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SPEECH

Remarks at the New York Fed's Economic Press Briefing on the Regional Economy

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William C. Dudley, President and Chief Executive Officer

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As prepared for delivery

Good morning and welcome to the New York Fed's Economic Press Briefing. I am pleased to have this opportunity to speak with the journalists covering our region. You are an important communication channel to the people in our District. This morning I want to focus on economic conditions in our region, giving particular attention to job growth. I also want to discuss our ongoing work on Puerto Rico. As always, what I have to say reflects my own views and not necessarily those of the Federal Open Market Committee or the Federal Reserve System.¹

The New York Fed is deeply committed to serving our region. This commitment manifests itself in several ways. We produce business surveys and local economic indexes to help our constituents track regional economic conditions. My staff writes papers and blog posts on economic issues important to our region. We meet with a number of advisory boards comprised of community and business leaders. And, I regularly visit different parts of our District so that I can meet with local businesses, community development professionals, and the people who live and work here. This on-the-ground intelligence is valuable to me and helps inform my view of the region and the economy, which, in turn, plays an important role in shaping my outlook on policy.

Let me now talk a bit about job growth in our region.

Job Growth in the Region

Nationally, the labor market has added 2.4 million jobs over the past year. And, the strong jobs reports released over the past two months have helped allay concerns that arose earlier this year that job growth was beginning to stall. Indeed, these reports reinforce my view that labor market conditions continue to improve.

Turning to conditions closer to home; job growth in our region has generally been somewhat below the national pace. One important exception is New York City, where job growth has been strong, despite the relatively sluggish performance of the financial services industry. In the past, the City has counted on job growth from Wall Street to fuel economic growth during recoveries and expansions. This time around, however, job gains in the securities industry have been meager. Instead, the City's job growth has been quite widespread in sectors outside of finance. One that is especially noteworthy is the City's burgeoning technology sector, which has been creating jobs in industries such as internet publishing, online shopping, and scientific research and development. Growth in these high-paying jobs is picking up much of the slack created by the softness of the securities industry.

In fact, strong growth in New York City has been helping many of its surrounding areas, including northern New Jersey, Long Island and Fairfield County. Many workers residing in these areas commute to New York City and have access to the City's vast, diverse and expanding job market. For example, Long Island's unemployment rate is now below 4 percent, its lowest level in nearly a decade. In Connecticut, Bridgeport has