



New York State Comptroller
THOMAS P. DINAPOLI

Economic and Policy Insights

New York City's Uneven Recovery: An Update on Labor Force Trends

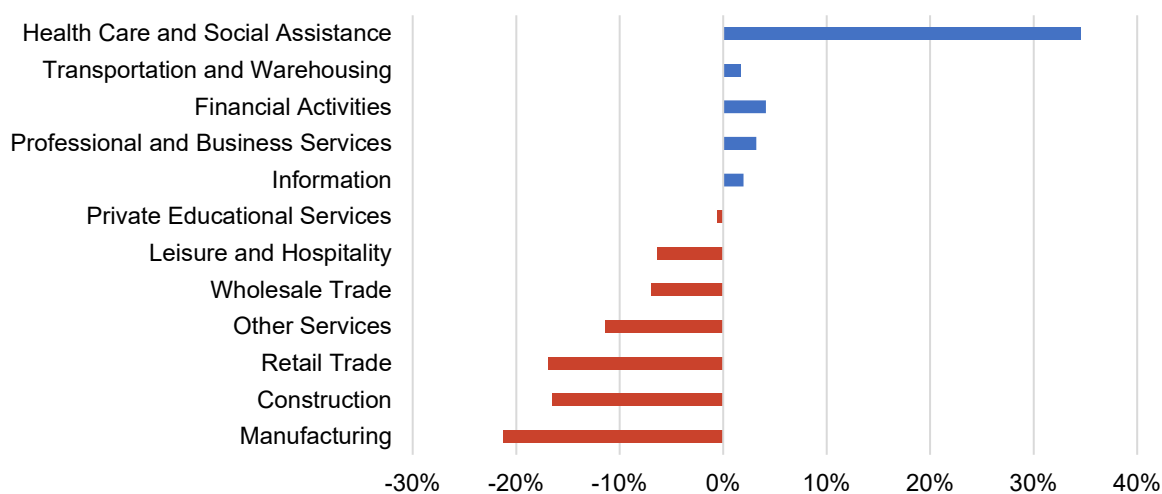
Introduction

As of December 2025, the City's unemployment rate stood at 5.6 percent, higher than the nation's at 4.4 percent and the City's rate of 4 percent in December 2019. The unevenness of the workforce's local recovery has been reflected across the demographic and socioeconomic makeup of the labor force, including gender, age, race and ethnicity, education and citizenship status, with some groups facing chronic and systemic inequities exacerbated by the pandemic and other groups facing new challenges.¹

In past work, the Office of the New York State Comptroller (OSC) has noted that industries of employment generally provide some explanation for the sustained high unemployment rate among certain demographic groups. As of December 2025, leisure and hospitality, wholesale trade, other services (e.g., personal care and laundry services), retail trade, construction and manufacturing have yet to regain their pre-pandemic level of employment compared to the same month in 2019, with manufacturing facing the largest decline of over 21 percent (see Figure 1). These industries have historically employed larger shares of Hispanic and Black workers, immigrants and young people.

FIGURE 1

Percent Change in Employment by Industry in New York City, December 2019 to December 2025



Sources: New York State Department of Labor, Current Employment Statistics; OSC analysis

OSC has also provided updates on [young individuals](#), [mothers](#) and [foreign-born individuals](#) in the workforce and the challenges they continue to face. In addition to factors such as employment in hard-hit lower wage industries, these reports also found that limited access to reliable child care and additional barriers to migrating and residing in the country legally may have impacted the labor force participation of certain groups.

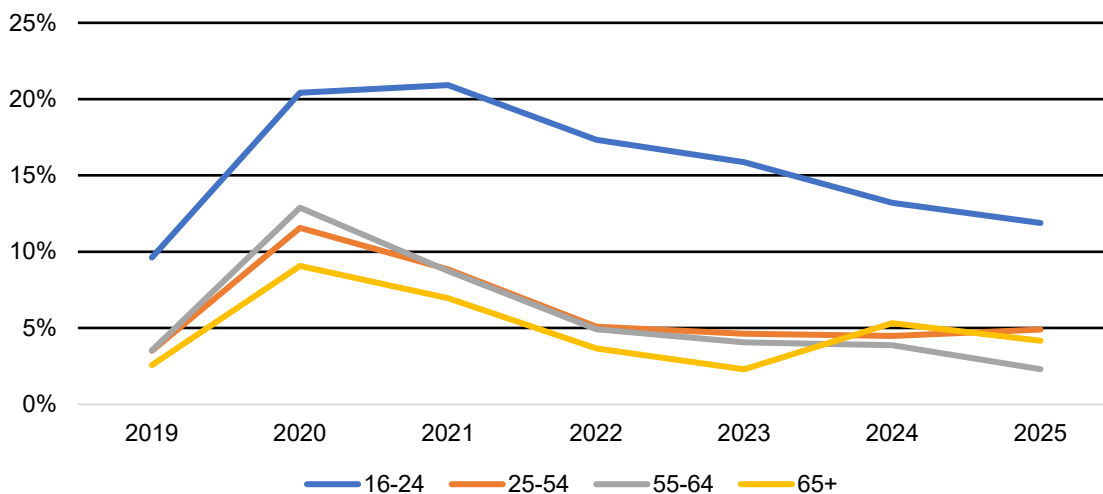
This brief provides updated labor force statistics across selected demographic groups as the City welcomes a new mayoral administration. Some demographic groups such as youth and Black individuals, though improved, continue to face elevated unemployment as they did prior to the pandemic, while females, individuals without children, native-born and college-educated workers have emerged as population segments to monitor over the past few years. Employment outlooks have improved for male, foreign-born and non-college-educated workers.

New York City's Young Labor Force Continues to Face High Unemployment

When the pandemic first hit, workers aged 16 to 24 experienced the worst labor force outcomes of all age groups nationwide.² In 2024, despite significant improvement, the youth unemployment rate in the City remained higher than pre-pandemic levels, with Black youth, especially males, still facing higher unemployment than other major racial and ethnic groups.³ In 2025, youth unemployment in the City continued to improve over the prior year, falling 1.3 points to 11.9 percent but remains higher than the pre-pandemic rate (see Figure 2). Nationally, youth unemployment rose from 8.9 percent in 2024 to 10 percent in 2025, in contrast with local trends.

FIGURE 2

Unemployment Rate by Age Group in New York City



Sources: U.S. Bureau of Labor Statistics, Current Population Survey; OSC analysis

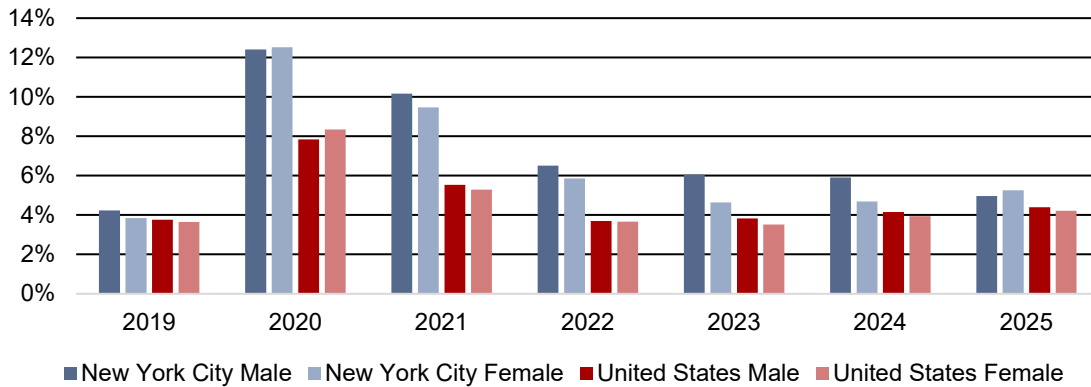
In terms of older workers, prime workers aged 25 to 54 in the City saw their unemployment rate rise over the past year for the first time since the onset of the pandemic. Workers aged 55 to 64 are the only age group whose current unemployment rate is below pre-pandemic levels.

Female Workers' Recovery Slows

Male unemployment in the City peaked at the onset of the pandemic but has fallen steadily to 5.0 percent in 2025, with significant improvement over the prior year (see Figure 3). Female unemployment was 5.3 percent in 2025, an increase over the prior year, however. While the health care and social assistance industry has led citywide job growth over the past few years, other industries also dominated by female workers such as other services, have yet to fully recover pre-pandemic employment, providing an explanation for the sustained elevated

FIGURE 3

Unemployment Rates for Male and Female Workers by Geography



Sources: U.S. Bureau of Labor Statistics, Current Population Survey; OSC analysis

unemployment among females (see also [OSC’s report on the City’s Department for Aging](#) and its attention to home care services).⁴ Nationally, both male and female unemployment rose over the last year but remain below citywide levels.

Unemployment Still Higher for Blacks Than for Other Groups

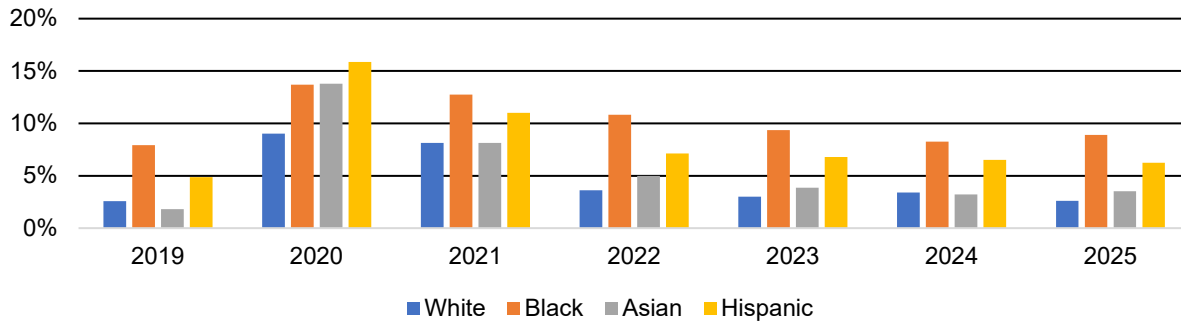
In 2025, White unemployment declined from the last year, contrary to Black unemployment in the City. Additionally, Hispanic unemployment declined while Asian unemployment rose over the same period (see Figure 4). Hispanics and Asians are still the furthest away from their pre-pandemic unemployment rates, each more than one point above the levels in 2019. Hispanic unemployment declined to 6.3 percent in 2025 compared to the prior year but was still above its pre-pandemic rate of 4.9 percent in 2019. Asian unemployment rose in 2025 to 3.5 percent and was also above its pre-pandemic rate of 1.8 percent. In contrast, Whites are closest to their pre-pandemic rate and are the only group whose unemployment was under 3 percent in 2025.

Black unemployment stood over three times higher than for Whites at 8.9 percent in 2025 and was higher than its own pre-pandemic rate. Nationally, the Black unemployment rate was 6.9 percent that year.

Black unemployment has persisted locally across a variety of demographic characteristics since the onset of the pandemic. As some racial and ethnic groups began to recover from the depths of the pandemic, Black male workers in the City saw their unemployment continue to rise in 2021, while those nationally began to recover along with other major racial and ethnic groups.⁵ Black college-educated workers also experienced a spike in unemployment at the onset of the pandemic, perhaps due to a greater concentration in hard-hit industries such as educational services and public administration. And Black youth experienced the highest unemployment among racial and ethnic groups in 2024 at almost 24 percent, over nine points greater than in 2019.⁶ The City created the Office of Community Hiring in 2023 to connect low-income New Yorkers with jobs and apprenticeship opportunities but makes no data on actual placements available.⁷

While trends for these groups improved in 2025, they remain well behind pre-pandemic levels.

FIGURE 4
Unemployment Rates by Racial and Ethnic Group in New York City

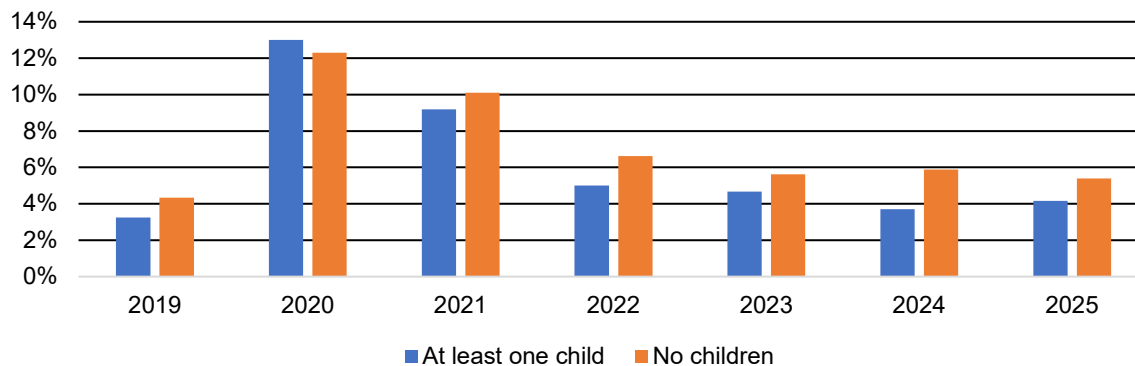


Sources: U.S. Bureau of Labor Statistics, Current Population Survey; OSC analysis

Individuals Without Children Face Elevated Unemployment

In 2025, 5.4 percent of working age individuals without children faced unemployment compared to only 4.2 percent of their counterparts, a gap that was present even prior to the pandemic (see Figure 5).

FIGURE 5
Unemployment Rates by Presence of Children in New York City



Sources: U.S. Bureau of Labor Statistics, Current Population Survey; OSC analysis

In 2020, this comparison flipped, as individuals with at least one child experienced higher unemployment than those without children in the City.⁸ The reliance on remote schooling affected parents’ ability to work as they shouldered additional responsibilities. By 2022, mothers in the City experienced higher unemployment than fathers, as well as higher unemployment than mothers nationally.⁹ It is possible that, at the time, mothers locally saw an opportunity to leverage new and more flexible working opportunities as fathers went back to work.

In 2025, the unemployment rate for parents remained above pre-pandemic levels. The Governor recently proposed, with the Mayor’s endorsement, further investments to strengthen the existing 3-K program and expand free child care for two-year-olds in the City. These efforts may help continue to increase workforce participation among this group (see also [OSC’s snapshot of the City’s existing child care and Early Childhood Education services](#)).¹⁰

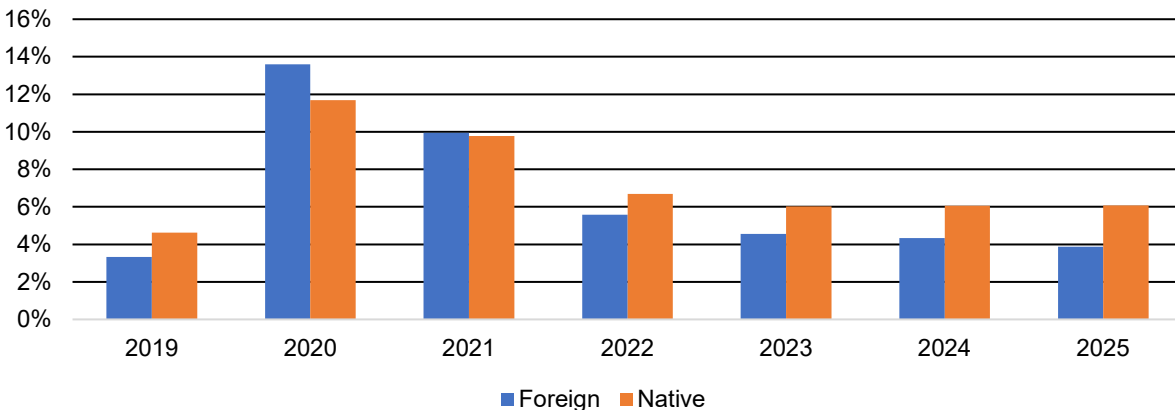
The currently higher unemployment among individuals without children may have to do with age. In 2025, 12.3 percent of unemployed individuals without kids was aged 16 to 24 compared to only 5.2 percent for those aged 25 to 54, who tend to have greater job opportunities due to experience.

Native-Born Unemployment Far Higher Than Pre-Pandemic

In 2025, a much higher share of native-born individuals was unemployed than before the pandemic, whereas the gap for foreign-born workers was significantly smaller. In fact, native-born individuals have struggled to regain their ground since 2022. The difference in recovery has to do, in part, with native-born youth. In 2025, native-born youths faced an unemployment rate of 12.4 percent, two points higher than for foreign-born young people. Native-born youths also experienced a slower recovery than their foreign-born counterparts over the last year. Additionally, native-born individuals in their prime working age saw their unemployment rate rise between 2024 and 2025, while foreign-born workers aged 25 to 54 experienced a decline.

The foreign-born or immigrant population has been a critical driver of the City’s economic growth, even as federal immigration policy restrictions before, during and after the pandemic have led to a decline in this population.¹¹ The unemployment rate for foreign-born individuals in the City currently stands at 3.9 percent, slightly higher than its pre-pandemic rate (see Figure 6). Foreign-born individuals in the City also fared better than their counterparts nationally, whose rate is currently over 4 percent, much higher than before the pandemic.

FIGURE 6
Unemployment Rates by Nativity in New York City



Sources: U.S. Bureau of Labor Statistics, Current Population Survey; OSC analysis

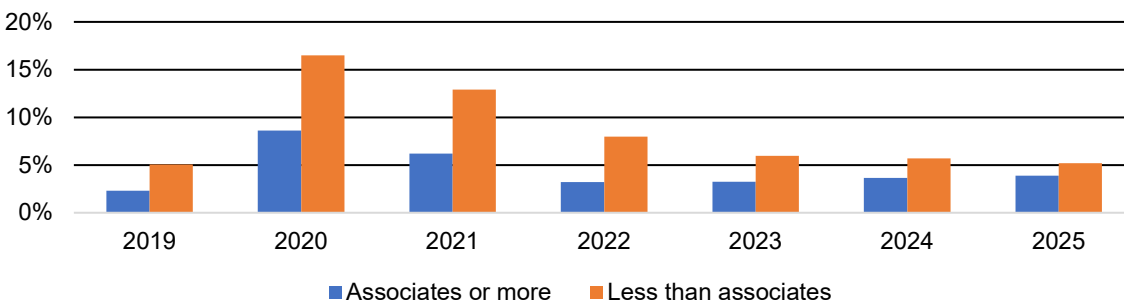
As OSC noted in its [report on the foreign-born workforce](#), in 2023, foreign-born workers in the City made up almost 70 percent of all workers in the construction industry, followed by 65 percent in the transportation and utilities industry. Foreign-born workers were hit hard by the pandemic but faced a lower unemployment rate than the native-born population by 2022. This outcome was despite weakness in construction and leisure and hospitality that persists today.¹² Employment in the construction industry remains far below pre-pandemic levels, in sharp contrast to the nation.¹³ Uncertainty on federal immigration policy poses a risk to the continued recovery of this group.

Non-College-Educated Unemployment on Par With College-Educated

In 2025, the unemployment rate for non-college-educated individuals (defined as those with an Associate's degree or higher) was very close to the pre-pandemic level, while that of college-educated individuals was much higher and has continued to rise since 2022 (see Figure 7). In 2025, this comparison showed the opposite finding nationally, with non-college-educated individuals slightly further from their pre-pandemic level than college-educated individuals, suggesting some white-collar job growth has been softer locally.

FIGURE 7

Unemployment Rates by Educational Attainment in New York City



Sources: U.S. Bureau of Labor Statistics, Current Population Survey; OSC analysis

Prior to the pandemic, non-college-educated individuals locally faced higher unemployment than those with a college education, a difference that existed across the nation. In 2020, the gap widened as individuals with less than an Associate's degree in the City faced double-digit unemployment as a greater share of college-educated workers had opportunities to telework due to their concentration in industries such as information, financial activities and professional and business services.¹⁴ The majority of non-college-educated workers were instead employed in face-to-face industries like construction, transportation and warehousing, leisure and hospitality and retail trade.

Outlook

Recent labor force data shows that New York City continues to experience uneven outcomes across demographic groups, even as overall unemployment has improved since the onset of the pandemic. Youth, Black workers, females, individuals without children, native-born people and those with a college education are more likely to face elevated unemployment now. Some of these patterns align with earlier OSC findings that industry composition shapes labor force outcomes and contributes to uneven progress across the City's workforce.

Recent data also highlight patterns that should be closely monitored. Female unemployment has begun to rise again despite job gains in the health care and social assistance industry. Individuals without children continue to face higher unemployment than parents, a pattern that predates the pandemic and has worsened. Native-born workers have also experienced a slower recovery than foreign-born workers for the last few years. And college-educated individuals have yet to recover their pre-pandemic level of unemployment, perhaps due to limited entry-

level white-collar job opportunities amid rapid technological advancements. These groups now face a more challenging labor market than they did before.

These trends provide context for ongoing policy discussions. Reviewing the main findings — such as persistent disparities by race and ethnicity, continuing challenges for young and Black workers, and differing recovery trajectories across industries — may help City and State leaders assess where targeted interventions could support stronger and more broad-based workforce participation. OSC will continue to track these indicators to help inform future analyses.

¹ Office of the New York State Comptroller (OSC), *New York City's Uneven Recovery: An Analysis of Labor Force Trends*, May 2022, <https://www.osc.ny.gov/reports/osdc/new-york-citys-uneven-recovery-analysis-labor-force-trends>.

² See endnote 1.

³ OSC, *New York City's Uneven Recovery: Youth Labor Force Update*, Report 5-2026, May 2025, <https://www.osc.ny.gov/files/reports/pdf/report-5-2026.pdf>.

⁴ OSC, *New York City Government Services: Older Adult Case Management and Home Care*, Report 22-2026, March 2026, <https://www.osc.ny.gov/files/reports/osdc/pdf/report-22-2026.pdf>.

⁵ See endnote 1.

⁶ See endnote 3.

⁷ City of New York, "Mayor Adams Announces Creation of Office of Community Hiring, Doug Lipari as Executive Director," Office of the Mayor, July 27, 2023, <https://www.nyc.gov/mayors-office/news/2023/07/mayor-adams-creation-office-community-hiring-doug-lipari-executive-director> and City of New York, Community Hiring, Office of Talent and Workforce Development, <https://www.nyc.gov/site/wkdev/recent-initiatives/community-hiring.page>.

⁸ See endnote 1.

⁹ OSC, *New York City's Uneven Recovery: Mothers in the Workforce*, May 2023, <https://www.osc.ny.gov/reports/osdc/new-york-citys-uneven-recovery-mothers-workforce>.

¹⁰ "Governor Hochul Announces Investments to Deliver Universal Child Care for New York Children Under Five – Governor & Mayor Mamdani to Launch Free Child Care for Two-Year-Olds in NYC," New York State, press release, January 8, 2025, <https://www.governor.ny.gov/news/governor-hochul-announces-investments-deliver-universal-child-care-new-york-children-under-five>.

¹¹ OSC, *New York City's Uneven Recovery: Foreign-Born in the Workforce*, Report 20-2024, March 2024, <https://www.osc.ny.gov/files/reports/osdc/pdf/report-20-2024.pdf>.

¹² OSC, New York City Industry Sector Dashboards, March 2022, <https://www.osc.ny.gov/osdc/reports/nyc-sectors/construction> and <https://www.osc.state.ny.us/osdc/reports/nyc-sectors/artsentertainment-and-recreation> and <https://www.osc.state.ny.us/osdc/reports/nyc-sectors/restaurant>.

¹³ OSC, *The Construction Sector in New York City: Post-Pandemic Trends*, Report 8-2026, July 2025, <https://www.osc.ny.gov/files/reports/pdf/report-8-2026.pdf>.

¹⁴ See endnote 1.