



**Economic and Community Advisory Council**  
**April 16, 2025**

The Federal Reserve Bank of Philadelphia's Economic and Community Advisory Council (ECAC) convened the first meeting of 2025 on April 16 at the Philabundance Community Kitchen in North Philadelphia. The ECAC consists of national and regional leaders offering a broad range of perspectives, including business, philanthropy, academics, and community development. There were 10 ECAC members in attendance, one of whom attended virtually. More information about the ECAC council and its members can be found on the [Federal Reserve Bank of Philadelphia website](#).

Deborah Hayes, senior vice president of Corporate Affairs, opened the meeting and facilitated introductions. Chair Loree Jones Brown then gave a brief overview of the agenda, before turning it over to President Patrick Harker for his reflections on the economy. After taking questions, President Harker turned the meeting over to Ryo Tashiro, senior outreach economist, who gave a presentation on the current economic outlook. Following Tashiro, Chair Brown facilitated a group discussion on the business and economic factors across sectors and labor market dynamics for industries that council members represent across the Third District.

The first topic that emerged during the discussion was how uncertainty in trade and tax policies is impacting business leaders' long-term capital deployment considerations. A member from the utilities sector noted that the rising uncertainty in energy policy, coupled with increased demand from data centers using artificial intelligence (AI) technology, may lead to a rise in energy prices as soon as this summer. Additionally, another member representing the real estate development sector discussed the potential impacts of pausing grants and federal funding on the research and innovations pipeline for years to come as clinical trials and experiments are canceled or postponed. Other council members noted how inflationary pressures on raw materials were hindering construction and development projects. The sentiment that uncertainty was causing businesses to pause investments or delay potential new projects was echoed by council members across sectors.

Council members from the nonprofit sector also noted an increased number of grants and funds being rescinded. A member from northeastern Pennsylvania described navigating the current philanthropic environment with a wait-and-see approach. Concerns about potential cuts to Medicare and Medicaid could also increase the need for nonprofit health services for elderly populations around northeastern Pennsylvania. Another council member representing a nonprofit in Philadelphia discussed the increased need for services for dual-income families reporting food insecurity. Several council members agreed that the rise in community need coinciding with the



reduced availability of grants and funds and declining philanthropic support has created a strain on nonprofit capacity across the region.

Council members also discussed recent changes in consumer demand as rising prices and uncertainty are adding stress on households. One council member from the consumer goods sector noted convenience store trips – a leading indicator of consumer spending – have been trending down in recent months. Inflationary concerns and supply chain issues have also driven up prices for many consumer staples, such as eggs, chicken, and beef. Another council member from the hospitality sector shared that higher prices on these grocery staples have also led to higher menu prices across their restaurants. A council member from a workforce development board shared that reports of food insecurity among workers making around \$60,000 a year are increasing in south and central Pennsylvania by roughly 50 percent year over year. Overall, the council discussed how stressed consumer balance sheets, in combination with rising prices and economic uncertainty, are negatively impacting household economic stability.

The discussion then turned toward the labor market. A council member representing a healthcare network discussed the ongoing struggle to fill clinical positions such as physicians and skilled nurses. Another council member from the nonprofit sector noted the rising labor demand for home care aides and other healthcare workers needed for the growing elderly population. A council member from the food and beverage sector also discussed the effects of changing federal policy on immigration and its impacts on labor market dynamics. About 50 percent of workers in food and beverage are immigrants; and recent immigration policy changes have reduced workforce availability and increased the administrative burden on employers and may cause upward wage pressure for employers to attract nonimmigrant workers.

Another area of discussion was the effects of technology and artificial intelligence on the job search process. A council member representing a workforce development board shared how AI advancements have reduced the time and energy costs of job applications, resulting in more applications for online job postings and more administrative burdens on employers to identify quality matches among the hundreds of applications. Another concern was the proposed cuts to SEPTA funding and the impact it would have on workers' ability to access and commute to jobs.

After the facilitated group discussions, Chair Brown turned the meeting back over to President Harker for closing remarks. President Harker expressed his appreciation for the members' insights on the current state of the economy and his admiration of the council and its history in his final meeting. The council will reconvene in August 2025 with President Anna Paulson in attendance.