

W.E. UPJOHN INSTITUTE FOR EMPLOYMENT RESEARCH

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NEWS RELEASE: December 10, 2025

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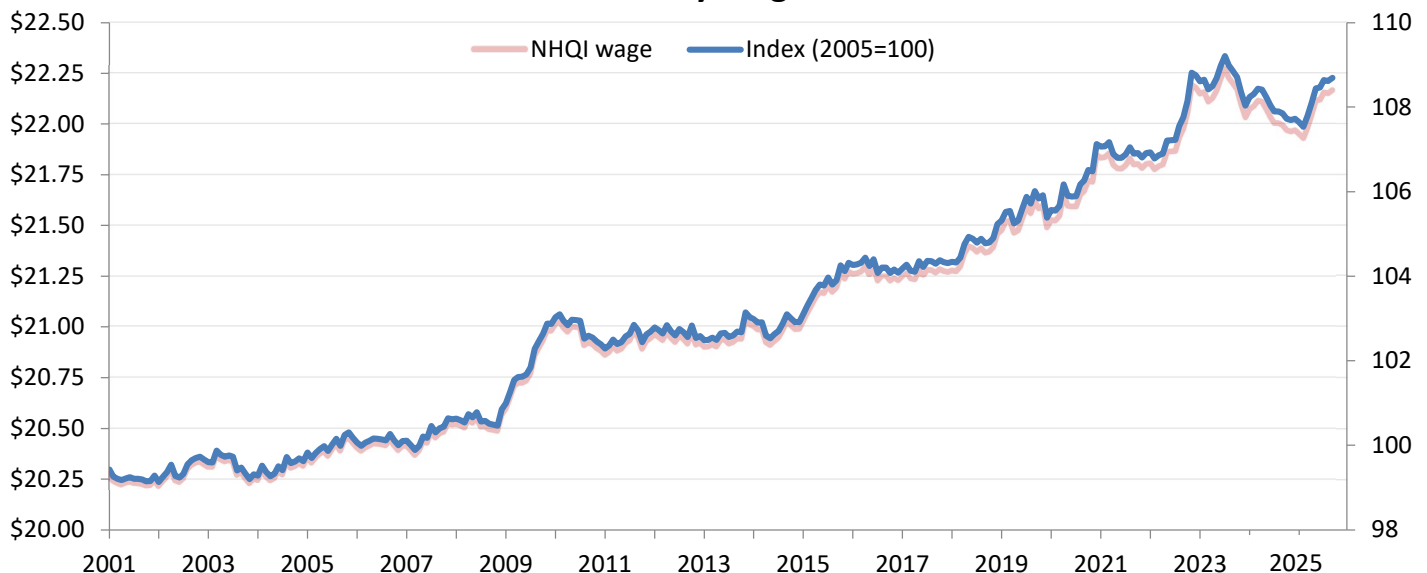
Upjohn Institute New Hires Quality Index ticks up less than 0.1 percent in September 2025 and volume edges up slightly

NOTE: This month's release was delayed due to the federal government shutdown in October, which in turn delayed the release of September data. There was no data collection in October, so there will be no October data release. The November data NHQI release will occur on January 7, 2026.

KALAMAZOO, Mich.— The Upjohn Institute New Hires Quality Index shows inflation-adjusted hourly earnings power of individuals starting a new job inched up in September 2025, to \$22.16, and a high point this year. The index remains 0.5 percent off its all-time peak in July 2023. Hiring volume increased 0.4 percent over the month but remains down 1.2 percent over the past 12 months and 5.8 percent from its pre-COVID level. Adjusting for population growth, hiring *rates* have fallen 2.7 percent over the year and 10.3 percent from the pre-COVID baseline, barely above last month's record low. Even after September's [larger-than-expected job gains](#), the labor market in general—and hiring in particular—continues to look precarious.

The index and accompanying [interactive database](#) and [report](#), developed by Upjohn Institute economist Brad Hershbein, fill a key gap in the measurement of hiring activity. The NHQI provides monthly updates on the volume and occupation-based wages of newly hired workers, and is available for different groups based on sex, age, education, and other characteristics.

New Hires Hourly Wage Index: All

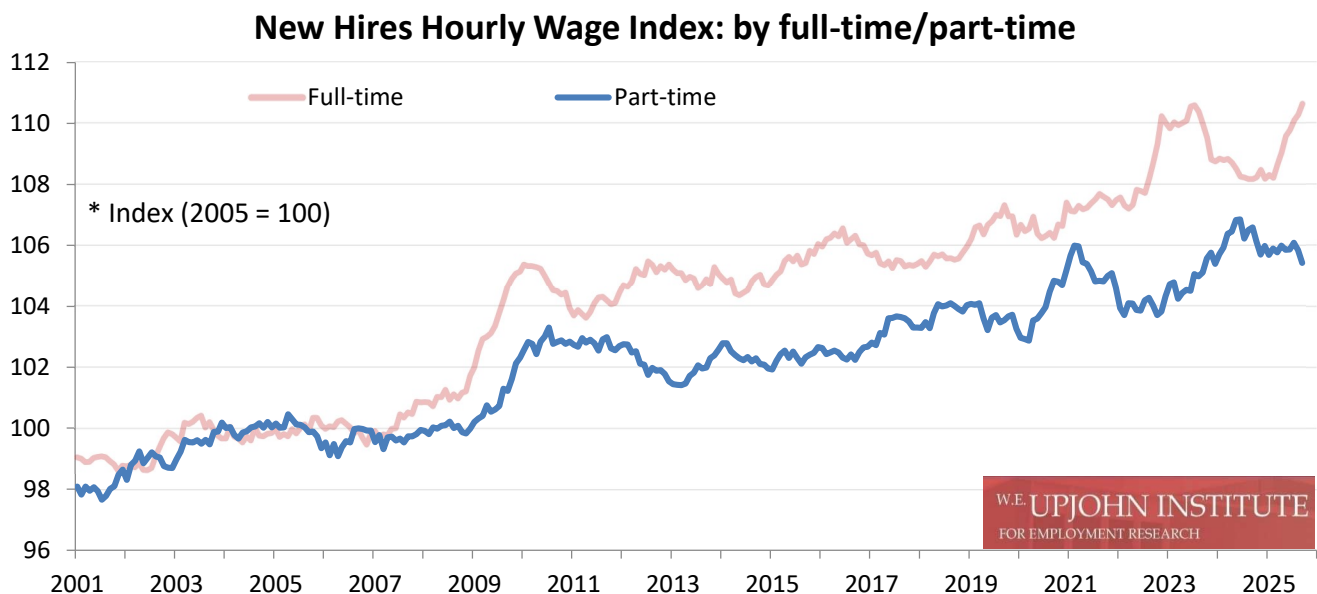


SOURCE: Upjohn Institute New Hires Quality Index

NOTE: The lighter line uses the left axis and shows the inflation-adjusted hourly wage of new hires. The darker line uses the right axis and shows the relative change since the base year of 2005.

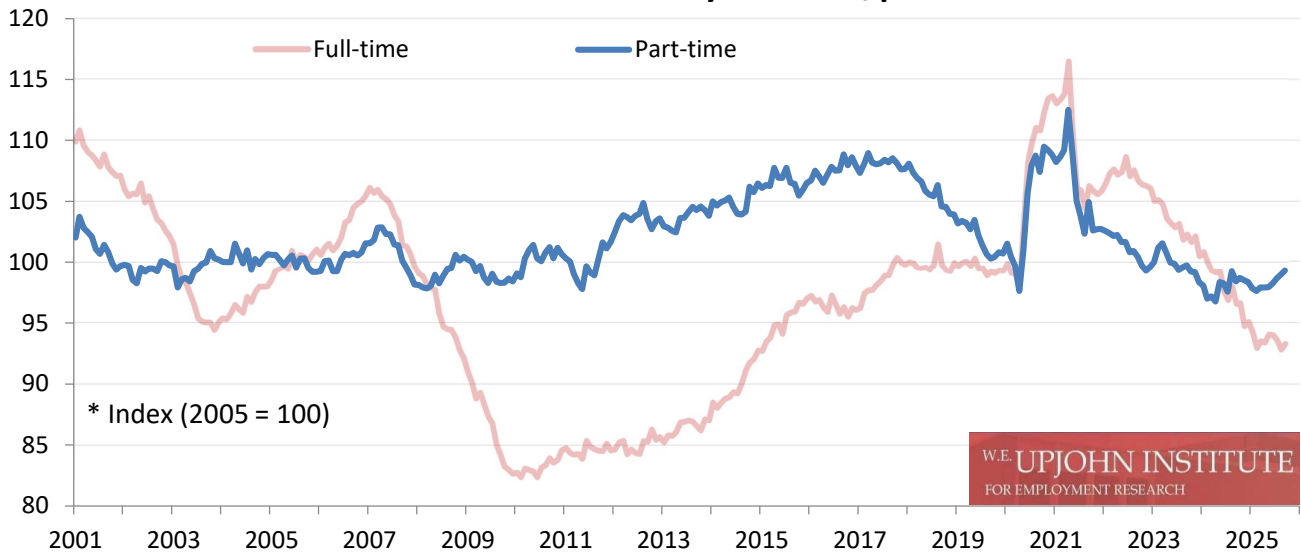
In this month's release, we take a deeper dive into the recent jump in the wage index since this past spring, which has reversed most of a decline that had begun two years earlier. Is this resurgence broad-based, or is it leaving out some types of workers? As [issues of affordability continue to resonate](#) among Americans, and more workers are having [difficulty in finding a full-time job](#) to pay the bills, we focus on trends for full-time workers and part-time workers

The graph below shows the hourly wage index separately for full-time (salmon) and part-time (blue) newly hired workers. Each index is normalized to the respective group's own level in 2005 to better show relative changes. Although both indices grew at roughly similar rates after the Great Recession until close to the pandemic, the earnings power of newly hired part-time workers jumped substantially faster during the COVID's early stages, reflecting compositional changes in who was hired for part-time (often remote) roles. Full-time positions saw a later bump beginning near the end of 2022 and beginning of 2023, that then began to cool, even as the wage index for part-time hires continued a gradual ascent. Over the past 12 months, however, the wage index for full-time hires has surged 2.3 percent, even as the wage index for part-time hires has fallen 1.1 percent. That is, the recent rise in the overall wage index is entirely accounted for by full-time hires—which is at an all-time high, above its level from July 2023. Indeed, over the past two years, the wage indices for the two groups have moved in opposite directions, a strange pattern without much precedent.



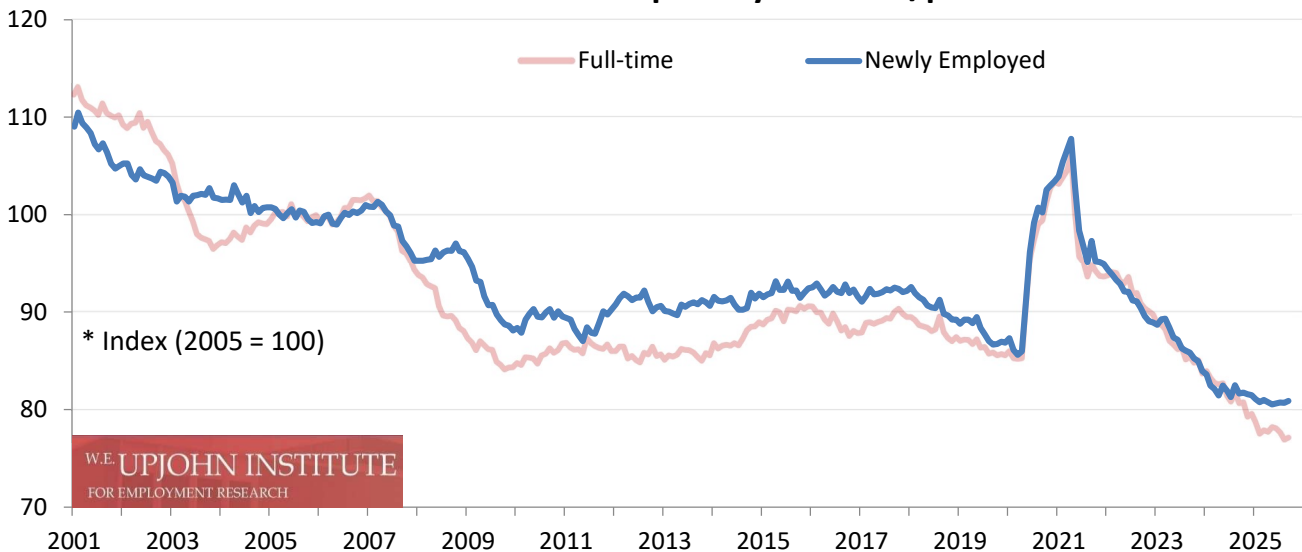
Does this belie the apparent weakness in hiring, with employers demanding more-skilled (and higher-paying) full-time positions (normally a sign of expansions)? Not necessarily. Examining the *volume* of hires is crucially important. The next graph shows hiring volume for each worker group, again with values indexed to 2005. The recent spike in the *wage index* for full-time hires is offset by a rapidly declining hiring volume index—a drop of 3.4 percent since last September, to a hiring level last encountered in 2015, a full decade ago. The volume index for part-time hires has actually ticked up 0.9 percent over the past 12 months, to about its prepandemic level, even though it, too, has been easing from the early stages of the pandemic recovery. Thus, it appears that compositional changes have been driving the patterns: fewer workers are taking new full-time jobs, and those that are disproportionately getting hired into higher-earning occupations. For part-time hires, hiring quality and quantity have changed relatively little.

New Hires Volume Index: by full-time/part-time



But as population has continued to grow—well, [at least until this year](#)—even stagnancy is not encouraging. *Hiring rates*—which divide hiring volume by population—are near series lows for both full-time and part-time workers. Over the past 12 months, these hiring rate indices have dropped 4.4 percent and 0.9 percent for full-time and part-time workers, respectively. The hiring rates for both groups had been declining at similar rates since late 2021—until about a year ago. Since then, the drop off has slowed for part-time workers but has continued apace for full-time workers.

New Hires Volume Per-capita: by full-time/part-time



These differential trends in hiring rates have implications for each group's share of the wage bill—the fraction of all aggregate earnings power among newly hired workers (the average earnings power of a newly hired worker multiplied by the number of newly hired workers). The graph below shows this share for full-time workers over the past quarter century. Since reaching a low of about two-thirds in the aftermath of the Great Recession, when full-time hiring dried up, the share had steadily risen to reach a record height of 73 percent in late 2022. Over the past three years, however, the share has declined and now hovers just above 70 percent, about where it was at the beginning of 2019. Although the level is close to the historical average, such declines have generally been associated with recessions.

New Hires Wage Bill Shares: full-time



These statistics and many more, as well as interactive charts and data downloads, can be found at the website for the Upjohn Institute New Hires Quality Index: www.upjohn.org/nhqi.

The full report, including methodology, can be found here: https://www.upjohn.org/sites/default/files/2021-05/NHQB_report_0.pdf.

All data will be regularly updated during approximately the first week of the second month following the reference of the data release month. For example, data for November 2025 will be released during the first week of January 2026. (Due to the federal government shutdown, no data were collected for the month of October 2025, so there will be no release for this month.) To sign up to regularly receive monthly press releases for the Upjohn Institute New Hires Quality Index, visit: www.upjohn.org/nhqi/signup.

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FAQ

1. What is the New Hires Quality Index?

The New Hires Quality Index (NHQI) is a consistent way of measuring the earnings power of people taking new jobs each month, allowing comparisons over time.

2. How is the Index constructed?

The Index is based on the occupations of newly hired workers as documented in the [Current Population Survey](#), the same source used to produce the national unemployment rate each month. Separate data on the hourly wages for each occupation from another government survey, [Occupational Employment Statistics](#), are connected to the newly hired workers in the Current Population Survey. These hourly wages are then statistically adjusted to account for differences in the demographic composition of new hires (sex, race and ethnicity, education, and age) before being averaged.

3. Does the Index measure actual, reported wages of newly hired workers?

No. Although the data used to create the Index do have some information on self-reported wages (or those reported by another household member), many economists consider these self-reported wages [increasingly unreliable](#), as a growing fraction of workers refuse to answer the wage questions, and the government's attempts to impute (make an "educated guess") for these workers are [problematic](#). Moreover, because relatively few workers are even asked the wage questions, and only a small subset of these are newly hired, use of the self-reported wage data would lead to very small samples.

The Index captures changes in the wages of new hires due to both changes in the mix of occupations hired and the demographic characteristics of individuals taking new jobs. It will not capture change in the wages of new hires due to other factors, such as individual aptitude, geography, or employer characteristics.

A comparison of the Index with a series derived from the actual self-reported wages in the Current Population Survey can be found in the [technical report](#). An analysis of self-reported wages can also be found in press releases for [July 2018](#), [July 2019](#), [July 2020](#), [July 2021](#), [July 2022](#), [July 2023](#), [July 2024](#), and [July 2025](#).

4. Does the NHQI count self-employed workers?

No, the NHQI excludes the self-employed (including those who report bring independent contractors).

5. How often is the NHQI updated?

Every month, with the release by the Census Bureau of the Current Population Survey microdata. Updates will be posted on the [NHQI website](#) during the first week of the month, covering data from two months ago. Data are currently available from January 2001 through September 2025. To receive updates through email or social media, [visit the signup page](#).

6. What data are available on the NHQI website?

The [NHQI website](#) contains monthly data for all components of the NHQI. The four main components are: the hourly wage index, the hiring volume index, the wage bill index (the product of hourly wages and hiring volume), and the hires per capita index. Each component is available at its actual level or normalized to the base year 2005. In addition to providing data for all new workers, the NHQI exists for men, women, different age groups, different education groups, different races/ethnicities, different industry sectors, different regions, native and foreign-born, full- and part-time workers, and different types of new hires (the newly employed and employer changers). All data can be charted interactively or downloaded for separate analysis.