



New York City Comptroller
Scott M. Stringer

NEWS

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NEWS RELEASE

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COMPTROLLER STRINGER: DESPITE NATIONAL SLOWDOWN, LOCAL BUSINESSES HELP CITY'S ECONOMY OUTPACE THE COUNTRY'S IN THE THIRD QUARTER

Unemployment Hits Lowest Rate since 2008; City's Personal Income Tax Receipts Highest 3rd Quarter on Record

(New York, NY) – Despite a slowdown in national economic growth, the strength of local businesses helped to drive job creation across New York City, according to an [analysis](#) of the City's economic performance in the third quarter of 2015 released today by New York City Comptroller Scott M. Stringer. During this period, the overall U.S. economy grew by just 1.5 percent, while the City's economy grew by 2.4 percent.

“The City saw strong job growth in the third quarter and that means more opportunities for the people who make New York City run like bodega employees, teachers and health aides,” Comptroller Stringer said. “To get a clearer picture of the economic trends we looked at job growth in two distinct categories: sectors that rely on the local economy for their development, such as retail and healthcare, which saw strong growth, and businesses that rely on clients outside the City, such as accounting and legal services, which were somewhat affected by the national slowdown. The way to sustain this growth is to keep expanding opportunity in all five boroughs by investing in local businesses and making sure that all New Yorkers have the tools they need to succeed.”

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

The current report found that:

JOBS

In the third quarter, the City added a total of 24,700 new private-sector jobs, with locally-supported sectors of the economy accounting for the lion's share of job growth:

Locally-supported sectors (*such as retail, construction, education and healthcare*): added 18,100, or 73 percent of the total.

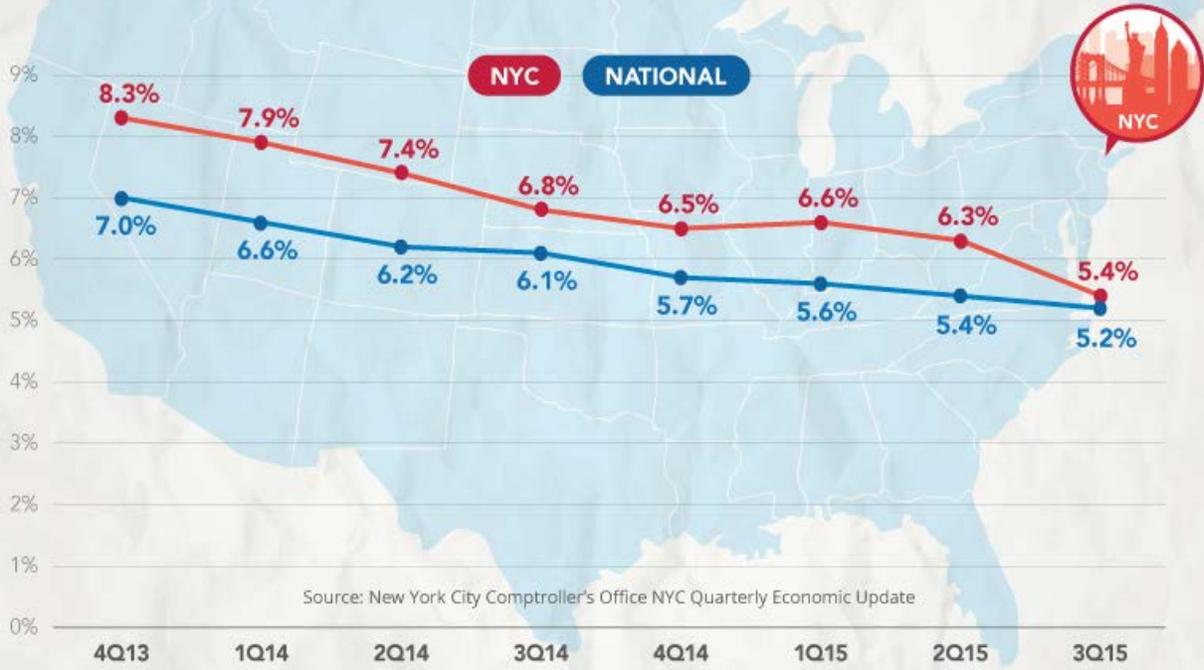
Export Sectors dependent on the national economy (*such as accounting and legal services*): added just 6,600, or 27 percent of the total.

UNEMPLOYMENT RATES

The Comptroller's analysis found that New York City continued to benefit from a strong labor market in the third quarter:

- The City's unemployment rate, adjusted for seasonality, fell to 5.4 percent in the third quarter of 2015, the lowest rate since 2008.
- New York City's employment-to-population ratio remained at a record high of 57.6 percent in 3Q15, the same ratio as last quarter, which exceeds the last two peaks of 2Q08 and 1Q01 by 1.3 and 1.6 percentage points, respectively.
- Each borough saw lower unemployment rates compared to same time last year:
 - **The Bronx:** Unemployment dropped from 9.4 percent in the third quarter of 2014 to 7.2 percent in the third quarter of 2015;
 - **Brooklyn:** Unemployment declined from 7.5 percent to 5.5 percent;
 - **Queens:** Unemployment went from 6.2 percent to 4.6 percent;
 - **Staten Island:** dropped from 7.2 percent to 5.4 percent; and
 - **Manhattan:** dropped from 5.9 percent to 4.5 percent.

Unemployment in New York City Continues to Decline, Mirroring National Trends



Source: New York City Comptroller's Office NYC Quarterly Economic Update



NEW YORK CITY COMPTROLLER SCOTT M. STRINGER



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PERSONAL INCOME

- Personal income tax (PIT) revenues rose 8.7 percent on a year-over-year basis to over \$2.2 billion in the third quarter, the highest third quarter level on record. Income taxes withheld from paychecks rose 7.9 percent more than this time last year to about \$1.7 billion, also the highest third quarter on record.
- Average hourly earnings of all NYC private employees, another proxy for personal income, rose 3.8 percent in the third quarter on a year-over-year basis after rising 2.9 percent in the second quarter.

VENTURE CAPITAL

- Venture capital investment in the New York metro area rose to \$1.8 billion – the highest third quarter level since 2000. However, the City's share of total national venture capital investment fell from 16.7 percent in the third quarter of 2014 to 11 percent in the third quarter of 2015.

REAL ESTATE

- Manhattan's office vacancy rate fell to 8.9 percent in the third quarter, the lowest third quarter rate since the recession hit in 2008, according to data from Cushman & Wakefield.

- As compared to the third quarter of 2014, in the third quarter of 2015, average apartment prices rose by 3.1 percent in Manhattan to over \$1.7 million, by 18 percent in Brooklyn to \$856,839 and by 12.8 percent in Queens to \$522,378.

PUBLIC TRANSIT

Average weekday MTA subway ridership fell 0.2 percent and bus ridership fell 5.2 percent. A rise in income and more taxi rides, including ride sharing services, could explain some of the decline.

HOSPITALITY

- The City’s hospitality industry in July and August experienced its second best summer performance ever as hotel occupancy rate in Manhattan averaged 92.6 percent.

“New York City’s businesses and workers are competing and succeeding and that’s helped the City’s economy continue to make steady progress in a period of low national growth. The rise in hourly earnings is good news for workers at every level of the wage spectrum who may finally begin to see the positive economic news reflected in their bank accounts. As always, we’ll be keeping an eye on the indicators to make sure we are prepared in case the national downturn becomes a sustained economic slowdown,” Stringer said.

To see the full economic quarterly report, please [click here](#).

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