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# State of the Berks County Economy

JUNE 2025

PREPARED FOR:



ANALYSIS CONDUCTED BY:



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## 1) In 2024, Berks County's population continued to grow, employers continued to hire, and economic output (GDP) continued to increase in 2023.

- **Manufacturing** remains a key sector of Berks County's economy as the largest contributor to both the County's GDP and employment while maintaining an average annual wage that is more than \$10,000 over the County's average.
- The local **Transportation, Warehousing, and Utilities** industry saw the largest percentage of employment growth from 2019-2024.
- Berks County's **employment** levels rose for the fourth consecutive year, while the County's **real GDP** grew for the third consecutive year in 2023.
- The rise in average hourly earnings did not keep up with the rise in prices over 2024, but did outpace inflation over the last five years.

## 2) However, Berks County continues to face economic headwinds.

- The age breakdown of Berks County residents is shifting older, resulting in a lower percentage of the population to be at prime working age (25-54).
- Berks County's housing market remains constrained with only a 5.5% vacancy rate.

### PLEASE NOTE

- Berks County, the Reading, PA, Metropolitan Statistical Area (MSA), and the Greater Reading region all embody the same geographic region.
- Economic data exhibits a lag time due to the process involving collecting, verifying, and compiling information from various sources. This lag time becomes even more acute in smaller geographic areas such as counties and cities.
- Many data values in this report are gathered from surveys that are regularly adjusted as new insights become available. It is important to consider the context for why data values change when comparing to previous reports.

## Key Data Points

**\$25,975,000,000**

**Nominal GDP** (not adjusted for inflation) for Berks County in 2023

**219,300**

Average number of people in the Berks County **Labor Force** in 2024

**\$61,100**

**Average Annual Pay** in Berks County for all private sector jobs in 2023

**439,100**

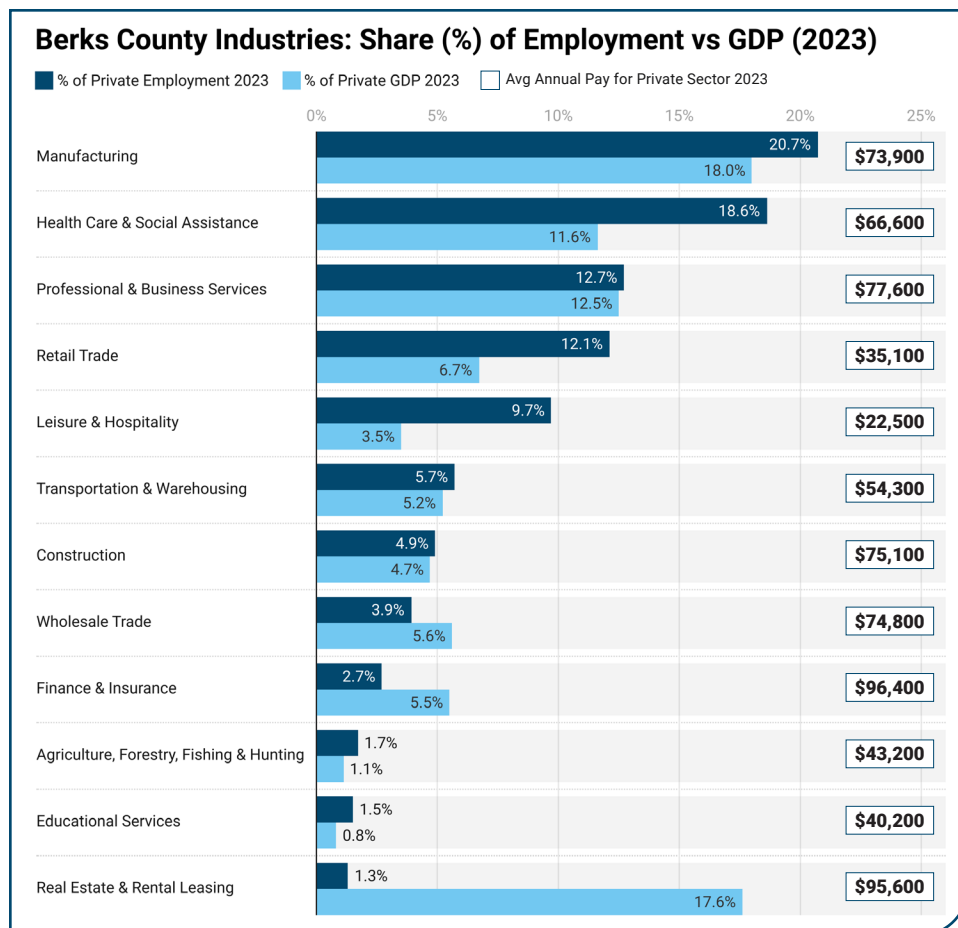
Berks County **Total Population** in 2024

**36.4%**

Share of local residents over age 25 with a **Post-Secondary Degree** in 2023

**50.9%**

Share of local employed residents that **Live and Work** in Berks County in 2022



The 2023 average annual pay for all private sectors in Berks County was **\$61,100**.

## Manufacturing remained a key industry in the Berks County economy in 2024.

- The sector continued to hold the largest percentage of GDP and employment in the County.
- Berks County has a specialization in Manufacturing with an employment **Location Quotient** of 1.94.
- The average annual pay was over \$10,000 more than the average across all sectors.

## Four other sectors exceed the 10% benchmark in Employment or GDP:

- **Health Care and Social Assistance:** as a generator of GDP and employment
- **Professional and Business Services:** as a generator of GDP and employment
- **Retail Trade:** as a source of employment
- **Real Estate Rental and Leasing:** as a generator of GDP

## Berks County's Agriculture, Forestry, Fishing and Hunting industry boasts the highest specialization as compared to the state, with a Location Quotient of 3.04.

- Although highly specialized in comparison to the whole of Pennsylvania, the sector contributed less than 2% of the County's employment or GDP in 2024.

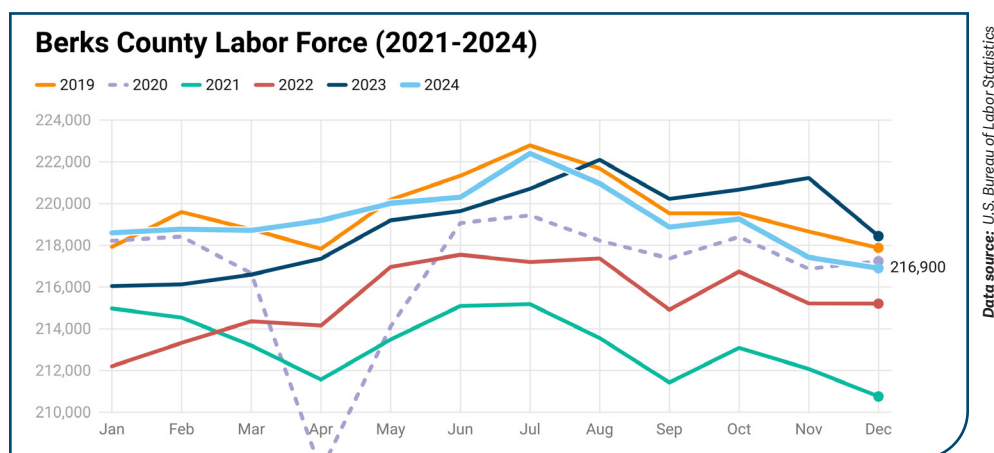
**Location Quotient (LQ)** measures an industry's concentration within a region in comparison to the whole of the state and is used to identify industries and occupations that have a higher specialization or concentration within that region.

Berks County industries (or occupations) with an LQ greater than 1.00 have a higher local concentration than Pennsylvania, suggesting specialization. An LQ of less than 1.00 implies a lower concentration than Pennsylvania.

## LABOR FORCE

**In 2024, Berks County's labor supply slid under 2023 levels for the second half of the year.**

- However, on average, there were slightly more people in the labor force in 2024 than in 2023, a 256-person increase.
  - Despite the decline, the labor market is just under recovery to pre-pandemic levels.
- There was an average of 360 fewer people in Berks County's labor force in 2024 than in 2019.



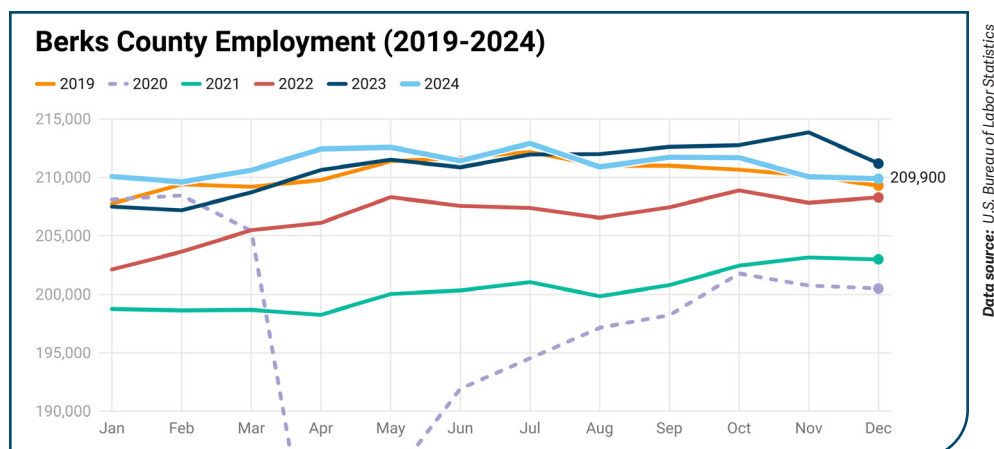
### NOTE:

Annual updates to the BLS Local Area Unemployment Statistics (LAUS) data set revealed that average labor force levels in Berks County in 2013 were only 610 people away from pre-pandemic levels rather than the 3,400 which was previously reported.

## EMPLOYMENT

**Berks County average employment levels rose again for the fourth consecutive year, however, began to taper throughout the second half of the year.**

- There was an average of 211,200 people employed in Berks County in 2024 – a 260-person increase from 2023.
- While Berks County employment started 2024 with more people employed than a year prior, the levels dipped below the second half of the year.
- December 2024 recorded 1,300 fewer people employed than a year prior.



### NOTE:

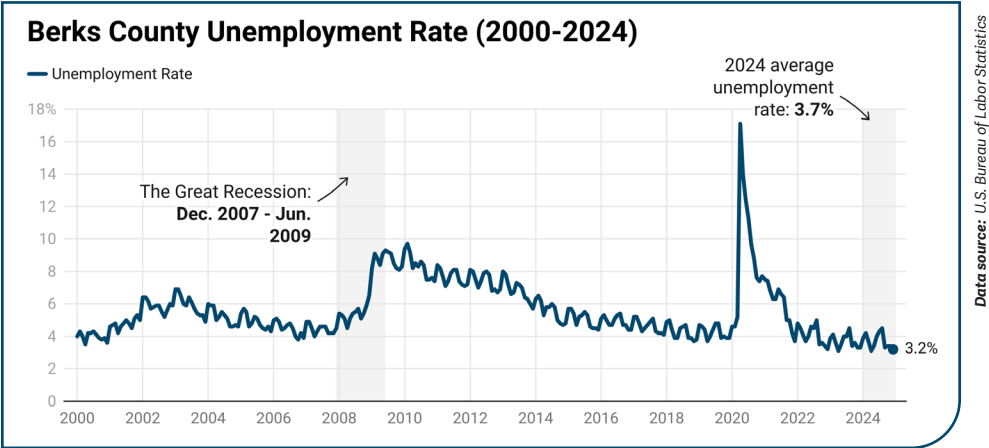
Annual updates to the BLS Local Area Unemployment Statistics (LAUS) data set revealed that employment levels in Berks County surpassed pre-2019 levels over half of 2023.

UNEMPLOYMENT RATE

**Berks County’s unemployment rate has dropped steadily in the wake of the Great Recession (2007-2009), leading to a record low annual average unemployment rate in 2024.**

- In 2024, the average unemployment rate in Berks County was 3.7%.
  - This is the lowest annual average unemployment rate recorded in Berks County since tracking began in 1990 –tying the previous record low seen in 2023.
  - The second lowest annual average unemployment rate was 4.0% in 2000.
- Berks County remained at **full employment** in 2024, closing out the year at 3.2% unemployment rate in December.

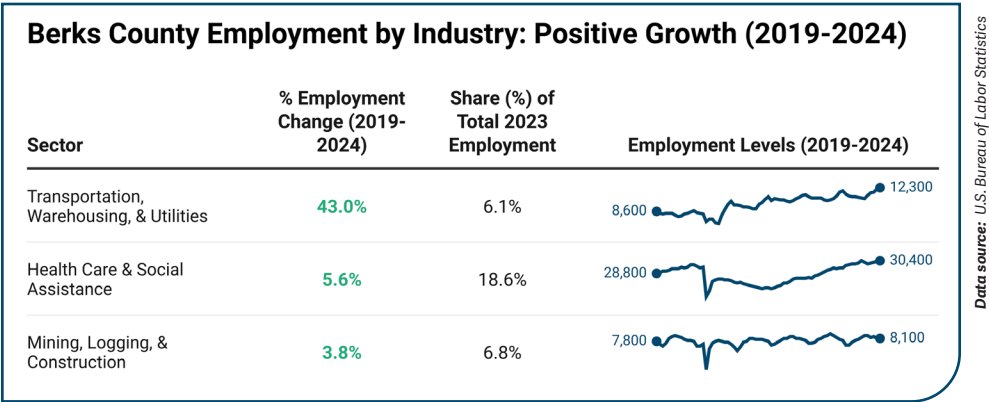
**Full employment** is the condition in which virtually every individual that wants a job is employed.



EMPLOYMENT TRENDS BY INDUSTRY

**The number of people employed in Berks County rose by 620 people over the last five years, however, employment trends vary by industry.**

- Three industry sectors that have grown the most over the past five years:



- Three industry sectors that have contracted the most over the past five years:

## Berks County Employment by Industry: Negative Growth (2019-2024)

Sector	% Employment Change (2019-2024)	Share (%) of Total 2023 Employment	Employment Levels (2019-2024)
Wholesale Trade	-8.7%	3.9%	6,900 → 6,300
Manufacturing	-2.5%	20.7%	32,100 → 31,300
Leisure and Hospitality	-2.0%	9.7%	14,800 → 14,500

Data source: U.S. Bureau of Labor Statistics

## TOP EMPLOYERS

As of Q4 2024, Berks County's largest employers were:

### Top 10 Berks County Employers by Employment (Q3 2024)

Employer	Employer
1 East Penn Manufacturing Company	6 County of Berks
2 Reading Hospital	7 Wal-Mart Associates Inc
3 Amazon.com Services LLC	8 Penske Truck Leasing Co LP
4 Carpenter Technology Corporation	9 Boscov's Department Store LLC
5 Reading School District	10 State Government

Data source: PA Center for Workforce Information & Analysis

# Wages

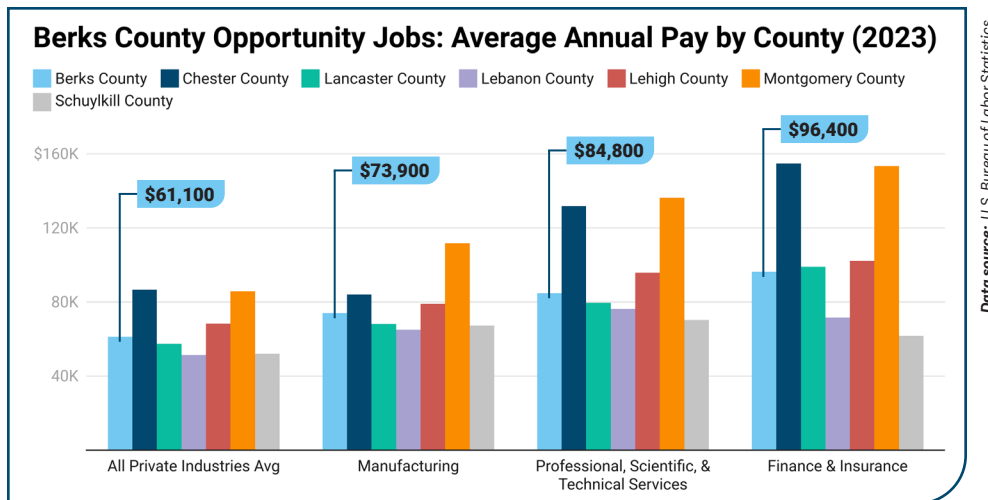
## WAGES COMPARISON

Opportunity Jobs in Berks County pay significantly higher than the average annual pay across all private industries, however, they remain lower than many neighboring counties.

- As of 2023, average annual wages for Opportunity Jobs in the Manufacturing; Professional, Scientific, and Technical Services; and Finance and Insurance industries were paying well over the \$61,100 annual average wage in Berks County:
  - **Manufacturing:** \$73,900
  - **Professional, Scientific, and Technical Services:** \$84,800
  - **Finance and Insurance:** \$96,400
- Average annual wages in Berks County – across all industries as well as within Opportunity Job industries – fell in the middle compared to other counties in the region.

The IMAGINE Berks Strategic Economic Development Action Plan (2022) called for investment into strategies that support growth in industries that offer **Opportunity Jobs** – defined as “jobs that provide benefits and a wage greater than or equal to the county's living wage” – as a way to bolster the County's economy while enabling local workers to successfully live, work, and economically progress within Berks County.

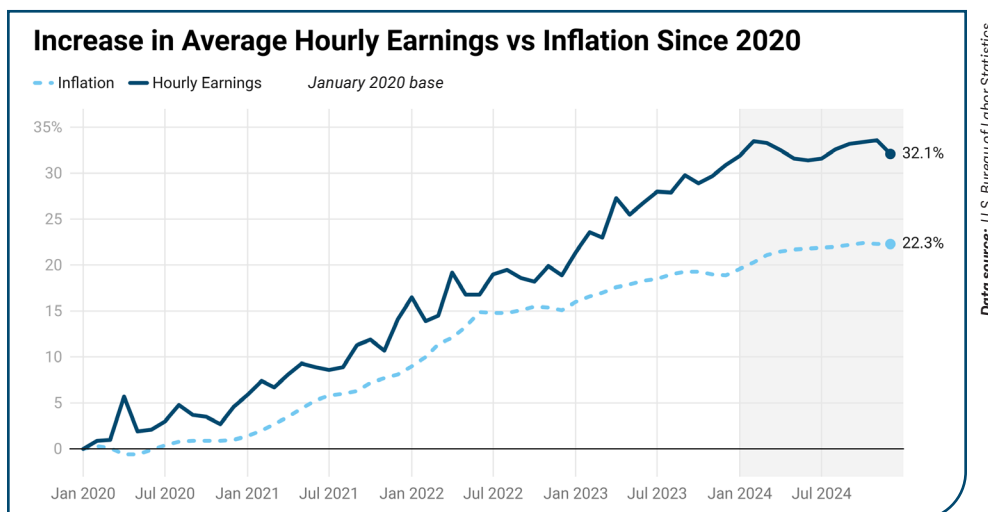
The Professional, Scientific, and Technical Services; Finance and Insurance; and Manufacturing sectors were specifically identified as the industries with the greatest potential to contribute to additional earnings and earned income tax revenue.



## WAGES vs. INFLATION

**Over the last five years, average hourly earnings have outpaced inflation in Berks County's private sector, but fell short over 2024.**

- Inflation has been at the top of mind for consumers and businesses alike, reaching a peak of a 9.1% annual inflation rate in June 2022.
  - Annual national inflation ended 2024 at 2.9% in December, above the Federal Reserve's target goal of 2%.
- Throughout 2024 prices increased by 2.9% while average hourly earnings only increased by 0.9%, allowing workers to buy less with the money they earned.
- Taking a wider view, wages have notably outpaced inflation over the last 5 years, growing by 32.1% from January 2020 to December 2024, outpacing the 22.3% rise in prices.



### NOTE:

Differences when comparing this chart to that in the 2023 State of the Berks County Economy report are the result of different base year values. However, both highlight hourly earnings growth outpacing the rise in prices over the last five years.



# Gross Domestic Product (GDP)

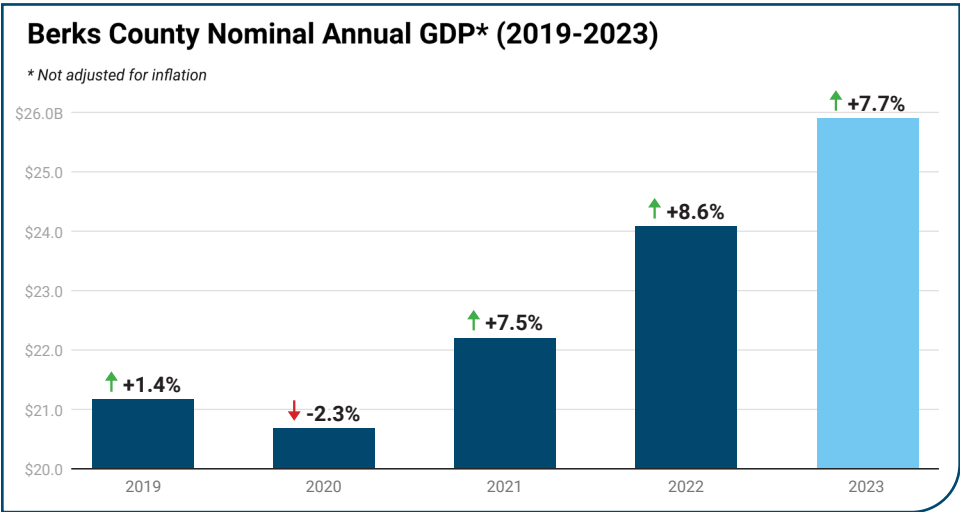
## There are two perspectives to use when analyzing the economic growth of a region:

- **Nominal GDP** measures economic output using current market prices.
- **Real GDP** adjusts nominal GDP for changes in prices, providing a more accurate measure of economic growth by removing the effects of inflation or deflation.

**Gross Domestic Product (GDP)** is the market value of the final goods and services produced within a defined region during a specified period of time.

## Berks County's Nominal GDP has been on a steady incline, aside for a one-year dip in 2020 due to the effects of the COVID-19 pandemic.

- In 2023, Berks County's **Nominal GDP** was \$25,975,000,000.

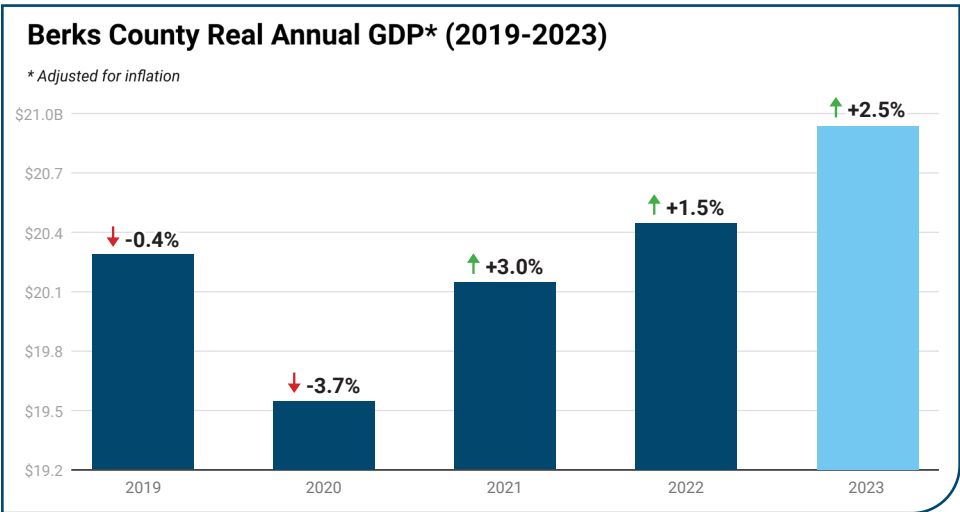


**NOTE:**

County-level GDP data provided by the U.S. Bureau of Economic Analysis lags behind national and state GDP data. The most recent Berks County GDP data is from 2023; Berks County 2024 GDP data is slated for release in December 2025.

## Berks County's Real GDP has seen year-over-year growth since the 2020 pandemic.

- Berks County's **Real GDP** surpassed pre-pandemic levels for the first time, growing +2.5% from 2022 to 2023 to \$20,939,523,000.



**NOTE:**

Updated GDP data from the U.S. Bureau of Economic Analysis show that Berks County's Real GDP had surpassed 2019 pre-pandemic levels in 2022.

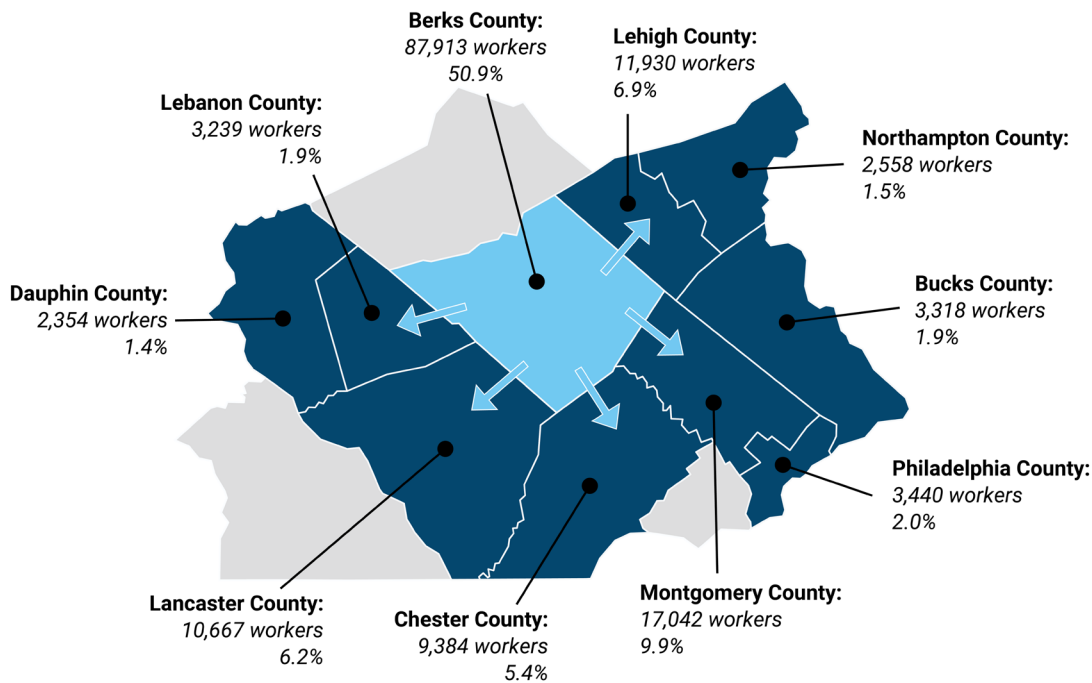


## WHERE DO BERKS COUNTY RESIDENTS WORK?

**Berks County has a highly diversified relationship with job markets in the region.**

- 50.9% of the Berks County labor force work and live in the County, while the remaining portion goes outside the County to work.
- The following counties have more than 5% of Berks County's residents working in them:
  - **Montgomery County:** 9.9%
  - **Lancaster County:** 6.2%
  - **Lehigh County:** 6.9%
  - **Chester County:** 5.4%

### Where Berks County Employed Residents Work (2022)



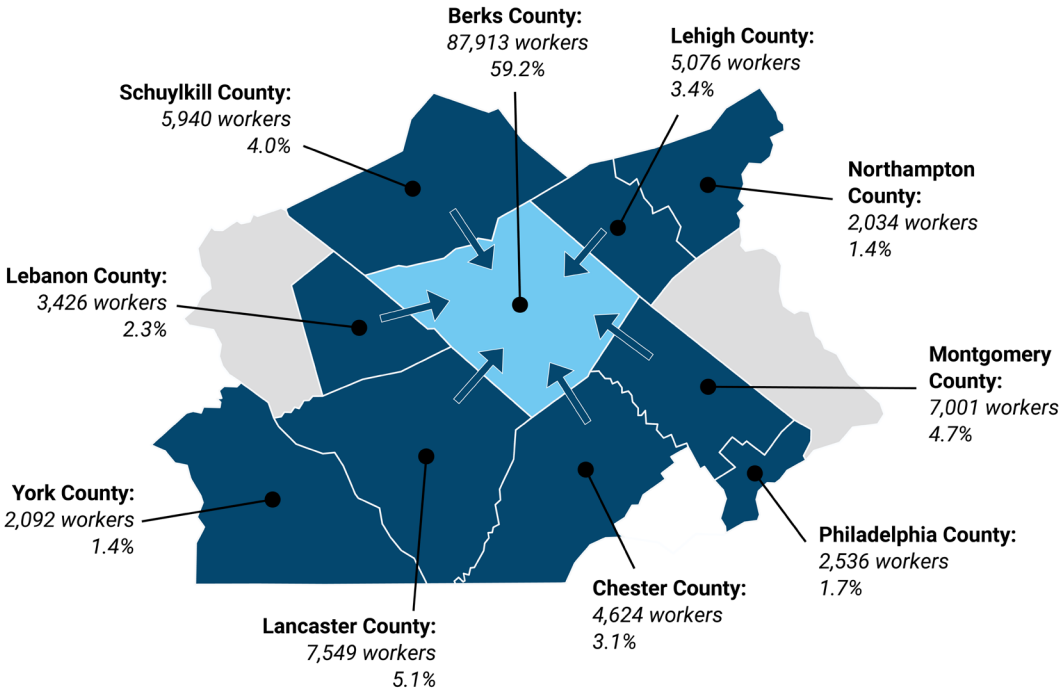
Data source: U.S. Census Bureau

## WHERE DO EMPLOYEES OF BERKS COUNTY BUSINESSES LIVE?

**The greater part of Berks County's workforce consists of County residents.**

- Of the people employed in Berks County, 59.2% are residents and 40.8% are people commuting into the County.
- Of those commuting into the County, the highest number of employees live in:
  - **Lancaster County:** 5.1%
  - **Montgomery County:** 4.7%
  - **Schuylkill County:** 4.0%

Where Employees of Berks County Businesses Live (2022)



Data source: U.S. Census Bureau

Demographics

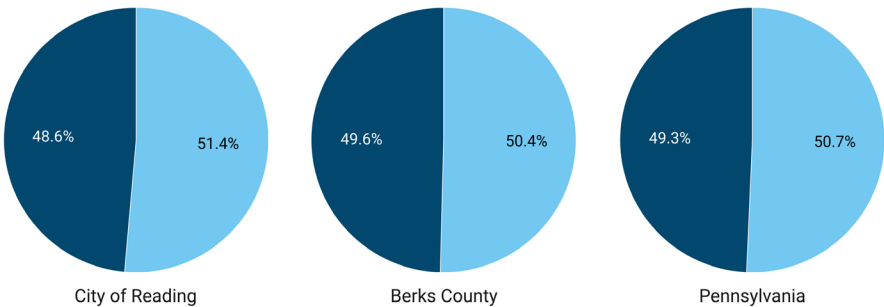
POPULATION » BY GENDER

The gender breakdown is relatively similar across Reading City, Berks County, and Pennsylvania.

- However, the City of Reading skews to having a slightly larger percentage of female residents.

Berks County Population by Gender: City, MSA, State (2023)

Female Male

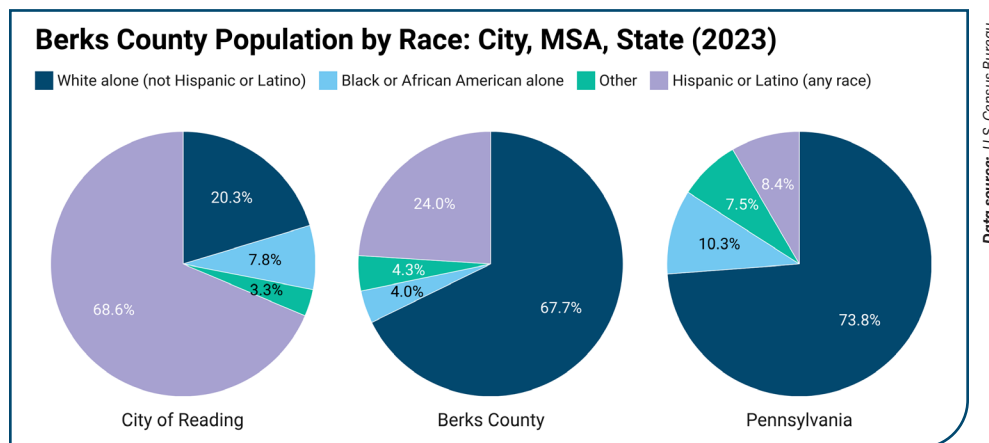


Data source: U.S. Census Bureau

## POPULATION » BY RACE

**The race and ethnicity breakdown of Reading City, Berks County, and Pennsylvania have strong variations.**

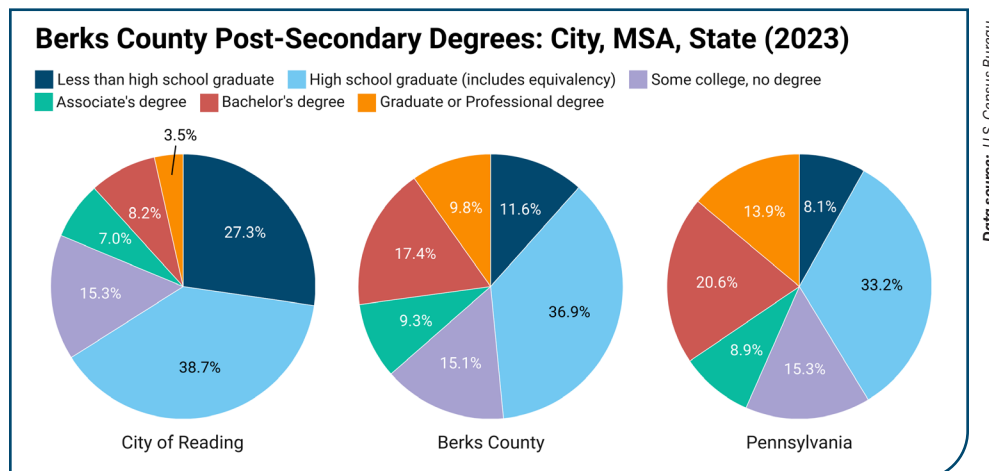
- Berks County and the City of Reading have smaller White populations than Pennsylvania, and both have a smaller population of Black residents than the state.
- Reading City has a significantly larger population of people of Hispanic origin than the County. In the city, 68.6% of the total population is of Hispanic origin as compared to only 24.0% of residents in Berks County.



## POPULATION » BY EDUCATION LEVEL

**Reading City, Berks County, and Pennsylvania residents vary considerably in post-secondary degrees achieved.**

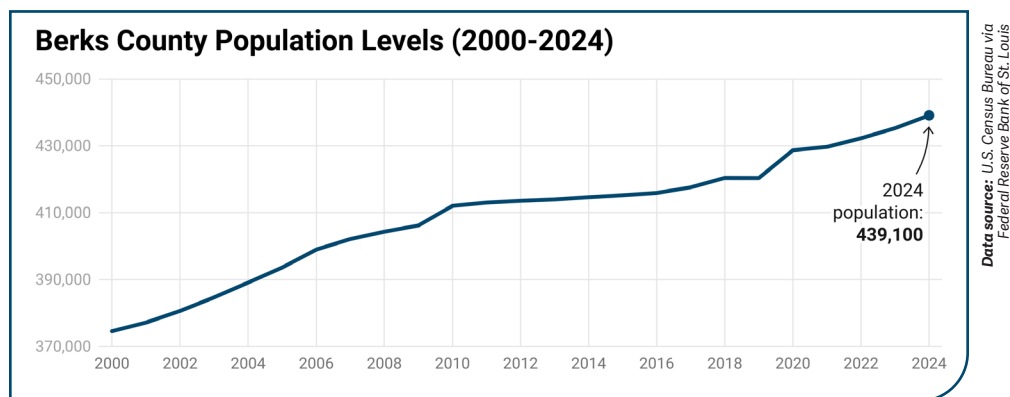
- There is a notable difference in the percentage of the population over the age of 25 with post-secondary degrees:  
 → **Pennsylvania:** 43.4%    → **Berks County:** 36.4%    → **Reading City:** 18.7%



## POPULATION GROWTH

**Berks County's population continued to grow over the course of 2024.**

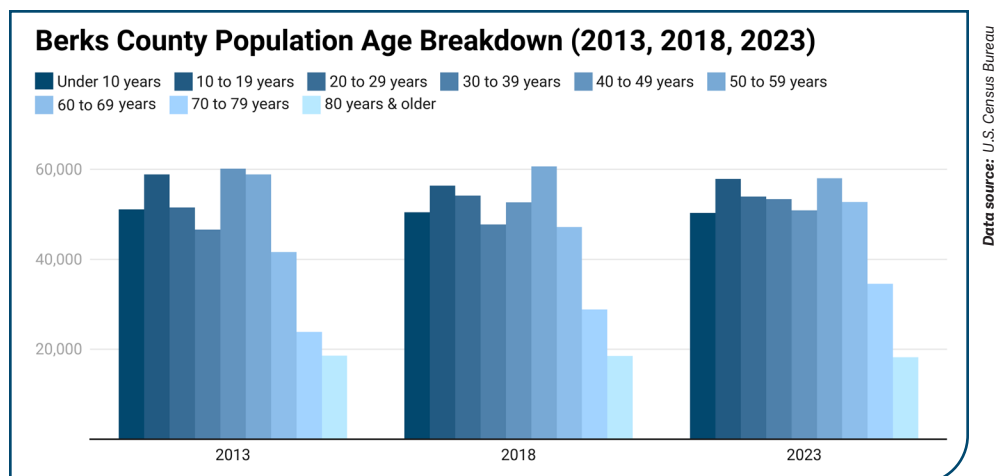
- Berks County's population reached 439,100 people in 2024.
- The population has grown by 5.9% (+24,500 people) over the last ten years (2014-2024).



## AGING POPULATION

**Following a nationwide trend, the age breakdown in Berks County is shifting older, creating new economic challenges.**

- In the last decade (2013-2023), the percentage of the population over the age of 55 rose by 4.3%.
  - The share of the population over the age of 55 grew from 27.2% in 2013 to 31.5% in 2023.
- This age shift is creating new workforce constraints.
  - The share of the Berks County population considered Prime Working Age (25-54 years old) decreased by 2.3% from 2013 to 2023.
  - This is the equivalent of 9,700 fewer prime-age workers than there would have been if the ratio stayed the same.
- The age shift is expected to continue both in Berks County and across the nation.



## LABOR FORCE PARTICIPATION RATES

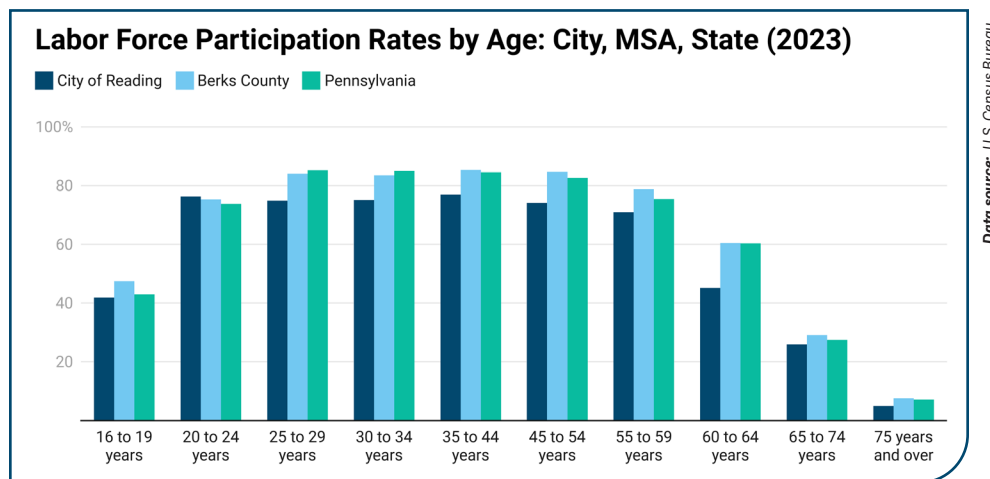
**Berks County had a higher labor force participation rate for residents compared to Reading City and Pennsylvania.**

- 2023 labor force participation rates for residents over the age of 16:  
 → **Berks County:** 64.5% → **Pennsylvania:** 62.8% → **Reading City:** 61.9%
- The labor force participation rate has remained relatively steady over the last five years.  
 → In 2018, Berks County's labor participation rate was 65.2%.

## LABOR FORCE PARTICIPATION RATES » BY AGE

**Reading City, Berks County, and Pennsylvania had slight variations in their labor force participation rates by age demographic.**

- **Prime-age workers (25-54 years old)** have the largest labor force participation rates compared to any other age demographic in Berks County and Pennsylvania.
- Reading City also has a high labor force participation rate for residents **20-24 years old**, its second-largest age grouping (76.3%).
- On average, Reading City residents exited the labor force at an earlier age than in Berks County and Pennsylvania.
- The share of Reading City residents aged **60-64 years old** (45.2%) in the labor force was well behind the participation rates for Berks County (60.5%) and in Pennsylvania (60.3%).



## LABOR FORCE PARTICIPATION RATES » FOR PEOPLE WITH A DISABILITY

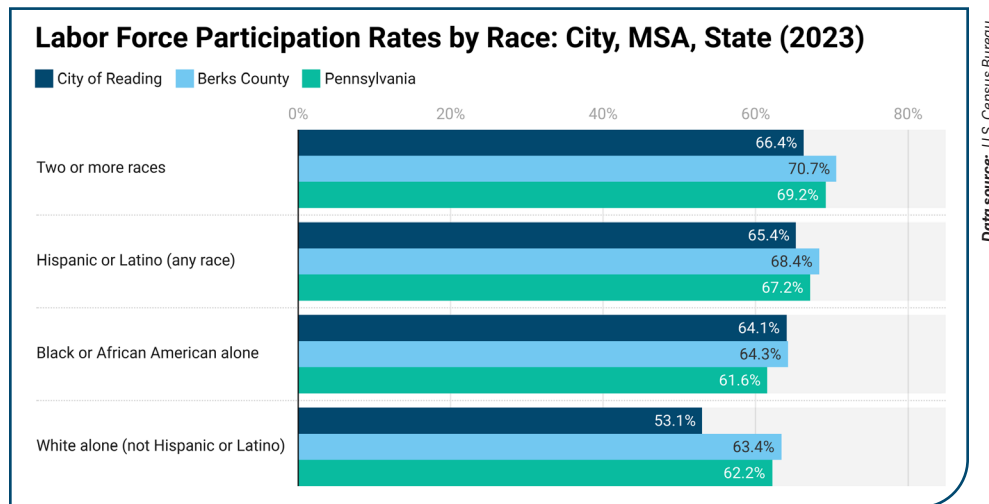
**The labor force participation rate for people with a disability was higher in Berks County and Pennsylvania than Reading City.**

- 2023 labor force participation rates for residents with a disability:  
 → **Pennsylvania:** 46.6% → **Berks County:** 46.5% → **Reading City:** 35.6%
- However, the labor force participation rate for people with a disability is notably lower than the total population's workforce participation rate for all three regions.

## LABOR FORCE PARTICIPATION RATES » BY RACE

**Berks County had a larger labor force participation rate than PA across all races.**

- Residents with two or more races had the highest labor force participation rate in Berks County – 6.2 percentage points higher than the County average.
- Hispanic or Latino (any race) residents have an average labor force participation rate above the region's average in all three geographies



## Cost of Living

**In 2024, the cost of living in Berks County was 4.9% lower than the United States average.**

- Compared to the average in the United States, the cost of housing and utilities are more affordable in Berks County, bringing down the cost of living index score.

**Cost of Living Index (2024)**

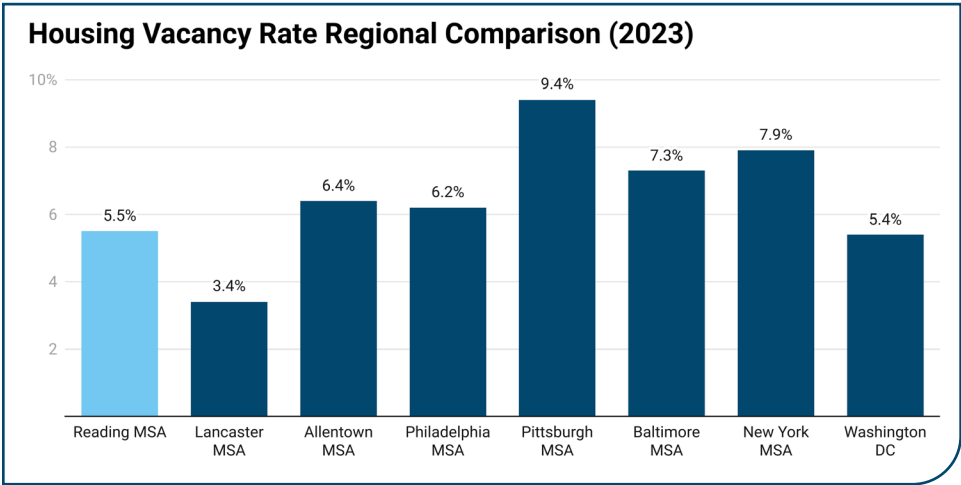
Market	Cost of Living Index (Base US)
Reading, PA	95.1
Pittsburgh, PA	98.1
United States	100.0
Baltimore, MD	100.5
Allentown, PA	102.1
Philadelphia, PA	103.2
Washington, DC	141.9

Data source: The Council for Community and Economic Research

A **Cost of Living Index** estimates the relative price levels for consumer goods and services in a geographic area and then compares them to the wages and salaries in that area to measure a relative purchasing power. A 100.0 index score is the relative purchasing power for the United States average.

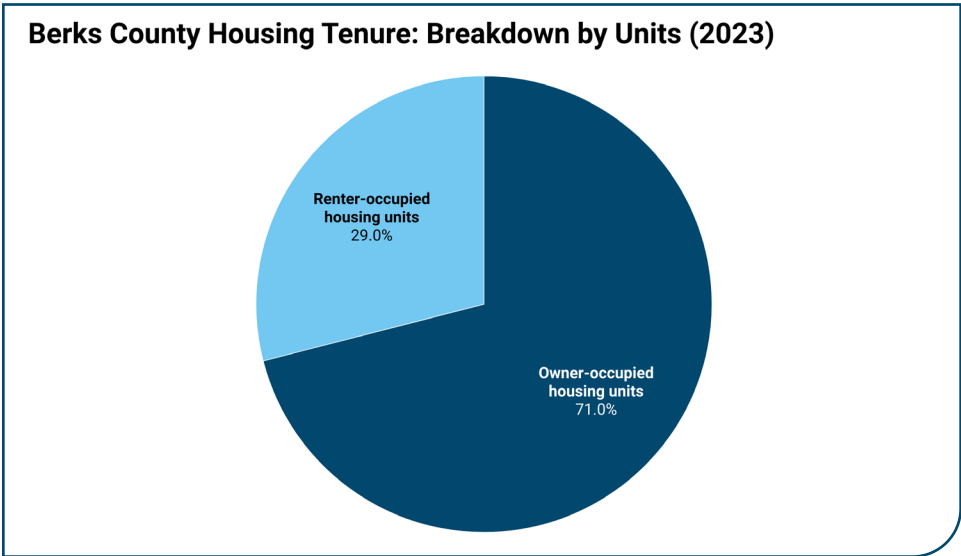
**Housing shortages have become a challenge for many geographies across the United States, including Berks County.**

- The low 5.5% vacancy rate is a factor constraining the flow of the housing market in Berks County (Reading MSA).



**Berks County has a higher percentage of home ownership among residents compared to Pennsylvania and the nation.**

- Percent of households that own their home:
  - Reading City: 39.7%
  - Berks County: 71.0%
  - Pennsylvania: 69.3%
  - United States: 65.0%

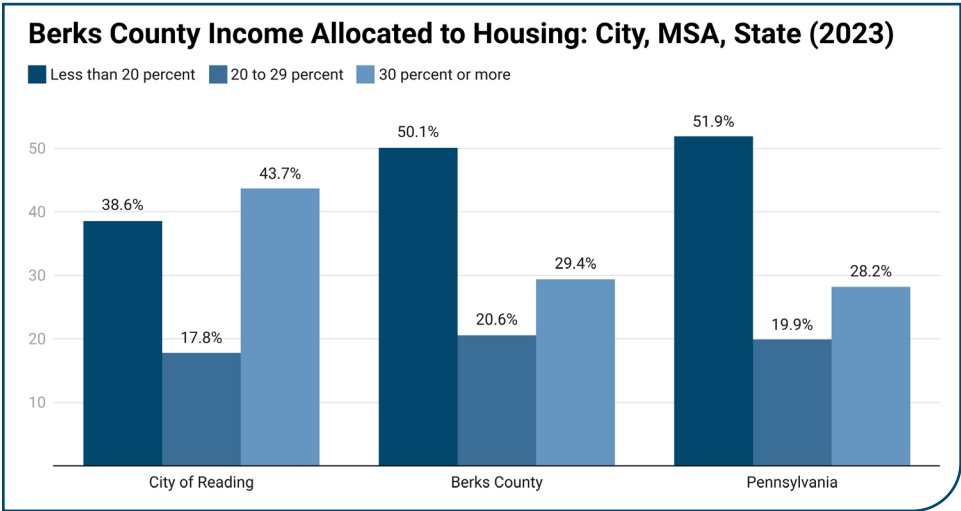




Limited housing availability contributed to housing consuming a high percentage of household income.

- Compared to Pennsylvania, 1.1% more Berks County residents are housing cost burdened.  
→ 29.4% of Berks County residents are housing cost burdened.
- Housing has placed an even tighter constraint on the wallets of Reading City residents, leaving 43.7% as housing cost burdened.

**Housing Cost Burdened**  
is when a household is paying 30% or more of their income on housing.



Rankings & Recognitions

With its growing population, rising GDP, and strong labor force participation rates, Berks County was once again recognized among the nation's top markets to live:

- **U.S. News & World Report:**
  - Top 150 Best Places to Live in the U.S. in 2024-2025
  - Top 150 Best Places to Retire in the U.S. in 2024-2025
  - Top 10 Best Places to Live in Pennsylvania in 2024-2025
- **Wall Street Journal & Realtor.com**
  - Top 10 Spring 2025 Housing Market Ranking



**The Council for Community and Economic Research,** “Cost of Living Index: 2024 Annual Average Data” (January 2025); [coli.org](https://coli.org)

**County of Berks,** “IMAGINE Berks Strategic Economic Development Action Plan” (August 2022); [imagineberks.org/wp-content/uploads/Berks-Strategic-EconDev-Action-Plan-Digital-Print-Updated-8.2-AUGUST.pdf](https://imagineberks.org/wp-content/uploads/Berks-Strategic-EconDev-Action-Plan-Digital-Print-Updated-8.2-AUGUST.pdf)

**Missouri Economic Research and Information Center (MERIC),** “Composite Cost of Living Index: 2024 Annual Average” (January 2025); [meric.mo.gov/data/cost-living-data-series](https://meric.mo.gov/data/cost-living-data-series)

**PA Department of Labor & Industry | Center for Workforce Information & Analysis,** “Berks County Profile” (May 2025); [workstats.dli.pa.gov/Documents/County%20Profiles/Berks%20County.pdf](https://workstats.dli.pa.gov/Documents/County%20Profiles/Berks%20County.pdf)

## U.S. Bureau of Economic Analysis (BEA)

- “Consumer Spending by State: Personal Consumption Expenditures by State, 2023” (10/3/24); [bea.gov/data/consumer-spending/state](https://bea.gov/data/consumer-spending/state)
- “Gross Domestic Product by County and Metropolitan Area, 2023” (12/4/24); [bea.gov/data/gdp/gdp-county-metro-and-other-areas](https://bea.gov/data/gdp/gdp-county-metro-and-other-areas)

## U.S. Bureau of Labor Statistics (BLS)

- “Consumer Price Index (CPI)” (5/13/25); [bls.gov/cpi](https://bls.gov/cpi)
- “Local Area Unemployment Statistics (LAUS)” (5/21/25); [bls.gov/lau](https://bls.gov/lau)
- “Quarterly Census of Employment and Wages” (6/4/25); [bls.gov/cew](https://bls.gov/cew)
- “State and Metro Area Employment, Hours, & Earnings” (5/21/25); [bls.gov/sae](https://bls.gov/sae)

## U.S. Census Bureau

- “Occupancy Status.” American Community Survey, ACS 5-Year Estimates Detailed Tables, Table B25002 (2023); [data.census.gov/table/ACSDT5Y2023.B25002?q=B25002&g=010XX00US\\$31000M1](https://data.census.gov/table/ACSDT5Y2023.B25002?q=B25002&g=010XX00US$31000M1)
- “Selected Social Characteristics in the United States.” American Community Survey, ACS 5-Year Estimates Data Profiles, Table DP02 (2023); [data.census.gov/table/ACSDP5Y2023.DP02?q=040XX00US42\\_050XX00US42011\\_160XX00US4263624](https://data.census.gov/table/ACSDP5Y2023.DP02?q=040XX00US42_050XX00US42011_160XX00US4263624)
- “ACS Demographic and Housing Estimates.” | American Community Survey, ACS 5-Year Estimates Data Profiles, Table DP05 (2023); [data.census.gov/table/ACSDP5Y2023.DP05?q=040XX00US42\\_050XX00US42011\\_160XX00US4263624](https://data.census.gov/table/ACSDP5Y2023.DP05?q=040XX00US42_050XX00US42011_160XX00US4263624)
- “Age and Sex.” American Community Survey, ACS 5-Year Estimates Subject Tables, Table S0101 (2013); [data.census.gov/table/ACSST5Y2013.S0101?q=050XX00US42011](https://data.census.gov/table/ACSST5Y2013.S0101?q=050XX00US42011)
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