# New York City's economy shows remarkable resurgence in inaugural report



The New York City Economic Development Corporation (NYCEDC) has published its inaugural “State of the Economy” report, highlighting remarkable achievements in the city’s economic landscape as of September 2024. The report, released on Tuesday, reveals that New York City has reached an unprecedented average of 4,151,400 private sector jobs, leading to a labour force participation rate of 62.8%.

This economic resurgence has positioned New York City as an increasingly attractive destination for talent, with nearly half a million recent college graduates relocating to the area since 2021. Andrew Rigie, the executive director of the NYC Hospitality Alliance, commented on the dual role of the hospitality sector in both employment and cultural vibrancy, stating, “Not only are restaurants and nightlife a major employer, but they create a culture and vibrancy that helps NYC attract and retain people to work in different sectors across our economy.”

Mayor Eric Adams emphasised the positive trajectory of the city's economy amid ongoing challenges, stating, “The facts and figures say it loud and clear: New York City’s economy is back and better than ever.” He acknowledged the difficulties posed by issues such as housing affordability and income inequality but reiterated a commitment to ensuring economic prosperity reaches all boroughs.

The report also zeros in on the transformative impact of artificial intelligence (AI) within the city. New York has been identified as the "applied AI capital of the world," hosting over 2,000 AI startups and a skilled workforce of 40,000. NYCEDC's projections indicate that for every job displaced by AI, four to ten could see their roles augmented, suggesting a dual potential for job creation alongside automation.

Furthermore, the commercial real estate sector is exhibiting signs of recovery. Recent analyses show that office vacancy rates in the metro area are stabilising, with many employees now adopting a hybrid in-office schedule of three days per week. Notably, Manhattan’s premium office spaces have seen a surge in demand, with occupancy rates in high-end buildings rising by 19% over the past five years.

Tourism is also witnessing a resurgence, with New York City expected to welcome nearly 65 million visitors in 2024—a 3.5% increase from the previous year. This recovery in visitor numbers solidifies the city’s status as a major global tourism destination post-pandemic.

Andrew Kimball, president and CEO of NYCEDC, highlighted the significance of these developments, stating, “New York City’s economy has hit historic milestones this year with higher levels of employment and labour force participation than we’ve seen in the city’s history.” However, he acknowledged ongoing issues, such as housing affordability and economic equality, which remain pressing challenges.

The report further addresses racial disparities in employment, noting that although unemployment rates for Black and Latino individuals have improved since the peak levels experienced during the pandemic, they still remain disproportionately high compared to those of white residents.

Lastly, the report sheds light on the housing market, which faces significant challenges, as indicated by a rental vacancy rate of only 1.4%, the lowest in decades. In response, city leaders are pursuing proactive policies aimed at increasing housing supply to meet the demands of a growing workforce.

This comprehensive analysis paints a picture of New York City's vibrant economy, driven by high growth sectors and a continuous influx of new talent, while also acknowledging the persistent challenges that remain in achieving broad economic equity and stability.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://edc.nyc/sites/default/files/2024-10/NYC-Economic-Snapshot-October-2024.pdf> - Corroborates the information about New York City's private sector job numbers, labor force participation rate, and unemployment rates as of September 2024.
* <https://edc.nyc/sites/default/files/2024-10/NYC-Economic-Snapshot-October-2024.pdf> - Provides details on the city's economic resurgence, including the record labor force participation rate of 62.8% and the growth in private sector jobs.
* <https://spectrumlocalnews.com/nys/central-ny/politics/2024/12/19/new-york-private-sector-jobs-up-11900-in-november> - Supports the overall trend of private sector job growth in New York, including the increase in jobs over the year and the comparison with national figures.
* <http://www.centernyc.org/reports-briefs/working-but-not-thriving-job-growth-and-poverty-in-nyc-both-above-national-rates-latest-figures-show-latest-figures-show> - Corroborates the high labor force participation rate in New York City and the comparison with national job growth rates.
* <https://spectrumlocalnews.com/nys/central-ny/politics/2024/10/17/new-york-private-sector-jobs-down-2-900-in-september--report-says> - Provides additional context on the monthly changes in private sector jobs in New York and the year-over-year growth.
* <https://edc.nyc/sites/default/files/2024-10/NYC-Economic-Snapshot-October-2024.pdf> - Details the impact of AI on the city's economy, including the number of AI startups and the skilled workforce in New York City.
* <https://edc.nyc/sites/default/files/2024-10/NYC-Economic-Snapshot-October-2024.pdf> - Discusses the recovery in the commercial real estate sector, including office vacancy rates and the adoption of hybrid work schedules.
* <https://edc.nyc/sites/default/files/2024-10/NYC-Economic-Snapshot-October-2024.pdf> - Highlights the resurgence in tourism in New York City, including the expected number of visitors in 2024.
* <http://www.centernyc.org/reports-briefs/working-but-not-thriving-job-growth-and-poverty-in-nyc-both-above-national-rates-latest-figures-show-latest-figures-show> - Addresses racial disparities in employment and the ongoing challenges in achieving economic equity.
* <https://edc.nyc/sites/default/files/2024-10/NYC-Economic-Snapshot-October-2024.pdf> - Discusses the housing market challenges, including the low rental vacancy rate and the city's efforts to increase housing supply.