

# **The Hardest Working Cities**

When asking a friend or acquaintance about their decision to leave New York, it is common to hear about a desire to "live at a slower pace" or to "leave the rat race." In other words, they express a desire to spend less time working and commuting and more time on other aspects of life. The purpose of this *Economic Brief* is to investigate whether workers in New York City maintain more demanding schedules than workers elsewhere and to analyze whether this illuminates other characteristics of the city's economy and workforce.

The evidence suggests that New York City residents do work relatively more hours compared to residents of other major cities. Long workweeks are especially common among certain professions in New York City. Moreover, New Yorkers have longer average commutes than residents of any other major city. When work hours are combined with unusually long trips to work, the combined workweeks of city residents are the longest in the country. Despite their long workweeks and commutes overall, New Yorkers are not more apt to work flexible schedules or to work from home.

The long work-week schedules of city residents may contribute to some labor force characteristics of the city, such as the relatively low labor force participation rate among women with children. And, although wages in New York City are higher, on average, than other U.S. cities, the longer work-week effectively lowers that wage premium. The fact that demanding work schedules are characteristic of city life suggests that like the more oftcited high taxes or housing costs, long work weeks should also be considered as a possible factor in diminishing the attractiveness of city life to many families.

# Work Hours and Commuting in Major Cities

The length of the full-time workweek has historically been a central concern of American workers and a subject of state and federal regulation. Beginning in 1868, Federal government employees and workers on federal contracts were limited to 8-hour, 5-day workweeks, but the 40-hour workweek was slow to catch on in the private sector and remained the subject of labor agitation for many years. The infamous Haymarket riots of 1886 began as a rally for the 40-hour week. At the start of the 20<sup>th</sup> century, the average workweek in U.S. manufacturing and rail transportation was 60 hours, and it wasn't until 1938, through the Fair Labor Standard Acts (FLSA), that the 40-hour week was codified.

In recent decades, there has been remarkable stability in the overall number of hours worked by American workers. Using Census and American Community Survey microdata<sup>1</sup>, the Comptroller's Office calculates that the usual weekly work hours of all

<sup>&</sup>lt;sup>1</sup> ACS respondents are asked to report how many hours they usually worked per week over the past 12 months, during weeks in which they worked. For analysis of work hours, self-reported data are considered more accurate than data derived from employer records. For further discussion see: Phillip Jones, Rany Llg, and Jennifer Gardner, "Trends in hours of work since the mid-1970s", *Monthly Labor Review*, April 1997.

full-time, civilian workers averaged 43 hours, 11 minutes in 1990. Ten years later it had risen by five minutes. But in 2013, it was an hour and seven minutes less than in 2000.<sup>2</sup> The decline in usual hours worked from 2000 to 2013 occurred entirely since 2008 and almost entirely among men, suggesting that the drop is due primarily to the recession and slack business conditions.

In addition to their actual work time, American fulltime workers spend about 25 minutes getting both to and from work each way, for a weekly total commuting time of 4 hours, 11 minutes (based on a 5-day week). The average weekly commuting time for all full-time workers has been growing consistently, increasing by almost one-half hour since 1990. In 2013, the combined work and commuting week for U.S. full-time civilian workers was 47 hours.



To evaluate where New Yorkers stack up in terms of combined work and commuting weeks, the Comptroller's Office evaluated usual work hours and commuting time in America's 30 largest cities.<sup>3</sup> Overall, full-time workers in those 30 largest cities work about three minutes fewer per week, on average, than do workers elsewhere in America, but spend about 10 minutes more commuting.

The difference in the length of the combined workweek between the big cities and the rest of the country may seem trivial, but the averages mask considerable variation among those cities themselves. Table 1 presents the average work hours for full-time workers in each of the 30 largest cities, the estimated average commute time, and the combined work-commuting workweek.

Among the 30 largest cities, the average weekly hours of work ranges from 44 hours, 1 minute in San Francisco to 41 hours, 7 minutes in Detroit—a difference in the average workday of over 35 minutes. New York City ranks 12<sup>th</sup> among the large cities, with full-time civilian workers averaging 42 hours, 50 minutes of work each week.

Average weekly commute times also vary considerably among cities, and in that regard New York City is an outlier. With an estimated weekly commute of 6 hours, 18 minutes, New York is the only city among the 30 largest in which average weekly commuting hours exceeds five, more than an extra hour each day. Combined with work hours that are longer than average, New York City full-time workers spend over 49 hours per week either working or commuting, giving them the longest combined workweeks in the nation.

The differences in workweek length between New York and some of the nation's mid-sized cities is substantial. For example, the average combined work and commuting week in New York is about 4 hours, 15 minutes longer than in Milwaukee. That means that New Yorkers have some 50 minutes less per workday to be with family or engage in other pursuits, than their counterparts in Milwaukee.

While Milwaukee, with its cold climate and slowlygrowing economy, may not beckon many New Yorkers to relocate, workers in some of the country's sunniest and fastest-growing cities also have significantly shorter combined workweeks than do New Yorkers. Full-time workers in New York City spend over three hours more per week working and commuting than do their counterparts in Phoenix, San Diego and Portland, Oregon.

One may speculate that actual hours of work are curtailed in cities with longer commutes, as workers might be expected to spend more hours at work if their commutes are short. That, however, is not the case; there is a positive correlation between the average

<sup>&</sup>lt;sup>2</sup> The Comptroller's Office defined "full-time" as working 30 hours per week or more.

<sup>&</sup>lt;sup>3</sup> Because of differences in size and political boundaries, there is no ideal way of comparing economic data across cities or metropolitan areas. For the purposes of this analysis, city comparisons were made. For 12 of the largest cities, the boundaries of the Public Use Microdata Areas (PUMAs) cannot be lined up exactly with political boundaries. In those cases the central county of the metropolitan area was used.

number of work hours and the average number of commuting hours across cities. The more time one spends at work, the more time they are likely to spend commuting and vice versa. Generally, both work hours and commutes are longest in the central cities of the largest metropolitan areas.

#### Table 1

Average Weekly Work and Commuting Time 30 Largest American Cities, 2013

	Weekly	Weekly	Total	
City	Work	Commute	Time	
	(Hours, Minutes)			
New York, NY	42.50	6.18	49.08	
San Francisco, CA	44.01	4.57	48.58	
Washington, DC	43.50	4.49	48.39	
Houston, TX	43.44	4.33	48.18	
Fort Worth, TX	43.43	4.18	48.01	
Chicago, IL	42.36	5.25	48.01	
Boston, MA	42.53	4.43	47.36	
Charlotte, NC	43.50	3.45	47.35	
Baltimore, MD	42.34	4.51	47.25	
Seattle, WA	43.17	4.06	47.23	
Austin, TX	43.27	3.54	47.21	
Dallas, TX	42.56	4.15	47.12	
Philadelphia, PA	42.01	5.01	47.02	
San Antonio, TX	43.04	3.57	47.01	
San Jose, TX	42.48	4.12	47.01	
Denver, CO	42.50	3.58	46.48	
Los Angeles, CA	42.09	4.38	46.48	
Nashville-Davidson, TN	42.46	3.39	46.25	
Jacksonville, FL	42.21	3.48	46.10	
San Diego, CA	42.12	3.58	46.10	
Memphis, TN	42.22	3.45	46.07	
Columbus, OH	42.38	3.38	46.04	
Louisville, KY	42.36	3.27	46.03	
Portland, OR	42.09	3.48	45.57	
Indianapolis, IN	42.24	3.40	45.54	
Phoenix, AZ	41.54	3.58	45.52	
El Paso, TX	42.02	3.36	45.38	
Las Vegas, NV	41.36	3.49	45.26	
Detroit, MI	41.07	4.17	45.24	
Milwaukee, WI	41.14	3.40	44.53	

Source: NYC Comptroller from ACS microdata

# Workers and Occupations

Although there may be a number of historical and cultural factors that influence work-hour patterns in different regions of the country, differences in industry composition account for a large amount of the variation in work hours from city to city. The duties performed in different lines of work can necessitate certain work schedules and hours of work, and eventually become ingrained in the "corporate culture" of particular workplaces. Generally, workers in cities with large tech sectors, large mining (especially oil and gas) sectors, and large financial sectors work more hours than those in cities where those sectors are less heavily represented.

In New York City, workers in the finance sector, on average, work the longest workweeks. With usual work schedules topping 47 hours, New York City financial workers spend, on average, almost four hours more per week working than do their counterparts in other large cities. That difference is probably due to both the corporate culture of New York City finance firms, as well as to the nature of the business operations performed here (investment banking versus loan processing, for example).

Longer work hours (relative to other cities) are also characteristic of New York's advertising, media, computer, and legal services industries. For example, workers in advertising in other large cities work relatively long 45-hour workweeks, but average workweeks in New York's advertising industry are about 1 hour, 38 minutes longer.

Long workweeks among New York City workers are not limited to high-wage industries, however. City workers in arts and entertainment, food service, and retail trade also work more hours in a typical week than do their counterparts elsewhere. But longer workweeks are not characteristic of all New York City industries. City workers in manufacturing, real estate, and health care, for example, work fewer hours in a typical week than do workers in those industries in other large cities.

Even within industries, there are significant variations in work hours. For example, within health care, physicians and surgeons report working on average 57 hours per week while optometrists report working on average 42 hours per week. There are also significant differences in weekly commuting time between occupations. Table 2 shows the average combined work/commuting hours for the 25 most common occupations in New York City, and how the combined workweeks compare to the average of the next 29 largest American cities.

#### Table 2

### Combined Workweeks of Top 25 NYC Occupations, 2013 NYC vs. Other Large Cities

	<u>Other</u>		
	NYC	<u>Cities</u>	
Occupation	Hours 8	k Minutes	Difference
Cooks	40.50	42.42	F 0C
Waiters & Waitresses	48.53	43.43	5.06
	45.56	41.40	4.10
Accountants & Auditors	52.08	48.25	3.50
Financial managers	53.17	49.37	3.48
Cashiers	45.46	42.01	3.27
Janitors & Building	47 44		2.22
Cleaners	47.41	44.02	3.23
Nursing & Home Health			
Aids	48.46	45.08	3.23
Lawyers & Judges	55.38	52.15	3.14
Chief Executives &			
Legislators	57.26	54.04	3.13
Construction Laborers	49.20	46.04	3.10
Security Guards	48.25	45.23	3.01
Taxi Drivers & Chauffeurs	52.27	49.34	2.56
Customer Service			
Representatives	47.13	44.47	2.40
Physicians & Surgeons	61.01	58.55	2.28
First-line Retail managers	50.35	48.25	2.06
Retail Salespersons	47.00	45.01	1.59
Maids & Housekeepers	46.00	44.04	1.58
Secretaries &			
Administrative Assistants	46.41	44.46	1.57
Designers	48.29	47.04	1.15
Social Workers	47.21	46.10	1.07
Registered Nurses	45.39	44.34	1.03
Teacher Assistants	42.29	41.28	1.01
Childcare Workers	45.32	44.38	0.56
Drivers & Truck Drivers	50.14	49.56	0.35
Elementary & Middle			
School Teachers	45.56	47.41	-1.45

Source: NYC Comptroller from ACS microdata

In nearly every occupational category, New Yorkers report longer combined weeks than do their counterparts in other large cities. In slightly more than half of the occupations, New Yorkers work longer weekly hours than in other large cities, but New Yorkers in every occupation spend more hours commuting. Among those common occupations, New York City's cooks, waiters and waitresses have the longest combined weeks relative to their peers in other cities, working and commuting four to five hours per week more. The longer hours of those New York City food service workers is also characteristic of other occupations in the industry that are not shown in the table, including chefs and head cooks, bartenders, and dishwashers.

Although well-educated, well-paid professionals such as physicians and surgeons, lawyers and judges, chief executives, and financial managers tend to work the longest hours, less well-paid employees typically have the longest commutes. That is, apparently, because well-paid professionals are able to afford housing close to their places of employment, living disproportionately in Manhattan.

Among workers in the most common New York City occupations, security guards have the longest commutes, spending more than eight hours per week commuting on average. Nursing and home health aides and maids and housekeepers also report long commutes, while chief executives, taxi drivers and physicians and surgeons report the shortest commutes.

## Policy Implications

The recognition that New Yorkers work longer hours than the average big-city resident and spend more hours commuting contributes to a better understanding of certain aspects of economic life in the city, and suggests several important policy implications.

A basic premise of urban economics is that workers in the largest cities receive higher pay—a wage premium—that serves to compensate them for the higher cost of living in those cities. Without those wage premiums (or equally valuable urban amenities) workers in large cities would migrate to places where the cost of living is lower, and the relative size of cities would be unstable.

The average full-time worker in New York City earns about 16 percent more than does the average fulltime worker in the next 29 largest cities. However, that wage premium is less than it seems, because full-time workers in NYC spend more than two additional hours per week working and commuting, making the actual wage premium closer to 11 percent.4

Some occupational groups, such as lawyers and judges, retain a large wage premium even after taking into account their longer work-week schedules. Lawyers and judges in New York City earn, on average, 22 percent more than their counterparts in other large cities but have combined workweeks only 7 percent longer, leaving them with an effective wage premium of 15 percent. Full-time cooks, with an adjusted wage premium of 8 percent, and waiters and waitresses, with an adjusted differential of only 4 percent, do not benefit as much from their lengthy New York workweeks.

Even worse off are the city's 133,000 nursing and home health care aides who make, on average, three percent less than their counterparts in other large cities but have combined workweeks that are eight percent longer. Workers in New York City's most common occupation essentially make 11 percent less, on an hourly basis, than their counterparts in other large cities, even before adjusting for the City's high cost of living.

Long work hours do not reduce the effective wages of most hourly-paid workers because they are covered by the legally-mandated overtime. FLSA provisions and corresponding State labor laws may in fact raise hourly effective wages because these workers are required to be paid 1.5 times their basic hourly rate of pay for hours in excess of 40. However, the long commutes of many lowwage, hourly-paid employees in New York City does diminish the value of working and should be considered in any discussion of an appropriate minimum wage for city workers.

policy consideration Another 15 that long workweeks, whether they originate from the occupational structure of the city's economy, its corporate culture, or long commutes, may suppress the labor force participation of certain groups. The labor force participation rate (LFPR) of working-age men in New York City (ages 23 to 64) is slightly above the average of the other 29 largest cities. However, the LFPR of New York City women is about two percentage points lower, and among women with children aged 16 or younger, three percentage points

lower. Moreover, the LFPR of women with children in the city is well below that of Boston, Philadelphia and San Francisco and nearly 10 percentage points below that of Indianapolis and Columbus.

Some researchers have suggested that the LFPR of women, and especially of married women with children, is highly sensitive to commuting times. Economist, Dan Black, Natalia Kolesnikova, and Lowell Taylor estimated that a 1-minute increase in a metropolitan area's average commute time is associated with an approximately 0.3 percentage point decline in the labor force participation of women with a high school education.<sup>5</sup>

The LFPR of parents can be expected to be especially sensitive to commute times because commuting typically occurs at the times of day child care is most difficult to find, and because commuting delays are generally less predictable than work schedules. Consequently, allowing parents, and especially mothers, to remain active in the workforce in cities with long commuting times may depend on providing them greater workplace and scheduling flexibility.

Despite New York City's long work hours and commutes, there is little evidence that the city's women with children are provided more work flexibility than women in other cities. Fewer New York City women with children work part-time than in other large cities (16.4 percent vs. 17.3 percent), while the proportion of women who report that they work from home is about the same (4.0 percent in both cases).<sup>6</sup>

However, there is evidence that in some professions, such as the law, greater flexibility is taking hold. In 2013, 25 percent of the city's female lawyers, judges and magistrates with children worked 30 hours per week or less, compared to 13 percent in other large cities. In 2000, only 12 percent of New York City's female lawyers with children worked less than 30 hours per week. In most other occupations, both professional and nonprofessional, New York City women with children are less likely than their counterparts elsewhere to work reduced workweeks.

The most obvious implications of this analysis of

<sup>&</sup>lt;sup>4</sup> Some commuters may consider their travel time a form of leisure while others find their work hours more agreeable. There is an extensive academic and technical literature on the valuation of commuting time. In our analysis we assume that workers value their work and commuting time equally. A good summary of the literature can be found in: Kenneth A. Small, "Valuation of Travel Time," *Economics of Transportation*, 1:1, December, 2012.

<sup>&</sup>lt;sup>5</sup> Dan Black, Natalia Kolesnikova, and Lowell Taylor, "Why do so few women work in New York (and so many in Minneapolis)? Labor supply of married women across US cities." *Journal of Urban Economics* 79, (2014).

<sup>&</sup>lt;sup>6</sup> Unfortunately, there are no statistically reliable sources that provide information at the city level on workers who telecommute occasionally. According to the Bureau of Labor Statistics, however, just 3.3 percent of all workers in the Northeast who don't work exclusively from work at least one day per week at home.

New Yorkers' workweeks relate to transportation. The city's transit system is rightly lauded for its ability to move millions of daily commuters and as a quick and inexpensive way to move about Manhattan. But it can also be a source of frustration and discomfort for those who need to commute during peak hours, from the outer reaches of the boroughs, or to workplaces not in Manhattan. Moreover, the time New Yorkers spend commuting to and from work adds to their already long workweeks and leaves them fewer hours at home than workers in any other city.

Table 3 shows the number of New York City fulltime workers by their primary means of commuting and their reported average commute times, prorated to a 5day week. The average New York City full-time worker who does not work at home spends 6 hours, 42 minutes per week commuting.

#### Table 3 Transit Times of NYC Workers By Primary Mode of Transit, 2013

	Number	Avg. Commute
Primary Mode		Time
Ferryboat	9,800	11.14
Railroad	55,300	10.40
Bus or trolley bus	355,600	8.05
Subway or elevated	1,459,000	7.51
Auto, truck, or van	877,200	5.39
Motorcycle	3,400	3.55
Bicycle	40,500	3.54
Taxicab	36,100	3.13
Walk only	318,700	2.40
Other	25,600	6.20
Total Commuters	3,181,200	6.42
Work at home	126,400	0.00
Total Workers	3,307,600	6.18
Source: NYC		
Comptroller from ACS		
Microdata		

Those who are able to walk to their jobs spend the least time commuting, while those who commute by railroad or ferry spend the most. The largest group are those who commute primarily by subway, who spend an average of 7 hours, 51 minutes per week commuting.

Nevertheless, the vast majority of New Yorkers will continue to commute using existing subway, bus and rail lines – by the end of 2013, weekday ridership on New York City subways had risen to 5.5 million – the highest ridership in decades. The speed and reliability of service

affects the length of New Yorker's workweeks and their overall quality of life. In 2014, there was a 45 percent increase in subway delays compared to the year before. That year, only 21 percent of subway riders were "very satisfied" with the predictability of subway travel time and 27 percent with how fast the subway gets them where they want to go. Smaller percentages were very satisfied with those same measures of bus service.<sup>7</sup>

Transportation planners are not unaware of the time costs daily commuting imposes on New York City workers, and major transportation investments such as the Second Avenue Subway, the #7 Train Extension, and East Side Access are, at least in part, intended to speed workers' travel to and from work. Recent proposals to launch additional ferry routes and 13 new express bus routes should also provide some workers with faster commuting alternative, if implemented.

Capital improvements to the transit system should help to reduce commute times. The Metropolitan Transportation Authority (MTA) however, faces a financing challenge to its current Capital Plan (FY 2015 - 2019) which has a \$15 billion deficit. In addition to the challenge of finding more sustainable financing, the MTA should ensure that the investments it makes are those that bring the most value to the system's structural integrity. Signal systems, track repair and maintenance must take priority over station renovations or redesign.

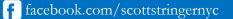
Pressure on the system can also be eased if the current rush hour crowds were staggered through more hours of the day. Flexible Work Arrangements (FWA), which the Comptroller's Office has advocated for, could relieve some of that strain. A FWA allows employees to work hours outside the traditional 9-to-5 schedule and from locations outside their workstation. With more people working different hours and telecommuting, transit commute times could be reduced.

New York City workers spend more time working and commuting than workers in any other major city in the country. While we may take some pride in our dedication, ambition and toughness from that, it is also highlights a disadvantage of city life that, like other competitive disadvantages, can be mitigated by enlightened efforts of the public and private sectors.

<sup>&</sup>lt;sup>7</sup> 2014 Customer Satisfaction Survey: Subway, and 2014 Customer Satisfaction Survey: Local Bus, New York City Transit.

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