



NEW YORK CITY COMPTROLLER
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Spotlight

Care Workers and the New York City Economy

BUREAU OF BUDGET

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Care Workers and the New York City Economy

Care work is one of the [fastest-growing](#) components of New York City's economy – but frequently one of the most neglected. The pandemic highlighted the importance of care workers to the city's economy and families, but also caused a great deal of disruption. At the same time, the supply of care worker labor has been constricted, as some left their jobs due to heightened health risk, [inadequate support](#), and [higher-paying jobs in other sectors](#).

This Spotlight takes a deep dive into the care economy in New York City. We examine who care workers are: overwhelmingly women, and on average significantly older, less white, and more likely to be immigrants than non-care workers. We explore recent trends in employment: the number of personal care aides grew significantly from 2019 to 2021, but the number of child care workers and preschool and kindergarten teachers declined.

While care work is compensated at rates far lower than non-care work, public policy actions in recent years have shown the potential for meaningful impact. We document the change in wages by occupation and discuss ongoing policy advocacy efforts to bring more equity and more stability to the care economy.

What Is Care Work?

We acknowledge that "care work" and the "care economy" can mean a lot of things, and there is no universally recognized definition. A range of organizations including [government agencies](#), [advocacy groups](#), and [research institutions](#) have produced varied, overlapping definitions of these terms. In one way or another, virtually all teachers, medical professionals, domestic workers, and social workers, among many other workers, provide care. At a high level, the phrase "care economy" tends to refer to labor which supports people who need extra support—e.g., children, the elderly, people with disabilities, and people experiencing illness. Care work can be paid or unpaid, formal and taxed or informal and untaxed.

For the purpose of this analysis, we choose to focus on a "core" subset of paid care workers: those who provide direct services to support people's day-to-day functioning and needs, and whose work can act as a substitute for home production. More specialized professionals whose skills cannot typically be found in the home, such as doctors and secondary school teachers, are excluded from the analysis. Similarly, work done in technologically advanced institutions like hospitals and skilled nursing facilities is excluded. We chose to focus on this subset of workers for multiple reasons: their work environments tend to be [less well-regulated](#), their jobs can be unstable and physically and emotionally demanding, and they tend to operate in a part of the economy which is unseen to many.

We define care workers as those who work in both an occupation of interest *and* an industry of interest.^{1, 2} Our occupations of interest are preschool and kindergarten teachers; home health aides; personal care aides; nursing assistants; and childcare workers. Our industries of interest include home health care services; residential care facilities (except skilled nursing facilities); individual and family services; child day care services; elementary schools (for kindergarten and pre-K); and private households. Under this framework, we include nursing assistants (an occupation of interest) who work in home health care services (an industry of interest), but exclude nursing assistants who work in hospitals, for example.

Overview: The New York City Care Workforce

Based on our definition above, the most recently available American Community Survey (ACS) data—from 2021—suggests a total of 254,760 New York City residents are care workers.³ This represents 5.9 percent of the city’s labor force and 3.0 percent of its total population. Table S1 shows the breakdown of these care workers by occupation and by industry. Home health aide is the most common occupation among the workers analyzed, while home health care services is the most common industry.

Table S1. Estimated number of New York City care workers by occupation and by industry

Occupation	Home health care services	Residential care facilities, except skilled nursing facilities	Individual and family services	Elementary and secondary schools	Child day care services	Private households	Total
Home health aides	112,376	629	33,349	-	-	790	147,144
Personal care aides	14,557	2,800	29,450	248	434	2,471	49,960
Nursing assistants	3,937	878	2,050	-	-	-	6,865
Preschool and kindergarten teachers	-	-	180	4,149	8,998	-	13,327
Childcare workers	-	283	401	2,628	21,352	12,800	37,464
Total	130,870	4,590	65,430	7,025	30,784	16,061	254,760

Source: American Community Survey (IPUMS-ACS) 1-year estimate, 2021.

Two industries closely tied to the care economy have grown especially quickly over the past few years: home health care services and services for the elderly and persons with disabilities. Between 2006 and 2016, jobs grew at an annual pace of 8,000 or 4.9 percent. Between 2017 and 2019, the pace accelerated to an average of 32,400 or 13.2 percent.⁴ As documented elsewhere,⁵ the increase is associated with the Consumer Directed Personal Assistance Program (CDPAP). [CDPAP](#) is a New York State Medicaid program which, since 2016, has allowed adult relatives to work as personal assistants. The number of jobs in these industries increased by 16 percent from the third quarter of 2019 to the third quarter of 2022 (latest available data, not seasonally adjusted). This represented a gain of 50,300 jobs relative to the number of jobs in the third quarter of 2019.⁶

Compared with its broader workforce, New York City’s care workers are overwhelmingly women. Table S2 compares the gender distribution between care workers and all other workers in New York City. While 47 percent of the city’s non-care workers are women, 89 percent of care workers in NYC are women.

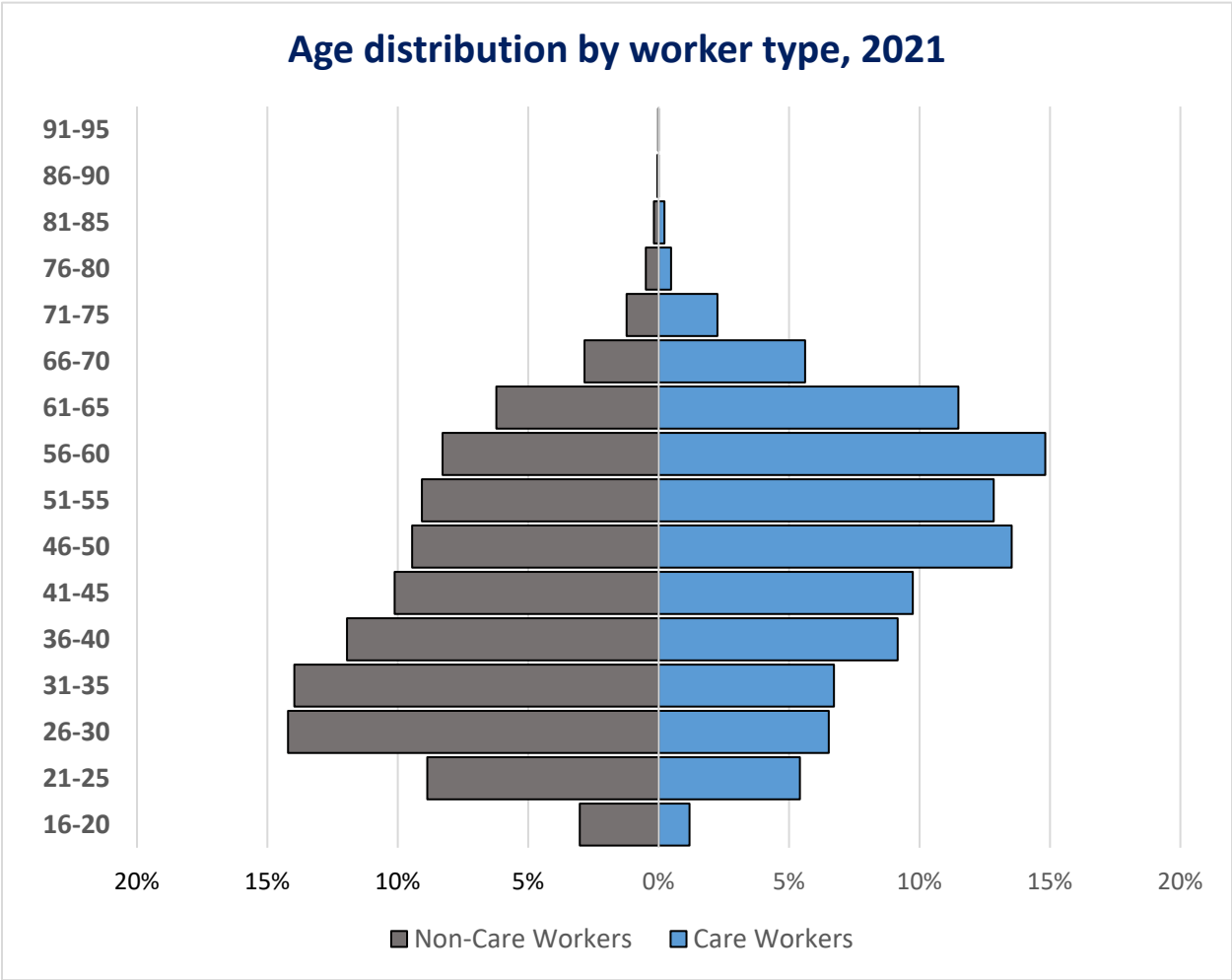
Table S2. Gender distribution by worker type, 2021

	Care workers	Non-care workers
Female	89%	47%
Male	11%	53%

Source: American Community Survey (IPUMS-ACS) 1-year estimate, 2021; Office of the NYC Comptroller.

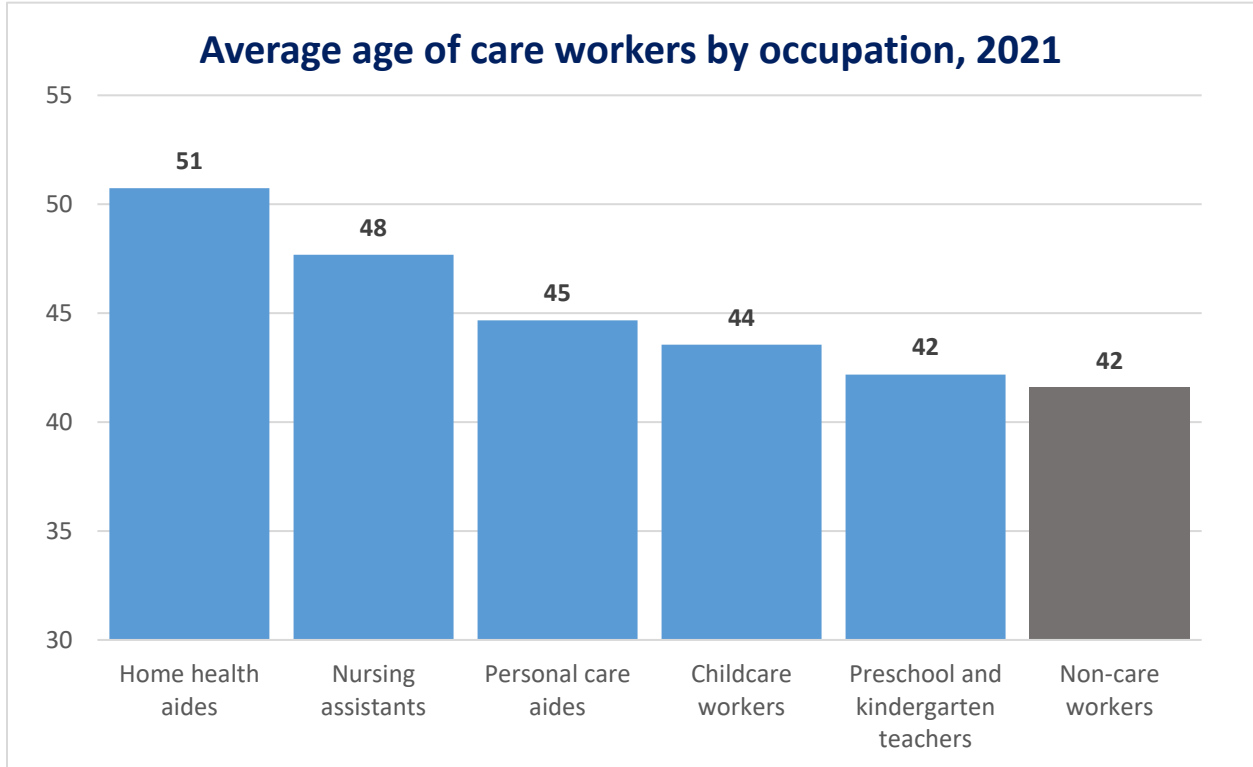
Care workers in New York City skew significantly older than other workers. Chart S1 shows the relative age distributions of each group. The age distribution of care workers peaks at 56-60 years, and their mean age is 48 years. Meanwhile, the age distribution of non-care workers peaks at just 26-30 years, and their mean age is 42 years. Chart S2 subdivides the mean age of care workers by occupation. At an average 51 years of age, home health aides are the oldest care workers. Preschool and kindergarten teachers are the youngest at 42 years.

Chart S1



Source: American Community Survey (IPUMS-ACS) 1-year estimate, 2021; Office of the NYC Comptroller.

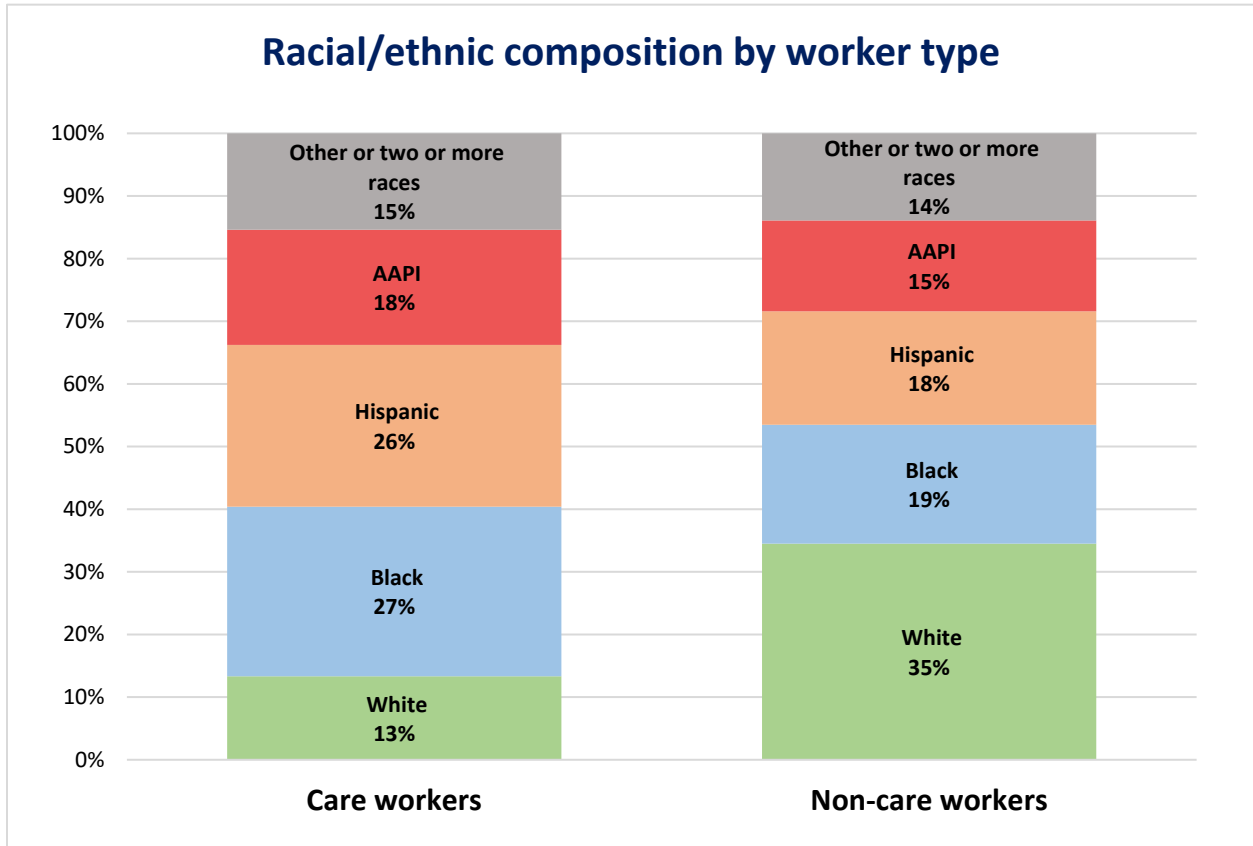
Chart S2



Source: American Community Survey (IPUMS-ACS) 1-year estimate, 2021; Office of the NYC Comptroller.

Relative to non-care workers, New York City’s care workers are less likely to be white, to have attended college, or to have been born in the United States. Chart S3 compares the racial and ethnic composition of each worker category. Care workers are especially more likely than other workers to be Black or Hispanic.

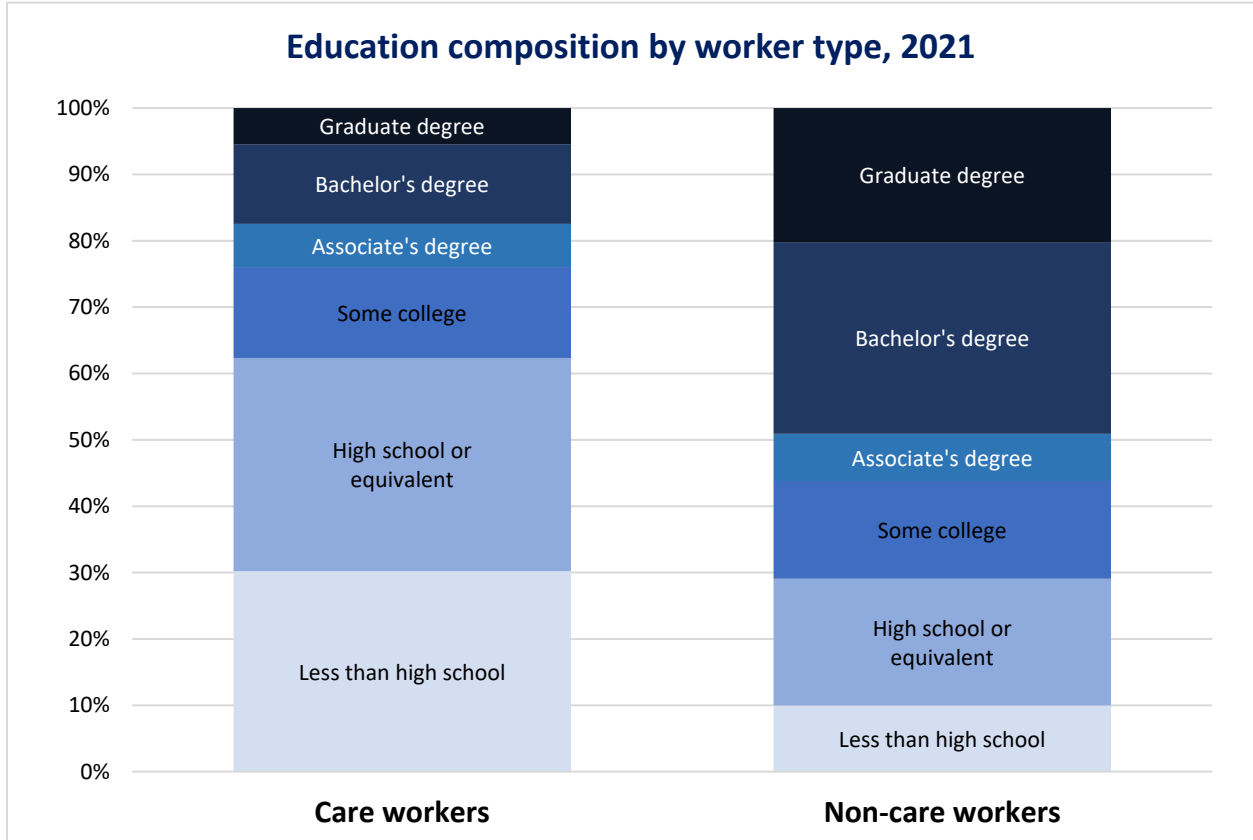
Chart S3



Source: American Community Survey (IPUMS-ACS) 1-year estimate, 2021; Office of the NYC Comptroller.

Chart S4 depicts the education distribution by worker type. Only 38 percent of care workers have attended at least one year of college, compared with 71 percent of other workers.

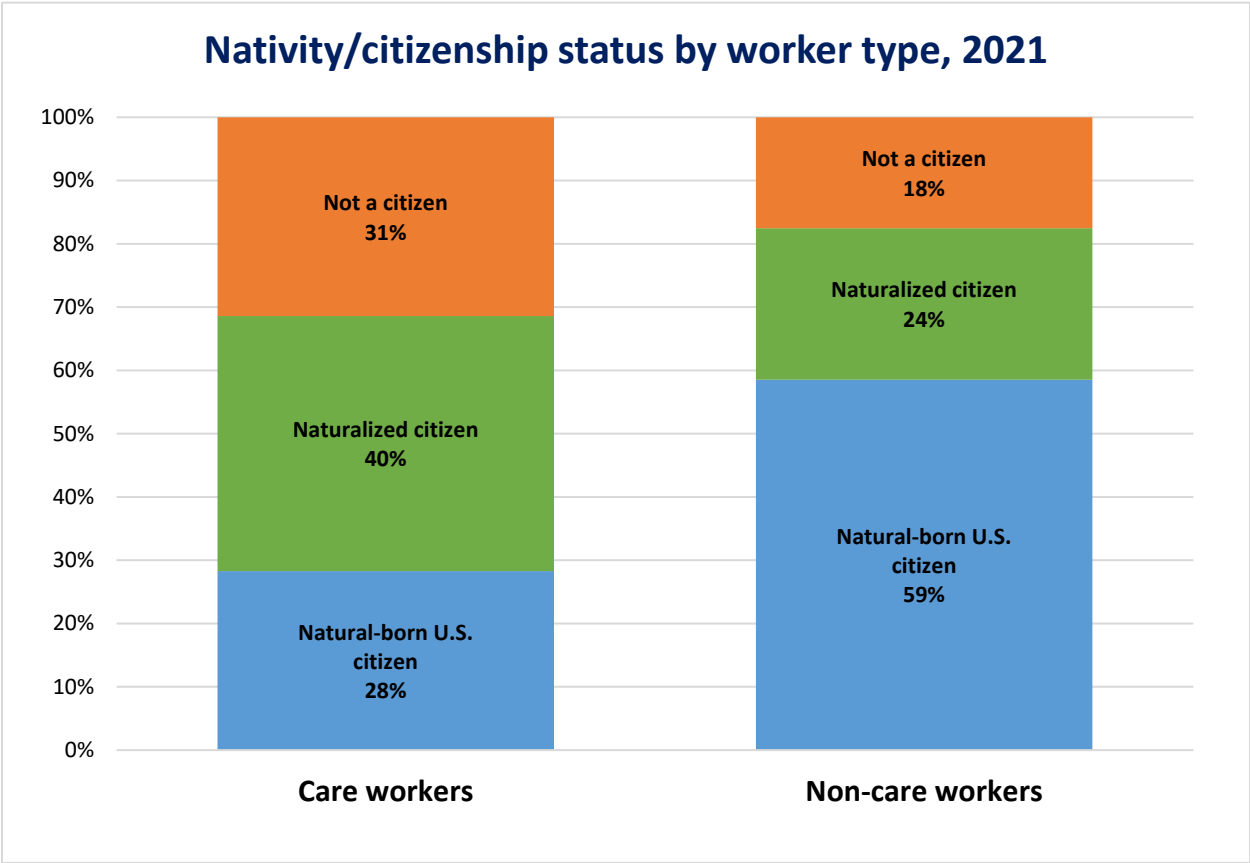
Chart S4



Source: American Community Survey (IPUMS-ACS) 1-year estimate, 2021; Office of the NYC Comptroller.

Finally, as Chart S5 shows, a much greater proportion of care workers were born outside of the United States—more than two-thirds of care workers are not citizens or are naturalized citizens, compared to just one third of non-care workers.

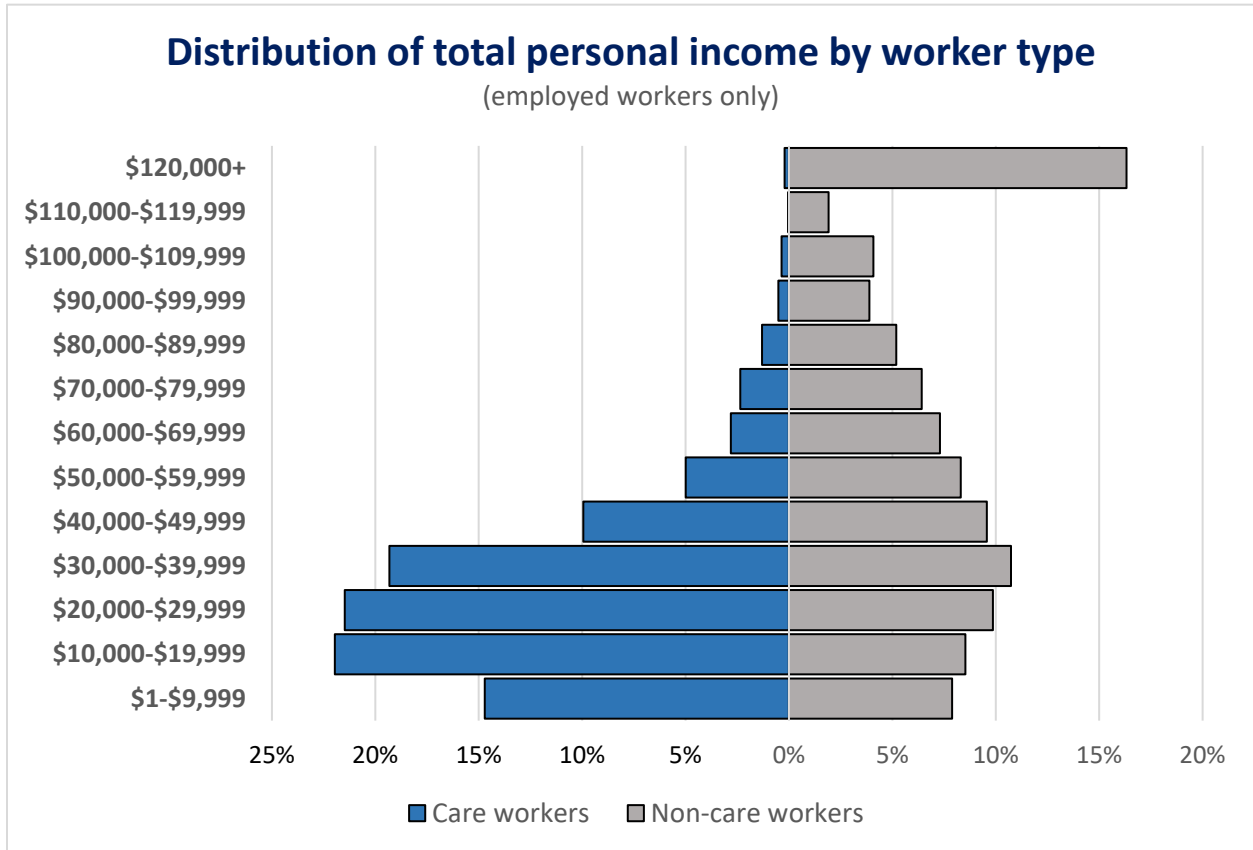
Chart S5



Source: American Community Survey (IPUMS-ACS) 1-year estimate, 2021; Office of the NYC Comptroller.

On most measures of economic well-being, care workers fare worse than other workers. As Chart S6 illustrates, care workers tend to fall far lower on the income spectrum than all other workers.

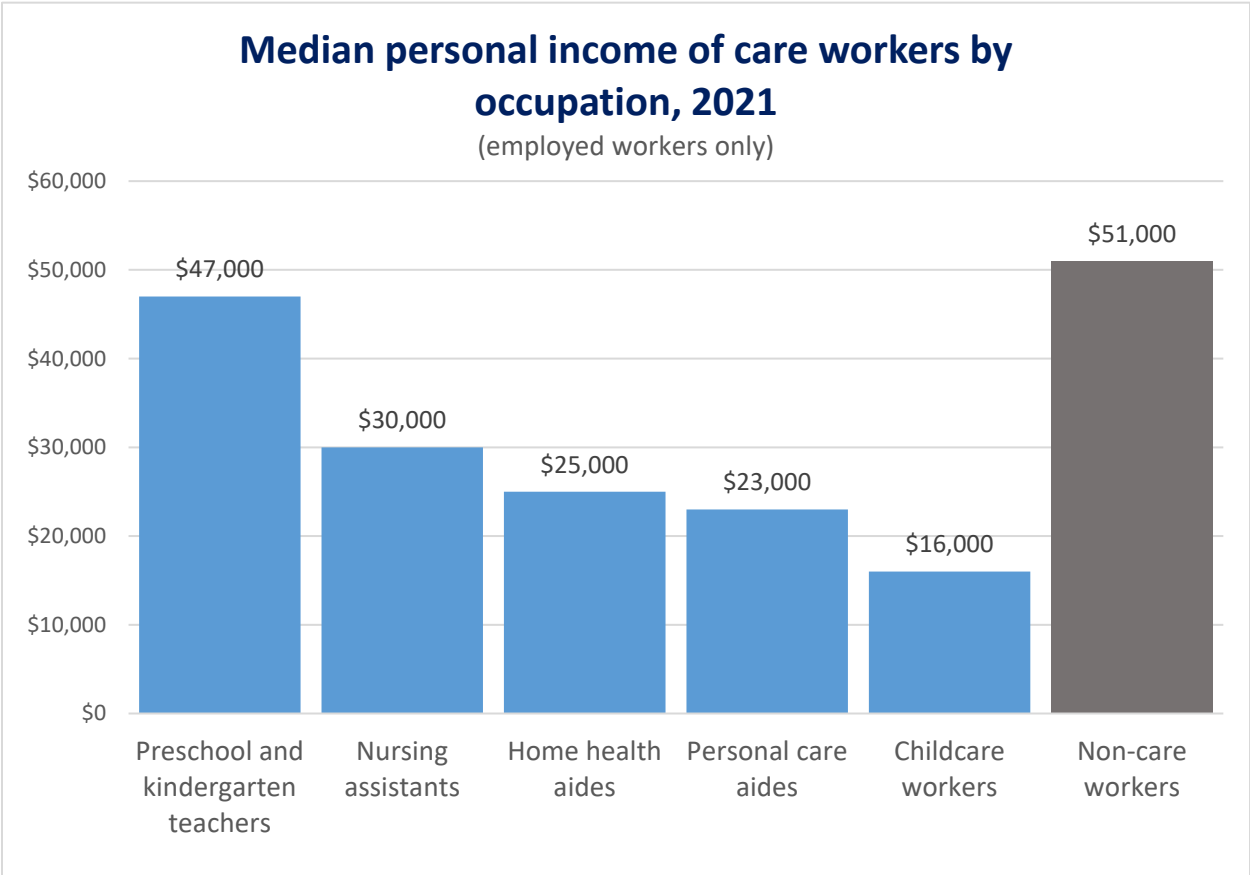
Chart S6



Source: American Community Survey (IPUMS-ACS) 1-year estimate, 2021; Office of the NYC Comptroller.

When comparing median income by occupation, as in Chart S7, preschool and kindergarten teachers have median incomes closest to non-care workers—at \$47,000 and \$51,000, respectively—while childcare workers have the lowest median income at \$16,000.

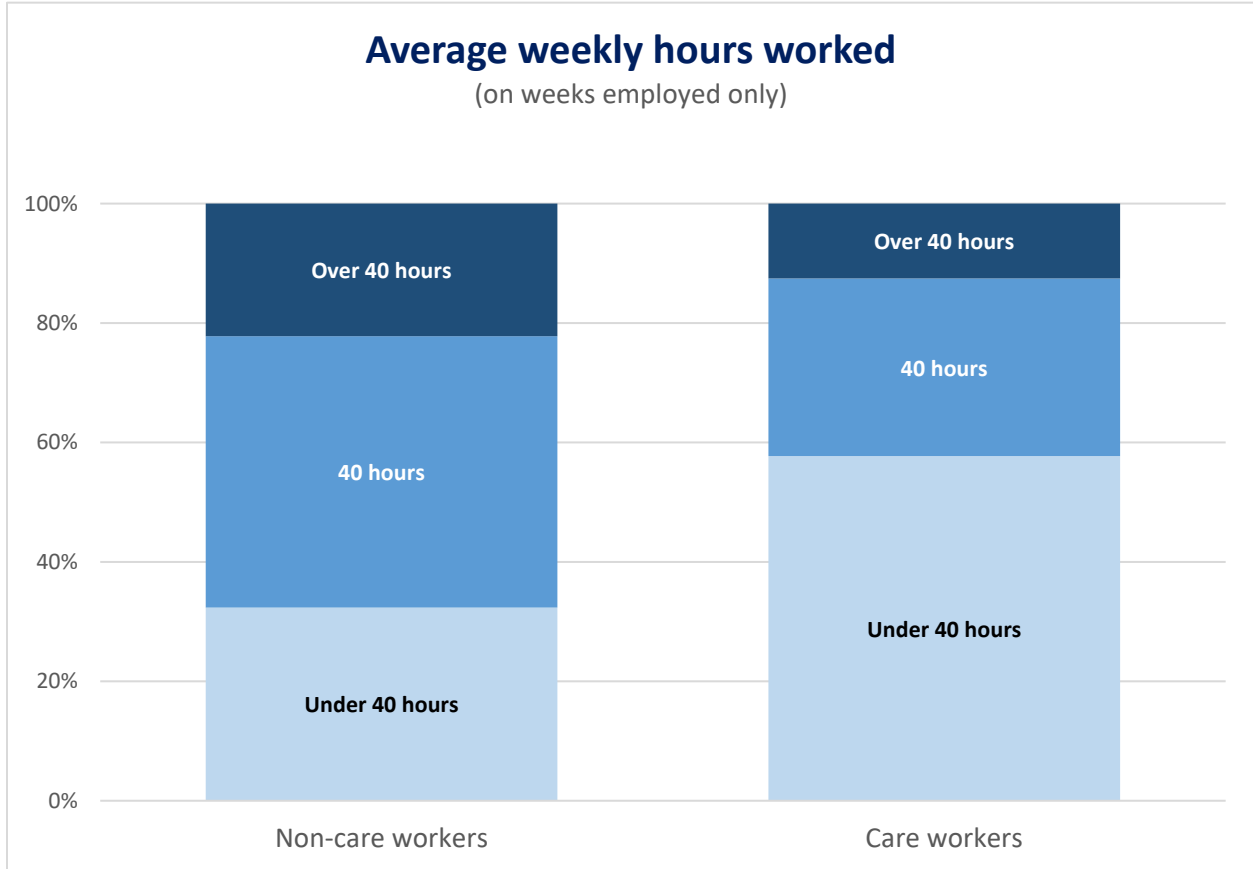
Chart S7



Source: American Community Survey (IPUMS-ACS) 1-year estimate, 2021; Office of the NYC Comptroller.

New York City’s care workers are far more likely to work part time, as shown in Chart S8. 58 percent of care workers reported working under 40 hours per week, compared with only 32 percent of non-care workers.

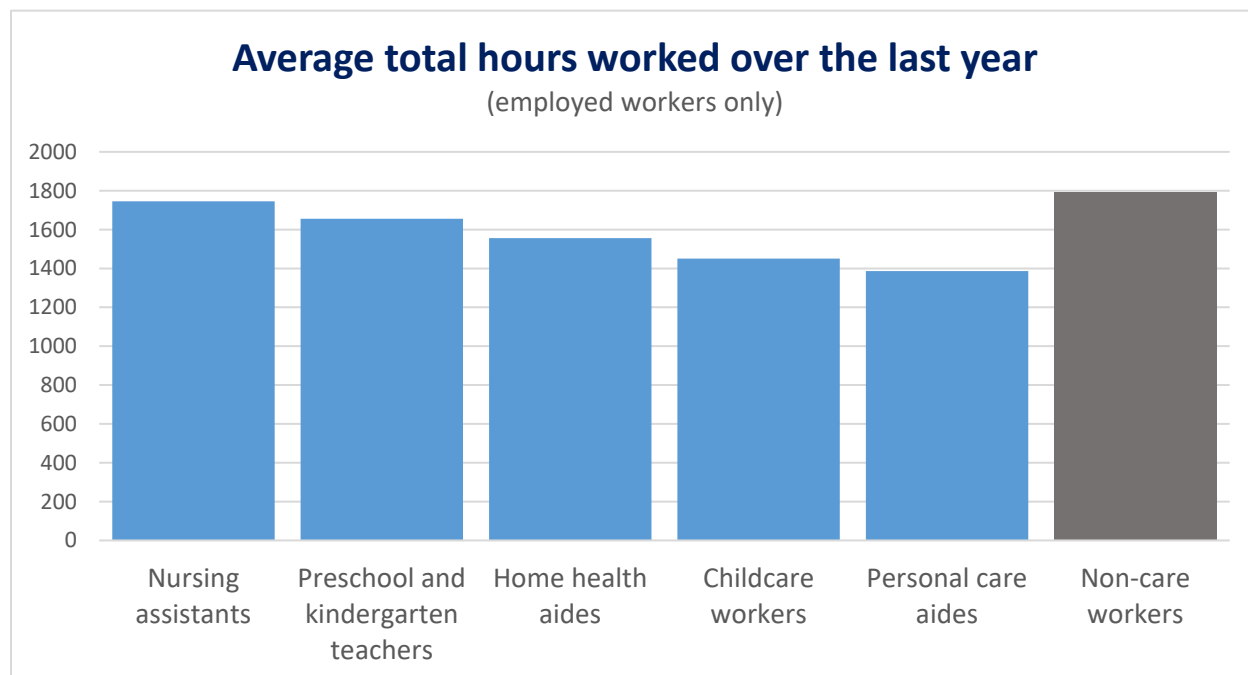
Chart S8



Source: American Community Survey (IPUMS-ACS) 1-year estimate, 2021; Office of the NYC Comptroller.

Chart S9 breaks down the average total hours worked per year by occupation (among employed workers). Personal care aides tend to work the fewest number of hours per year, followed by childcare workers and home health aides. Nursing assistants average the greatest number of work hours per year among care workers, but still fall below non-care workers.

Chart S9



Source: American Community Survey (IPUMS-ACS) 1-year estimate, 2021; Office of the NYC Comptroller.

New York City's care workers are also at greater risk of poverty. This is primarily driven by unemployed workers but holds true for employed workers as well, as shown in Table S3.

Table S3. Percent of workers with family income level at or below 100% of federal poverty guideline, 2021

	Care workers	Non-care workers
Employed workers	14.9%	6.2%
Unemployed workers	40.1%	28.7%

Source: American Community Survey (IPUMS-ACS) 1-year estimate, 2021; Office of the NYC Comptroller.

Data on health insurance coverage tells a somewhat different story. While employed care workers have a similar uninsured rate as other workers, unemployed care workers are actually *better* covered than their non-care counterparts. This may be a result of care workers having lower average income overall, and therefore being more likely to benefit from Medicaid regardless of employment status.

Table S4. Percent of workers without health insurance coverage, 2021

	Care workers	Non-care workers
Employed workers	7.4%	7.7%
Unemployed workers	8.7%	14.4%

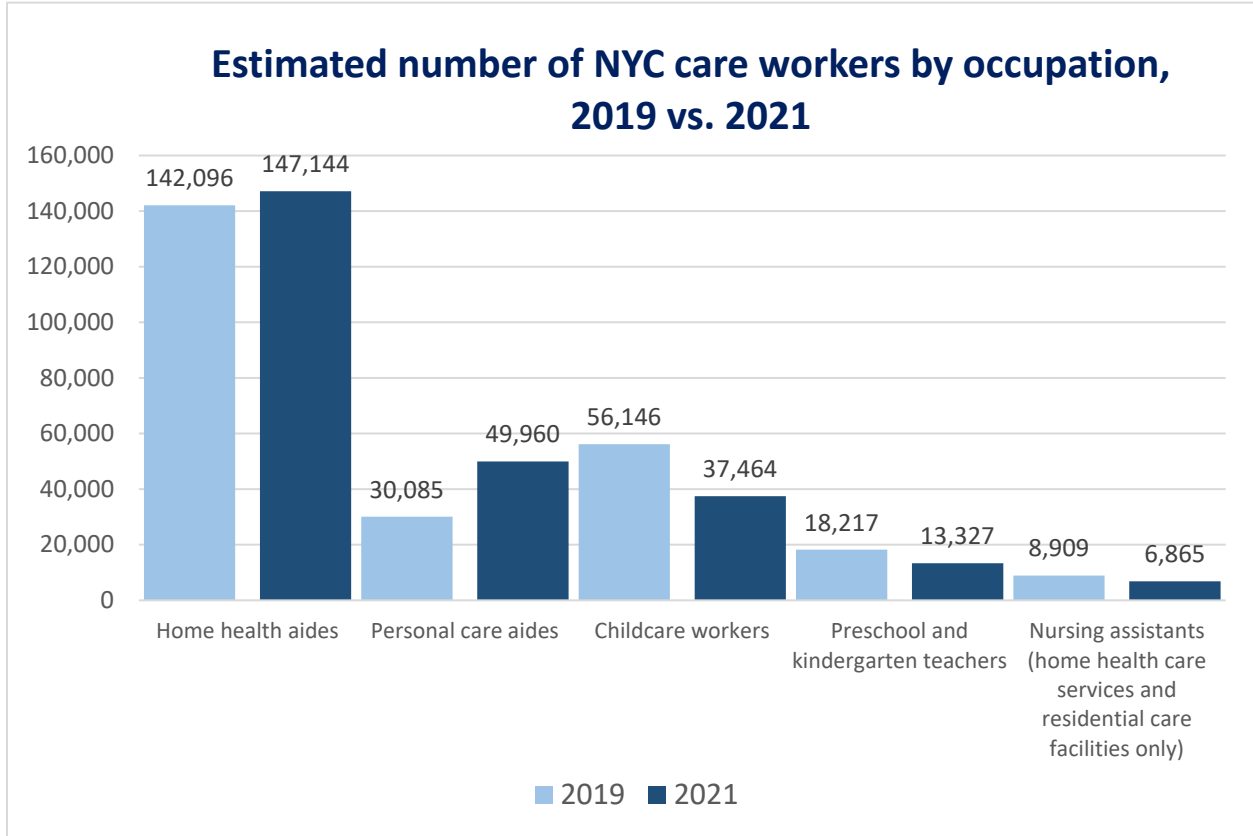
Source: American Community Survey (IPUMS-ACS) 1-year estimate, 2021; Office of the NYC Comptroller.

The New York City Care Workforce Pre- and Post-pandemic

In this section, we highlight some of the changes to New York City’s care workforce since the start of the COVID-19 pandemic. To do so, we compare the cross-section of care workers in 2019 with that in 2021 (the most recent year of ACS data).

Between 2019 and 2021, some care work occupations grew while others declined. Chart S10 plots the estimated number of care workers in each occupation by year. When measured as a proportion of New York City’s total population, the number of personal care aides grew significantly, while childcare workers and preschool and kindergarten teachers declined.⁷ The declines likely reflect the impact of school closures, as well as an increase in parents taking care of their kids at home.

Chart S10



Source: American Community Survey (IPUMS-ACS) 1-year estimate, 2021; Office of the NYC Comptroller.

Between 2019 and 2021, the median income for employed care workers grew 5 percent. For employed non-care workers, median personal income shrank by 4 percent.⁸ Notably, the growth in median (employed) care worker income from \$23,854 to \$25,000 was exactly proportional to the real growth in New York City’s minimum wage during this time—from \$13.50 per hour in 2019 (or \$14.31 in 2021 inflation-adjusted dollars) to \$15.00 per hour in 2021. Given the median care worker’s relatively low income, we can presume that New York State’s decision to increase the minimum wage played a significant role in care workers’ positive earnings growth.

Table S5. Median personal income, 2019 vs. 2021 (employed workers only, 2021 inflation-adjusted dollars)

	Care workers	Non-care workers
2019	\$23,854	\$53,008
2021	\$25,000	\$51,000

Source: American Community Survey (IPUMS-ACS) 1-year estimate, 2021; Office of the NYC Comptroller.

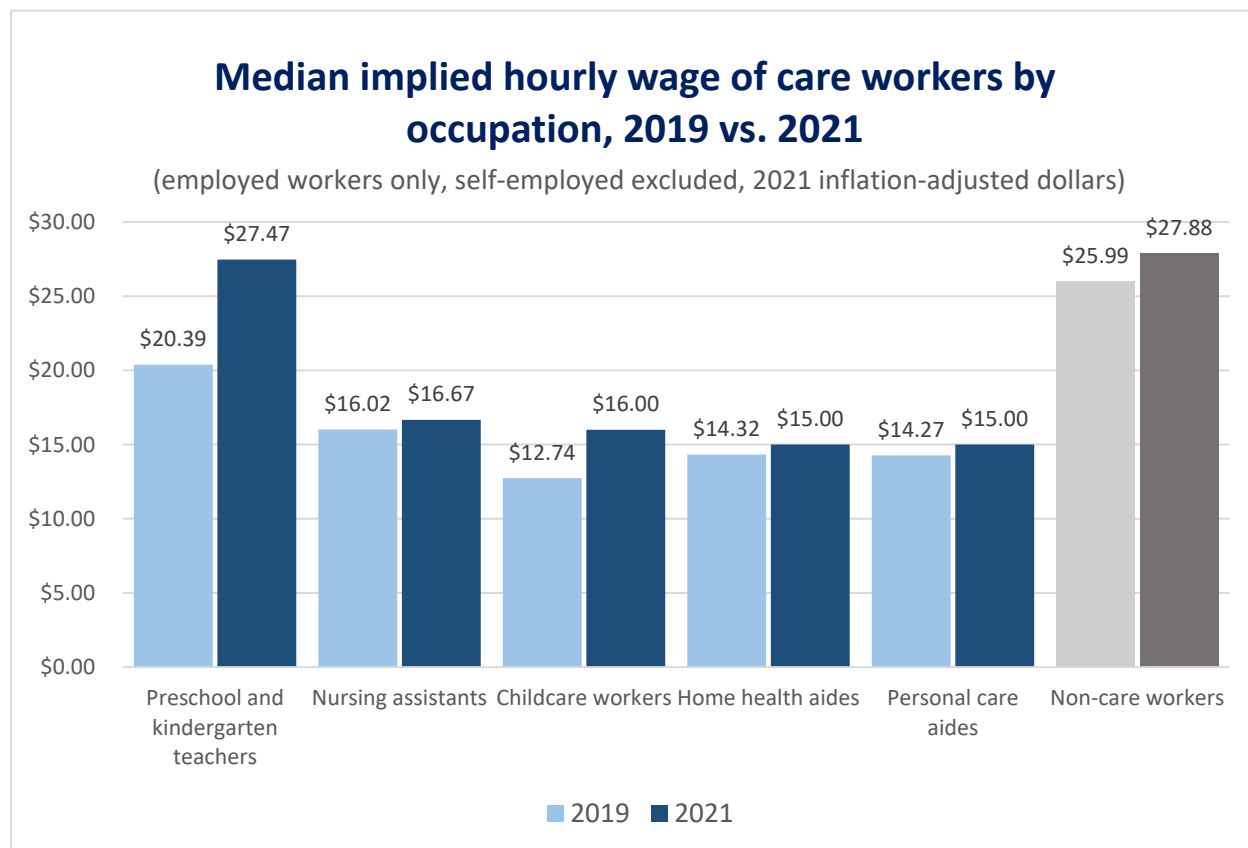
Two care work occupations—preschool and kindergarten teachers and childcare workers—saw their median hourly wages grow by a greater proportion than all other workers. Chart S11 breaks down the median implied hourly wage of care workers by occupation.⁹ Preschool and kindergarten teachers’ median wage grew by 35 percent, from \$20.39 to \$27.47, while childcare workers’ median wage grew by 26 percent, from \$12.74 to \$16.00.

For the latter group, the strong median wage growth is likely explained in part by the City’s 2019 agreement to provide “[pay parity](#)” to non-DOE early childhood educators by 2021. When DOE began expanding universal Pre-K in both public schools and community-based organizations (CBOs), early childhood educators in the city’s public schools were generally paid much higher than their CBO counterparts. The gap created retention issues for CBOs, as certified teachers left for better paying jobs, just as the City was seeking to expand Pre-K. After a campaign led by settlement houses, community organizations, and unions, the City agreed to raise salaries for early childhood educators in CBOs.

Notably, across four of five occupations (aside from preschool and kindergarten teachers), care workers median’ wage was within two dollars of New York City’s minimum wage in 2021 of \$15.00 per hour—indicating the extent to which at-or-near-minimum-wage work is prevalent among care workers.

Non-care workers’ median wage grew by 7 percent during this period, from \$25.99 to \$27.88.

Chart S11



Source: American Community Survey (IPUMS-ACS) 1-year estimate, 2021; Office of the NYC Comptroller.

Family poverty status grew roughly proportionately between care workers and all other workers from 2019 to 2021, as seen in Table S6. Still, care workers' overall poverty rates were much higher.

Table S6. Percent of workers with family income at or below 100% of federal poverty threshold

	Care workers	Non-care workers
2019	14.7%	6.6%
2021	17.7%	8.9%

Source: American Community Survey (IPUMS-ACS) 1-year estimate, 2021; Office of the NYC Comptroller.

Care Workers and Public Policy

Advocacy in support of New York City’s care workers dates back long before the pandemic. Over the past fifteen years, care workers—working together through organizing groups (such as Domestic Workers United, National Domestic Workers Alliance, CAAAV, Andolan, Damayan, We Dream in Black), labor unions (including SEIU 1199 and DC37), advocacy organizations (e.g. Citizens’ Committee for Children, Jews for Racial and Economic Justice), and some employers (e.g. United Neighborhood Houses, Day Care Council of NY, FPWA, Hand-in-Hand Domestic Employers)—have won several major legal and policy wins at the city and state level:

- The New York State [Domestic Workers’ Bill of Rights](#) (initially passed in 2010 and updated in 2021) guarantees domestic workers overtime pay, paid rest days, and discrimination and harassment protection.
- The New York State Home Care Worker [Wage Parity Law](#) requires Medicaid-reimbursed home care workers receive \$4.09 per hour in benefits on top of the state minimum wage.
- The New York City Earned Safe and Sick Time Act (or [Paid Safe and Sick Leave Law](#)), first passed in 2013, entitles domestic workers to at least forty hours of paid safe and sick leave per year.
- The increase of the state’s [minimum wage](#) from \$7.25 per hour in 2012 to \$15 per hour by 2019 raised wages for the majority of care workers.
- As seen above in Chart S11, the “pay parity” campaign dramatically raised salaries for early childhood educators in community-based organizations contracting with New York City.
- Most recently in 2022, New York State [Public Health Law 3614-F](#) raised the minimum wage for all home care aides to \$17 per hour in New York City and surrounding counties, which will increase to \$18 per hour in October 2023.¹⁰

Efforts to better care workers’ pay and working conditions continue today:

- The [Fair Pay for Home Care](#) campaign, led by SEIU 1199 and New York Caring Majority, would peg home care wages to 150% of the minimum wage to address the worker shortage in this growing industry.
- Thanks to enforcement efforts of the New York State Attorney General and federal prosecutors, several major New York-based home health care agencies have paid [multi-million dollar settlements](#) for repeatedly violating labor laws.
- Home care workers and advocates have been pushing to end 24-hour shifts (for which, under state law, workers are only paid for 13 hours).

- Proposed [Universal Just Cause](#) legislation would protect many city workers, including care workers, from at-will firings without just cause for termination. Such a policy already protects fast food workers in New York City.
- The [Raise Up NY](#) proposal would increase the minimum wage in New York City and surrounding counties by \$6.25 by 2026 and tie it to inflation and labor productivity thereafter.
- Advocates are pushing back against a proposal in Governor Hochul’s FY 2024 Executive Budget that would replace the requirements of the Wage Parity Law with subsidies for the purchase of health insurance through New York State of Health, the State’s health plan marketplace.¹¹

Endnotes

¹ [Some organizations](#) define care workers purely by industry. For example, they focus on anyone who works in a health care, education, and/or social service institution, even in an administrative or auxiliary capacity. [Others](#) define care workers by occupation—for example, nannies, caregivers, home care workers, and house cleaners. Our analysis combines the two approaches to focus on a “core” subset of direct care workers.

² Occupations and industries are based on classification by the U.S. [Census Bureau](#).

³ These estimates account for employed and unemployed care workers only. If an individual’s employment status is listed as “Not in labor force” in the ACS, we do not consider them a care worker, even if their previous occupation and industry (before they left the labor force) would have qualified them as a care worker. Likewise, “non-care workers” (also referred to as “other workers”) in this analysis are only employed or unemployed workers.

⁴ This is the average of the year-over-year change in quarterly job numbers. See New York State Department of Labor’s [Quarterly Census of Employment and Wages](#) (QCEW).

⁵ See NYC IBO (2019) [Past as Prologue: Revised Histories and Extraordinary Trends in the New York City Economy](#), and NYC OMB (2019) [Quarterly Report on Current Economic Conditions](#), August, p.8.

⁶ Note that the growth figures from QCEW represent a somewhat different subset of workers than our ACS-based estimate of the number of New York City care workers. This occurs for two reasons: 1) the QCEW provides the total number of workers in the two specified industries (home health care services and services for the elderly and persons with disabilities) regardless of occupation, while our analysis filters by both industry *and* occupation; and 2) the QCEW captures workers who live outside of New York City but work in the city, while our analysis focuses on New York City residents.

⁷ The growth in personal care aides and decline in childcare workers and preschool and kindergarten teachers (as a proportion of New York City’s population) was statistically significant at P<5%. Changes in the proportion of home health aides and nursing assistants was not statistically significant.

⁸ Both changes in median income statistically significant at P<0.1%.

⁹ A worker’s implied hourly wage was calculated by dividing their total wage income by total hours worked per year, both of which are self-reported. Self-employed workers are excluded due to less reliable data on earnings and total work hours.

¹⁰ The statewide implementation of the higher minimum wage is estimated to cost [\\$7.7 billion over the first four years](#). The FY 2024 Executive Budget minimum wage proposal provides that

indexation for home care aides' wages would not start until the statewide minimum wage reaches \$18.00. The minimum wage schedule for other areas in New York State and the definition of home care aide is available [here](#).

¹¹ See the FY 2024 New York State Executive Budget: [Health and Mental Hygiene Article VII Legislation](#).





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