

## **Do New England State and Local Governments Have Too Many Employees, and Are They Overpaid?**

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<http://www.bos.frb.org/economic/neff/neff34/neff34.pdf>

Contrary to the state's reputation, on a per capita basis Massachusetts has fewer workers in state and local government than most other states. Together, state and local governments in Massachusetts employ 498 people for every 10,000 residents, well below the national average of 542 employees and less than any other state in New England. The gap was larger for local government employment (356 versus 398 per 10,000 residents) than for state government (142 versus 144 per 10,000 residents), and was especially large for local non-education employment (128 versus 167 per 10,000 residents). Salaries for state and local government workers in Massachusetts were somewhat higher than the national average—\$46,535 compared to \$41,508. While these generally higher wages reflect higher living costs and wages, they also mask considerable differences across groups. Correctional officers in Massachusetts, for instance, earn 30 percent more than the national average, but local public welfare employees earn 11 percent less. The authors also found that for every \$1,000 in personal income earned by residents of Massachusetts, \$4.96 went to state and local payroll, compared to an average of \$6.08 per \$1,000 nationally. By this measure, the only category of public employees where payroll exceeded the national average was for state employees outside of education, a group who also garnered the highest average salaries at \$50,328.