



New York City Comptroller
Scott M. Stringer

NEWS

PRESS RELEASE

COMPTROLLER STRINGER QUARTERLY ECONOMIC REPORT SHOWS NEW YORK CITY ECONOMY CONTINUES STRONG PACE IN THE THIRD QUARTER OF 2014

Job Creation in New York City at Fastest Pace in at least a Quarter Century

New York, NY - New York City created private-sector jobs at an annual rate of 5.4 percent in the third quarter of 2014, the biggest quarterly increase in at least 24 years, [according to an analysis of the City's economic performance](#) released today by New York City Comptroller Scott M. Stringer.

“New York City’s economy has been gaining strength the past two quarters and continues to outpace the nation’s,” Comptroller Stringer said. “Venture capital investment in our region’s burgeoning start-up economy has surged, the real estate market has continued its strong pace and tourism remains on an upswing. The City has put another strong quarter in the books as we head to the end of 2014.”

“The NYC Quarterly Economic Update” examines economic trends and reports data from New York City’s economy within the national context. It analyzes a broad range of economic indicators that reflect the City’s current conditions. These indicators include Gross City Product (GCP), job growth, income tax withholding, unemployment rates, inflation, commercial real estate vacancy and rental rates, residential real estate sales, hotel occupancy rates and public transit ridership.

In the third quarter, New York City’s Real GCP grew at an estimated 4.0 percent annual rate, the fastest growth since this quarter last year and half a percentage point faster than the pace of the U.S. economy in the same period. New York City’s private-sector added 47,000 jobs, a seasonally adjusted annualized growth rate of 5.4 percent, a record gain.

The report highlights factors that contributed to the quarter’s impressive performance:

- Reflecting job gains and salary increases, City Personal Income Tax withholdings rose to \$1.6 billion, the highest ever third quarter level.

- The Manhattan office vacancy rate, including sublease space, fell to 10.2 percent in 3Q14. New leasing activity in 3Q14 totaled over 7.6 million square feet, the best third quarter in eight years.
- New York City's unemployment rate fell to 7.3 percent in 3Q14, the lowest quarterly average since 4Q08, when unemployment was at 6.6 percent. All five counties displayed a significant decrease in unemployment.
- Local startups are gaining momentum, with record venture capital investment in the New York metro area surpassing \$1.7 billion in 3Q14, more than double the \$0.72 billion invested in 3Q13.
- The city's hospitality industry continued to prosper. Hotel occupancy in Manhattan averaged 92.6 percent in 3Q14, and over 3 million people attended Broadway shows, 12.7 percent more than in 3Q13.

“After a long road back, job creation continues to be a positive indicator that our City is on a sustainable path forward,” Stringer said. “However, I continue to be concerned about the fact that too much of our job creation is concentrated in low-wage industries. The economic recovery is not reaching the middle class of our City. We need to continue to find the on-ramps to opportunity for every New Yorker and emphasize the importance of educating our children so that they can fully participate in the 21st century economy in our own great city.”

To view the full report, [click here](#).

###