

Macro Roundup Article

Headline: [SCE Labor Market Survey Shows Average Reservation Wage Continues Upward Trend](#)

Article Link: <https://libertystreeteconomics.newyorkfed.org/2022/12/sce-labor-market-survey-shows-average-reservation-wage-continues-upward-trend/>

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Tweet: According to the @NewYorkFed, the reservation wage continues to climb, with the average now \$73,667. Since March 2020, that's a 19.4% increase for employed workers and 12% for the unemployed.

Summary: When we look at the series for employed and non-employed (unemployed or out of the labor force) respondents separately, as in the chart below, we observe that the average reservation wage has been increasing for both groups since late 2017, but more so since the onset of the pandemic. In addition, the chart displays the increase since the onset of the pandemic (since March 2020) to be more pronounced for employed respondents. Specifically, while the average reservation wage increased by 19.4% between March 2020 and November 2022 for employed respondents, it increased by around 12 percent for non-employed respondents in the same time period. Among the employed respondents, we observe the highest rise in this time period for those without a college degree (a 27% increase).

Primary Topic: Unemployment/Participation

Topics: Factoid, Graph, Op-Ed/Blog Post, Sell-by Date, Unemployment/Participation, Wages/Income, Workforce

Permalink: <https://www.edwardconard.com/macro-roundup/according-to-the-newyorkfed-the-reservation-wage-continues-to-climb-with-the-average-now-73667-since-march-2020-thats-a-19-4-increase-for-employed-workers-and-12-for-the-unemployed?view=detail>

Featured Image

Link: <https://www.edwardconard.com/wp-content/uploads/2022/12/12.19.22-Reservation.png>