

## NYT on Public Sector Pay

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Sunday's New York Times carried a front-page news [article](#), focusing on New Jersey, on the differences between public-sector and private-sector pay. The Times wrote:

A raft of recent studies found that public salaries, even with benefits included, are equivalent to or lag slightly behind those of private sector workers. The Manhattan Institute, which is not terribly sympathetic to unions, studied New Jersey and concluded that teachers earned wages roughly comparable to people in the private sector with a similar education.

While the Times article is full of hyperlinks, it included none for that Manhattan Institute study. For those who are interested, it is [here](#). (It's perhaps worth mentioning that the Manhattan Institute fellow who wrote the study is himself a government-employed teacher, at the University of Colorado.) Don't blame the Manhattan Institute fellow, though; the Manhattan Institute study itself notes that "Importantly, the survey only reports take-home salaries and thus does not reflect the value of benefits such as health care and retirement, which are much higher for public school teachers than for most professionals in New Jersey's private sector. Thus, the comparisons shown in this paper likely undercount (perhaps dramatically) overall teacher compensation relative to other workers." The Times doesn't mention *that*.

The Times asserts that "A raft of recent studies found that public salaries, even with benefits included, are equivalent to or lag slightly behind those of private sector workers." It doesn't link to or specifically cite any such studies other than the Manhattan Institute one. But here are some studies the Times *doesn't* mention that found different results from what the Times asserts:

- Federal employees earn higher average salaries than private-sector workers in more than eight out of 10 occupations, a USA TODAY [analysis](#) of federal data finds.
- According to a 2007 [analysis](#) of data from the U.S. Bureau of Labor Statistics by the *Asbury Park Press*, "the average federal worker made \$59,864 in 2005, compared with the average salary of \$40,505 in the private sector."
- "In 2008, according to the Cato Institute, [the average federal civilian salary with benefits was \\$119,982](#), compared with \$59,909 for the average private sector worker; the disparity has grown enormously over the last decade," according to an [article](#) in the New York Times.
- A December 2009 [report](#) by the Citizens Budget Commission of New York and the New York City Partnership said, "In 2005 the Citizens Budget Commission released a detailed report showing that for most occupational categories in the New York region public sector workers received higher hourly wages than private sector workers" and "if the City required from its current workers contributions toward health insurance premiums equal to the amounts paid by employees of local private firms in the survey, then the savings to taxpayers would be about \$628 million annually; if it followed the same policy with respect to retirees, then the savings would be another \$741 million annually."

Chris Edwards of the Cato Institute responds to some of the critics [here](#).

At the very bottom, 1400 words into a 1500-word article, the Times acknowledges, "The sense that public workers enjoy certain advantages is not a mirage. Public employees pay into their pension funds, but health benefits often come at a fraction of the cost of most private sector packages. Government employment also tends to be more secure."

The language about the "raft of recent studies" is much higher up in the article, about 400 words in.

Thanks to reader-participant-community member-watchdog-content co-creator C. for sending the tip.

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by Ira Stoll | Jan 3, 2011 at 11:56 am

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