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# State of the Berks County Economy

MAY 2026

PREPARED FOR:



ANALYSIS CONDUCTED BY:



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## 1) In 2025 Berks County’s population increased, the labor market remained at full employment, and economic output increased.

- **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 2015-2025.
- Berks County’s **unemployment rate** remains lower than the historical average, and **real GDP** rose for the fourth consecutive year.

## 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 a 4.9% vacancy rate.
- Shifting economic policies in 2025 created sustained uncertainty for businesses throughout the year.

### 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

**\$26,580,119,000**

**Nominal GDP** (not adjusted for inflation) for Berks County in 2024

**218,400**

Average number of people in the Berks County **Labor Force** in 2025

**\$63,300**

**Average Annual Pay** in Berks County for all private sector jobs in 2025

**440,100**

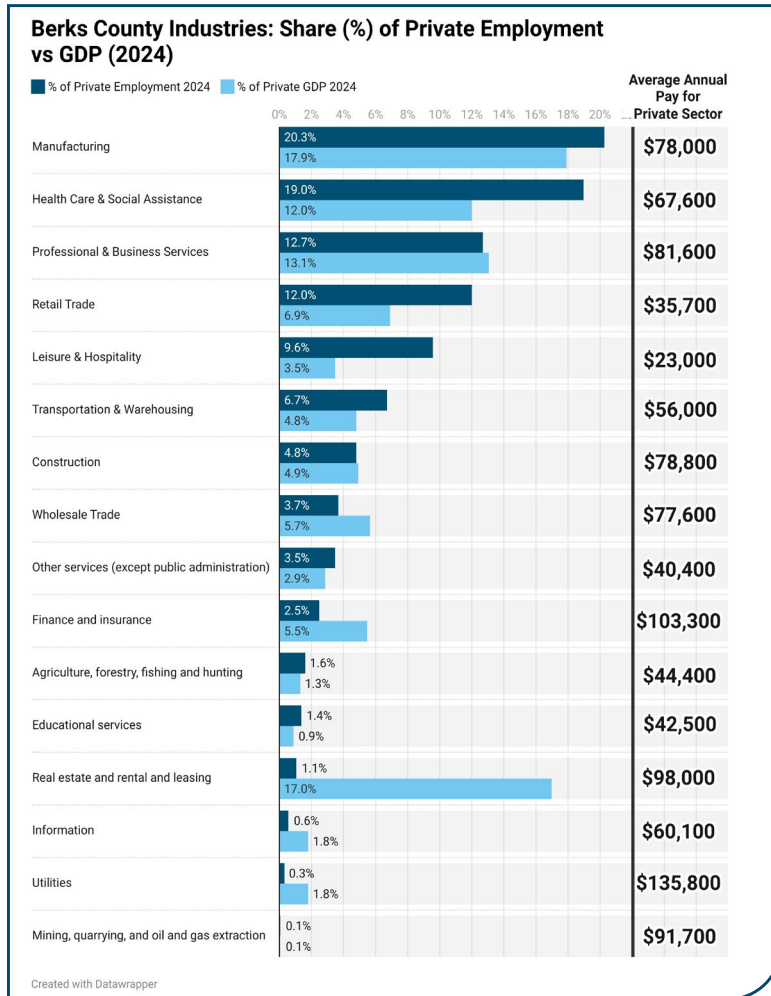
Berks County **Total Population** in 2025

**37.1%**

Share of local residents over age 25 with a **Post-Secondary Degree** in 2024

**52.5%**

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



Data sources: U.S. Bureau of Labor Statistics; U.S. Bureau of Economic Analysis

The 2024 average annual pay for all private sectors in Berks County was **\$63,300**.

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

- Manufacturing remains the largest employer (20.3%) and GDP contributor (17.9%) in Berks County.
- Berks County has a specialization in Manufacturing with an employment **Location Quotient** of 1.93.
- 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 & Social Assistance:** as a generator of GDP and employment
- **Professional & Business Services:** as a generator of GDP and employment
- **Retail Trade:** as a source of employment
- **Real Estate Rental & 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.

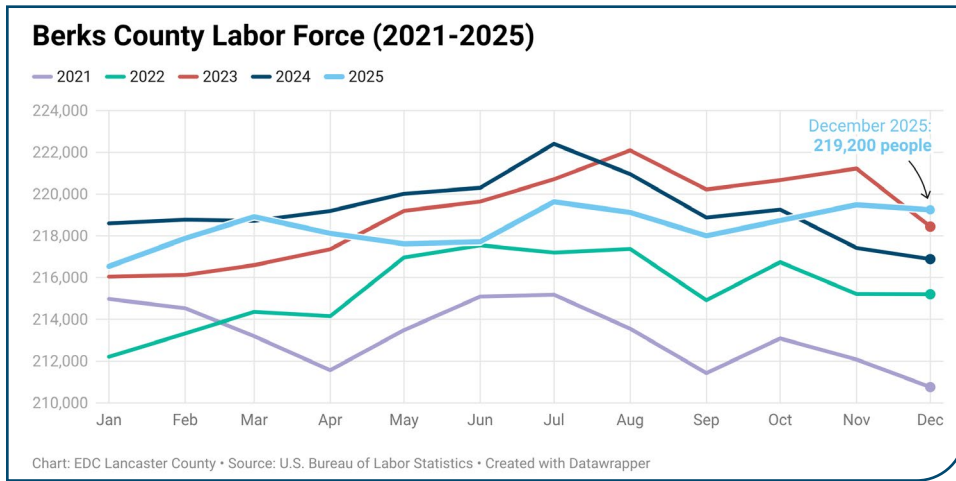
Berks County industries (or occupations) with an LQ greater than 1.00 have a higher local concentration than Pennsylvania, suggesting specialization. An LQ of less than 1.00 implies a lower concentration than Pennsylvania.

# Labor Market Trends

## LABOR FORCE

### Berks County's labor supply trended lower through much of 2025 before rebounding toward the end of the year.

- There was an average of 218,400 people in the Berks County labor force in 2025 – a 900 person decrease from 2024.
- The labor force remained below 2024 levels throughout most of the year.
- However, the labor force levels broke from typical seasonal trends by increasing over Q4, ending the year with the highest December labor force level on record for the County.

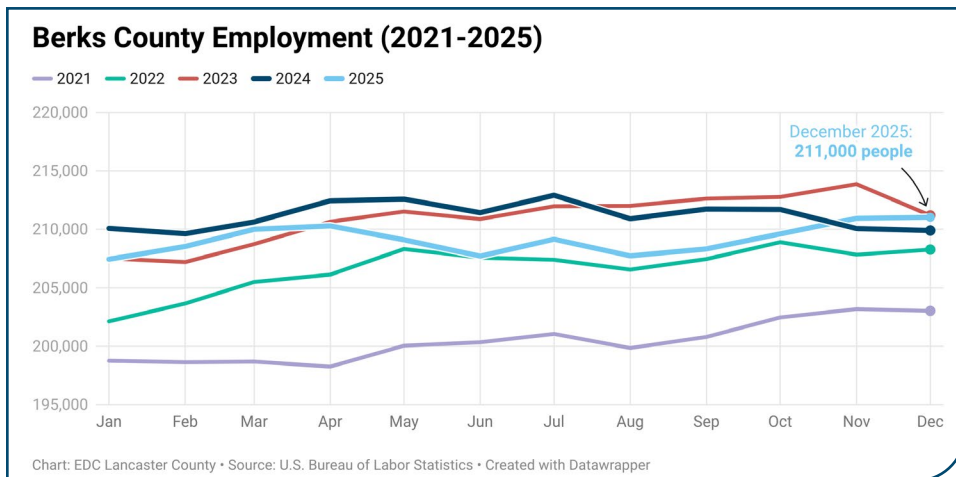


Data source: U.S. Bureau of Labor Statistics

## EMPLOYMENT

### Berks County employment levels mirrored labor force trends in 2025, with employment remaining relatively soft through much of the year before rebounding in Q4.

- There was an average of 209,200 people in the Berks County labor force in 2025 – a 2,000 person decrease from 2024.
- Berks County employment levels were subdued for the first three quarters of the year amid economic uncertainty surrounding shifting tariff policies.
- However, hiring activity strengthened over Q4, with employment levels increasing against typical seasonal trends and ending the year on par with the high employment levels seen in 2023.



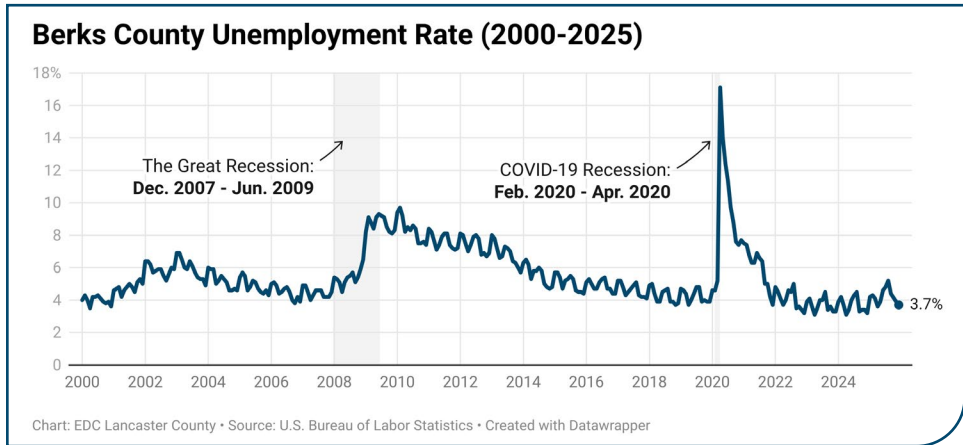
Data source: U.S. Bureau of Labor Statistics

## UNEMPLOYMENT RATE

**Berks County's unemployment rate remained low to finish the year despite hitting its highest point since 2021 in August at 5.2%.**

- In 2025, the average unemployment rate in Berks County was 4.2%.
  - The unemployment rate is up slightly from the county's historic lows in 2023 and 2024, but still remained 1.1 percentage points below the county's historic average.
- The low unemployment rate indicates Berks County remained at **full employment**.

**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 6,400 over the last ten years, however, this growth varies by industry.**

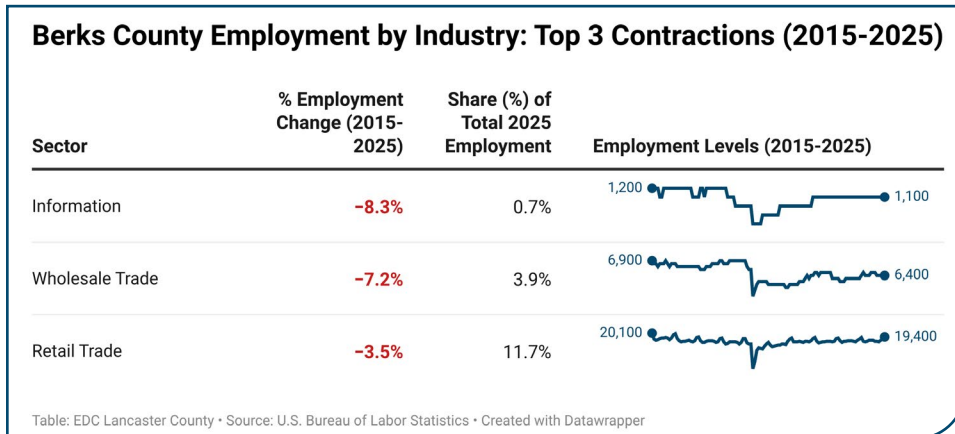
- The three industry sectors that have grown the most over the past ten years:

Sector	% Employment Change (2015-2025)	Share (%) of Total 2025 Employment	Employment Levels (2015-2025)
Transportation, Warehousing, & Utilities	51.9%	7.4%	8,100 to 12,300
Health Care & Social Assistance	16.5%	18.4%	26,100 to 30,400
Leisure & Hospitality	5.7%	8.9%	35,100 to 38,100

Table: EDC Lancaster County • Source: U.S. Bureau of Labor Statistics • Created with Datawrapper

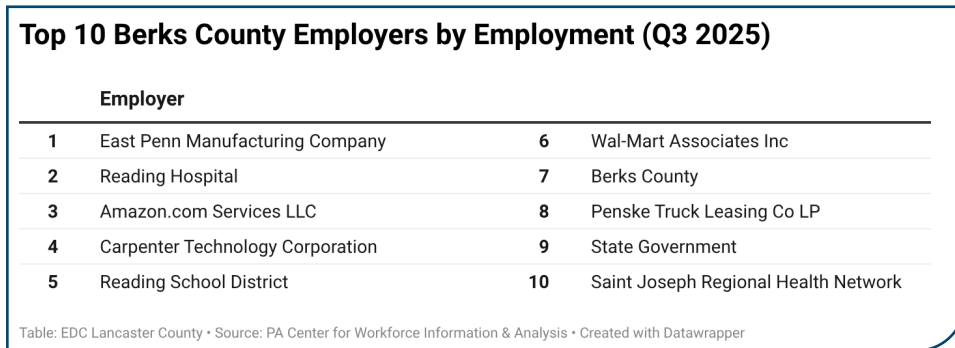
# Labor Market Trends (cont'd)

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



## TOP EMPLOYERS

As of Q3 2025, Berks County's largest employers were:



## Wages

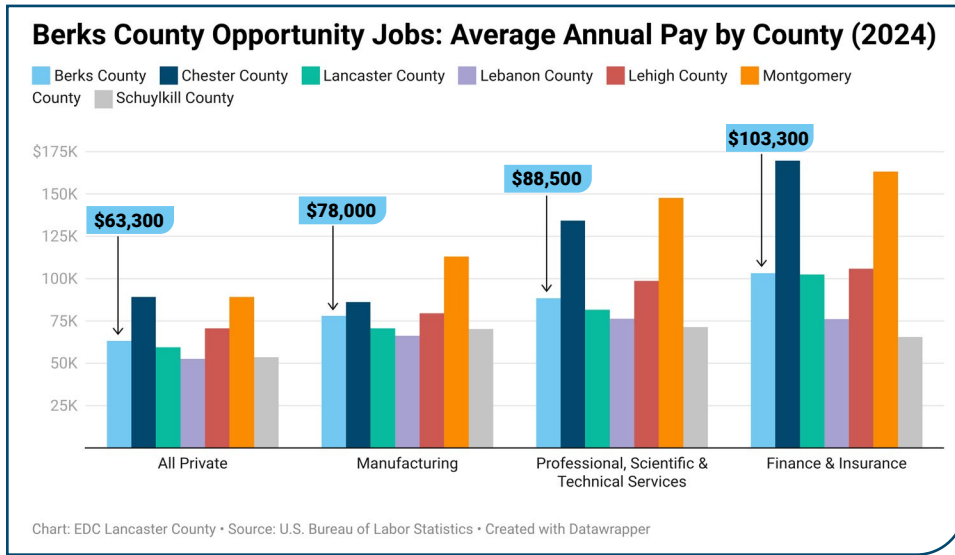
### WAGES COMPARISON

**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 2024, average annual wages for Opportunity Jobs in the Manufacturing; Professional, Scientific & Technical Services; and Finance & Insurance industries exceeded the private sector average of \$63,300 in Berks County:
  - **Manufacturing:** \$78,000
  - **Professional, Scientific, & Technical Services:** \$88,500
  - **Finance & Insurance:** \$103,300
- The average annual pay in Berks County ranked in the middle of its neighboring counties
  - Berks county has higher wages compared to counties bordering on the west (Lancaster, Lebanon, Schuylkill), but trailed eastern neighbors (Chester, Lehigh, Montgomery).

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.

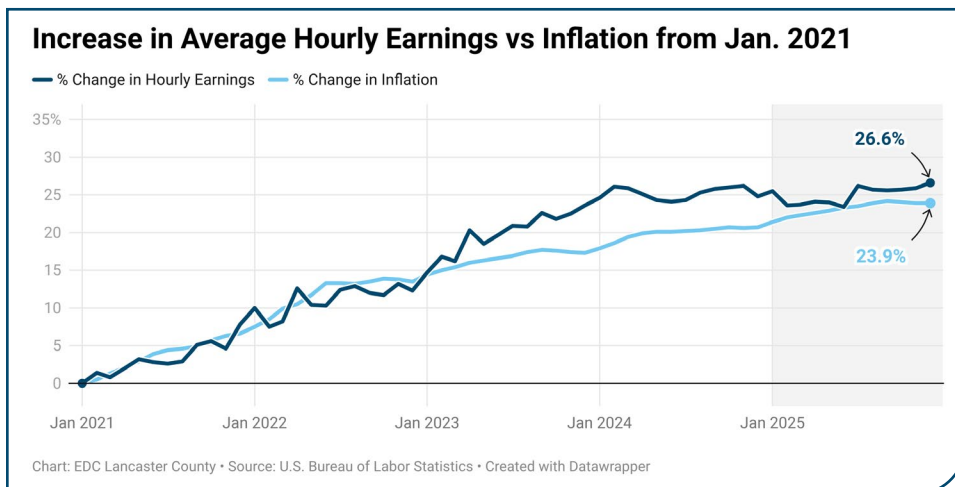


Data source: U.S. Bureau of Labor Statistics

## WAGES vs. INFLATION

### Over the last five years, average hourly earnings have outpaced inflation in Berks County's private sector, but fell short over 2025.

- Inflation has remained a key concern for consumers and businesses alike, reaching a peak of a 9.1% annual inflation rate in June 2022.
  - ➔ Annual national inflation ended 2025 at 2.7%, down slightly from December 2024 (2.9%), but above the Federal Reserve's target goal of 2%.
- Throughout 2025 prices increased by 2.7% while average hourly earnings only increased by 1.5%, 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 26.6% from January 2021 to December 2025, outpacing the 23.9% rise in prices.



Data source: U.S. Bureau of Labor Statistics

# Gross Domestic Product (GDP)

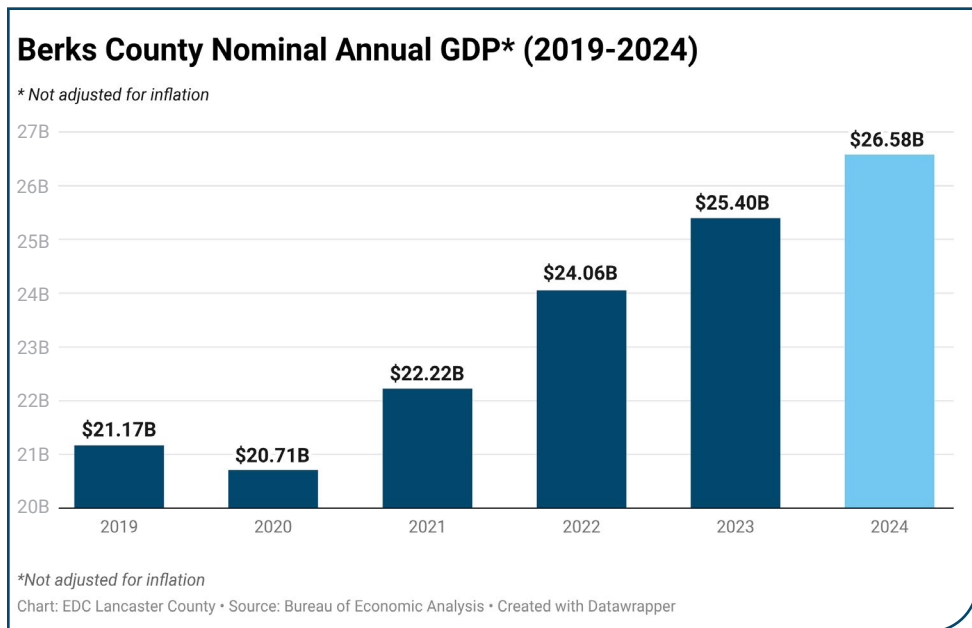
There are two perspectives to use when analyzing the economic growth of a region:

- **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.**

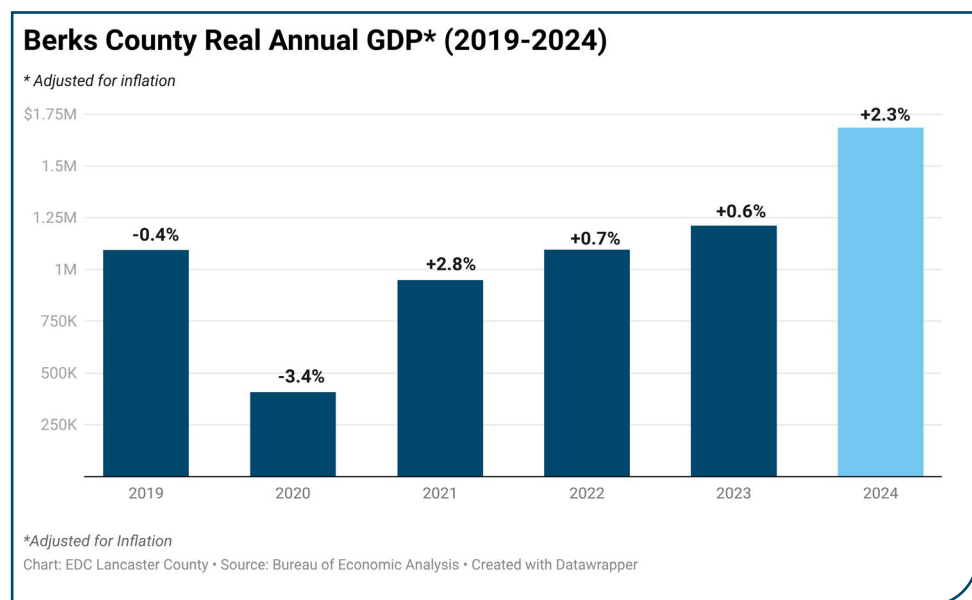
- In 2024, Berks County's **Nominal GDP** was \$26,580,119,000.



**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 2024.

**Real GDP in Berks County has grown for four consecutive years.**

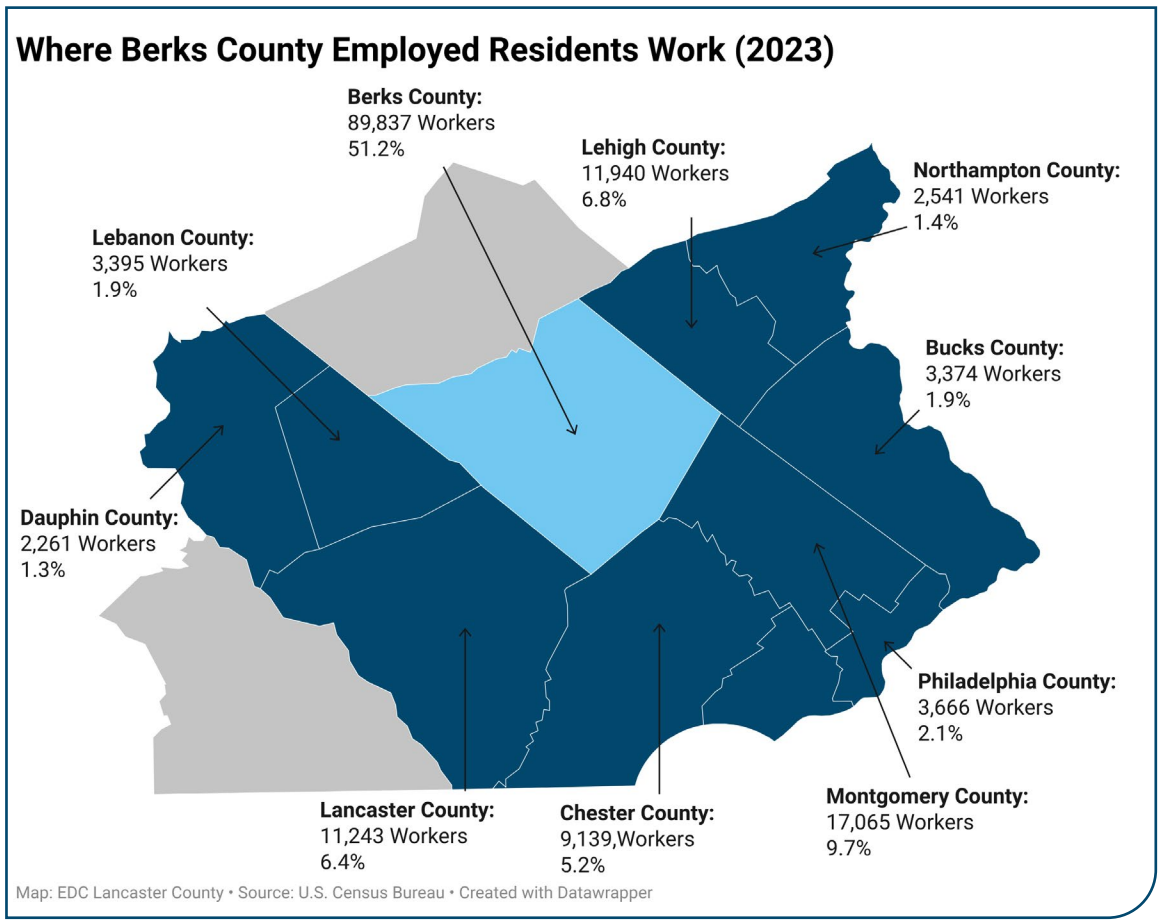
- Berks County's **Real GDP** grew 2.3% over 2024, reaching \$20,884,340,000, representing a 2.9% growth since 2019.



## WHERE DO BERKS COUNTY RESIDENTS WORK?

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

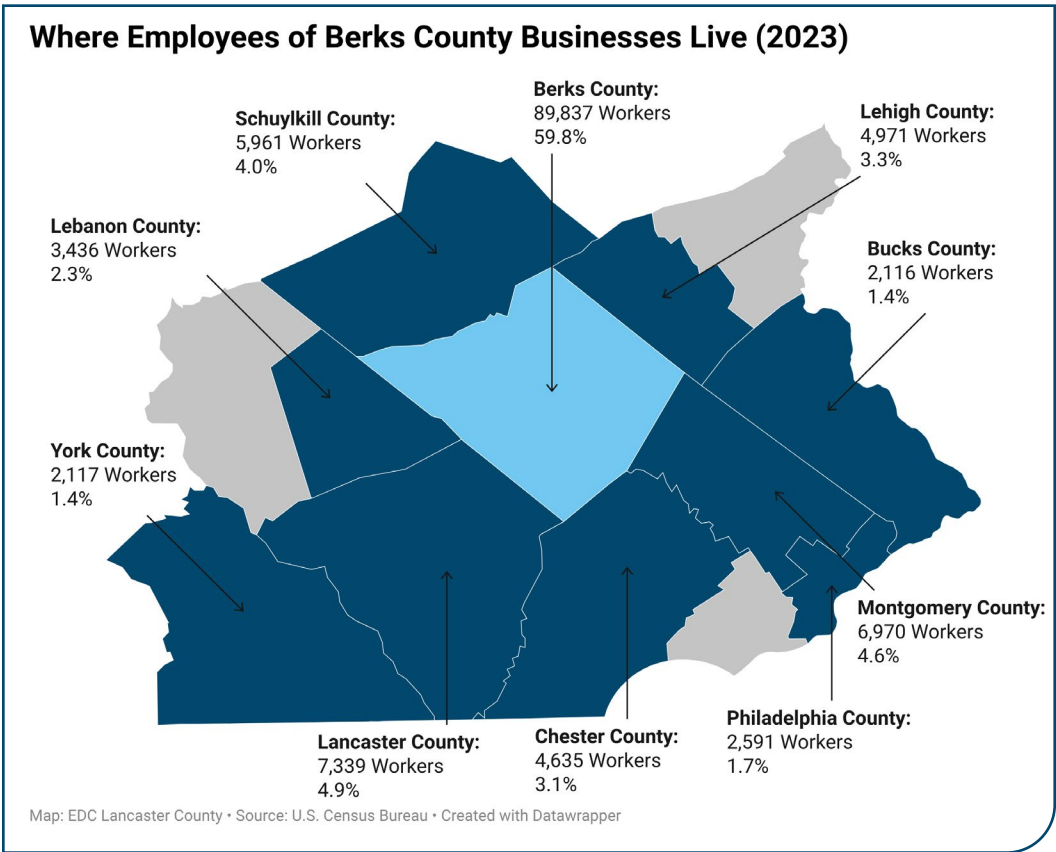
- 51.2% of the Berks County labor force work and live in the County, while the remaining portion goes outside the County to work.
- The following counties have more than 5% of Berks County's residents working in them:
  - **Montgomery County: 9.7%**
  - **Lehigh County: 6.8%**
  - **Lancaster County: 6.4%**
  - **Chester County: 5.2%**



## WHERE DO EMPLOYEES OF BERKS COUNTY BUSINESSES LIVE?

**Berks County residents make up the largest share of those employed in the County.**

- Of the people employed in Berks County, 59.8% are residents and 40.2% are people commuting into the County.
- Of those commuting into the County, the highest number of employees live in:
  - **Lancaster County: 4.9%**
  - **Schuylkill County: 4.0%**
  - **Montgomery County: 4.6%**
  - **Lehigh County: 3.3%**

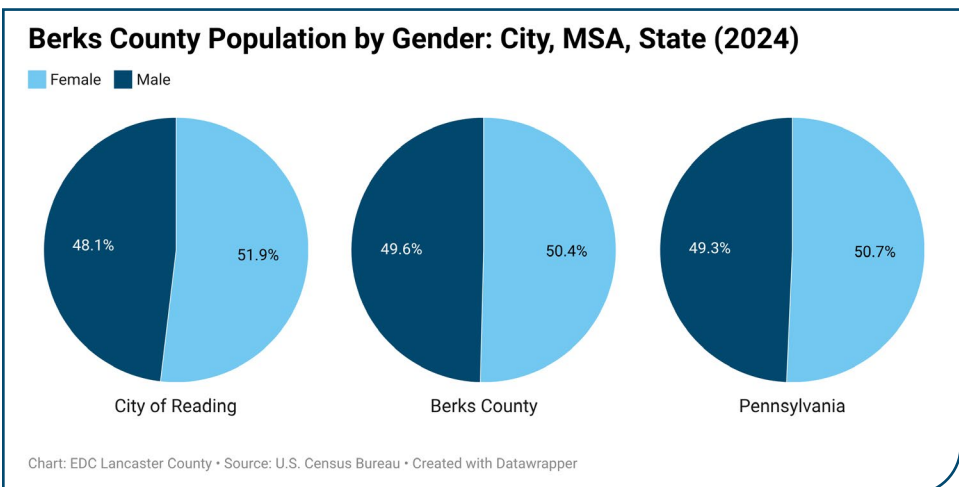


## Demographics

### POPULATION » BY GENDER

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

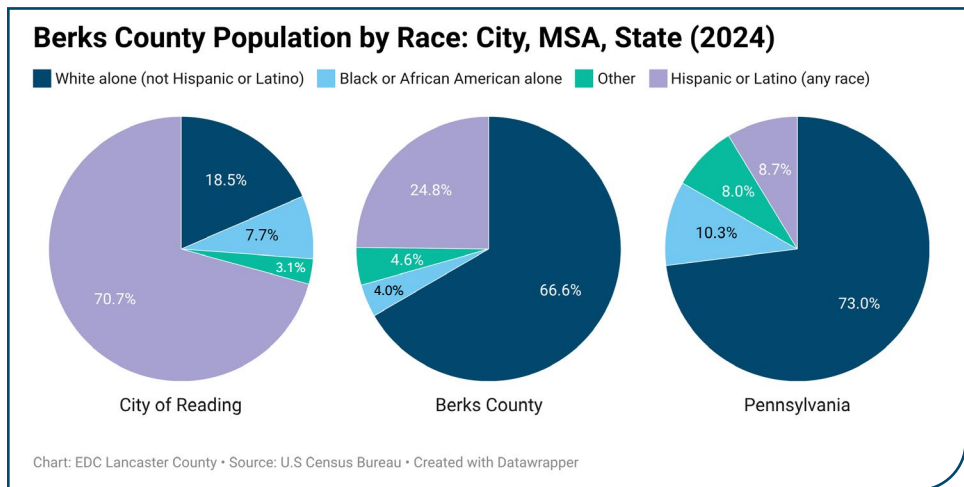
- The City of Reading has a slightly larger percentage of female residents compared to Berks County and Pennsylvania.



## POPULATION » BY RACE

**The race and ethnicity breakdown of the City of Reading, 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.
- The City of Reading has a significantly larger population of people of Hispanic origin than the County. In the city, 70.7% of the total population is of Hispanic origin as compared to only 24.8% of residents in Berks County.

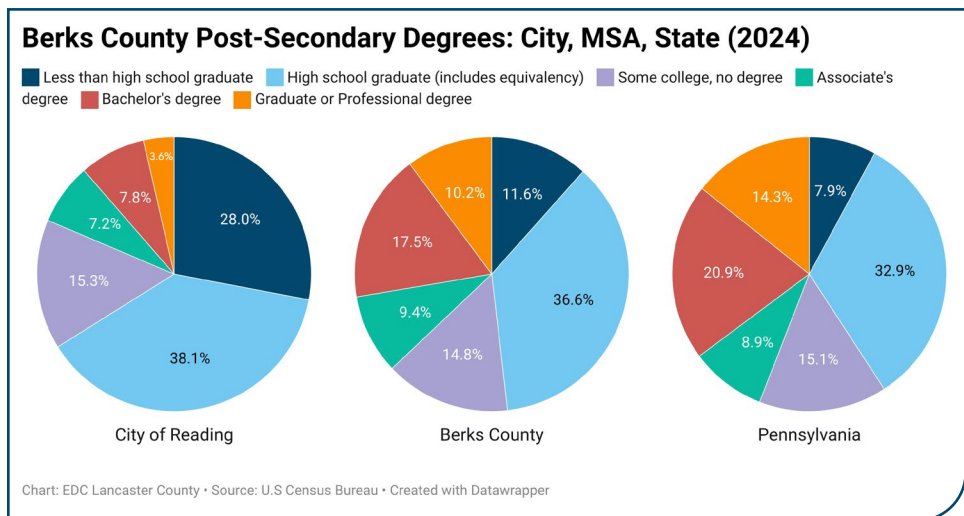


## POPULATION » BY EDUCATION LEVEL

**The City of Reading, 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:

→ **City of Reading: 18.5%**      → **Berks County: 37.1%**      → **Pennsylvania: 44.1%**

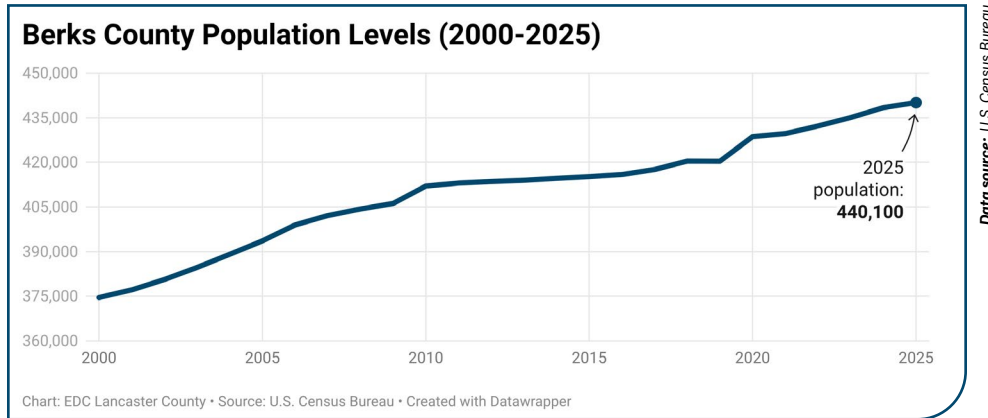


**NOTE:**  
Postsecondary educational attainment increased in Berks County and Pennsylvania from 2023 to 2024, while the City of Reading reported a slight decline in the share of residents with postsecondary degrees.

## POPULATION GROWTH

### Berks County's population continued to grow over the course of 2025.

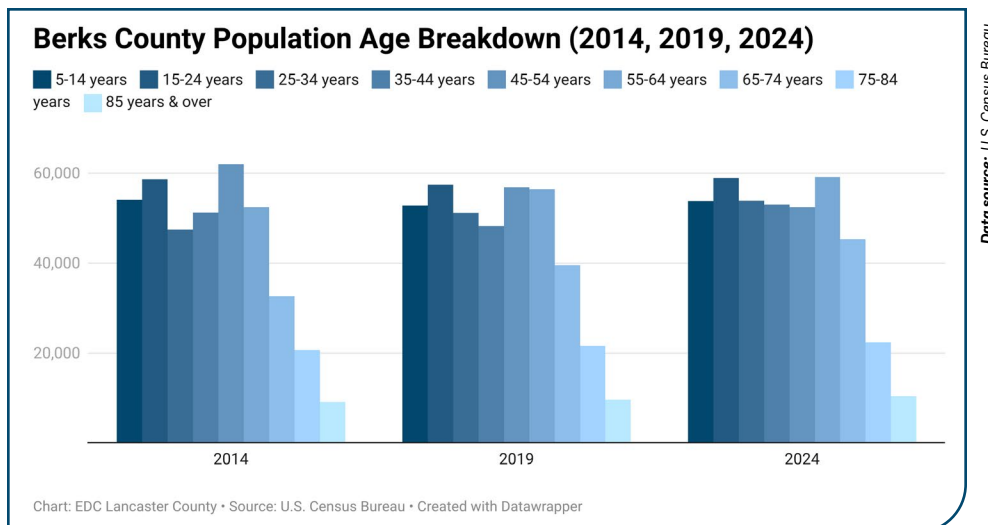
- Berks County's population reached 440,100 people in 2025.
- The population has grown by 6.0% (+24,900 people) over the last ten years (2015-2025).



## AGING POPULATION

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

- In the last decade (2014-2024), the percentage of the population over the age of 55 rose by 3.9%.
  - The share of the population over the age of 55 grew from 27.8% in 2014 to 31.7% in 2024.
- 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 2.1% from 2014 to 2024.
  - This is the equivalent of 9,100 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 The City of Reading and Pennsylvania.

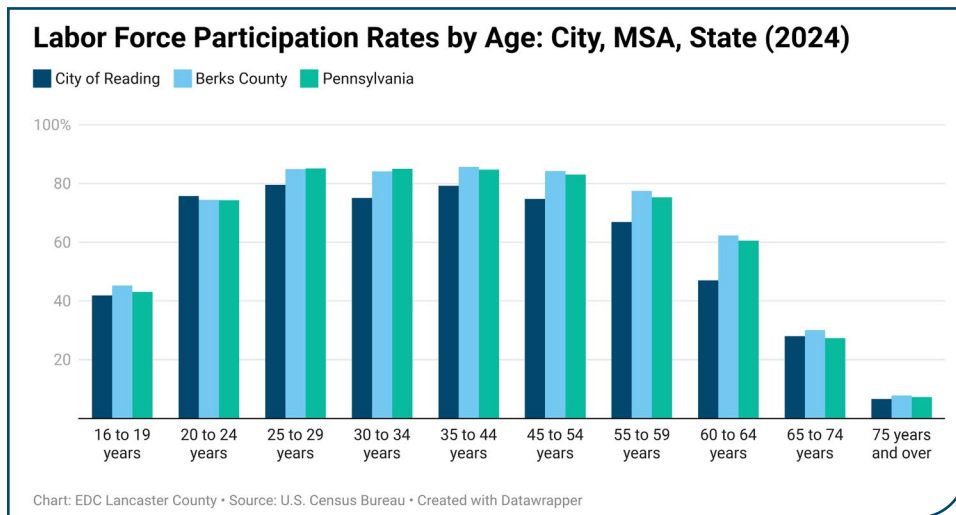
- The 2024 labor force participation rate for residents aged 16 years and older:
  - **Berks County:** 64.3%    → **Pennsylvania:** 62.7%    → **City of Reading:** 62.6%
- The labor force participation rate has declined slightly over the last five years.
  - In 2019 the labor force participation rate was 65.3%.

## LABOR FORCE PARTICIPATION RATES » BY AGE

### The City of Reading, 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.
- The City of Reading has a large labor force participation rate for residents **20-24 years old**, outpacing two prime age worker age groups.
- On average, residents of the City of Reading exited the labor force at an earlier age than in Berks County and Pennsylvania.
- The share of residents of the City of Reading aged **60-64 years old** (47.0%) in the labor force was well behind the participation rates for Berks County (62.4%) and in Pennsylvania (60.6%).

**NOTE:**  
The percent of residents aged 60-64 years old in both Berks County and Reading increased by almost 2% from 2023 to 2024 indicating residents are working longer in life.



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

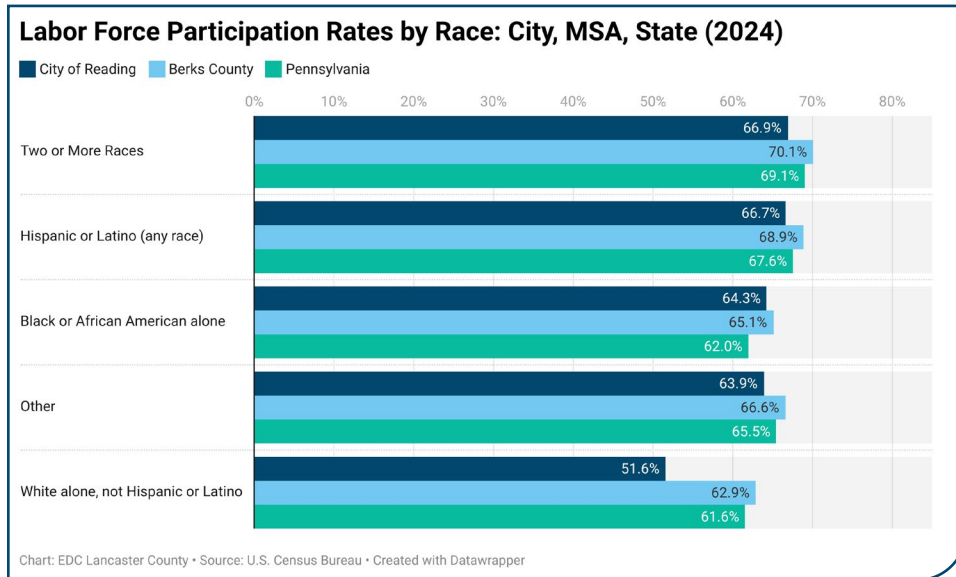
### The labor force participation rate for people with a disability was higher in Berks County and Pennsylvania than the City of Reading.

- 2024 labor force participation rates for residents with a disability:
  - **Berks County:** 46.5%    → **Pennsylvania:** 47.9%    → **City of Reading:** 36.6%
- 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 Pennsylvania across all races.**

- Residents with two or more races had the highest labor force participation rate in Berks County – 5.8 percentage points higher than the County average.
- Hispanic or Latino (any race) residents have a labor force participation rate above the regions average in all three geographies.



# Cost of Living

**In 2025, the cost of living in Berks County was 1.2% higher than the United States average.**

- Housing stands out as Berks County's strongest affordability advantage, with costs running 5.9% below the national average.
- As housing costs continue rising nationwide, Berks County is positioned as an attractive option for residents and businesses alike.
- Compared to the average in the United States, the cost of utilities, transportation, and misc. goods and services are slightly more expensive in Berks County, bringing up the overall cost-of-living index score.

Market	Cost of Living Index (Base US) ▲
Pittsburgh, PA	98.3
United States	100.0
Baltimore, MD	100.2
Reading, PA	101.1
Allentown, PA	101.6
Philadelphia, PA	107.2
Washington, DC	137.7

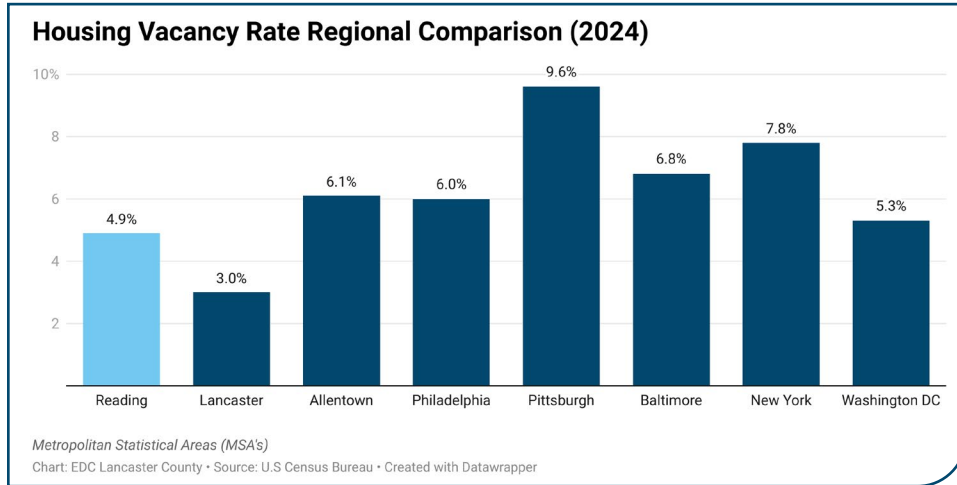
Table: EDC Lancaster County • Source: The Council for Community and Economic Research • Created with Datawrapper

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.

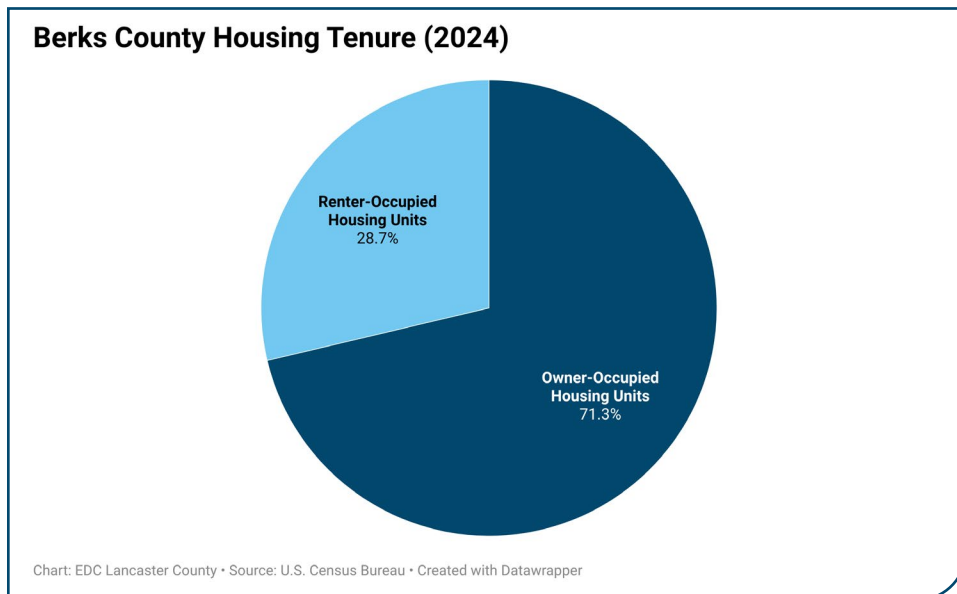
**Housing shortages have become a challenge for many geographies across the United States, including Berks County.**

- The low 4.9% 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.**

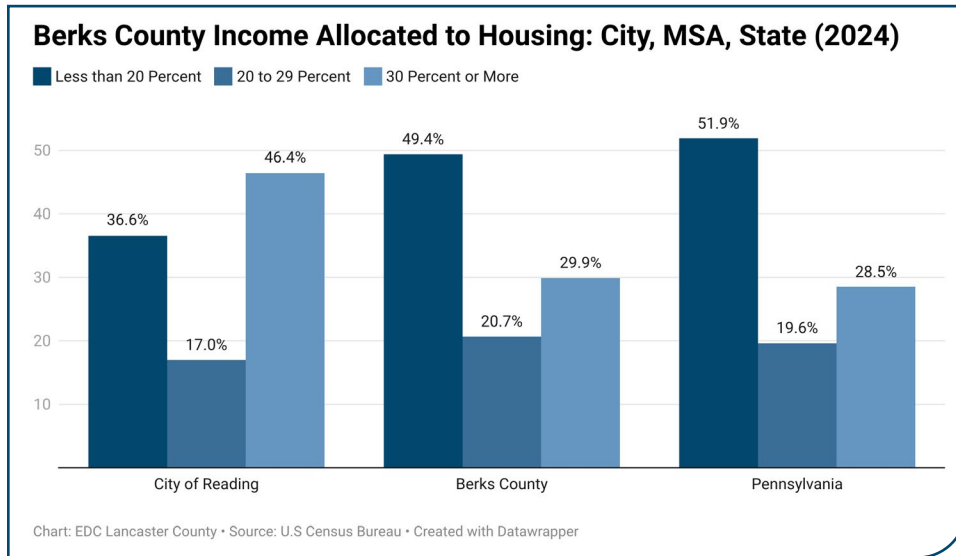
- Percent of households that own their home:
  - **City of Reading:** 40.6%
  - **Berks County:** 71.3%
  - **Pennsylvania:** 69.3%
  - **United States:** 65.2%



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

- Compared to Pennsylvania, 1.4% more Berks County residents are housing cost burdened.
  - 29.9% of Berks County residents are housing cost burdened.
- Housing has placed an even tighter constraint on the wallets of City of Reading residents, leaving 46.6% housing cost burdened.

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



## Rankings & Recognitions

**Berks County continues to earn national recognition for its housing market and quality of life:**

- **Wall Street Journal & Realtor.com**
  - Top 10 Spring 2025 Housing Market Ranking
- **Niche.com**
  - #5 Most Diverse Counties in Pennsylvania in 2025
  - #14 Best Counties for Outdoor Activities in Pennsylvania in 2025
  - #14 Healthiest Counties in Pennsylvania in 2025
- **Tower Health Community Health Needs Assessment, 2025**
  - 78-Year Life Expectancy (Above State & U.S. Average)



## U.S. Census Bureau

- “ACS Demographic and Housing Estimates.” | American Community Survey, ACS 5-Year Estimates Data Profiles, Table DP05 (2024); [https://data.census.gov/table/ACSDP5Y2024.DP05?q=demographics&g=040XX00US42\\_050XX00US42011\\_060XX00US4201163624](https://data.census.gov/table/ACSDP5Y2024.DP05?q=demographics&g=040XX00US42_050XX00US42011_060XX00US4201163624)
- “Age and Sex.” American Community Survey, ACS 5-Year Estimates Subject Tables, Table S0101 (2014); [https://data.census.gov/table/ACSST5Y2014.S0101?q=age&g=040XX00US42\\_050XX00US42011\\_060XX00US4201163624](https://data.census.gov/table/ACSST5Y2014.S0101?q=age&g=040XX00US42_050XX00US42011_060XX00US4201163624)
- “Age and Sex.” American Community Survey, ACS 5-Year Estimates Subject Tables, Table S0101 (2019); [https://data.census.gov/table/ACSST5Y2019.S0101?q=age&g=040XX00US42\\_050XX00US42011\\_060XX00US4201163624](https://data.census.gov/table/ACSST5Y2019.S0101?q=age&g=040XX00US42_050XX00US42011_060XX00US4201163624)
- “Age and Sex.” American Community Survey, ACS 5-Year Estimates Subject Tables, Table S0101 (2024); [https://data.census.gov/table/ACSST5Y2024.S0101?q=age&g=040XX00US42\\_050XX00US42011\\_060XX00US4201163624](https://data.census.gov/table/ACSST5Y2024.S0101?q=age&g=040XX00US42_050XX00US42011_060XX00US4201163624)
- “Educational Attainment.” American Community Survey, ACS 5-Year Estimates Subject Tables, Table S1501 (2024); [https://data.census.gov/table/ACSST5Y2024.S1501?t=Education+Attainment&g=040XX00US42\\_050XX00US42011\\_060XX00US4201163624](https://data.census.gov/table/ACSST5Y2024.S1501?t=Education+Attainment&g=040XX00US42_050XX00US42011_060XX00US4201163624)
- “Employment Status.” American Community Survey, ACS 5-Year Estimates Subject Tables, Table S2301 (2024); [https://data.census.gov/table/ACSST5Y2024.S2301?q=s2301&g=040XX00US42\\_050XX00US42011\\_060XX00US4201163624](https://data.census.gov/table/ACSST5Y2024.S2301?q=s2301&g=040XX00US42_050XX00US42011_060XX00US4201163624)
- “Financial Characteristics.” American Community Survey, ACS 5-Year Estimates Subject Tables, Table S2503 (2024); [https://data.census.gov/table/ACSST5Y2024.S2503?q=housing&g=040XX00US42\\_050XX00US42011\\_060XX00US4201163624](https://data.census.gov/table/ACSST5Y2024.S2503?q=housing&g=040XX00US42_050XX00US42011_060XX00US4201163624)
- “Households and Families.” American Community Survey, ACS 5-Year Estimates Subject Tables, Table S1101 (2024); [https://data.census.gov/table/ACSST5Y2024.S1101?q=s1101&g=010XX00US040XX00US42\\_050XX00US42011\\_060XX00US4201163624](https://data.census.gov/table/ACSST5Y2024.S1101?q=s1101&g=010XX00US040XX00US42_050XX00US42011_060XX00US4201163624)
- “OnTheMap (Berks County, PA)” (visited 4/7/26); <https://onthe-map.ces.census.gov/>
- “Resident Population in Berks County, PA [PABERK2POP],” retrieved from FRED (4/7/2026), Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/PABERK2POP>
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