

# New York City Economic Snapshot

October 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.

First, New York City has reached new record levels of total employment and private sector employment, with over 4.7 million jobs and 4.1 million jobs respectively. Private sector employment is now up 18,800 jobs from pre-pandemic levels, as the city has added 965,000 private sector jobs since April 2020. This is a moment for celebration, and hitting these milestones demonstrates the resiliency of both New Yorkers and the city's economy.

We also want to acknowledge that there is more work to be done. Despite improvements on many labor market indicators for our BIPOC and Black residents, the Black unemployment rate is still triple the unemployment rate for white workers in the city, an unacceptable disparity.

In addition to the employment data, a few key points from this month's report include:

- New research on business formation shows another 7,000 businesses started in the first quarter of the year, and 37,800 businesses have started during the Adams administration, many in Manhattan and along the Brooklyn-Queens waterfront.
- The BIPOC labor force participation rate increased in 2023:Q3 to 60.4%, the highest rate recorded this century and likely a new all-time high. The Black labor force participation rate hit an eight-year high of 60.5%, and this metric has improved almost five percentage points since the start of the Adams administration (more than any other race/ethnicity).
- Office occupancy metrics are trending higher, as the effects of summer vacations fade. And we're debuting a new office visitation metric from the Real Estate Board of New York (REBNY), to better capture how offices are being used as convening spaces. Office visitation hit 64.4% of pre-pandemic levels in Q2, up 5.4 percentage points from the prior quarter.
- While higher interest rates weigh on VC and commercial real estate activity, we find that commercial real estate vacancy rates were essentially flat in 2023:Q3 compared to the prior quarter, and that vacancy rates are elevated but not at a crisis level.

Here at NYCEDC, we remain committed to building a vibrant, resilient economy with economic opportunities for all New Yorkers. We use this data to guide us in our work, and we hope you find it useful 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>				
As of September, New York City has made a complete private sector recovery, and reached new highs for both private sector and total jobs. Private sector employment is now up 18,800 jobs from pre-pandemic levels. Healthcare has led the way, adding 123,000 jobs since February 2020. The BIPOC labor force participation rate increased in 2023:Q3 to 60.4%, the highest rate recorded this century and likely a new all-time high.				
<b>City Private Sector Employment Change &amp; Annual Growth Rate</b> (September 2023)	+16,800 +2.7% y/y	+5,800 +2.9% y/y	+280,500	+6,500 per month +2.4% y/y (2019 avg)
<b>Metro Area Employment</b> (September 2023)	+29,900 +2.0% y/y	+29,900 +2.3% y/y	+477,100	+7,800 per month, +1.3% y/y (2019 avg)
<b>Job Postings</b> (September 2023)	53,500	64,700	1.60M	76,600 (2019 avg)
<b>Labor Force Participation</b> (September 2023)	62.6%	62.7%	+2.2 pct pts	60.2% (Feb 2020)
<b>Unemployment Rate</b> (September 2023)	5.3%	5.3%	-2.7 pct pts	4.3% (Feb 2020)
<b>BIPOC Unemployment Rate</b> (2023:Q3)	6.7%*	6.9%	-2.4 pct pts	5.3% (2020:Q1)
<b>Black Unemployment Rate</b> (2023:Q3)	9.5%*	9.9%	-1.1 pct pts	8.1% (2020:Q1)
<b>Latinx Unemployment Rate</b> (2023:Q3)	6.7%*	6.6%	-2.4 pct pts	5.3% (2020:Q1)
<b>White Unemployment Rate</b> (2023:Q3)	2.8%*	2.6%	-4.0 pct pts	2.7% (2020:Q1)
<b>BIPOC Labor Force Participation Rate</b> (2023:Q3)	60.4%*	60.0%	+2.3 pct pts	58.3% (2020:Q1)
<b>Black Labor Force Participation Rate</b> (2023:Q3)	60.5%*	60.0%	+4.9 pct pts	56.2% (2020:Q1)
<b>Latinx Labor Force Participation Rate</b> (2023:Q3)	59.1%*	58.6%	+0.3 pct pts	58.9% (2020:Q1)
<b>White Labor Force Participation Rate</b> (2023:Q3)	67.4%*	67.2%	+3.3 pct pts	63.8% (2020:Q1)

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
<b>Key Takeaways: Business Activity</b>				
About 29,700 businesses (or 1 in 7) were started in the past year (including 7,000 in 2023:Q1). However, VC funding continues to be weak so far in 2023 as higher interest rates dampen activity. VC year-to-date (\$13.4 billion) is 46% lower than the same time period in 2022.				
<b>New Business Formation</b> (2023:Q1)	7,000	6,460	37,800	7,100 (2019 avg)
<b>Net Business Formation</b> (2023:Q1)	-1,280	+2,100	+6,570	+400 (2019 avg)
<b>VC Funding</b> (2023:Q3)	\$3.327B	\$4.475B (2023:Q2)	\$42.792B	\$5.645B (2019:Q4)
<b>VC Funding</b> (2023 through Q3)	\$13.449B	\$24.946B (2022 through Q3)	n/a	\$18.181B (2019 through Q3)

Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID
<b>Key Takeaways: Real Estate</b>				
Office occupancy metrics all showed strength in September, as more New Yorkers returned to office following lower summer readings. New vacancy data for Q3 essentially is flat from the prior quarter, as vacancy rates remain elevated but not in crisis level.				
<b>Kastle Metro Area Office Occupancy</b> (4-wk avg, 10/5/23)	49.5%	42.9%	+26.3 pct pts	100%
<b>PFNYC Return to Office Survey</b> (September 2023)	58%	52% (Feb 2022)	+30 pct pts (Oct 2021)	n/a
<b>REBNY Office Visitation</b> (2023:Q2)	64.4%	59.0%	n/a	100% (2019)
<b>Manhattan Office Availability Average**</b> (2023:Q3)	18.8%	18.9%	+1.0 pct pts	10.3% (2019 avg)
<b>Office Vacancy Rate</b> (2023:Q3)	14.3%	14.2%	+2.1 pct pts	7.6% (2019 avg)
<b>Office Leasing Activity</b> (2023:Q3)	62%	58%	-5.0 pct pts	100%
<b>Retail Vacancy Rate</b> (2023:Q3)	4.2%	4.3%	+0.4 pct pts	3.3% (2019 avg)
<b>StreetEasy Rent Index</b> (September 2023)	118.7	118.5	+18.3	100.0 (Feb 2020)
<b>StreetEasy Inventory Index</b> (September 2023)	94.4	94.9	0.0 pct pts	100.0 (September 2019)

Since Jan. 1 '22  
(Adams Admin) Pre-COVID

**Indicator** **Latest** **Previous**

**Key Takeaways: Tourism & Transit**

Many of the tourism and transit indicators have come down from recent highs but remain firmly in recovery territory compared to the start of the administration. Subway ridership is averaging 3.3 million per day over the past month, and daily bus ridership is averaging 1.2 million.

Indicator	Latest	Previous	Change	Pre-COVID
<b>Broadway Attendance</b> (4-wk avg, 10/1/23)	79.8%	87.6%	+9.3 pct pts	100%
<b>Hotel Occupancy Rate</b> (August 2023)	83.2%	85.1%		90.7% (August 2019)
<b>Times Sq. Pedestrian Count</b> (30-day avg, 10/8/23)	79.0%	84.1%	+6.5 pct pts	100%
<b>Future Flights Booked to NYC</b> (August 2023)***	74.7%	91.6%		100%
<b>Subway Ridership</b> (30-day avg, 10/12/23)	67.6%	67.5%	+11.0 pct pts	100%
<b>Bus Ridership</b> (30-day avg, 10/12/23)	59.3%	61.2%	-4.2pct 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, the Real Estate Board of New York, Costar, Cushman & Wakefield, Newmark, Savills, Colliers, JLL, StreetEasy, Broadway League, STR, Times Square Alliance, NYC Tourism and Conventions, Visa, and MTA Open Data.

\*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. Newmark's availability rate for 2023 Q3 was unavailable at time of publishing and was assumed to be consistent from 2023 Q2. The Citywide rates are using Costar data.

\*\*\* In previous editions, the Future Flights Booked metric was based on a 90-day outlook. This has been updated to a 12-month outlook.

**Legend**

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

# NYC Employment by Industry

## INDUSTRY

## EMPLOYMENT

(thousands)

	Sep 2023	Aug 2023	Previous Month Change	Year-Over-Year Change	Jobs Lost, Pre-Pandemic to Trough	Jobs Regained, Trough to Sep 2023	Percent of Lost Jobs Regained	Job Change, Pre-Pandemic to Sep 2023
<b>FIRE</b>	<b>496</b>	<b>498</b>	<b>-0.4%</b>	<b>0.7%</b>	<b>25,600</b>	<b>34,100</b>	<b>133.1%</b>	<b>8,500</b>
Finance & Insurance	361	363	-0.5%	0.6%	10,800	23,700	219.6%	12,900
Securities	193	193	-0.2%	-0.9%	5,600	15,900	281.8%	10,300
Banking	107	108	-0.9%	3.1%	3,700	5,600	150.9%	1,900
Other	61	62	-1.0%	0.8%	1,400	2,200	153.3%	800
Real Estate	134	134	-0.2%	0.9%	16,200	11,700	72.6%	-4,400
<b>SERVICES</b>	<b>2,843</b>	<b>2,828</b>	<b>0.5%</b>	<b>3.8%</b>	<b>641,700</b>	<b>728,100</b>	<b>113.5%</b>	<b>86,400</b>
Information	212	210	1.2%	-9.7%	35,400	18,700	52.7%	-16,800
Professional & Business	787	781	0.8%	0.2%	101,500	107,200	105.5%	5,600
Professional, Scientific & Technical	457	461	-0.8%	-0.6%	37,500	48,700	129.8%	11,200
Management of Companies & Enterprises	71	71	0.7%	0.7%	11,100	9,900	89.4%	-1,200
Administrative & Support	258	249	3.6%	1.7%	57,500	53,200	92.4%	-4,400
Educational	273	274	-0.3%	6.4%	27,700	44,500	160.9%	16,900
Healthcare & Social Assistance	947	942	0.6%	9.4%	116,000	239,600	206.5%	123,600
Arts & Entertainment	86	82	4.4%	4.5%	55,700	45,900	82.4%	-9,800
Accommodation & Food	356	354	0.8%	6.5%	268,600	250,700	93.3%	-18,000
Other	181	185	-2.4%	0.7%	66,900	51,800	77.4%	-15,100
<b>TRADE</b>	<b>431</b>	<b>431</b>	<b>0.0%</b>	<b>-1.5%</b>	<b>147,300</b>	<b>92,800</b>	<b>63.0%</b>	<b>-54,500</b>
Retail	303	303	0.0%	-1.4%	115,800	72,400	62.6%	-43,300
Wholesale	129	129	-0.1%	-1.5%	31,600	20,400	64.6%	-11,200
<b>MANUFACTURING</b>	<b>57</b>	<b>57</b>	<b>-0.1%</b>	<b>-0.5%</b>	<b>28,100</b>	<b>19,600</b>	<b>69.7%</b>	<b>-8,500</b>
<b>TRANSPORTATION AND UTILITIES</b>	<b>142</b>	<b>142</b>	<b>0.5%</b>	<b>-3.1%</b>	<b>39,700</b>	<b>32,100</b>	<b>80.8%</b>	<b>-7,600</b>
<b>NATURAL RESOURCES, MINING AND CONSTRUCTION</b>	<b>157</b>	<b>154</b>	<b>2.2%</b>	<b>10.5%</b>	<b>74,900</b>	<b>69,500</b>	<b>92.8%</b>	<b>-5,400</b>
<b>TOTAL PRIVATE</b>	<b>4,127</b>	<b>4,110</b>	<b>0.4%</b>	<b>2.7%</b>	<b>946,300</b>	<b>965,200</b>	<b>102.0%</b>	<b>18,800</b>
<b>GOVERNMENT</b>	<b>583</b>	<b>576</b>	<b>1.1%</b>	<b>2.6%</b>	<b>22,000</b>	<b>10,100</b>	<b>45.7%</b>	<b>-12,000</b>
<b>TOTAL (PRIVATE + GOVERNMENT) NYC</b>	<b>4,709</b>	<b>4,686</b>	<b>0.5%</b>	<b>2.7%</b>	<b>956,500</b>	<b>963,400</b>	<b>100.7%</b>	<b>6,900</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

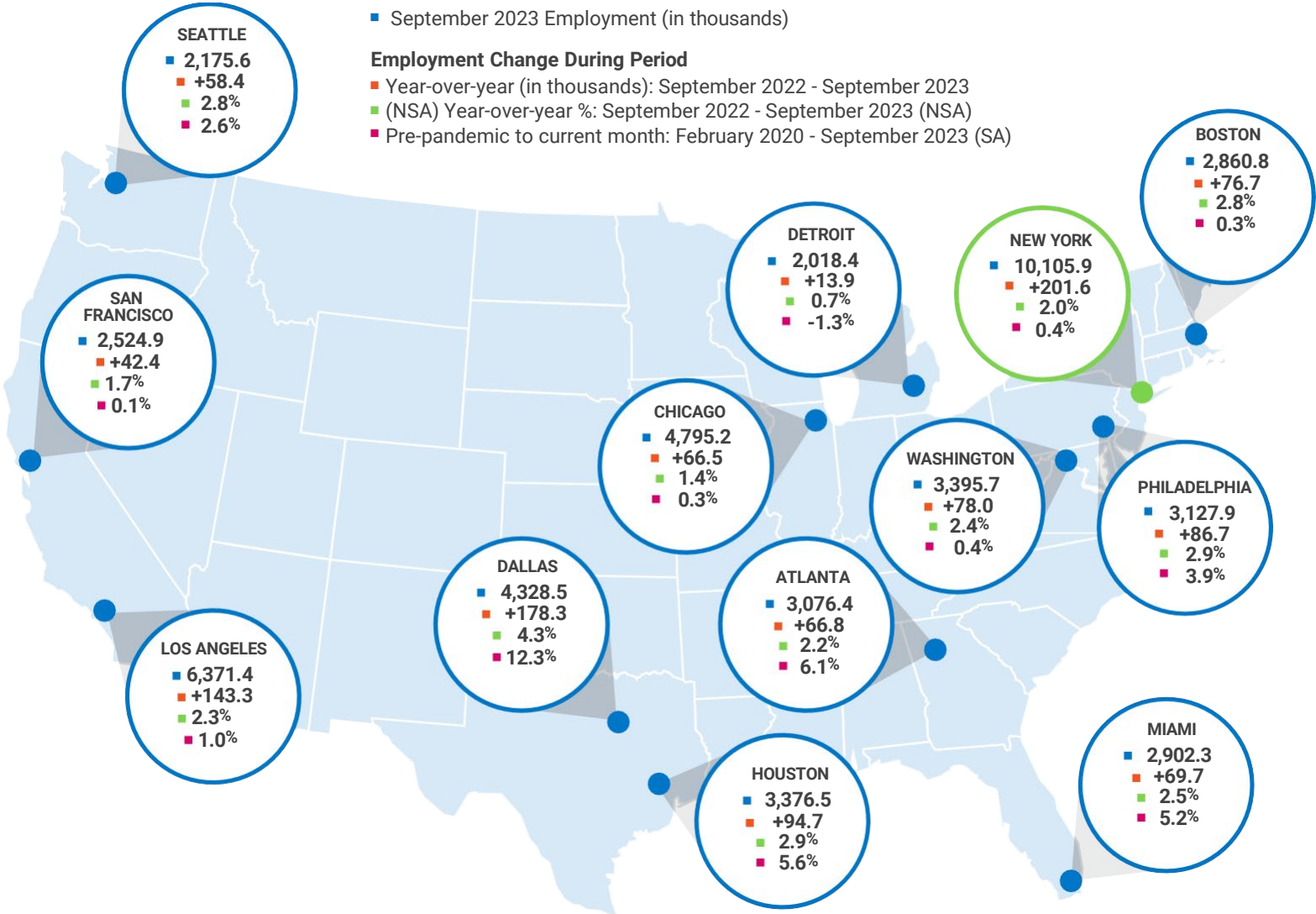
## Compared to Other Major Metro Areas

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.

■ September 2023 Employment (in thousands)

### Employment Change During Period

- Year-over-year (in thousands): September 2022 - September 2023
- (NSA) Year-over-year %: September 2022 - September 2023 (NSA)
- Pre-pandemic to current month: February 2020 - September 2023 (SA)



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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