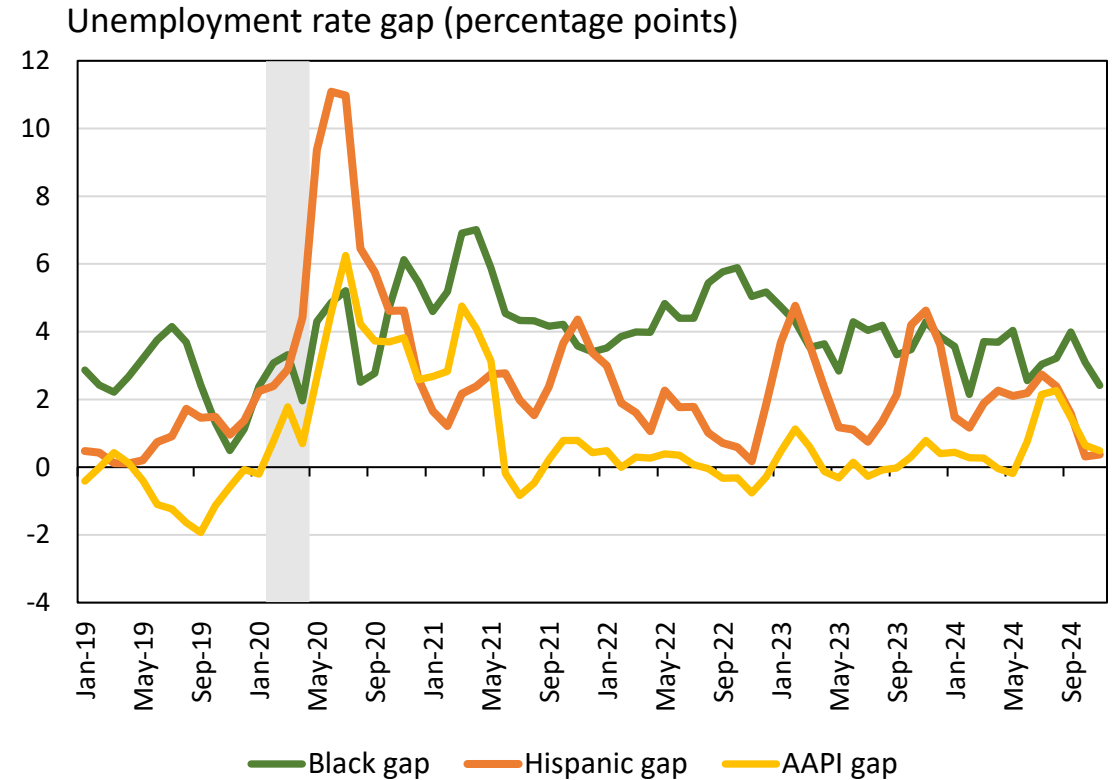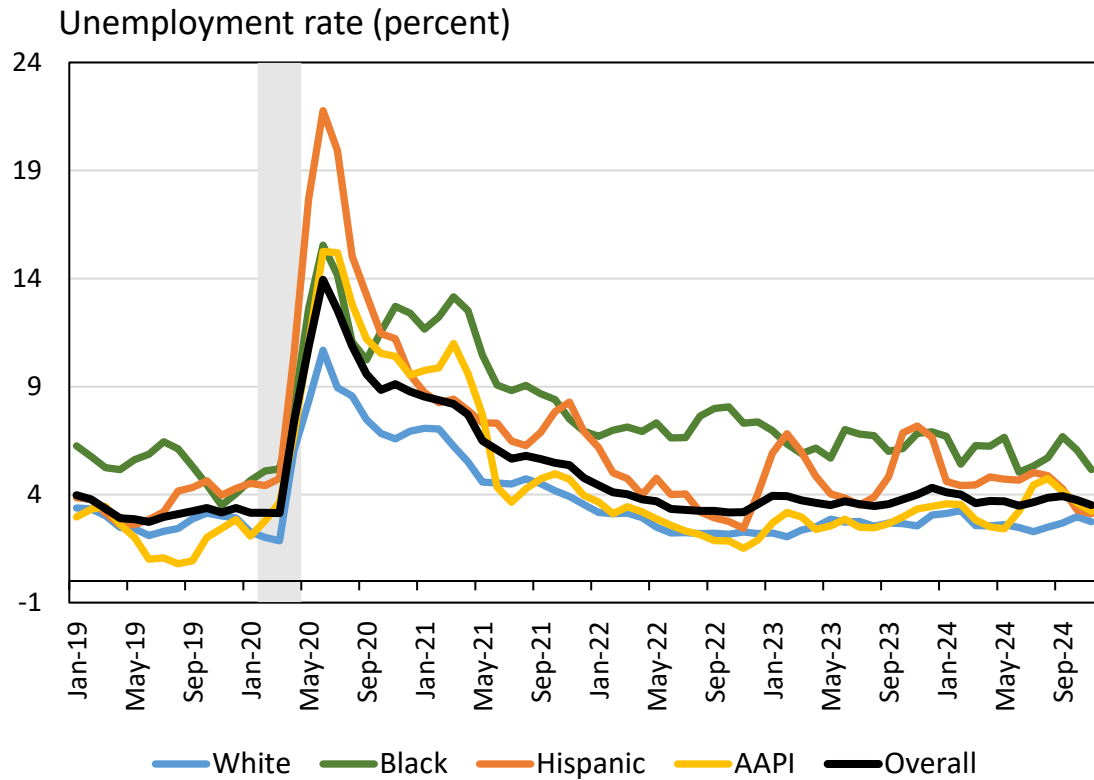
EMPLOYMENT: UNEMPLOYMENT RATE

UPDATED THROUGH NOVEMBER 2024 | REGIONAL

Takeaways | Unemployment Rate

- The unemployment rate is defined as the fraction of unemployed in the labor force. The overall unemployment rate in the region peaked at more than 14% during the pandemic, which was higher than the national peak at 11%. Both have returned to pre-pandemic levels.

- In both the region and the nation, unemployment rate gaps increased during the pandemic, but are now close to pre-pandemic levels.

- Unemployment rates in the region in November 2024 are highest for workers without a high school diploma (5.65%) followed by Black workers (5.16%). Looking at race by gender categories, the unemployment rate for Black men is 5.2% in November 2024.

- The college unemployment gap peaked at 11 percentage points during the pandemic in the region (compared to 7 percentage points in the nation) but has returned to a similar level to the nationwide gap (less than 2 percentage points).

Gaps are defined as the percentage point difference in unemployment rate between different groups.

Unemployment Rate by Race/Ethnicity

Unemployment rate (percent)

Legend: White, Black, Hispanic, AAPI, Overall

Unemployment rate gap (percentage points)

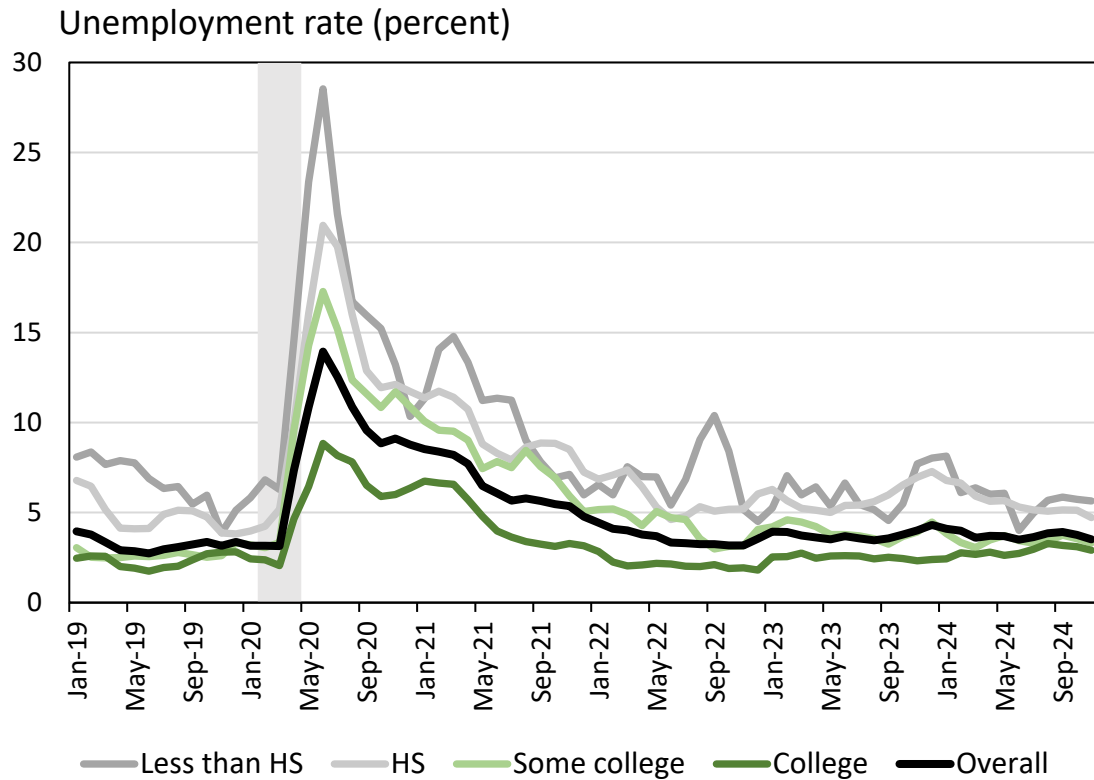Legend: Black gap, Hispanic gap, AAPI gap

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations, three-month moving averages.
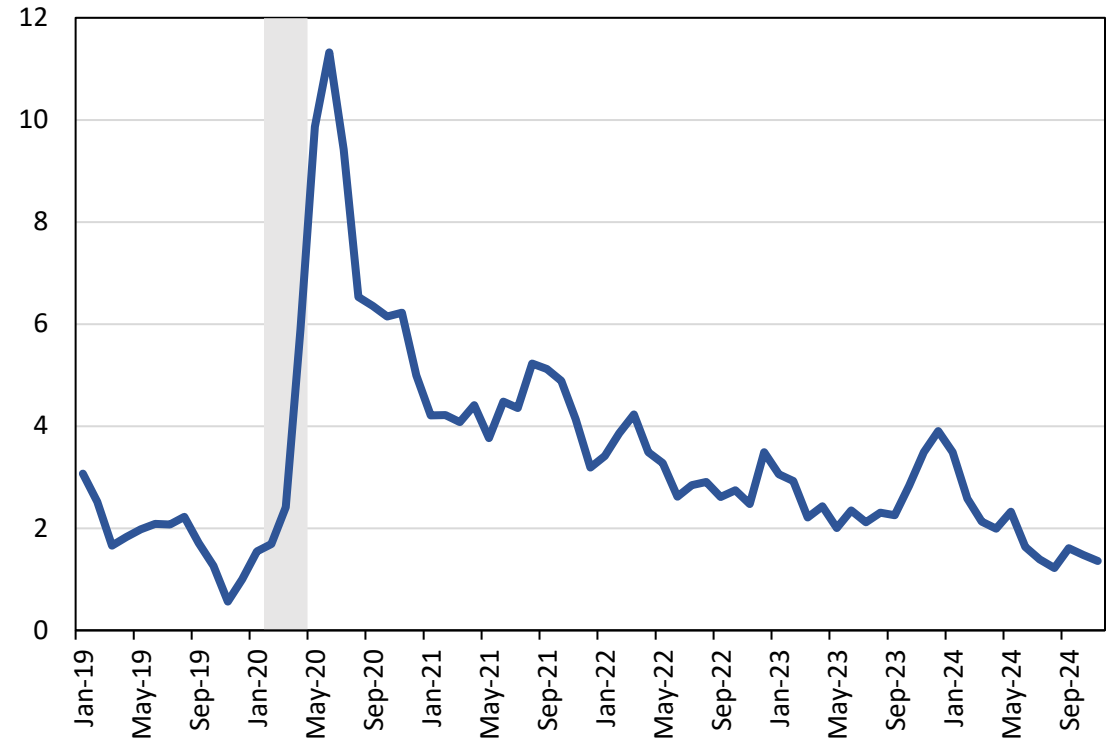Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.

Unemployment gap defined relative to white unemployment.

Unemployment Rate by Education

Unemployment rate (percent)

Legend: Less than HS, HS, Some college, College, Overall

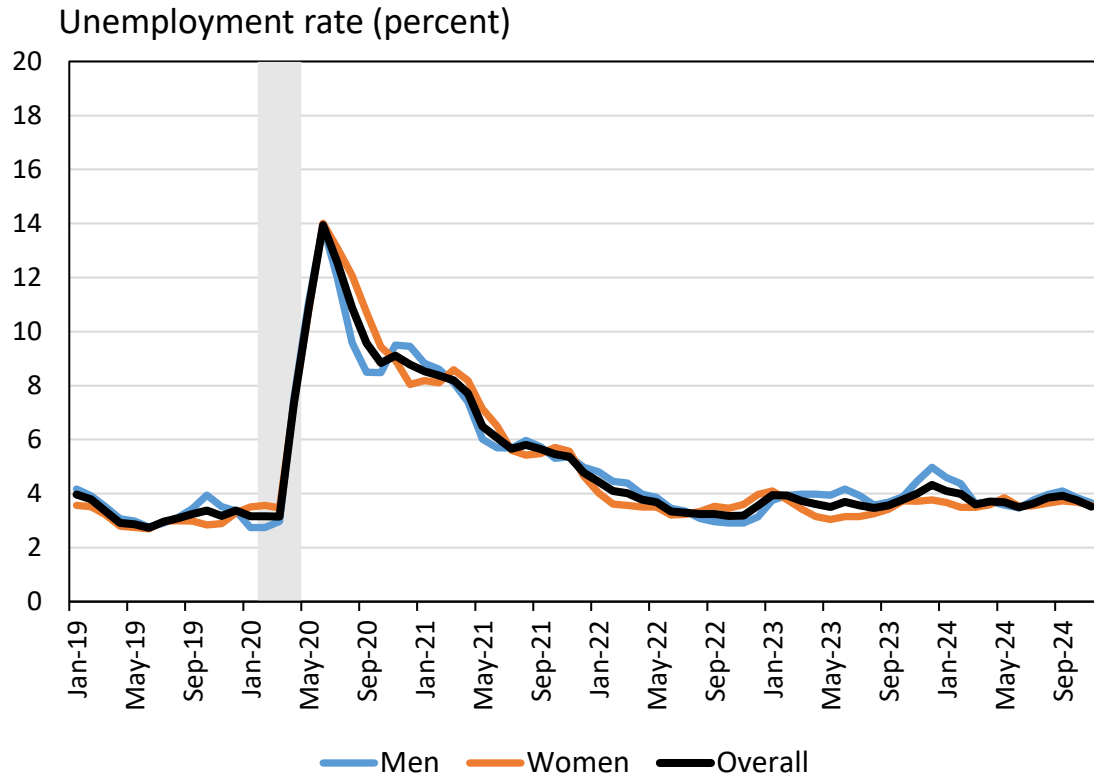College unemployment rate gap (percentage points)

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations, three-month moving averages.
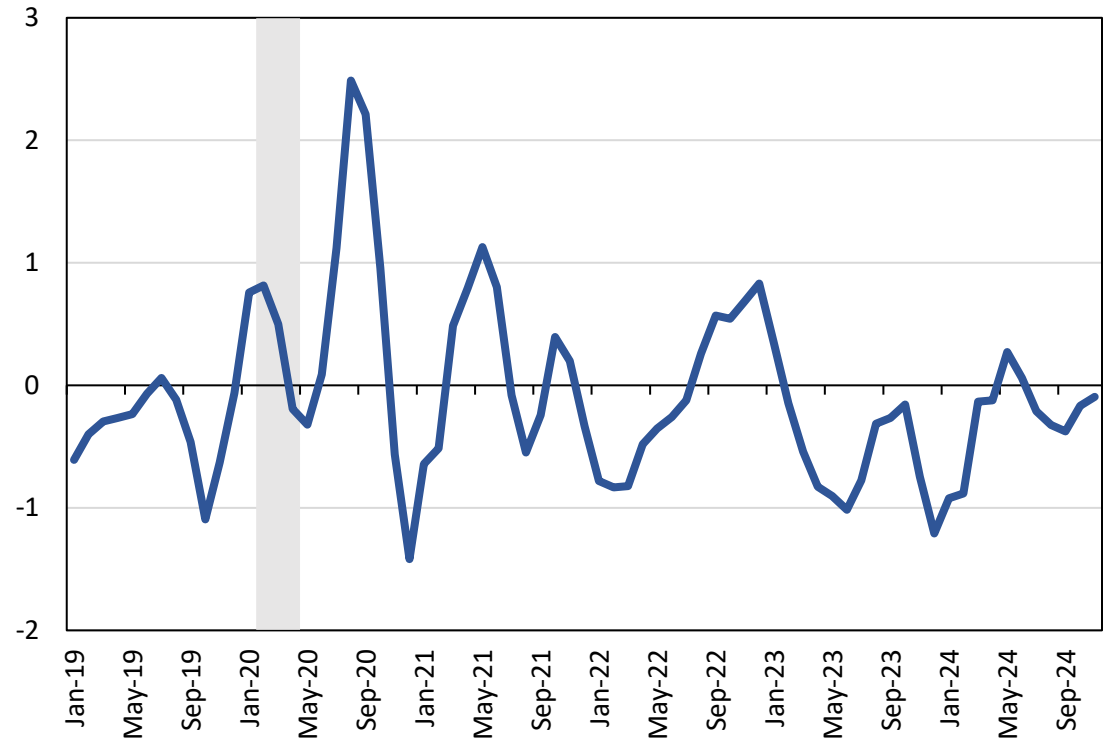Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.

College unemployment gap defined as unemployment of non-college graduates relative to graduates.

Unemployment Rate by Gender

Unemployment rate (percent)

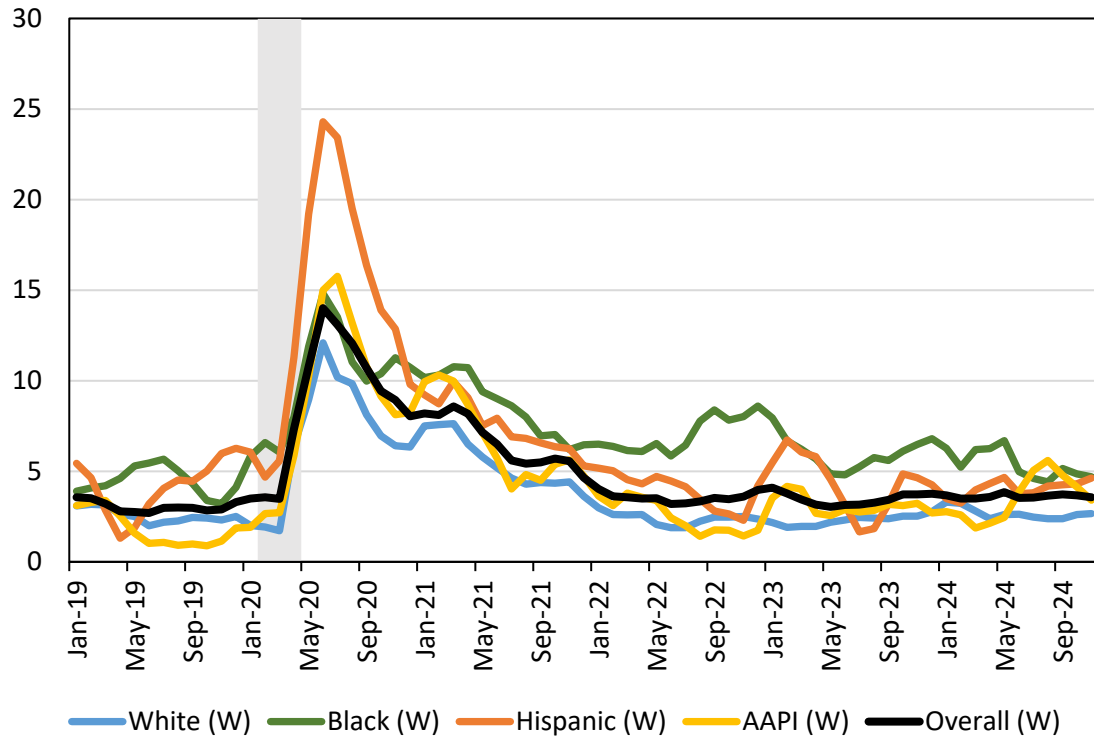Gender unemployment rate gap (percentage points)

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations, three-month moving averages.
Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.
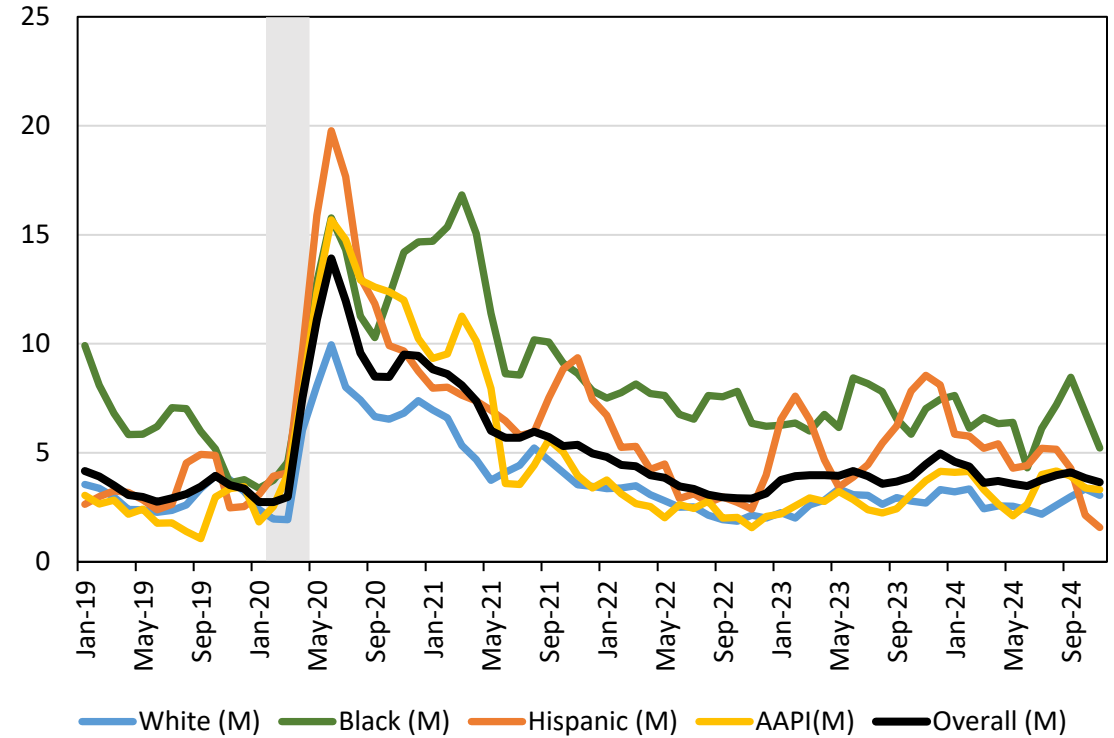
Gender employment gap defined as unemployment of women relative to men.

Unemployment Rate by Race x Gender
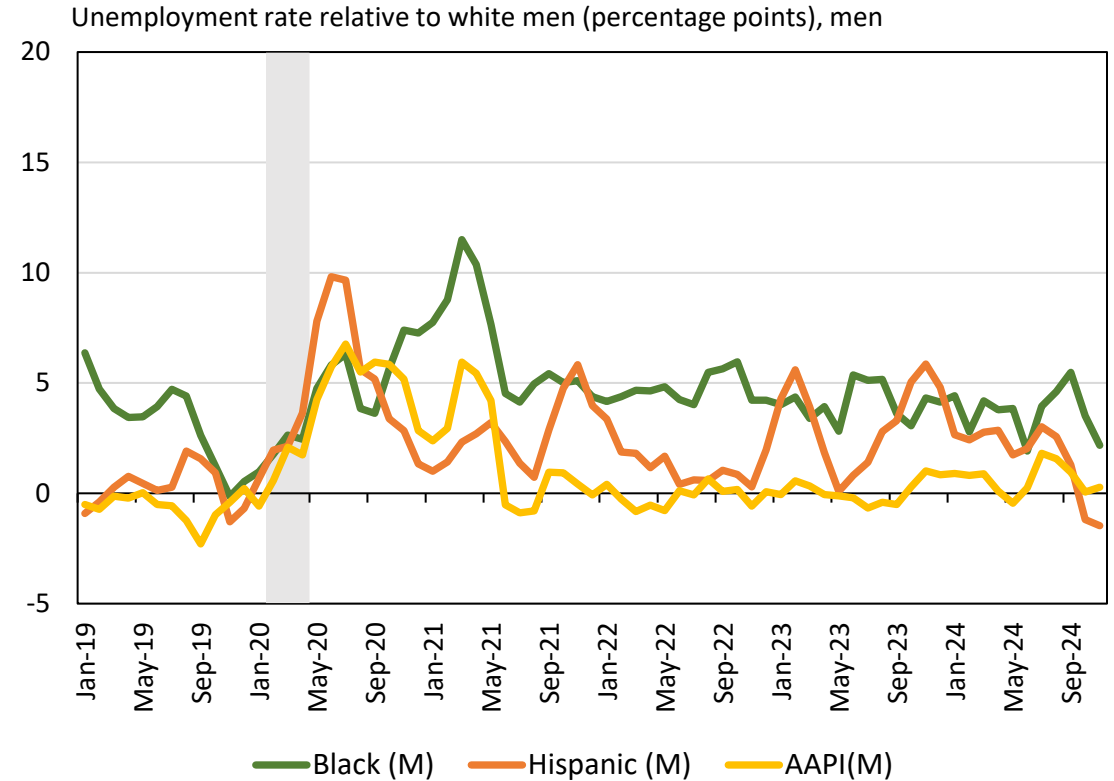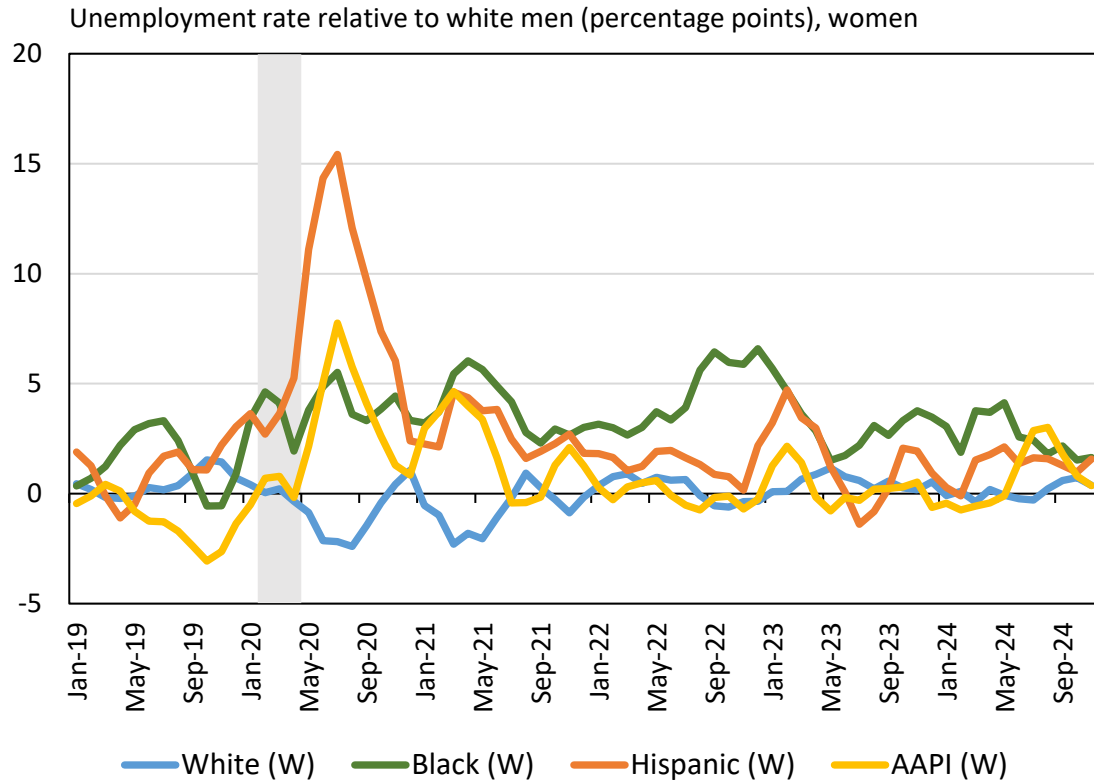

Unemployment rate (percent), women

Legend: White (W) · Black (W) · Hispanic (W) · AAPI (W) · Overall (W)

Unemployment rate (percent), men

Legend: White (M) · Black (M) · Hispanic (M) · AAPI(M) · Overall (M)

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations, three-month moving averages.
Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession.
Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S.
Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.
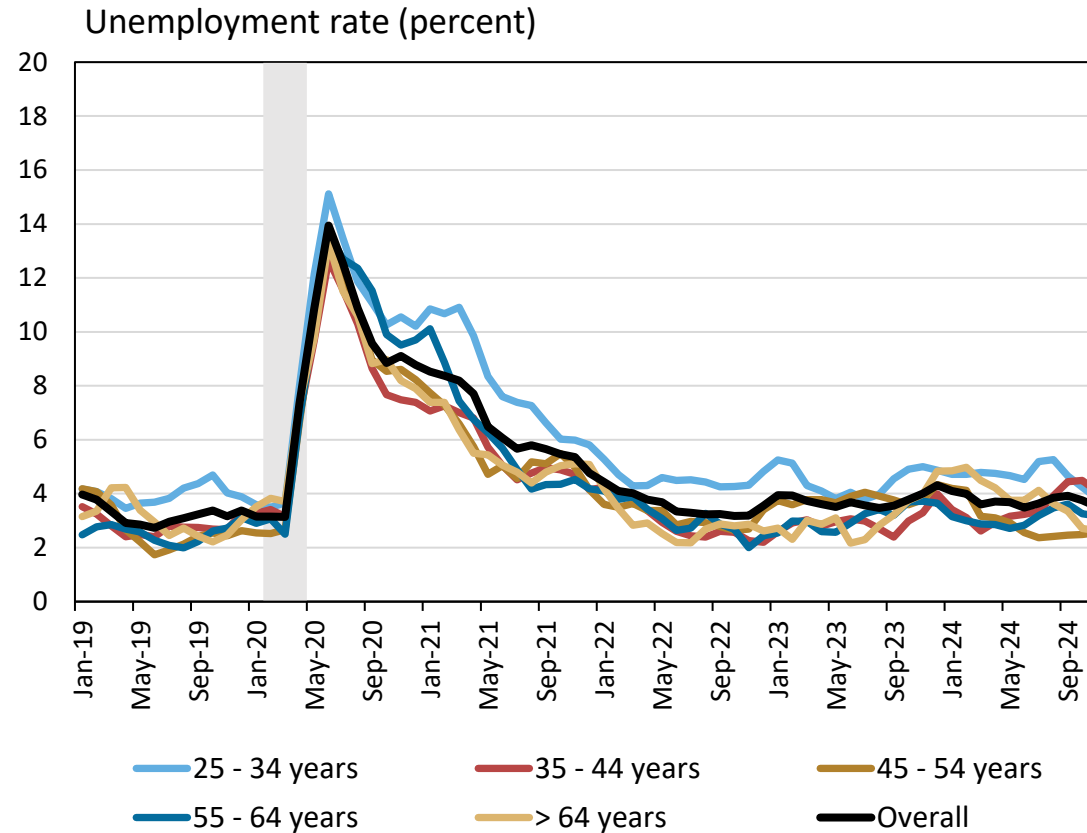
Unemployment Rate Gaps by Race x Gender

Unemployment rate relative to white men (percentage points), women

Unemployment rate relative to white men (percentage points), men

White (W)   Black (W)   Hispanic (W)   AAPI (W)

Black (M)   Hispanic (M)   AAPI(M)

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations, three-month moving averages.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.

Unemployment Rate Gaps by Age

Unemployment rate (percent)

Legend:
- 25 - 34 years
- 35 - 44 years
- 45 - 54 years
- 55 - 64 years
- > 64 years
- Overall

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations, three-month moving averages.

Notes: Overall line uses prime-age (25-54) sample. Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.

Unemployment Rate by Urban Status
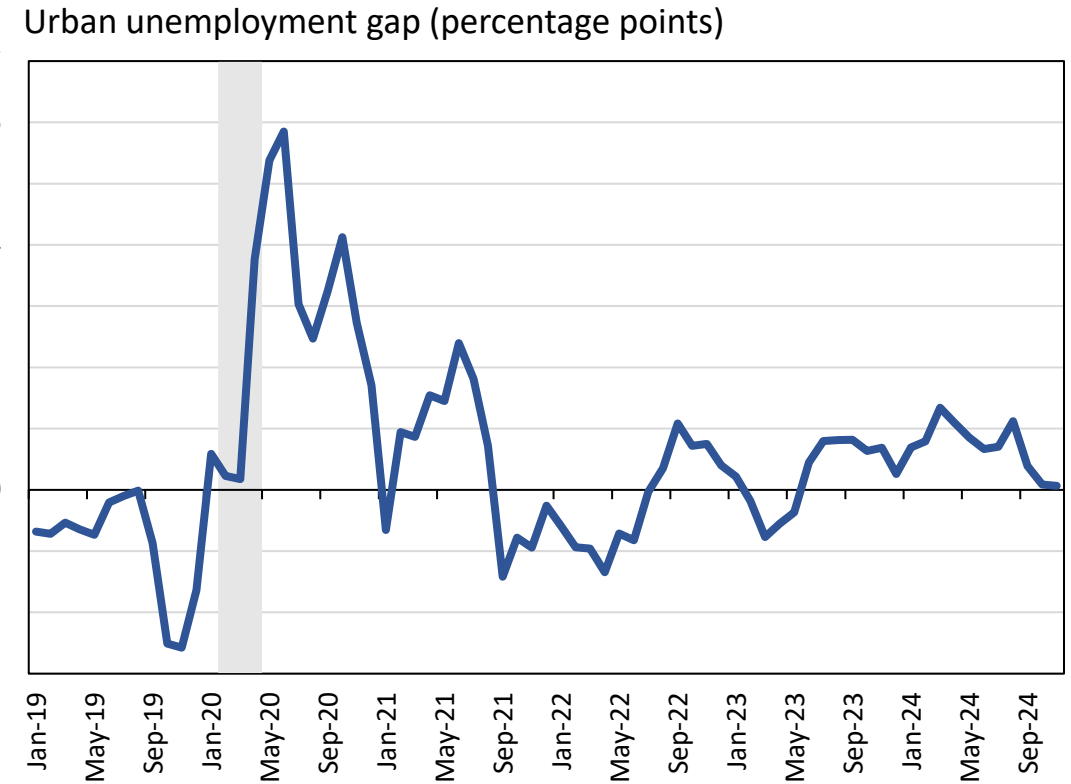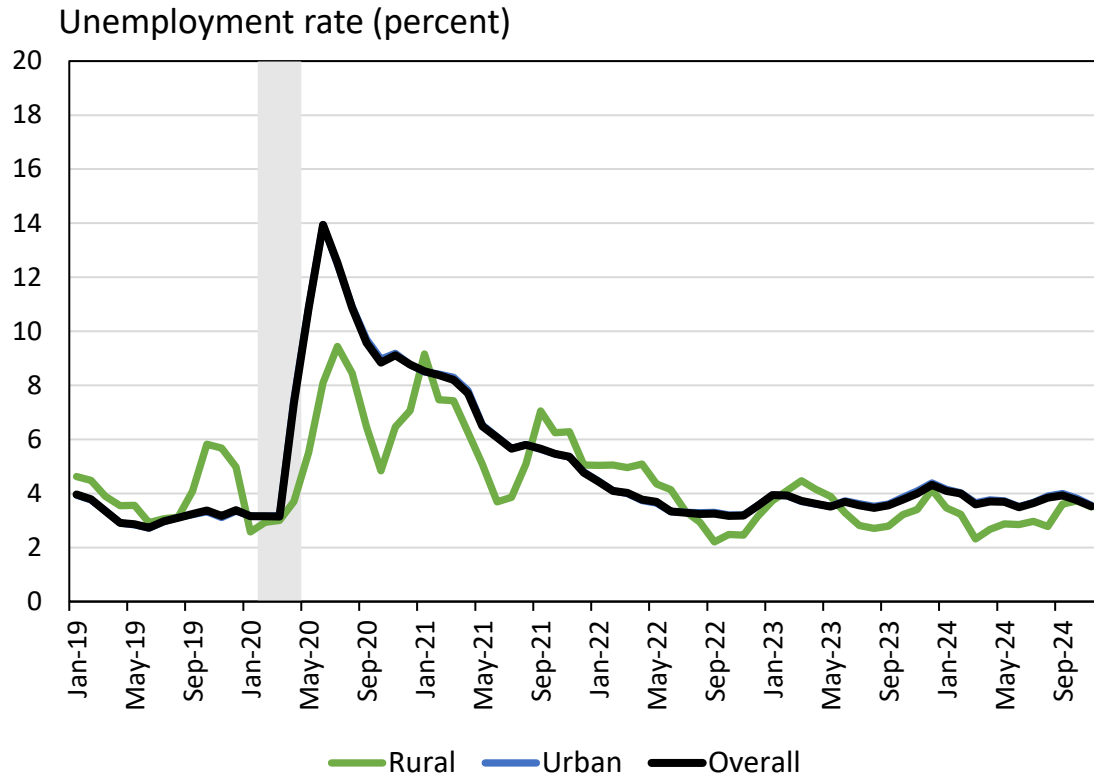
Unemployment rate (percent)

Urban unemployment gap (percentage points)

Legend: Rural — Urban — Overall

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations, three-month moving averages.
Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ. The Urban and Overall unemployment rates are very similar, hence their nearly identical lines above.

Urban unemployment gap defined as unemployment of urban workers relative to rural workers.
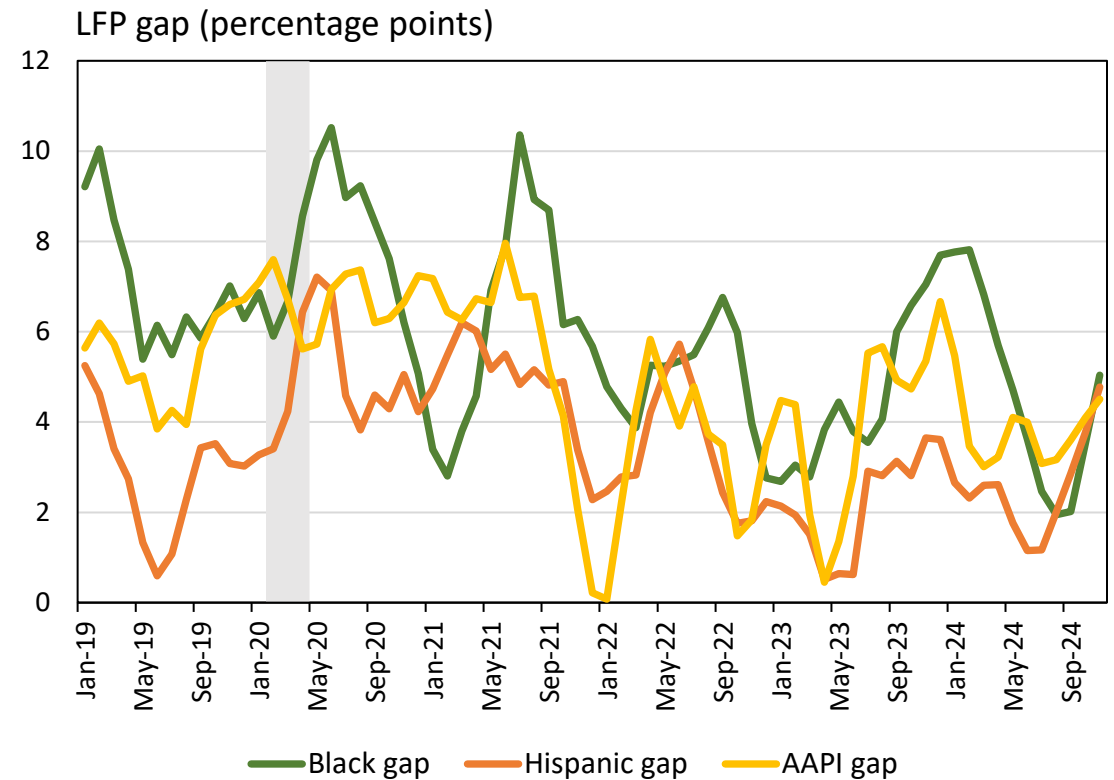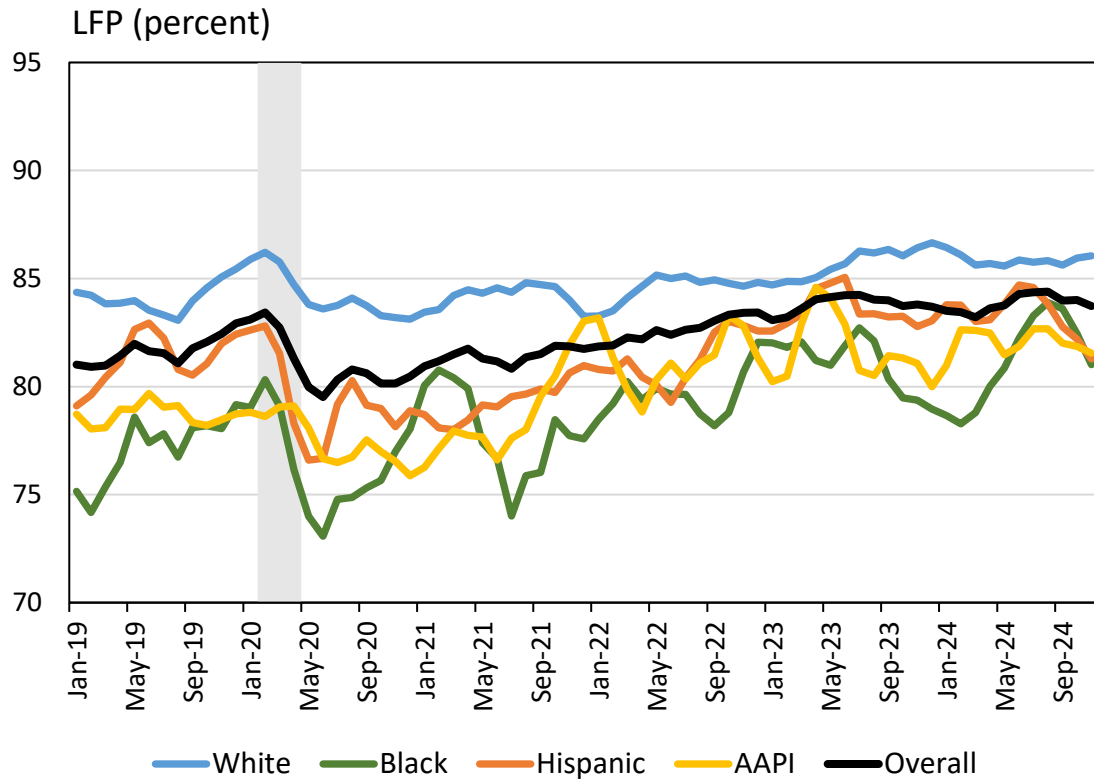
EMPLOYMENT: LABOR FORCE PARTICIPATION

UPDATED THROUGH NOVEMBER 2024 | REGIONAL

Takeaways | Labor Force Participation

- The dynamics and heterogeneity in labor force participation (LFP) in the region mirror those of EPOP.

- LFP rates in the region are now close to their pre-pandemic levels (compared with November 2019, both on average and for men, women, and all racial and ethnic groups).

- Black, Hispanic, and Asian workers have LFPs about 4.5-5.0 percentage points below that of white workers in November 2024.

- The college LFP gap in the region has increased to 14.92 percentage points in November 2024 from 12.30 percentage points in August 2024.

- The gender LFP gap in the region has remained steady during 2024 Q4, as it has in the nation.

Gaps are defined as the percentage point difference in labor force participation between different groups.

Labor Force Participation by Race/Ethnicity

LFP (percent)

Legend: White, Black, Hispanic, AAPI, Overall

LFP gap (percentage points)
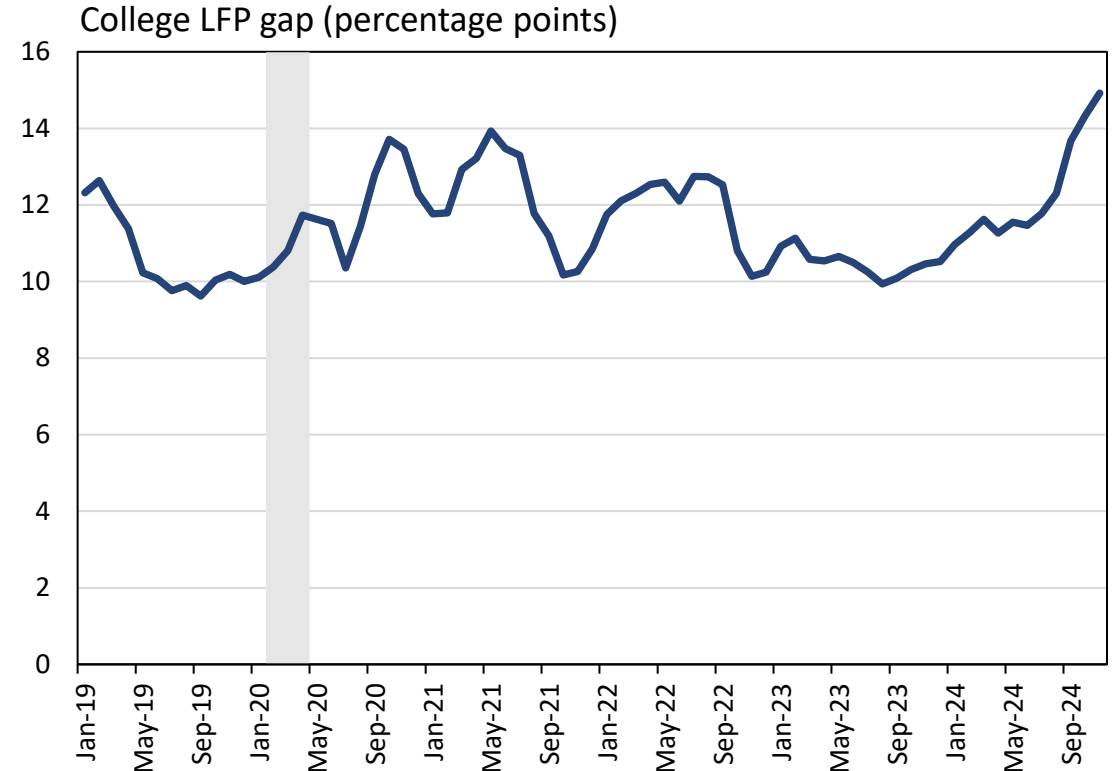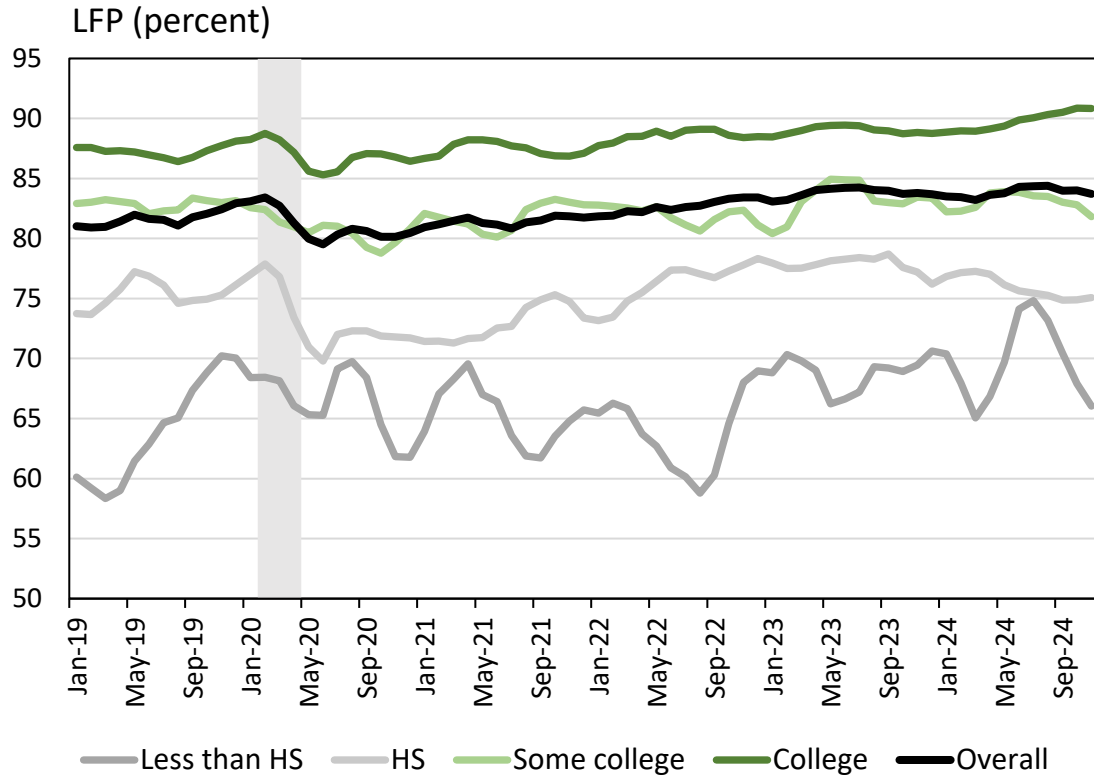
Legend: Black gap, Hispanic gap, AAPI gap

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations; three-month moving averages.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.

LFP gap defined relative to white LFP.

Labor Force Participation by Education

LFP (percent)

Legend: Less than HS — HS — Some college — College — Overall
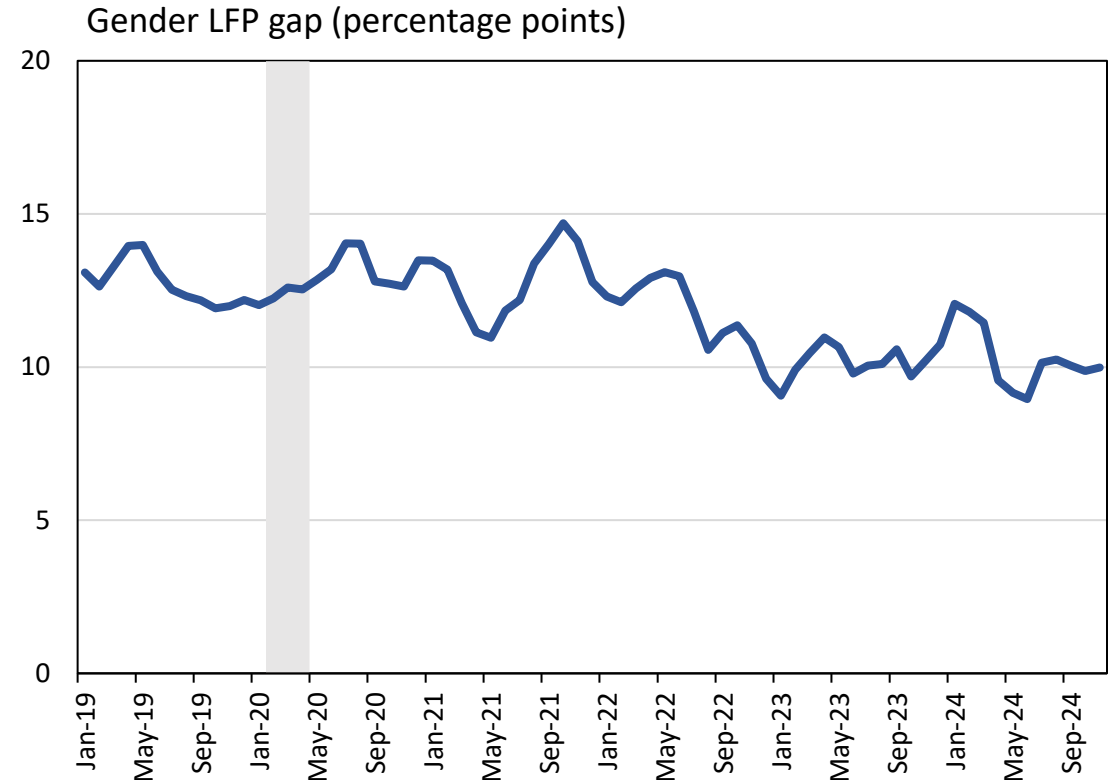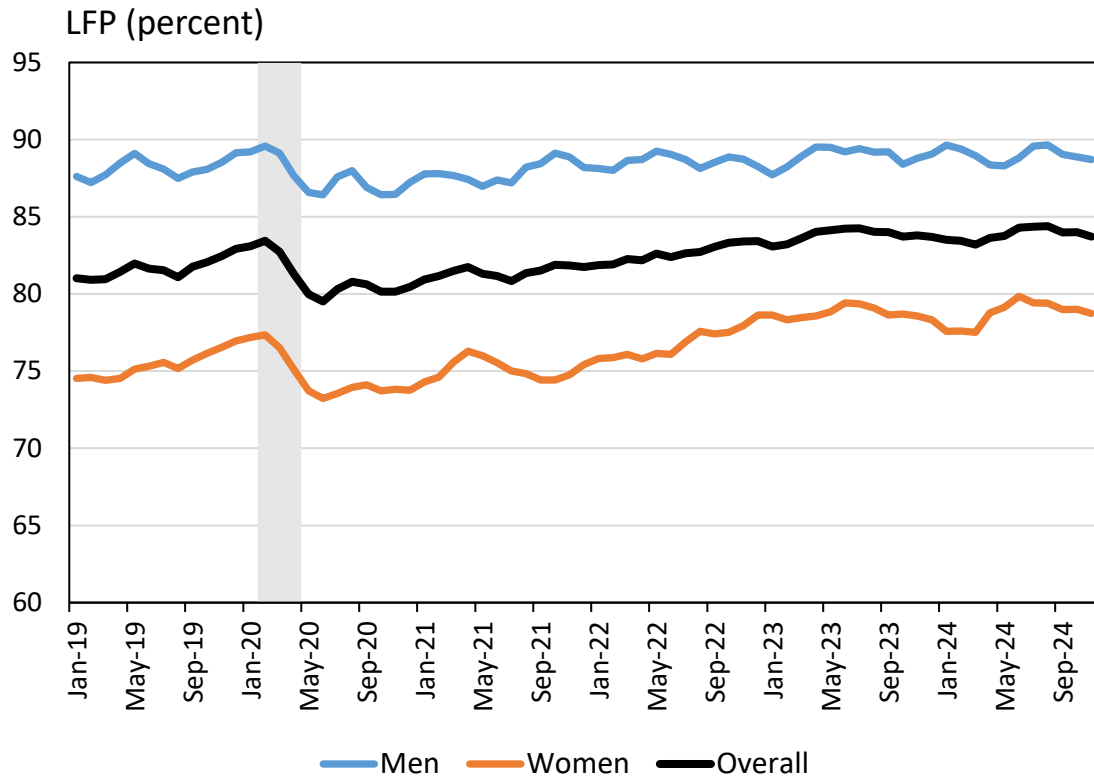

College LFP gap (percentage points)

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations; three-month moving averages.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.

College LFP gap defined as LFP of college graduates relative to non-graduates.

Labor Force Participation by Gender

LFP (percent)

Gender LFP gap (percentage points)
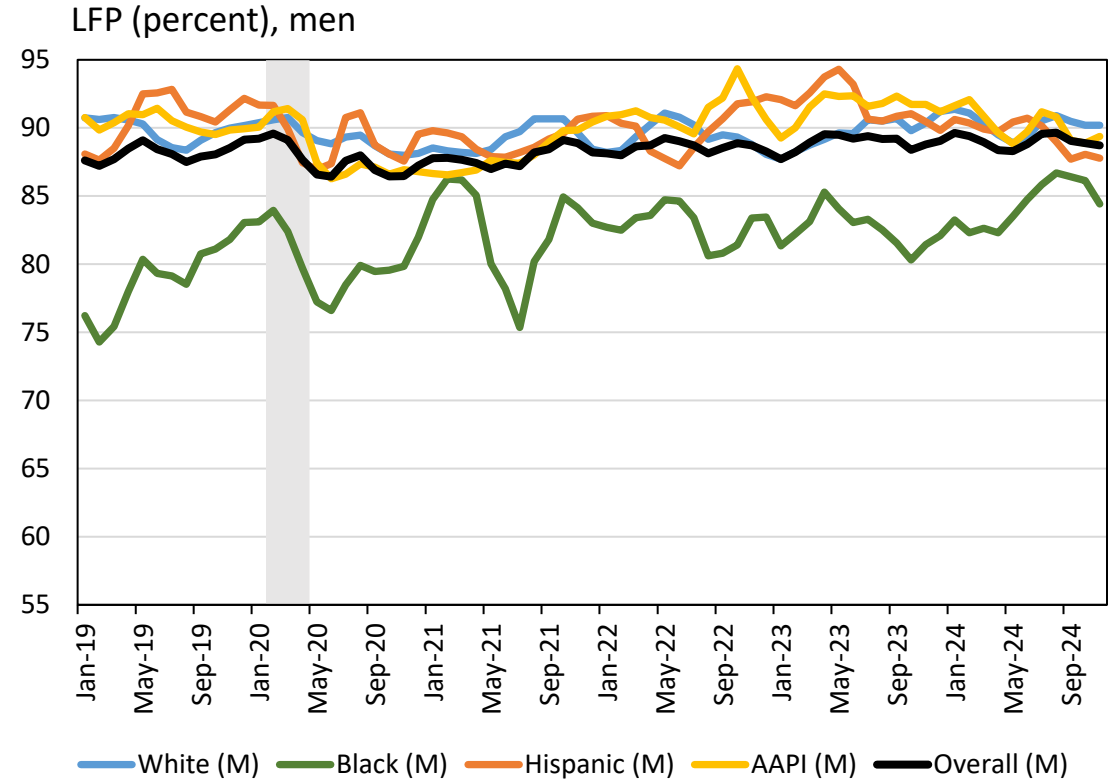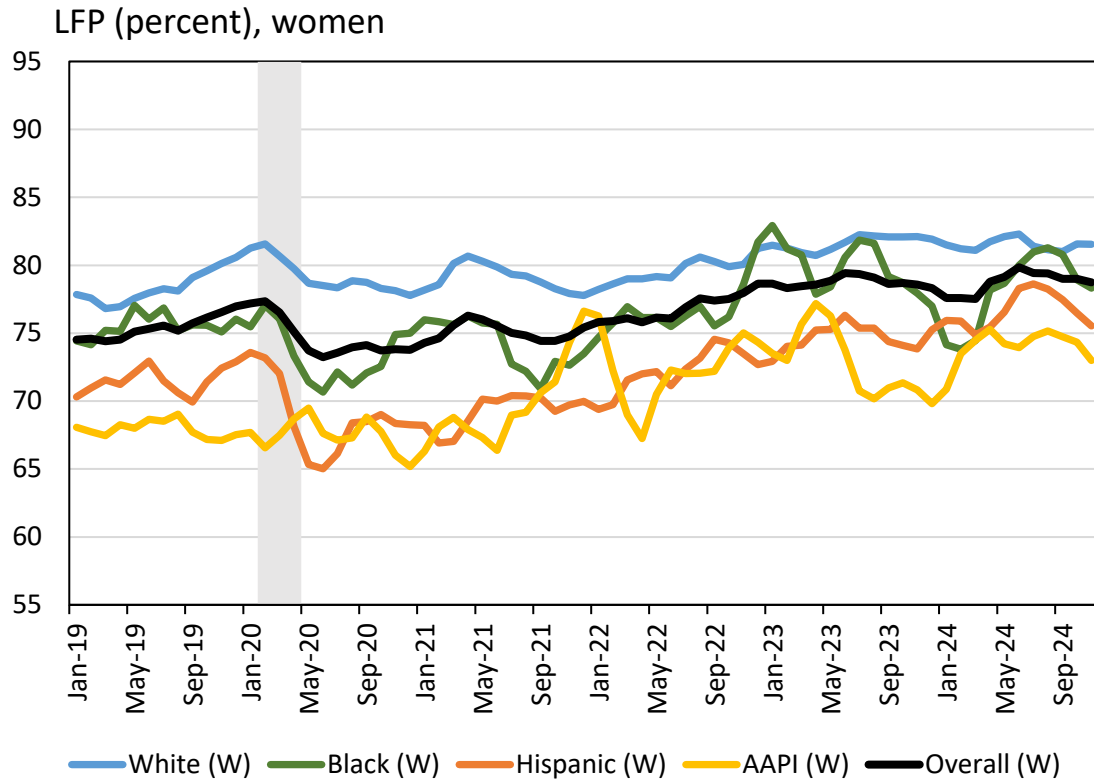

Men   Women   Overall

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations; three-month moving averages.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.

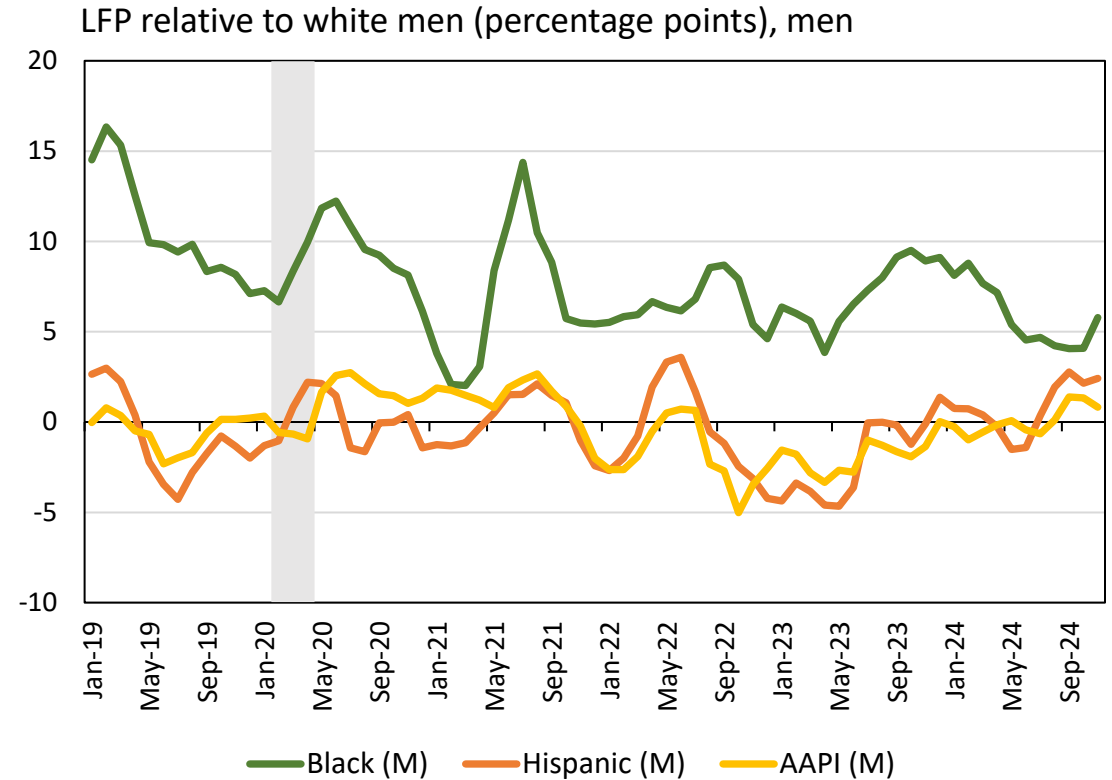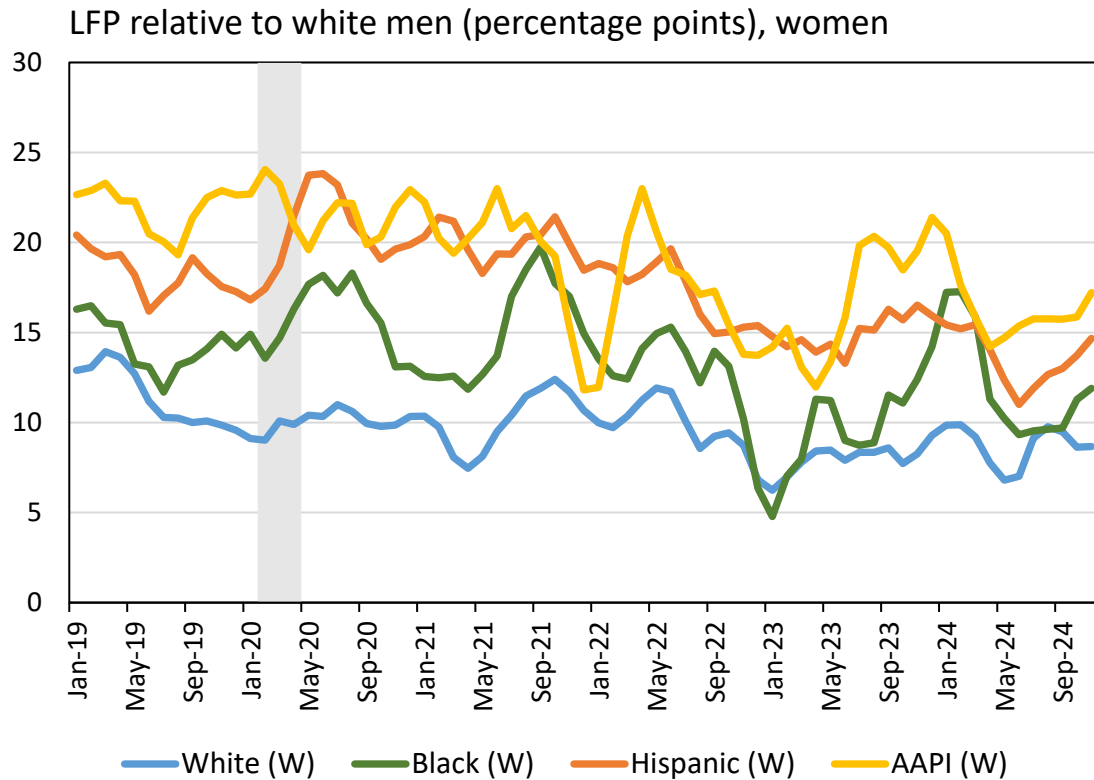Gender LFP gap defined as LFP of men relative to women.

Labor Force Participation by Race x Gender

LFP (percent), women

White (W) — Black (W) — Hispanic (W) — AAPI (W) — Overall (W)

LFP (percent), men

White (M) — Black (M) — Hispanic (M) — AAPI (M) — Overall (M)

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations; three-month moving averages.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.

Labor Force Participation Gaps by Race x Gender

LFP relative to white men (percentage points), women

Legend: White (W), Black (W), Hispanic (W), AAPI (W)

LFP relative to white men (percentage points), men

Legend: Black (M), Hispanic (M), AAPI (M)

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations; three-month moving averages.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.
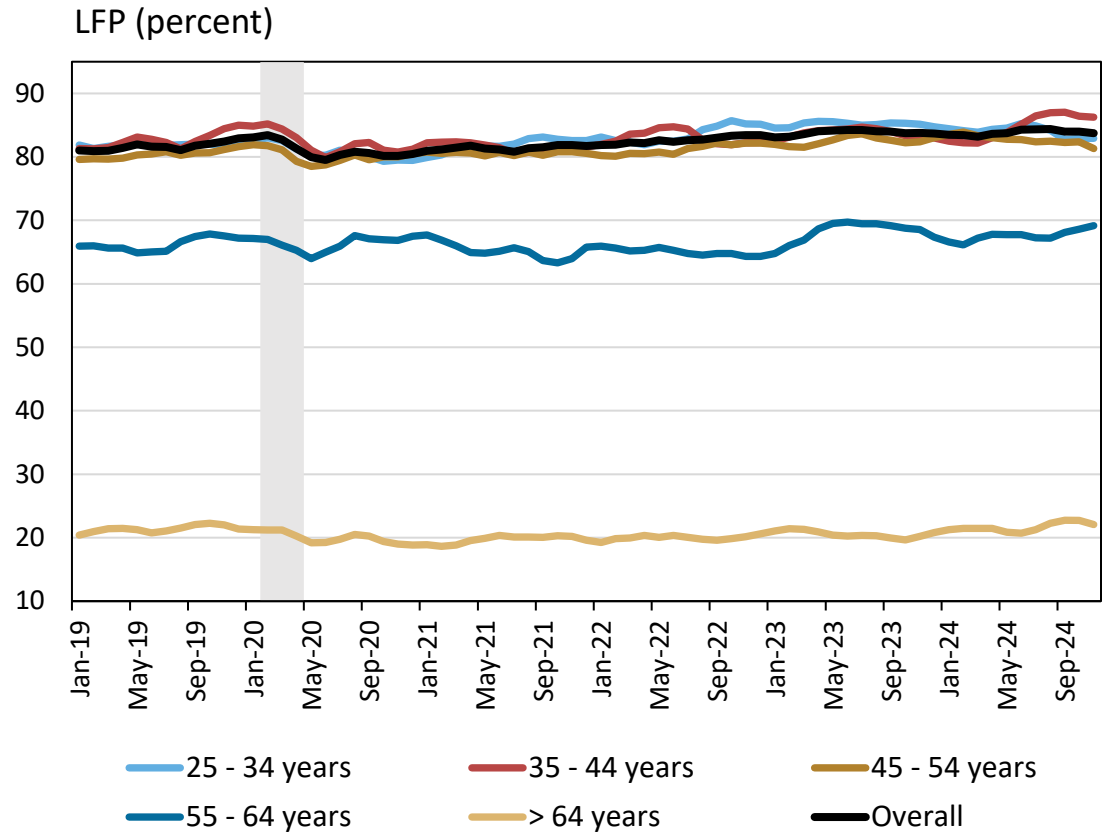
Labor Force Participation by Age

LFP (percent)

Legend:
- 25 - 34 years
- 35 - 44 years
- 45 - 54 years
- 55 - 64 years
- > 64 years
- Overall

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations, three-month moving averages.

Notes: Overall line uses prime-age (25-54) sample. Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ.
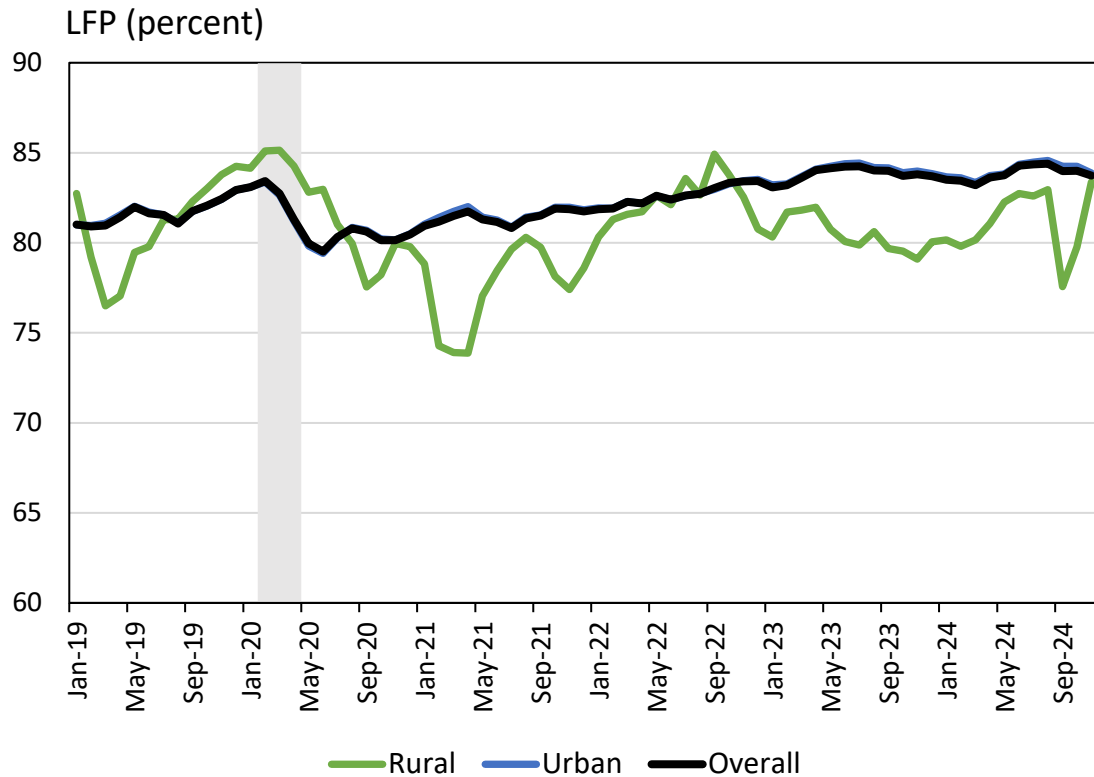
Labor Force Participation by Urban Status
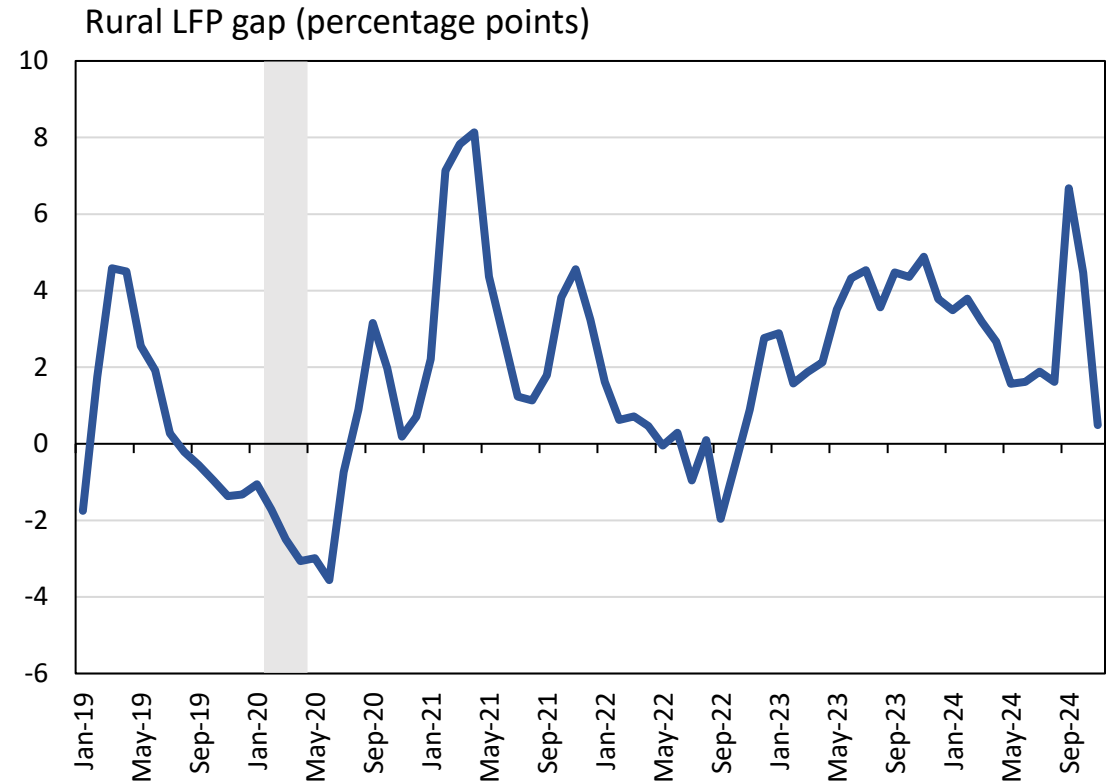
LFP (percent)

Rural LFP gap (percentage points)

Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations, three-month moving averages.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. Includes all counties belonging to the Federal Reserve Second District excluding Puerto Rico, the U.S. Virgin Islands, Warren County, NJ, and Fairfield County, CT, and additionally including Ocean County, NJ. The Urban and Overall LFPs are very similar, hence their nearly identical lines above.

Rural LFP gap defined as LFP of urban workers relative to rural workers.