

# New York City Economic Snapshot

September 2023

Dear NYC Partner,

As the entity charged with driving the city's economic growth, we are pleased to release our latest monthly Economic Snapshot. This report assembles and highlights data from key sources that we track most closely in measuring the strength of NYC's economy.

A few key points from this month's report include:

- The private sector added 3,100 jobs in August. The city is now just 800 jobs short of a full private sector employment recovery.
- The city's labor force participation rate is holding at an all-time high of 62.7 percent in August. And the unemployment rate held steady at 5.3 percent. In the most recent data broken out by race/ethnicity, we see BIPOC labor force participation at 60 percent, a 13-year high.
- However, private sector job growth has normalized, as the city has added an average of 3,500 jobs per month this year compared to 19,500 jobs per month last year (during the peak of COVID jobs recovery). This reflects the slowdown that we observe in the state and national data as well; in fact, NYC job growth was 2.9 percent over the past year, compared to 1.6 percent growth in New York State and 2.0 percent job growth nationally.
- We see office occupancy jumping back above 50 percent in the first week of data following Labor Day, after a few weeks of weaker occupancy numbers due to summer vacations. The 7.1 percentage point increase for New York City is the largest jump among large metros and is in line with the percentage point gains we observed in September 2021 and 2022.

Having a clear picture of the city's economic data informs our work here at NYCEDC, as we build a more vibrant, inclusive, and globally competitive economy. We hope you find it useful in your work as well.



**Andrew Kimball**  
President & CEO,  
New York City Economic Development Corporation

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
<b>Key Takeaways: Labor Market</b>				
NYC added 3,100 private sector jobs in August. The city's private sector is now at 99.99% of pre-pandemic employment levels, just 800 jobs away from a full recovery. The labor force participation rate was again a record high at 62.7%, as labor force participation rates improved across all demographic groups. At the same time, we note that job growth and job posting activity have slowed over recent months.				
<b>City Private Sector Employment Change &amp; Annual Growth Rate</b> (August 2023)	+3,100 +2.9% y/y	+5,000 +3.2% y/y	+260,900	+6,500 per month +2.4% y/y (2019 avg)
<b>Metro Area Employment</b> (August 2023)	+12,500 +2.1% y/y	-6,400 +2.3% y/y	+429,800	+7,800 per month +1.3% y/y (2019 avg)
<b>Job Postings</b> (August 2023)	64,700	67,600	1.55M	76,600 (2019 avg)
<b>Labor Force Participation</b> (August 2023)	62.7%	62.7%	+2.3 pct pts	60.2% (Feb 2020)
<b>Unemployment Rate</b> (August 2023)	5.3%	5.3%	-2.7 pct pts	4.3% (Feb 2020)
<b>BIPOC Unemployment Rate</b> (2023:Q2)	6.9%*	6.9%	-2.2 pct pts	5.3% (2020:Q1)
<b>Black Unemployment Rate</b> (2023:Q2)	9.9%*	10.3%	-0.8 pct pts	8.1% (2020:Q1)
<b>Latinx Unemployment Rate</b> (2023:Q2)	6.6%	6.4%	-2.5 pct pts	5.3% (2020:Q1)
<b>White Unemployment Rate</b> (2023:Q2)	2.6%*	2.5%	-4.2 pct pts	2.7% (2020:Q1)
<b>BIPOC Labor Force Participation Rate</b> (2023:Q2)	60.0%	59.4%	+2.0 pct pts	58.3% (2020:Q1)
<b>Black Labor Force Participation Rate</b> (2023:Q2)	60.0%	59.7%	+4.4 pct pts	56.2% (2020:Q1)
<b>Latinx Labor Force Participation Rate</b> (2023:Q2)	58.6%	57.1%	-0.2 pct pts	58.9% (2020:Q1)
<b>White Labor Force Participation Rate</b> (2023:Q2)	67.2%	66.3%	+3.1 pct pts	63.8% (2020:Q1)

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
<b>Key Takeaways: Business Activity</b>				
About 28,700 businesses (or 1 in 7) were started in the past year (including 5,180 in 2022:Q4), suggesting entrepreneurship is vibrant in the city. VC funding is down significantly from last year, as higher interest rates weigh on activity.				
<b>New Business Formation</b> (2022:Q4)	5,180	9,900	28,700	7,100 (2019 avg)
<b>Net Business Formation</b> (2022:Q4)	+1,280	+5,190	+8,260	+400 (2019 avg)
<b>VC Funding</b> (2023:Q2)	\$3.776B	\$5.614B (2023:Q1)	\$37.736B	\$5.645B (2019:Q4)
<b>VC Funding</b> (2023 through Q2)	\$9.390B	\$18.390B (2022 through Q2)	n/a	\$13.649B (2019 through Q2)

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
<b>Key Takeaways: Real Estate</b>				
Office occupancy metrics were muted in August, a seasonal effect of New Yorkers taking summer vacations. However, in the most recent week of Kastle data (the first post-Labor Day data), NYC office occupancy jumped to 50.1%, the highest level since early June. Despite the seasonal effects, office occupancy YTD is almost 11 percentage points higher than a year ago, signaling more New Yorkers are returning to office. On the housing front, we see that while inventories have improved, rental housing inventories are still below pre-COVID levels, and the rent index continues to increase.				
<b>Kastle Metro Area Office Occupancy</b> (4-wk avg, 9/6/23)	42.9%	47.2%	+19.7 pct pts	100%
<b>PFNYC Return to Office Survey</b> (Feb 2023)	52%	49% (Sept 2022)	+24 pct pts (Oct 2021)	n/a
<b>Manhattan Office Availability Average**</b> (2023:Q2)	18.9%	18.6%	+1.2 pct pts	10.3% (2019 avg)
<b>Office Vacancy Rate</b> (2023:Q2)	14.0%	13.6%	+2.0 pct pts	7.6% (2019 avg)
<b>Office Leasing Activity</b> (2023:Q2)	58%	67%	-9.0 pct pts	100%
<b>Retail Vacancy Rate</b> (2023:Q2)	4.3%	4.3%	+0.4 pct pts	3.3% (2019 avg)
<b>StreetEasy Rent Index</b> (August 2023)	118.7	118.0	+18.3	100.0 (Feb 2020)
<b>StreetEasy Inventory Index</b> (August 2023)	92.8	86.7	-1.3	100.0 (August 2019)

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
<b>Key Takeaways: Tourism &amp; Transit</b>				
Tourism continues to show strength, as Times Square averaged 334,000 daily pedestrians over the past month. Subway ridership averaged 3.0 million riders per day last month, with weekend ridership at 78% of pre-COVID levels while weekday ridership was 64%.				
<b>Broadway Attendance</b> (4-wk avg, 9/3/23)	87.6%	93.8%	+17.2 pct pts	100%
<b>Hotel Occupancy Rate</b> (July 2023)	85.1%	84.9%		89.8% (July 2019)
<b>Times Sq. Pedestrian Count</b> (30-day avg, 9/3/23)	83.7%	79.8%	+11.2 pct pts	100%
<b>Visa Domestic Visitor Spending</b> (2023:Q1)	111%	108%	+12 pct pts	100%
<b>Future Flights Booked to NYC</b> (June 2023)	70.2%	72.8%	+12 pct pts	100%
<b>Subway Ridership</b> (30-day avg, 9/7/23)	68.2%	70.0%	+11.6 pct pts	100%
<b>Bus Ridership</b> (30-day avg, 9/7/23)	61.3%	63.6%	-2.3 pct pts	100%

Sources for the New York City Economic Snapshot include the NYS Department of Labor, the US Bureau of Labor Statistics, Lightcast, Pitchbook, Kastle Systems, the Partnership for New York City, Costar, Cushman & Wakefield, Newmark, Savills, Colliers, JLL, StreetEasy, Broadway League, STR, Times Square Alliance, and MTA Open Data.

\* Estimates for the previous quarter were based on a three-month sample and this quarter and following quarters' estimate are based on a 12-month sample to increase sample and related accuracy. Quarter-to-quarter changes within half of a percentage point are likely statistically insignificant due to the small sample size. We do not report quarterly estimates for the Asian population due to high margins of error, caused by heterogeneity in the population.

\*\* this is a simple average of vacancy rates from Cushman & Wakefield and JLL, and availability rates from Newmark, Savills, Costar, and Colliers. The Citywide rates are using Costar data.

#### Legend

- Indicator improved from prior reading
- Indicator worsened from prior reading
- No change

# NYC Employment by Industry

## INDUSTRY

## EMPLOYMENT

(thousands)

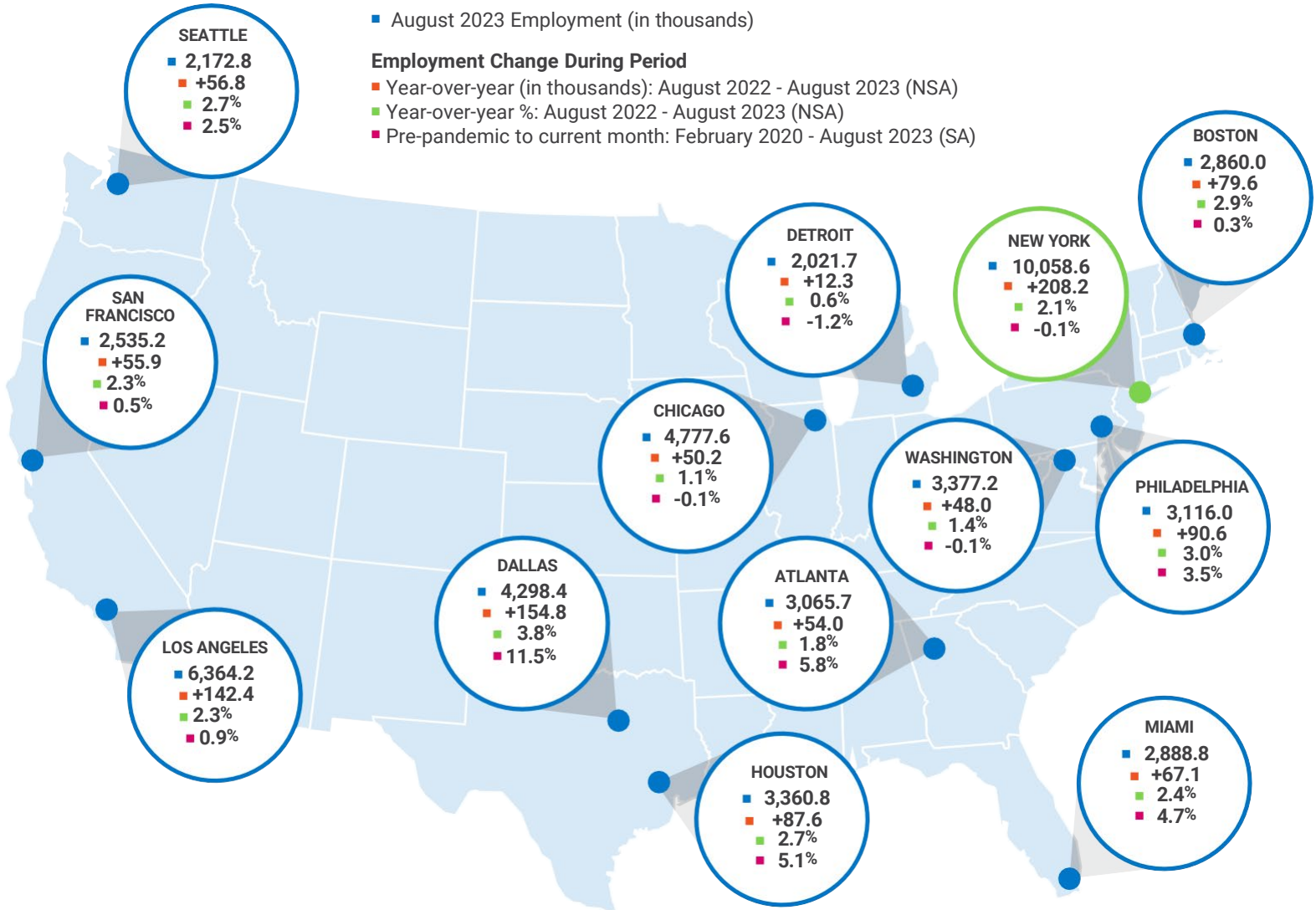
	Aug 2023	Jul 2023	Previous Month Change	Year-Over-Year Change	Jobs Lost, Pre-Pandemic to Trough	Jobs Regained, Trough to Aug 2023	Percent of Lost Jobs Regained	Job Change, Pre-Pandemic to Aug 2023
<b>FIRE</b>	<b>499</b>	<b>496</b>	<b>0.7%</b>	<b>0.9%</b>	<b>25,600</b>	<b>37,800</b>	<b>147.4%</b>	<b>12,200</b>
Finance & Insurance	363	362	0.4%	0.5%	10,800	25,600	236.9%	14,800
Securities	193	191	0.8%	-1.3%	5,600	16,000	283.4%	10,300
Banking	108	109	-0.4%	3.1%	3,700	6,700	179.5%	3,000
Other	62	62	0.3%	1.8%	1,400	2,900	203.0%	1,500
Real Estate	136	134	1.6%	2.0%	16,200	13,600	83.8%	-2,600
<b>SERVICES</b>	<b>2,827</b>	<b>2,823</b>	<b>0.1%</b>	<b>4.2%</b>	<b>641,700</b>	<b>711,900</b>	<b>110.9%</b>	<b>70,200</b>
Information	211	214	-1.2%	-11.4%	35,400	17,600	49.8%	-17,800
Professional & Business	775	788	-1.7%	-0.9%	101,500	95,100	93.7%	-6,400
Professional, Scientific & Technical	457	461	-0.9%	-0.8%	37,500	48,300	128.8%	10,800
Management of Companies & Enterprises	71	71	0.2%	0.0%	11,100	9,400	84.2%	-1,800
Administrative & Support	247	257	-3.8%	-1.3%	57,500	42,100	73.2%	-15,400
Educational	278	274	1.6%	12.1%	27,700	49,500	178.7%	21,800
Healthcare & Social Assistance	940	932	0.9%	9.4%	116,000	232,500	200.4%	116,500
Arts & Entertainment	83	79	4.0%	6.2%	55,700	42,600	76.5%	-13,100
Accommodation & Food	355	353	0.6%	8.4%	268,600	249,100	92.7%	-19,500
Other	185	183	1.0%	3.7%	66,900	55,600	83.2%	-11,300
<b>TRADE</b>	<b>431</b>	<b>432</b>	<b>-0.3%</b>	<b>-1.7%</b>	<b>147,300</b>	<b>92,400</b>	<b>62.7%</b>	<b>-54,900</b>
Retail	302	302	0.0%	-1.9%	115,800	71,800	62.0%	-43,900
Wholesale	129	130	-1.0%	-1.4%	31,600	20,600	65.2%	-11,000
<b>MANUFACTURING</b>	<b>57</b>	<b>58</b>	<b>-0.9%</b>	<b>-0.9%</b>	<b>28,100</b>	<b>19,400</b>	<b>69.1%</b>	<b>-8,700</b>
<b>TRANSPORTATION AND UTILITIES</b>	<b>142</b>	<b>141</b>	<b>0.6%</b>	<b>-3.7%</b>	<b>39,700</b>	<b>31,500</b>	<b>79.3%</b>	<b>-8,200</b>
<b>NATURAL RESOURCES, MINING AND CONSTRUCTION</b>	<b>151</b>	<b>154</b>	<b>-1.8%</b>	<b>7.6%</b>	<b>74,900</b>	<b>63,500</b>	<b>84.9%</b>	<b>-11,300</b>
<b>TOTAL PRIVATE</b>	<b>4,107</b>	<b>4,104</b>	<b>0.1%</b>	<b>2.9%</b>	<b>946,300</b>	<b>945,600</b>	<b>99.9%</b>	<b>-800</b>
<b>GOVERNMENT</b>	<b>569</b>	<b>566</b>	<b>0.5%</b>	<b>2.8%</b>	<b>22,000</b>	<b>(3,500)</b>	<b>-15.7%</b>	<b>-25,500</b>
<b>TOTAL (PRIVATE + GOVERNMENT) NYC</b>	<b>4,676</b>	<b>4,670</b>	<b>0.1%</b>	<b>2.9%</b>	<b>956,500</b>	<b>930,200</b>	<b>97.3%</b>	<b>-26,300</b>

**Note:** Numbers may not add to totals due to rounding. Employment trough is April 2020 except for the following sectors, for which the trough is July 2020: FIRE (inclusive of all sub-sectors), Information, and Government

# NYC Metro Area Employment

## Compared to Other Major Metro Areas

To give local employment data a national perspective, we compare employment in the NYC Metro Area to other major metro areas around the US. We use metro areas rather than cities to provide a more consistent basis for regional economic comparison.



NSA - non seasonally adjusted  
SA - seasonally adjusted

Source: US Bureau of Labor Statistics

## **About NYCEDC**

New York City Economic Development Corporation is a mission-driven, nonprofit organization that works for a vibrant, inclusive, and globally competitive economy for all New Yorkers. We take a comprehensive approach, through four main strategies: strengthen confidence in NYC as a great place to do business; grow innovative sectors with a focus on equity, build neighborhoods as places to live, learn, work, and play; and deliver sustainable infrastructure for communities and the city's future economy.

For more economic data, insights, and analysis from NYCEDC's Economic Research & Policy group, and to receive economic reports via email, visit [edc.nyc/insights](https://edc.nyc/insights).

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