

NYC PRIVATE EDUCATIONAL SERVICES SECTOR AND CHILD DAY CARE SERVICES INDUSTRY TRENDS AND ISSUES

A LABOR MARKET PROFILE PREPARED FOR THE
NYC EMPLOYMENT & TRAINING COALITION BY THE FISCAL POLICY INSTITUTE
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Part I: Private Educational Services Employment in New York City

The private educational services sector employs 117,852 persons in New York City, or 3.9% of the City's total private sector employment. This reflects employment in all private elementary, secondary, technical, junior, and vocational schools, as well as all employment in colleges and universities. This employment includes that associated with the City's numerous religious-based educational services providers. (See Table 1 and Chart 1.) The data presented in Table 1 reflect employment data from the New York State Department of Labor's ES-202 file, which is based on unemployment insurance records, and covers roughly 97-99% of all nonagricultural employment. (Note, these data are different from the occupational data presented in Tables 2 and 3.)

Table 1: Private Educational Services, New York City

| 3-digit SIC | Employment | | | | | Average Annual Wages (\$2001) | | | |
|---|----------------|----------------|---------------|--------------|-------------------------------------|-------------------------------|-----------------|----------------|--------------|
| | 1990 | 2001 | Change | % Change | 3-digit SIC's % 2001 Total | 1990 | 2001 | Change | % Change |
| Elem. & Sec. Schools (821) | 23,542 | 28,779 | 5,237 | 22.2% | 24.4% | \$27,603 | \$29,829 | \$2,226 | 8.1% |
| Colleges and Universities* (822) | 59,692 | 63,866 | 4,174 | 7.0% | 54.2% | \$36,421 | \$40,892 | \$4,471 | 12.3% |
| Libraries ** (823) | 6,293 | 7,941 | 1,648 | 26.2% | 6.7% | \$26,309 | \$25,485 | \$(824) | -3.1% |
| Vocational Schools (824) | 4,689 | 3,737 | (952) | -20.3% | 3.2% | \$29,588 | \$35,293 | \$5,705 | 19.3% |
| Schools & Educational Services, NEC (829) | 6,086 | 13,529 | 7,443 | 122.3% | 11.5% | \$24,286 | \$30,543 | \$6,257 | 25.8% |
| TOTAL PRIVATE SIC 82 | 100,302 | 117,852 | 17,550 | 17.5% | 100.0% | \$32,380 | \$35,787 | \$3,407 | 10.5% |

* The 1990 employment figure for colleges and universities was adjusted upward by 7,000 to make comparison with 2001 possible. In 1995-96, these jobs were phased into the educational services industry in order to reflect a reporting change by colleges and universities. These jobs therefore do not represent real growth, but rather an inclusion of previously uncounted jobs that were already in existence. (See, "The New York City Economy: Recent Trends in Jobs, Income and the Health Care Industry," Technical Memorandum 3-97, March 23, 1997, Office of the State Comptroller.)

** This includes all research libraries within the New York City Public Library system, but not branch libraries.

Source: ES 202 data, NYS DOL.

As Table 1 shows, the City's private colleges and universities employ nearly 64,000 persons, or 54.2% of the private educational sector's total employment (in 2001). Elementary and secondary schools, which employ nearly 29,000, account for the next largest share at 24.4%. Vocational schools account for 3.2% of the sector's employment, while libraries account for 6.7%. The 'Not Elsewhere Classified' (NEC) segment – which includes, music, drama, language, short-term examination preparatory schools, as well as student exchange programs and curriculum development organizations – accounts for the remaining 11.5% of the sector's employment.

The private educational services sector added 17,550 jobs during the 1990s, a 17.5% increase. This compared to the 4% gain in total private sector employment in New York City over the course of the decade. All segments of the private educational services sector, except vocational schools, experienced job growth during the 1990s. The largest gain in absolute terms occurred in the NEC segment, which added over 7,400 jobs (a 122% increase) during the decade. The elementary and secondary schools segment recorded a job gain of 5,237, a 22.2% increase. Colleges and universities registered a 7% increase, as more than 4,174 jobs were added between 1990 and 2001. The libraries segment—which includes all research libraries of the New York City public library system, e.g., the main library at 42nd Street in Manhattan—grew by 1,648 jobs, a 26.2% increase. The net job loss of 952 jobs in the vocational schools segment represented a 20% decline.

One important note in regard to the employment increases experienced by the colleges and universities segment over the past decade is worth mention. Specifically, despite the employment increases in the segment, it remains true that many colleges and universities are increasingly turning to adjuncts for instruction across many disciplines. These jobs, which have average wages far below those for tenured faculty members also frequently do not include benefits. This practice mirrors the growing incidence of contingent and temp-based work arrangements that became increasingly common in the private sector during the past decade.

Employment in Educational Service by Borough

While complete borough level employment data for educational services are not available for all 3-digit segments, they are available for the SICs 822 (colleges and universities), 824 (vocational schools), and 829 (NEC). Seventy-six percent of all private educational services employment in SIC 822 is located in Manhattan. The shares for the rest of the boroughs are: 10% in The Bronx, 8% in Brooklyn, 4.6% in Queens, and 1.4% in Staten Island. In the 824 segment (vocational schools), 76% is located in Manhattan, 1.6% in The Bronx, 13.1% in Brooklyn, 8.3% in Queens, and 0.9% in Staten Island. In the 829 segment (NEC), 65.6% is located in Manhattan, 2.4% in The Bronx, 10.6% in Brooklyn, 20% in Queens, 1.4% in Staten Island. Clearly, the bulk of the sector's employment is located in Manhattan.

Average Annual Wages in Private Educational Services

The average annual wage in the private educational services sector equaled \$35,787 in 2001. This average wage was 74% of the average annual (non-securities) private sector wage of \$48,317 in 2001. Between 1990 and 2001, the sector's average annual wage increased 10.5% to \$35,787, from \$32,380. This was less than the 15.5% increase in the average annual (non-securities) wage in the City's private sector. Thus, the average annual wage in the City's non-securities private sector grew 1.3% per annum between 1990 and 2001, whereas the average annual wage in the private educational services sector grew 0.9% per annum.

Based on a 2000-hour work year (50 weeks @ 40 hours), the prevailing \$35,787 average annual wage in the private educational services sector in 2001 represents a \$17.90 average hourly wage. This compares to an average hourly wage of \$24.15 in the non-securities portion of the private sector.

Occupations in Educational Services (Public & Private)

Tables 2 and 3 (below) show the most recently available (1998) occupational breakdown of the City's *entire educational services industry, i.e., they reflect employment in both the private and public sectors*. Total public and private educational services employment totaled 299,269 in the 1998 occupation employment survey. This number far exceeds the total employment shown in Table 1 (117,852 in 2001), which reflects *private* sector employment only. Unfortunately, occupational employment and wage data—which are based on a triennial survey conducted by the state—do not allow for the private and public components of the sector to be differentiated. It is likely that the occupational distributions in the private and public sectors differ somewhat. This reflects the size of the public school system in the City, both in terms of the number of teachers and administrators, i.e., the Board of Education. As a consequence, the occupational distribution data presented in Tables 2 and 3 likely overstate the relative shares of elementary and secondary school teachers in the *private* educational services sector, while, at the same time, understate the relative shares of other occupational groups. Thus, the occupational data presented in the tables should be used only as a very rough guide of the occupational landscape prevailing in the *private* educational services sector.

Table 2: 1998 Educational Services Sector Top 20 Instructional Occupations, NYC

Note: Reflects employment in both the private and public sectors.

| | Occ. Code | Occupation | Employment | % Total | Median Hourly Wage (\$1998) |
|---|------------------|---|-------------------|----------------|------------------------------------|
| 1 | 313053 | Teacher, Elementary | 44,656 | 14.9% | N/A |
| 2 | 313083 | Teachers, Secondary | 33,266 | 11.1% | N/A |
| 3 | 313113 | Teachers, Special Education | 12,208 | 4.1% | N/A |
| 4 | 312993 | Postsecondary teachers, n.e.c. | 11,362 | 3.8% | 27.84 |
| 5 | 315213 | Teachers' aides, paraprofessional | 11,352 | 3.8% | N/A |
| 6 | 539053 | Teacher aides & education assistants | 7,316 | 2.4% | 8.87 |
| 7 | 311173 | Graduate assistants, teaching | 6,690 | 2.2% | 7.49 |
| 8 | 313213 | Instructors & coaches, sports | 4,508 | 1.5% | 18.02 |
| 9 | 315143 | Vocational & educational counselors | 4,290 | 1.4% | 19.93 |
| 10 | 315023 | Librarians, professional | 4,007 | 1.3% | 19.71 |
| 11 | 313043 | Teachers, kindergarten | 3,694 | 1.2% | N/A |
| 12 | 313143 | Teachers, vocational education | 3,272 | 1.1% | 17.60 |
| 13 | 313993 | Teachers & instructors, n.e.c. | 2,702 | 0.9% | 19.49 |
| 14 | 313173 | Instructors, nonvocational education | 2,359 | 0.8% | 13.78 |
| 15 | 312183 | Art, drama & music teachers | 1,963 | 0.7% | 23.15 |
| 16 | 312143 | English language/literature teachers, postsecondary | 1,785 | 0.6% | 20.51 |
| 17 | 312023 | Life sciences teachers | 1,750 | 0.6% | 35.90 |
| 18 | 312423 | Business teachers, postsecondary | 1,627 | 0.5% | 26.77 |
| 19 | 311143 | Nursing instructors | 1,422 | 0.5% | N/A |
| 20 | 312243 | Mathematical science teachers | 1,061 | 0.4% | 24.73 |
| Total Top 20 Occupations | | | 161,290 | 53.9% | |
| Source: NYS Department of Labor (OES data), 1998. | | | | | |

The occupational information presented in Table 2—which provides detail on the *instructional* occupations in the industry—is not surprising, as the largest occupational categories are overwhelmingly teachers. Accounting for 14.9% of the sector’s total employment, elementary teachers represent the single largest occupational group. Secondary and special education teachers, which comprise 11.1% and 4.1%, of the sector’s total employment, respectively, represent the next largest occupational groups. Post-secondary teachers not-elsewhere-classified account for the next largest occupational group, at 3.8%. The top-20 occupational groups also includes teachers’ aides, coaches, librarians, and kindergarten, art, drama, music, life sciences, and mathematics teachers. The top-20 instructional occupation groups account for 53.9% of the total public and private employment of 299,269 in the sector.

It should also be noted, that despite the large number of employees within the colleges and universities segment of the private educational services sector, because instructors at the post-secondary level are classified into distinct occupational groups along disciplinary lines, e.g., sociologists, economists, anthropologists, they do not appear on Table 2.

Table 3: 1998 Educational Services Sector Top 20 Non-Instructional Occupations, NYC
Note: Reflects employment in both the private and public sectors.

| | Occ. Code | Occupation | Employment | % Total | Median Hourly Wage (\$1998) |
|---|------------------|---|-------------------|----------------|------------------------------------|
| 1 | 670053 | Janitors & Cleaners | 12,331 | 4.12% | 12.84 |
| 2 | 553473 | Clerks, general office | 9,716 | 3.25% | 11.16 |
| 3 | 150053 | Education administrators | 9,311 | 3.11% | 32.08 |
| 4 | 551083 | Secretaries, except legal & medical | 7,008 | 2.34% | 15.11 |
| 5 | 599993 | Clerical occupations, n.e.c. | 6,932 | 2.32% | N/A |
| 6 | 971113 | Bus drivers, school | 6,277 | 2.10% | 11.19 |
| 7 | 399993 | Professional & technical occupations, n.e.c. | 5,493 | 1.84% | 16.77 |
| 8 | 553073 | Typists, including word processing | 5,119 | 1.71% | 13.51 |
| 9 | 630993 | Protective service occupations, n.e.c. | 4,019 | 1.34% | 22.16 |
| 10 | 510023 | Clerical supervisors | 3,481 | 1.16% | 18.82 |
| 11 | 650173 | Counter attendants | 2,830 | 0.95% | 6.10 |
| 12 | 329993 | Health professional & technical workers, n.e.c. | 2,825 | 0.94% | 16.12 |
| 13 | 539023 | Library assistants & bookmobile drivers | 2,751 | 0.92% | 9.39 |
| 14 | 219993 | Management support occupations, n.e.c. | 2,697 | 0.90% | N/A |
| 15 | 851323 | Maintenance repairers, general utility | 2,097 | 0.70% | 14.21 |
| 16 | 630473 | Guards | 1,945 | 0.65% | 8.46 |
| 17 | 553383 | Bookkeeping, accounting, auditing clerks | 1,799 | 0.60% | 14.15 |
| 18 | 190053 | General managers & top executives | 1,710 | 0.57% | 44.22 |
| 19 | 199993 | Managers & administrators, n.e.c. | 1,595 | 0.53% | 28.29 |
| 20 | 790413 | Laborers, landscapers/groundskeepers | 1,337 | 0.45% | 12.87 |
| Total Top 20 Occupations | | | 91,273 | 30.50% | |
| Source: NYS Department of Labor (OES data), 1998. | | | | | |

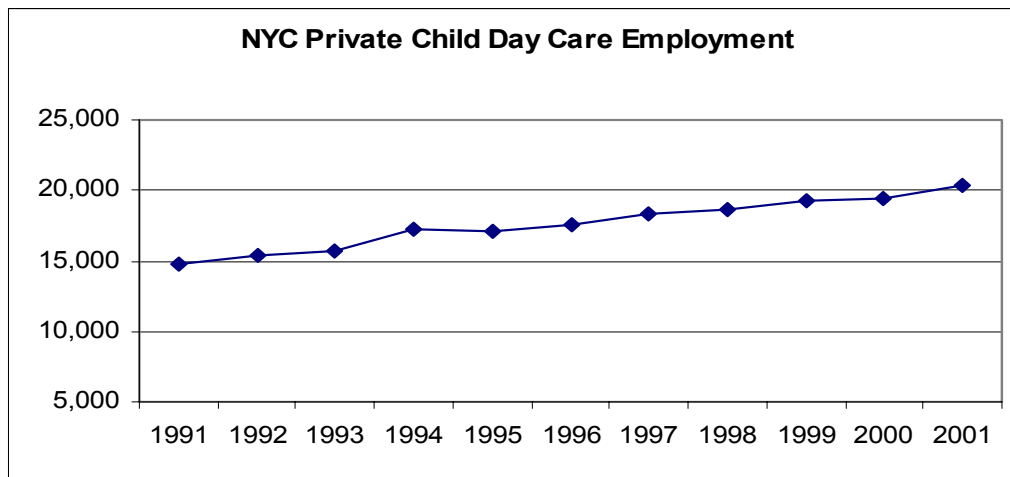
Table 3, which provides employment detail on the *non-instructional* occupations within the industry, shows that janitors and cleaners represent the largest occupational group, accounting for 4.1% of the sector’s total employment. General office clerks, at 3.3%, and administrators, at 3.1%, are the second- and third-largest non-instructional occupational groups. The top-20 non-instructional occupational groups list also includes, among others, non-legal and medical secretaries, bus drivers, typists, library assistants, guards, and bookkeepers. Combined, the top-20 non-instructional occupational groups account for nearly 30.5% of the total public and private employment of 299,269 in the sector.

As can be seen from Tables 2 and 3, there is a fairly wide range in median hourly wage rates across occupation groups—in both the instructional and non-instructional segments of the sector. For instance, the highest median hourly wage rate on the instructional side is \$35.90 for life sciences teachers, while the lowest is \$7.49 for graduate teaching assistants. On the non-instructional side, the highest median hourly wage rate is \$44.22 for general managers and top executives, while the lowest is \$6.10 for counter attendants.

Part II: Child Day Care Services (SIC 835)

Child day care services logically connects to educational services overall. This is a fast-growing and complicated labor market. The information below provides a brief overview of some of its salient characteristics.

The number of private sector child day care workers grew by 38% between 1991 and 2001. There were 20,304 workers in this sector at the close of 2001. New York’s 1,150 child day care providers employed an average of 18 workers, and paid an average annual salary of \$23,060 in 2001.



Source: ES202 data

Despite the fact that there are a large number of independently run child day care programs throughout New York City, both the activities and staffing in program classrooms tends to be highly structured in a similar way. Classrooms generally have three personnel levels. Head teachers must have state certification (requiring a Masters Degree in Education and successful completion of four exams) or provisional certification (Bachelors Degree and completion of two of the four qualifying exams).

Assistant teachers are the second tier of classroom personnel and while there are no official educational requirements for this position, the NYC Day Care Council estimates that 60% of assistant teachers have BA's. Finally, teacher's aides provide assistance to the two other adults in the classroom. They generally are employed part-time, again with no official training requirements.

Wage parity is a serious issue for child day care workers. Wages of teachers with provisional state certification were pegged to those of their counterparts in the NYC public schools. However, provisionally certified public school teachers saw a \$5,000 salary increase in their most recent contract and now teachers in private child day care programs have lost ground. Fully certified teachers, assistant teachers and teacher's aides/paraprofessionals have never had wage parity with their counterparts in the NYC public schools.

Again, the public sector is at least partially responsible for the relatively low wages in private child day care programs. According to the NYC Day Care Council, 465 programs in the city are funded by city contracts. The Day Care Council is the coordinating body for city funded child day care centers.

| Top 10 Occupations Within SIC 835 in NYC | Number | Mean Hourly Wage for this Occupation in NYC |
|---|---------------|--|
| Teacher aides & education assistants | 4,812 | \$9.77 |
| Teachers, preschool | 4,700 | \$12.88 |
| Child care workers | 1,624 | \$9.28 |
| Cooks, institution or cafeteria | 719 | \$12.19 |
| Janitors & cleaners | 659 | \$12.21 |
| Bookkeeping, accounting, auditing clerks | 488 | \$15.07 |
| General managers & top executives | 470 | \$40.57 |
| Human services workers | 405 | \$11.20 |
| Food preparation workers | 383 | \$8.35 |
| Education administrators | 372 | \$30.71 |
| Total | 14,632 | |

Source: Occupational Employment Survey data, 1998

Rates of unionization are particularly high within the child day care sector. Classroom personnel are represented by District Council 1707, Local 205, while managers and administrators are members of the CSA (Council of Supervisors & Administrators). Well over half of the city funded child day centers in New York City are unionized.

There is an additional form of child day care provider in New York City beyond the independent centers. Certified child day care programs are also administered in private homes under the supervision of, and with enhancement services from, publicly funded non-profit organizations.