Government employment, by the numbers

It’s been a big year so far for popular uprisings. First there was Tunisia, then Egypt, and then Wisconsin.

Wisconsin? If you’re unfamiliar with the state, its name probably evokes snow, cheese and the Green Bay Packers. But the state played a seminal role in the Progressive movement of the early 1900s and has been a leader on fair labor standards. At the same time, Wisconsin has a strong conservative movement. It’s a perennial battleground state in presidential elections, and Republicans took control of both houses in November.

The Wisconsin protests are a clash between these two political traditions. They started in response to a bill proposed by the new Republican governor that would significantly constrain collective bargaining for public employees. Coverage of the protests has been dominated by state and local-government employees in general, and it hasn’t been entirely accurate. So let’s get the facts straight.

The vast majority of government workers in the U.S. are employed by SLGs. Since the start of the Great Recession, SLG employment has fallen by 1.2 percent. Federal employment has grown 3.4 percent but accounts for only one in eight government workers. Consequently, total government employment has dropped 0.6 percent. The frequent claim that government has exploded in size since 2007 is simply wrong.

SLG employment accounts for 15 percent of the U.S. work force, and that share has held roughly steady since the 1970s. The federal share of employment has trended downward since the 1950s, even with the rise in recent years.

The composition of the SLG work force is different than in the private sector. In the private sector, a quarter of all jobs are in management and professional occupations. In SLGs it’s about 57 percent, a gap due largely to teachers, as a third of all SLG jobs are in education and related occupations.

As a result, the average SLG worker needs more education and skills than his private-sector counterpart. This is why simple wage comparisons show that SLG workers are paid more, and also why this is misleading. When done correctly, with SLG jobs lined up against comparable private-sector work, SLG workers are paid less. The Economic Policy Institute issued a brief last week finding that in Wisconsin, they’re paid about 5 percent less.

Historically, governments made up for the lower pay through more generous fringe benefits. The most recent national data on benefits show that 29 percent of private-sector compensation is in the form of fringes, as compared to 35 percent for SLG employees.

But these numbers overstate the gap because the private sector’s figure is dragged down by its larger share of low-skill jobs, which tend to be low-benefit jobs. An apples-to-apples comparison would involve a higher private-sector number and hence a smaller gap.

At times the debate has gotten extreme, with some arguing in effect that public employees are leeches on the taxpaying public. Insults aside, that misses the larger point. It’s not just about the workers, but the services they provide. Right when we need to invest more than ever in education and our work force, we’re defunding our schools. Right when we need to replace and expand our fragile infrastructure, we’re unable to do so.

Without further federal aid, SLG spending will be cut and many workers will be laid off. Policies are being driven by the rigid arithmetic of spending cuts, not the logic of investment. It’s insane, but at least the numbers add up.

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