



New York City Comptroller  
John C. Liu

NEWS RELEASE

PR11-03-023

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March 9, 2011

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## NYC GOV'T WORKERS PAID LESS THAN PRIVATE SECTOR PEERS, STUDY FINDS

*First Report by Retirement Security NYC Offers Comprehensive Analysis  
of Firefighter, Police Officer, Teacher, and Other Municipal Employee Pay*

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New York, N.Y. – Retirement Security NYC, the initiative by New York City Comptroller John C. Liu to provide research on public employee pension issues, today released its first study, entitled “Municipal Employee Compensation in New York City.”

Authored by the Comptroller’s Chief Economist Frank Braconi, Ph.D., the report found that New York City municipal employees are paid 17% less on average than their NYC private sector, for-profit counterparts. This is before adjustments for education and size of employer.

In addition, the study demonstrated that there is a narrower range between the top and bottom of the pay scales for municipal workers than for employees at private companies. “This ‘wage compression’ among City workers means there is less of an income gap in the public sector,” said Braconi. “These local findings reflect similar studies of public versus private sector wage patterns both across the states and nationally.”

“These findings about municipal salaries are an important foundation for any discussion about public employee pensions,” said **Comptroller Liu**. “The issue of retirement needs to be looked at in the context of the overall compensation package earned by public employees.

The study also found that:

- New York City employees are better educated, on average, than their private sector peers. Forty-nine percent of City workers have a bachelor’s degree or higher, compared to 41% of those employed in New York’s private for-profit sector.
- Large private, for-profit employers (those with more than 1,000 employees) pay wages that are 13% higher on average than small and midsize private employers.
- The City’s retirement cost contribution for most civilian workers is roughly equivalent to a large corporate employer’s cost of contributing to a defined contribution (a.k.a traditional pension) plan, if return-on-investment targets are met.

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“This kind of objective research will serve both public employees and the taxpayers,” **Comptroller Liu** added. “Policy decisions of this magnitude must be made thoughtfully and based on the facts.”

[Download the full report here.](#)

[Download the Report Summary here.](#)

### **About Retirement Security NYC**

Retirement Security NYC is a major initiative launched by Comptroller John C. Liu to protect the retirement security of public employees while ensuring the City’s financial health. Retirement Security NYC has partnered with two leading institutions—the National Institute on Retirement Security (NIRS) and The New School’s Schwartz Center for Economic Policy Analysis (SCEPA)—to analyze the current state of public pensions and offer sensible reforms.

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