EARNINGS

UPDATED THROUGH AUGUST 2025 | REGIONAL

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Takeaways | Earnings

- Similarly 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.
- Black and Hispanic workers earn about 65-80% of white workers. Earnings of Black workers stand at 73.8% of the earnings of white workers in the Second District in August 2025 and have fallen since May 2025.
- Among workers, women earn 81.4% of the earnings of men in the Second District in August 2025, a decrease from 86.3% in May 2025.
- Workers without a bachelor’s degree earn 54.5% of the earnings of workers with a bachelor’s degree. The college premium in the region tends to be somewhat higher than in the nation as a whole.

Gaps and all other relevant definitions can be found on the data and methods slide.

Full Report Highlights

- **INFLATION**
  Relative to the 2021-22 inflationary episode, 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.

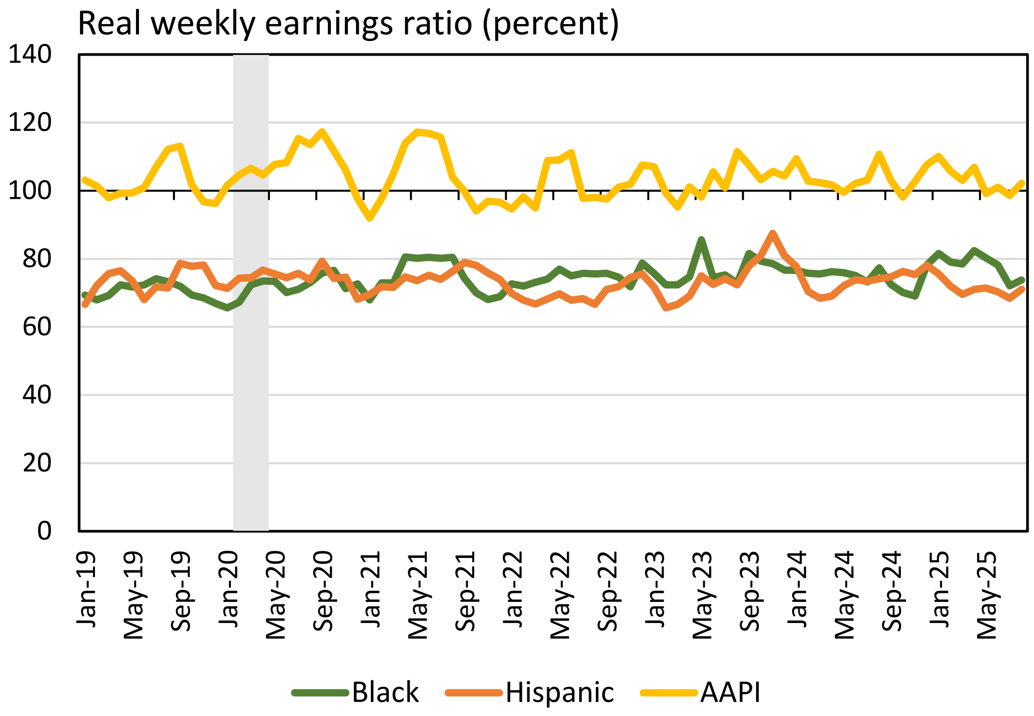
- **EARNINGS**
  Average real earnings are higher in the region compared to the national average. Real earnings gaps across racial and ethnic groups, educational groups, and between men and women have generally remained in their long-run ranges.

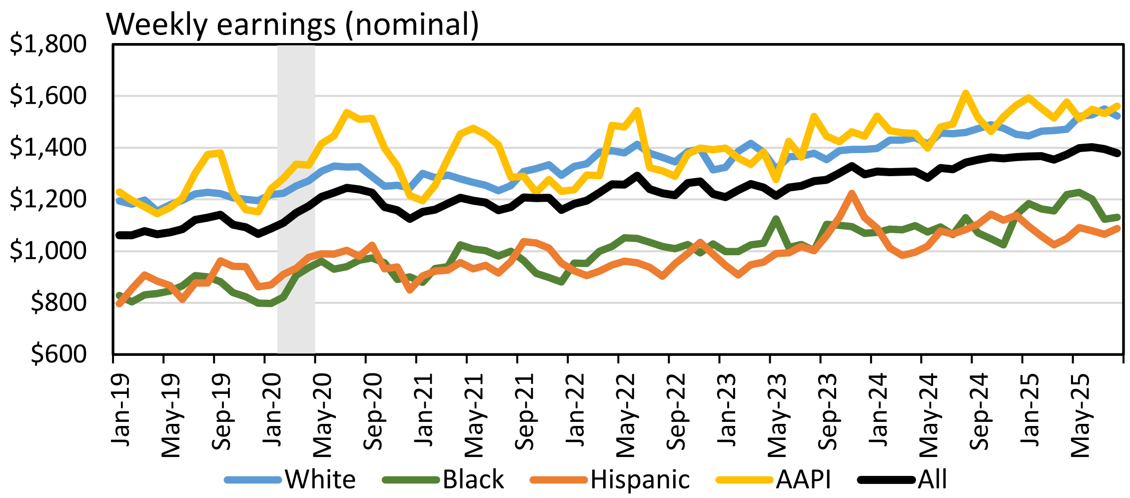
- **EMPLOYMENT**
  Labor market gaps have declined in the region at rates similar to those of the nation as a whole. However, the gender employment gap in the region has tended to decline faster and be lower than the national gender employment gap. Currently, racial gaps have been increasing, gender gaps have been stalling, and education gaps have been decreasing in line with national trends.

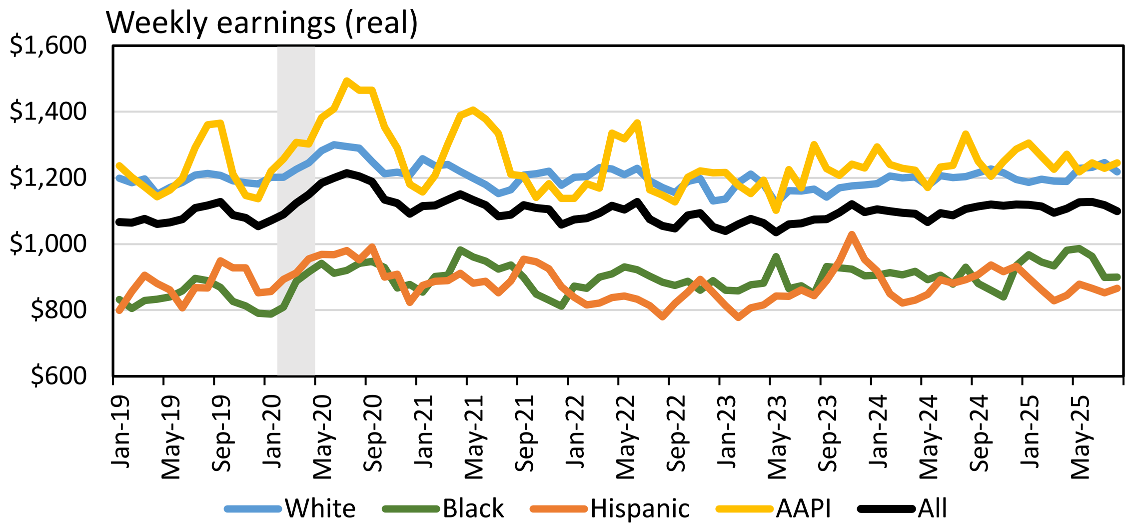
Data & Methods

- Real earnings are computed by deflating nominal earnings for each demographic using the EHI estimates of demographic-specific inflation.
- Black, Hispanic and AAPI earnings ratios are defined as the ratio of earnings of workers of the race or ethnicity in question to the earnings of white workers.
- The non-college earnings ratio is defined as the ratio of non-college graduates’ earnings to college graduates’ earnings.
- The women’s earnings ratio is defined as the ratio of women’s to men’s earnings.
- The race by gender earnings ratios are defined as the ratio of earnings of workers of the race or ethnicity and gender in question to the earnings of white men.
- We define the region in the CPS 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



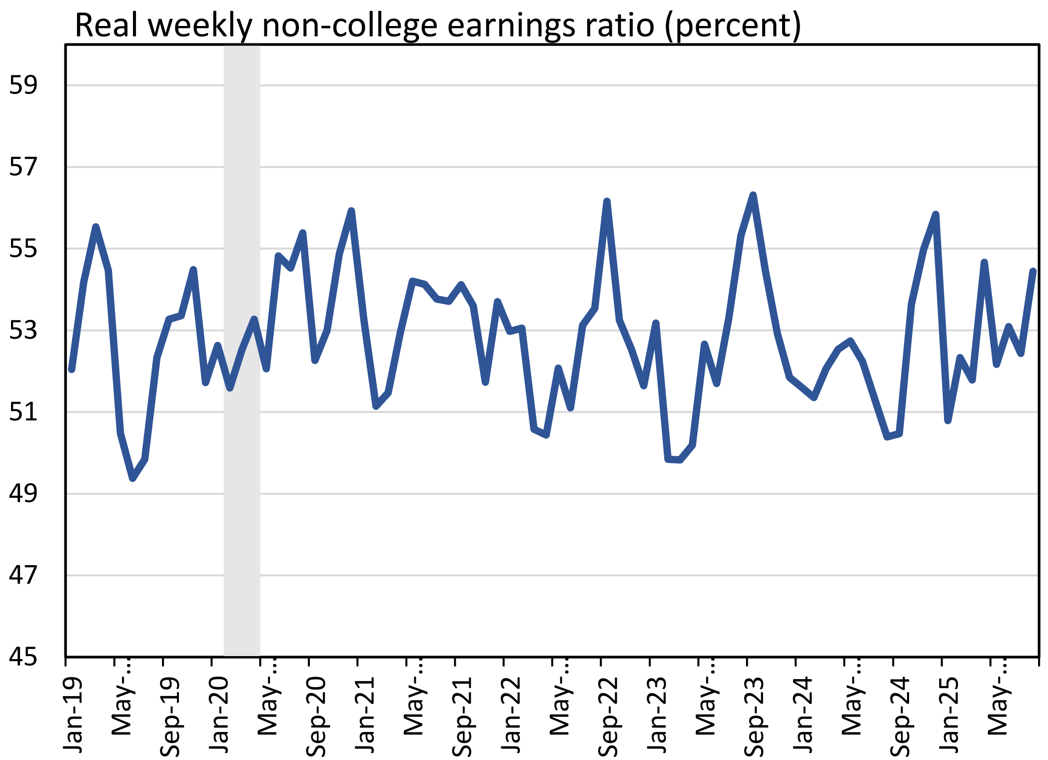


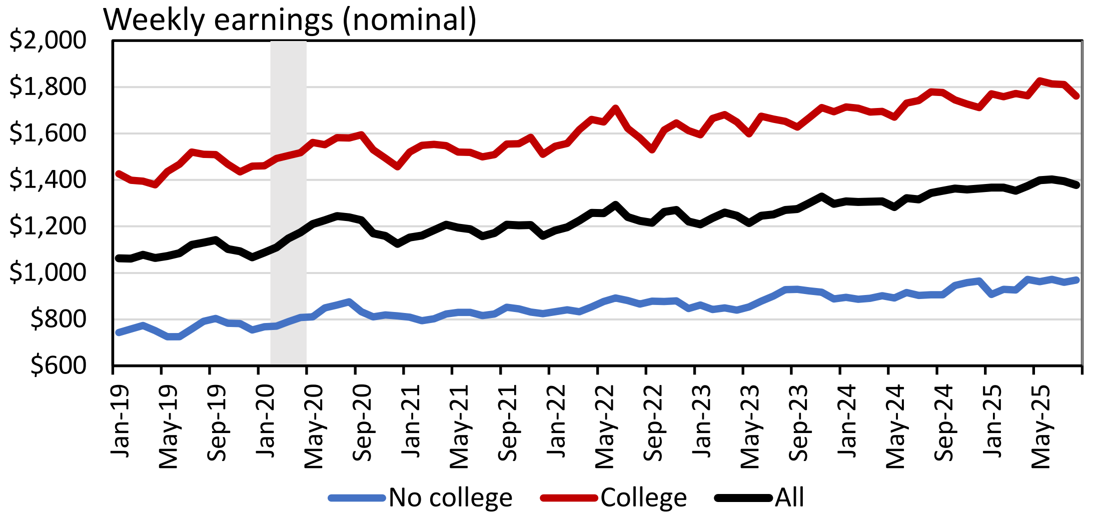


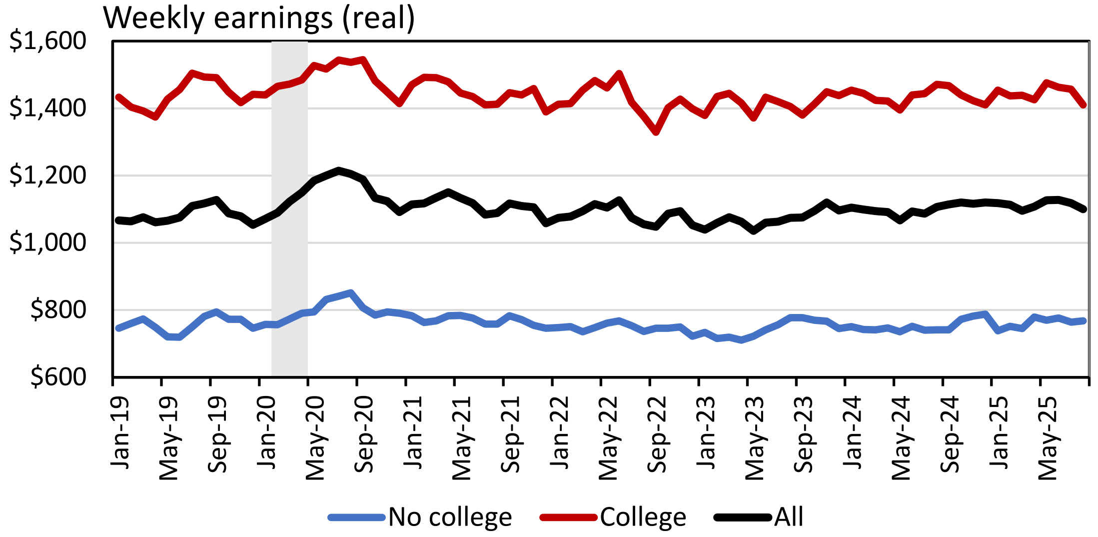
Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations, three-month moving averages.
Notes: Real earnings uses corresponding demographic prices, indexed to June 2019. Shaded region indicates the COVID-19 recession. The weekly earnings ratio by race is defined here as the ratio of earnings of workers of the race or ethnicity in question to the earnings of white workers. For instance, a ratio of 80% 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







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 college earnings ratio is defined as the ratio of non-college graduates' earnings to college graduates' earnings. For instance, a ratio of 80% implies that the average non-graduate earns 80% of the average graduate.
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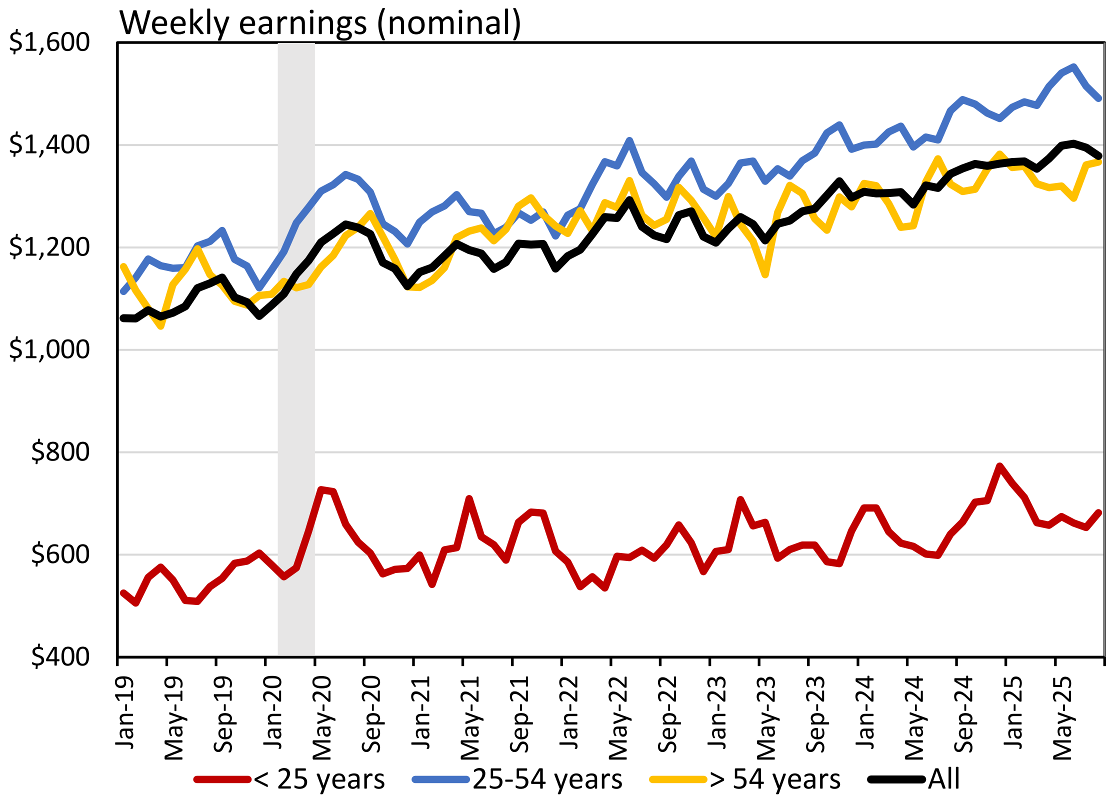
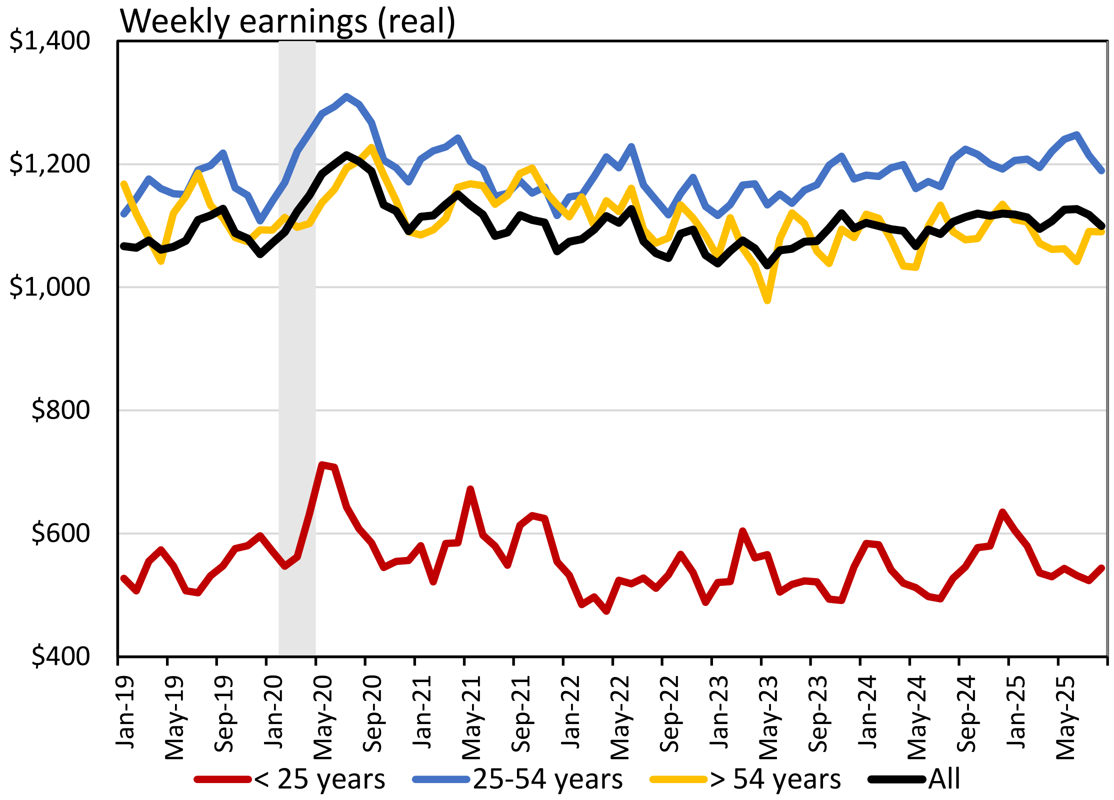
Real/Nominal Earnings by Age





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.

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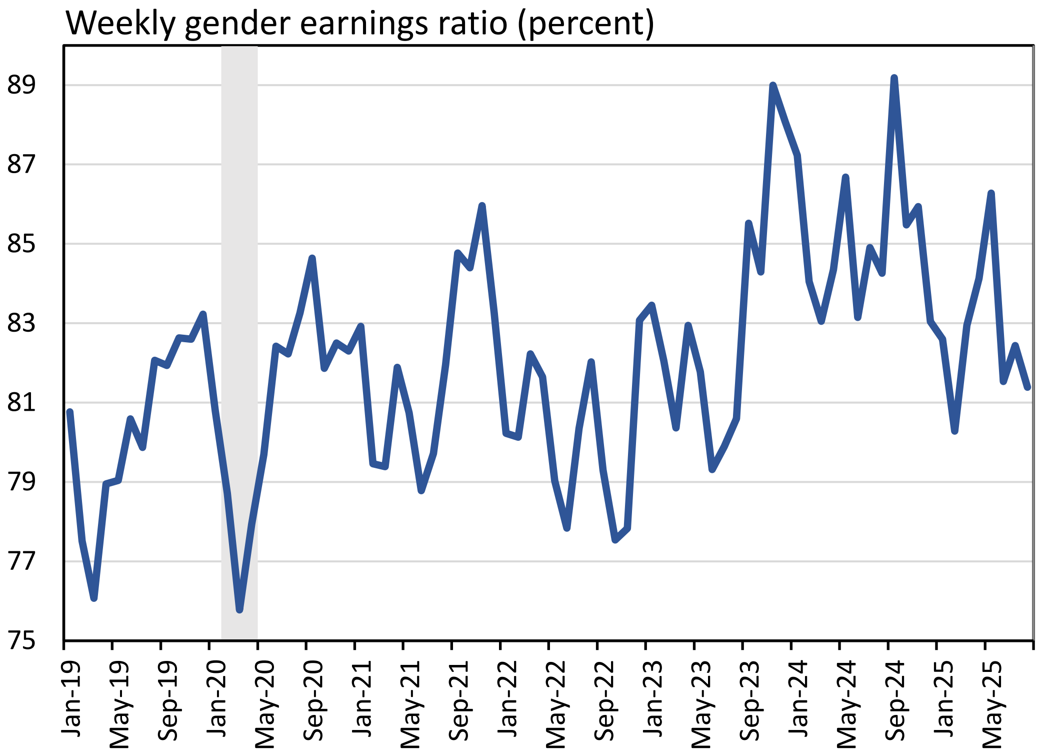
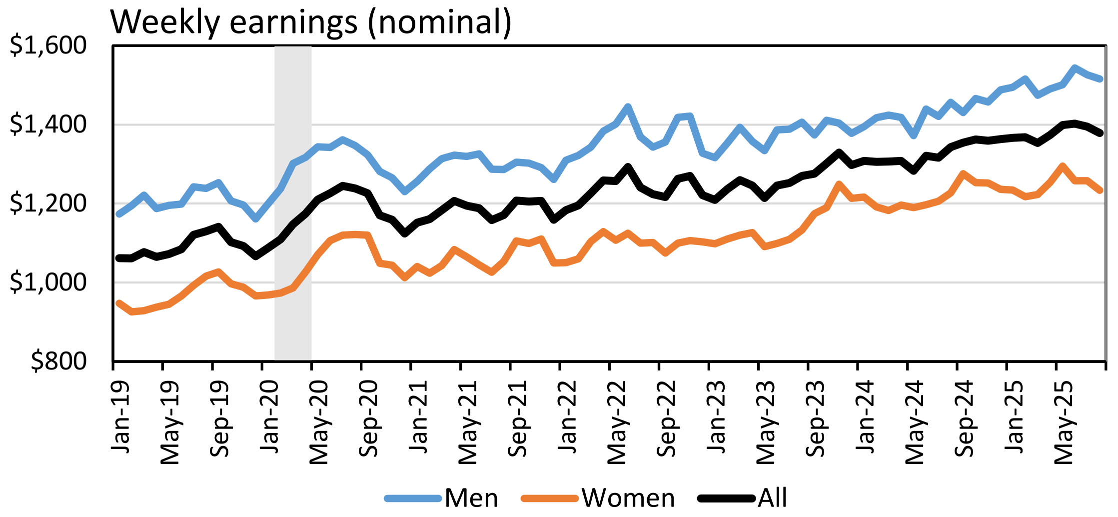
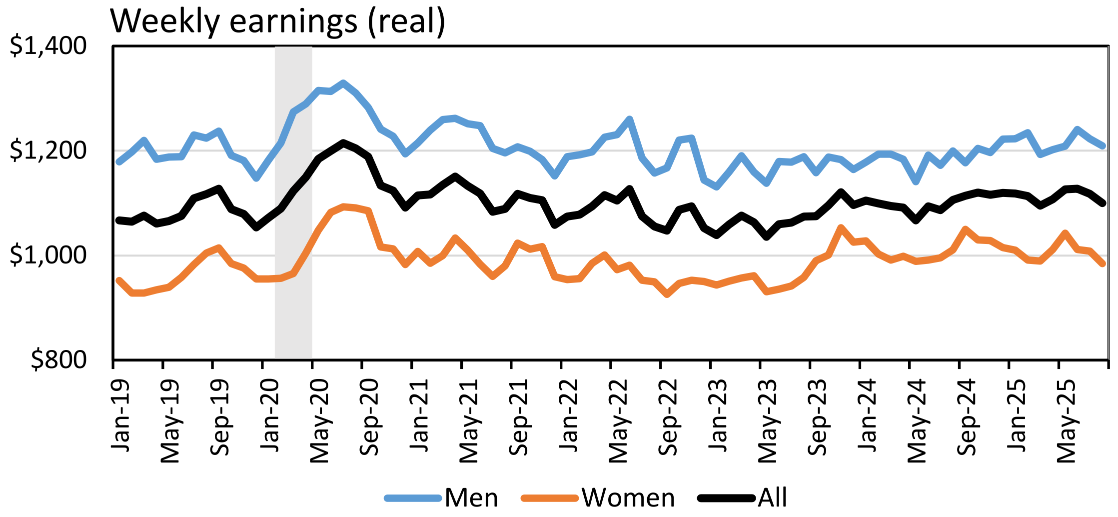
Real/Nominal Earnings by Gender



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 earnings ratio is defined as the ratio of women's to men's earnings. For instance, a ratio of 80% 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.





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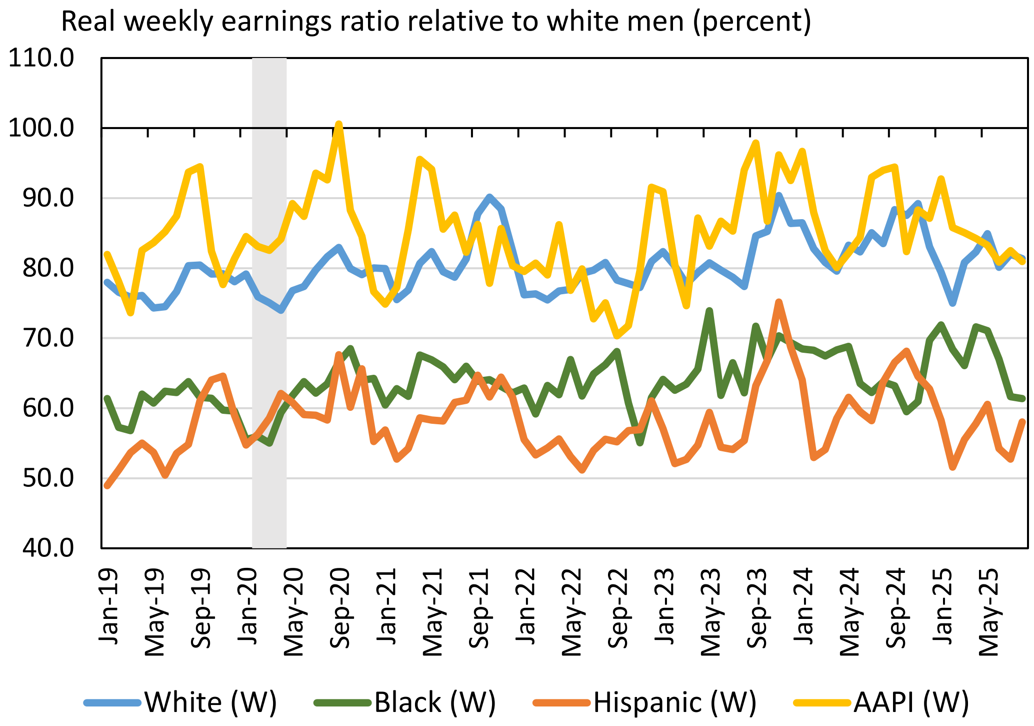
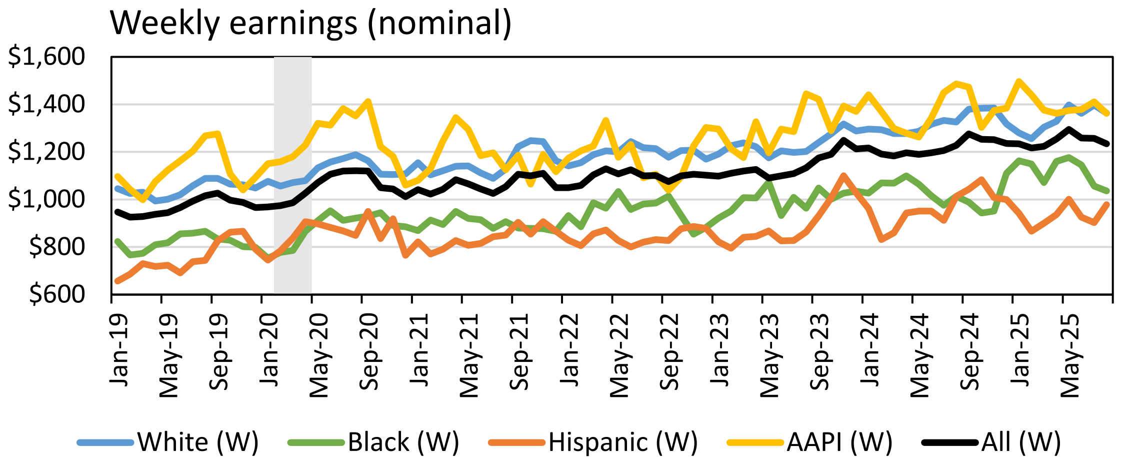
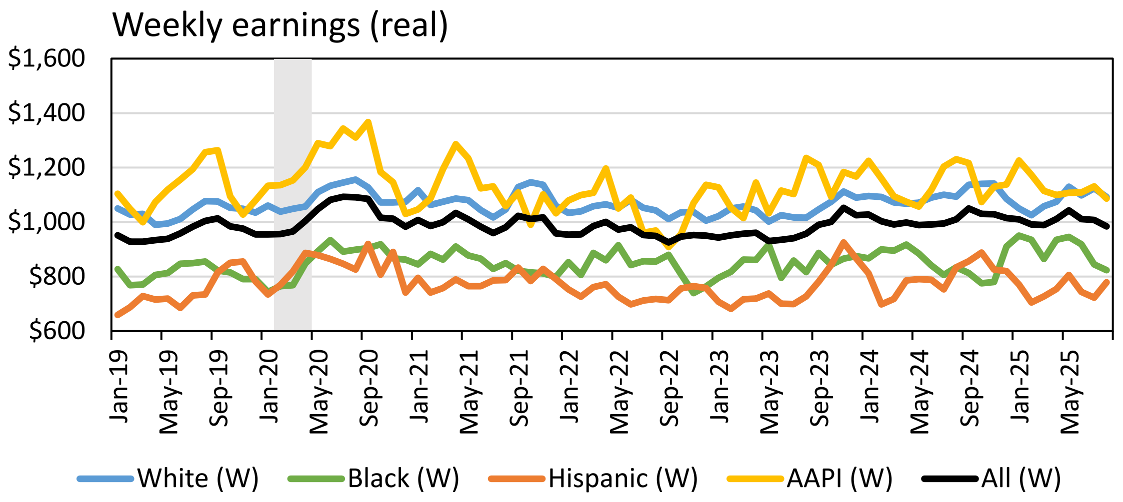
Real/Nominal Earnings by Race x Gender (Women)



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 ratio by race x gender (women) is defined as the ratio of earnings of women in a particular race or ethnicity to the earnings of white men. For instance, a ratio of 60% 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.





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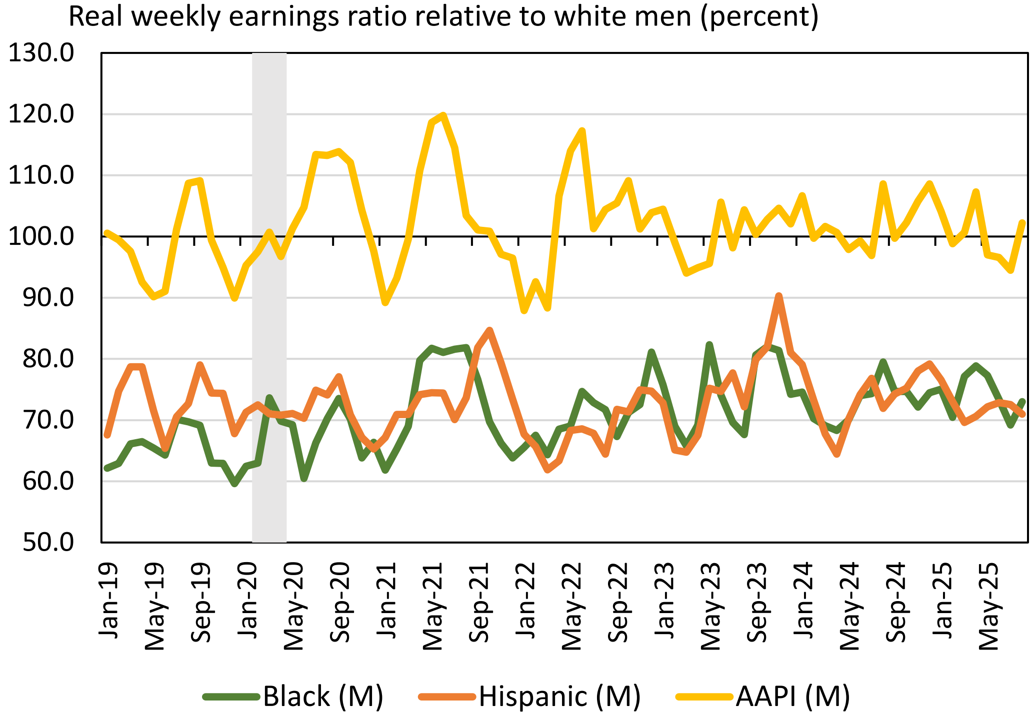
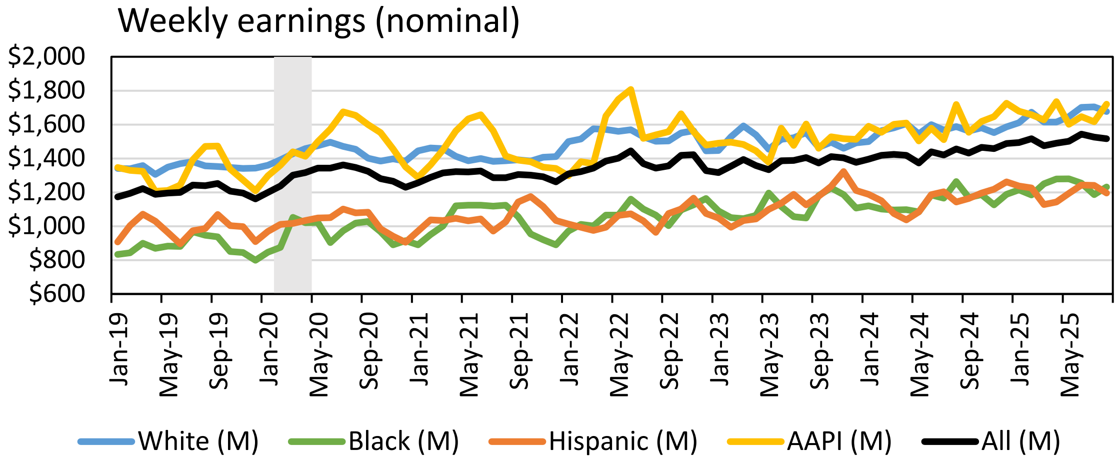
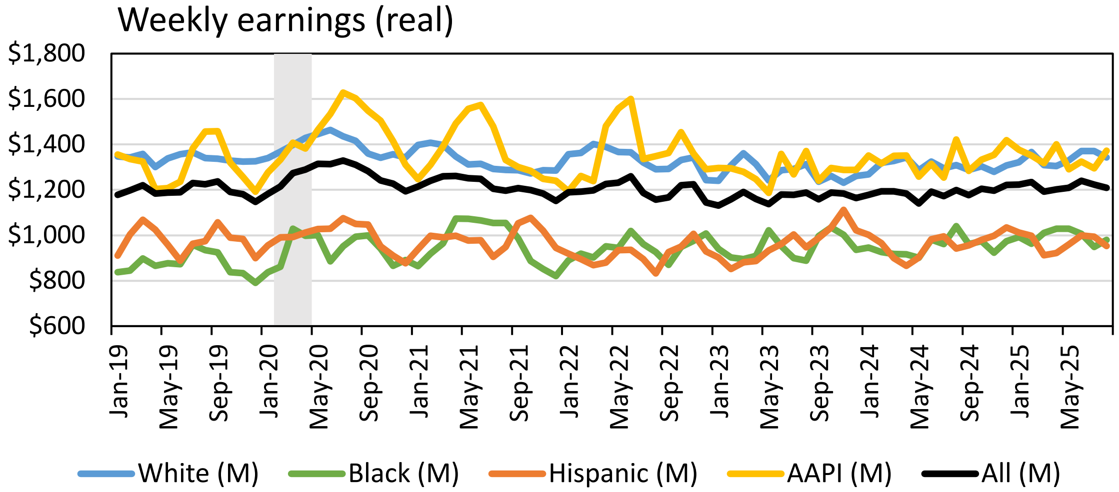
Real/Nominal Earnings by Race x Gender (Men)







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 ratio by race x gender (men) is defined as the ratio of earnings of men in a particular race or ethnicity to the earnings of white men. For instance, a ratio of 80% implies that the average Black/Hispanic/AAPI man 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.

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