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CONTACT:

John Neurohr, jneurohr@clearpointpa.com, 717-364-6452

Keystone Research Center Releases *The State of Working Pennsylvania 2025 Report*

Report Details Weakening Labor Market and Declining Worker Leverage; Policy Support and Union Organizing Essential to Prevent Further Economic Pain

HARRISBURG, PA - The Keystone Research Center (KRC) today released its annual "State of Working Pennsylvania" report, providing a comprehensive analysis of the Commonwealth's economic conditions as Labor Day approaches. The report highlights a weakening economy from the workers' perspective and the need for policy reversals and labor organizing to restore an economy that benefits working families.

"The data in this year's report underscore the critical need for policy stability and worker-centered approaches as Pennsylvania navigates economic headwinds," said new

Keystone Research Center Executive Director Bernie Gallagher. "While uncertainty dominates the national landscape, what remains certain is that strong unions and robust worker protections create resilient economies."

Key Findings:

- Economic uncertainty has replaced the strong economy of recent years, with labor market indicators worsening even as the impact of massive federal policy shifts is only beginning to be felt.
- Unemployment has increased, hiring has slowed, and wages have flatlined as workers have lost some of the leverage they enjoyed in last year's tighter job market.
- The reversal of climate investments has stalled a historic tripling of private spending on manufacturing construction from 2021 to 2024.

- While union coverage declined in Pennsylvania in 2024, recent organizing victories may inspire a "contagion effect" and a wave of unionization, especially among younger workers in non-mobile service industries.
- Federal policies that shifted toward working families from 2021 to 2024 have been reversed, threatening to deepen economic pain for Pennsylvania workers.

The report documents significant challenges for Pennsylvania workers, including the state's failure to increase the minimum wage since 2009, which has cost low-wage workers billions of dollars in income since 2013.

"While we've seen important gains for workers in recent years, current policy directions threaten to undermine that progress," said **Claire Kovach, senior research analyst at KRC and co-author of the report**. "The current climate of uncertainty is discouraging business investment and complicating planning for both employers and workers."

Policy Recommendations:

The report recommends federal and state-level actions to protect workers' rights and promote economic stability:

Federal Recommendations

- Restore federal tax credits for clean energy and manufacturing investment
- Enact a federal minimum wage increase
- Develop legislation to restore organizing rights
- Implement policies to boost private union density

State-Level Recommendations for Pennsylvania

- Allow striking workers to receive unemployment benefits
- Outlaw captive audience meetings during union organizing campaigns
- Train public sector employees on unions and provide unions with access to employee contact information
- Encourage elected officials to use their platform to support unionization efforts
- Raise the state minimum wage to at least \$15/hour

"Given the lack of support for working families in Washington, D.C., Pennsylvania lawmakers need to lean in strongly to support workers," said **Maisum Murtaza, Research Associate at KRC and co-author of the report**. "Just as federal policies were responsible

for the economy's weakening, federal policies need to shift again to avoid a deeper downturn."

The full report, "The State of Working Pennsylvania 2025," is available on the Keystone Research Center website [here](#).

[View a recording of the press conference about the release of the report.](#)