



# **Insight: Measuring Brooklyn's Creative Workforce**

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develops new understandings of the economic and real estate trends that are shaping our cities.*

## Insight: Measuring Brooklyn’s Creative Workforce

### Key Takeaways

- **Brooklyn: Where the Creative Class Lives, Not Works.** Four in 10 working Brooklyn residents are Creative Class members, however, the Creative Class makes up less than one-third of Brooklyn’s workforce.
- **Projected Growth.** Brooklyn’s creative workforce is projected to grow 20 percent by 2025.
- **Service Center.** With 313,000 employees, Brooklyn’s service sector makes up 52 percent of the borough’s workforce. This share is on par with service centers like Las Vegas, Miami, and Orlando.
- **Meds and Eds.** Healthcare, social services, and education occupations account for 56 percent of Brooklyn’s Creative Class.

### Introduction

Over the last several years, Brooklyn has been New York City’s second-largest destination for the Creative Class (workers with advanced skills in technology, arts and culture, professional services, and education). Between 2000 and 2013, the population of Greater Downtown Brooklyn grew by 17 percent and the number of people aged 18-44 grew by almost 29 percent,<sup>1</sup> a significant share of them well-educated professionals. From 2000 to 2013, the percentage of Brooklyn residents with at least a four-year college degree rose from 35 percent to more than 55 percent.<sup>2</sup> 412,000 Brooklyn residents, 37 percent of the borough’s population, now belong to the Creative Class.

When *Slate Magazine* signed a 21,000 square-foot lease in downtown Brooklyn in January, 2016, the company explained that it was just “following our staff—New York’s creative class no longer lives in Manhattan.”<sup>3</sup> The reality, however, is that Brooklyn is more of a place where the creative class lives than works. Just 44 percent of Brooklyn’s Creative Class (180,000 people) actually work in the borough. The Creative Class share of the borough’s workforce is just 30 percent. But this number is expected to grow by an estimated 20 percent over the next decade. Though low compared to Manhattan, Brooklyn’s concentration of Creative Class workers is still 10 percent higher than the U.S. average, with a location quotient (LQ) of 1.10.

**Figure 1: Brooklyn Occupational Payroll Clusters**

Cluster	LQ	Employment	Share of Employment	Annual Salary
Creative Class	1.10	180,708	29.9%	\$74,963
Service Class	1.54	312,315	51.7%	\$29,370
Working Class	0.79	110,528	18.3%	\$37,461

Source: *QCEW Employees, Non-QCEW Employees - EMSI 2015.2 Class of Worker*

### Brooklyn’s Creative Class

The average Creative Class professional in Brooklyn earns nearly \$75,000 per year (10 percent above the U.S. average), though salaries vary widely by occupational category. Figure 2 (below) breaks out each creative cluster by category and salary, and Figure 3 (below) graphs the location quotient, total employment and employment growth of each cluster to showcase those that have competitive strengths, or are declining or emerging.

**Figure 2: Brooklyn Creative Occupational Payroll Clusters**

Occupational Cluster	LQ 2015	2015 Employment	2011-2015 5-Year Growth	2025 Employment	10-Year Projection	Annual Salary
Community and Social Service	1.78	18,051	13.6 %	23,799	31.8 %	\$43,456
Healthcare Practitioners	1.38	46,495	5.5 %	54,705	17.7 %	\$78,233
Arts, Design, Entertainment, Sports, and Media	1.16	9,482	28.9 %	12,131	27.9 %	\$57,671
Education, Training, and Library	0.98	35,315	14.3 %	43,467	23.1 %	\$52,944
Management	0.96	28,412	13.6 %	33,179	16.8 %	\$121,274
Business and Financial Operations	0.76	22,940	13.7 %	26,018	13.4 %	\$70,149
Legal	0.76	3,420	14.8 %	3,915	14.5 %	\$114,804
Life, Physical, and Social Science	0.67	3,335	12.4 %	3,787	13.5 %	\$64,746
Computer and Mathematical	0.59	10,102	18.8 %	12,109	19.9 %	\$80,325
Architecture and Engineering	0.30	3,156	17.7 %	3,819	21.0 %	\$72,320

Source: QCEW Employees, Non-QCEW Employees - EMSI 2015.2 Class of Worker

With nearly 46,500 employees, Healthcare Practitioners is by far Brooklyn’s largest creative cluster, comprising almost one-quarter of all Creative Class jobs in the borough. Its concentration exceeds the national average by 75 percent (LQ 1.75); the borough’s concentration of physicians and surgeons alone is more than three times the national average. From 2011 to 2015, the cluster grew by 5.5 percent and it is expected to grow another 17.7 percent by 2025. But with an annual salary just above \$78,000, Brooklyn’s “meds and eds” professionals earn around \$20,000 less than their counterparts in Manhattan.

Education accounts for about 35,000 employees in Brooklyn. Although this share sits just below the national average (LQ 0.98), it too is expected to grow. It expanded by 14.3 percent between 2011 and 2015, and will likely grow another 23.1 percent over the next decade. Education professionals in Brooklyn also earn less than their colleagues in Manhattan, with average annual salaries around \$53,000. While many of Manhattan’s education workers are employed in higher education, Brooklyn’s education workers are predominately primary and secondary educators.

With an average annual salary of more than \$121,000, Management has the highest wages of all ten creative clusters. The cluster has grown by 13.6 percent over the last five years and will likely grow another 16.8 percent by 2025. With more than 28,000 employees, the concentration of Brooklyn's Management cluster sits just below the U.S. average (LQ 0.98).

With less than 23,000 employees, the concentration of Business and Financial Operations is significantly below the national average (LQ 0.76), but it grew by 13.7 percent between 2011 and 2015, and will likely grow another 13.4 percent in the coming decade. Surprisingly, the annual salary for this cluster doesn't even crack the top five. On average, Business and Finance professionals in Brooklyn earn just \$70,000 per year, perhaps because of the high number of back office operations in the borough.

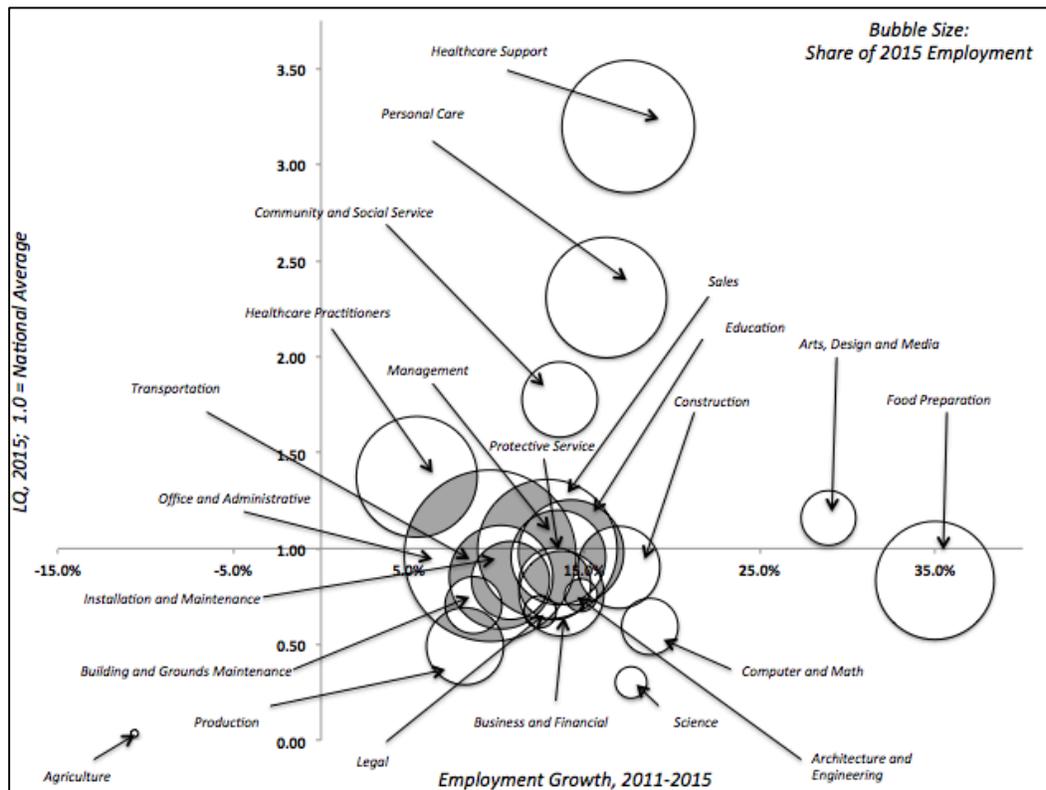
With an LQ of 1.78 percent and over 18,000 employees, Community and Social Service is one of only three creative fields in Brooklyn that has a higher concentration than the national average. From 2011 to 2015, the cluster grew by 13.6 percent, putting it on par with the majority of Brooklyn's creative fields, but it is expected to grow by a much larger 31.8 percent in the next decade. Despite this anticipated growth (the fastest of all the clusters), Community and Social Service is the lowest-earning cluster, with an annual salary of less than \$43,500.

Though it only has 9,500 employees, Arts, Design, Entertainment, Sports, and Media also has a higher concentration than the national average (LQ 1.16). Notably, it includes a significant number of fashion designers (more than five times the national average), associated occupations like fabric and apparel patternmakers (six times the national average), as well as hand and machine sewers (three times the national average). Over the last five years, this cluster has seen the most significant growth of all ten creative clusters (29.8 percent), and will continue to grow another 27.9 percent in the coming decade. Employees in Arts, Design, Entertainment, Sports, and Media make less than \$58,000 a year, however—the second lowest salary among Brooklyn's creative fields.

Life, Physical, and Social Science; Architecture and Engineering; Computer and Mathematics; and Legal all sit below the national average. With a little more than 10,000 employees, Brooklyn's Computer and Mathematics cluster is 58 percent smaller than the U.S. average. This is surprising, given the number of tech companies like Etsy, Livestream, and Vice Media that have chosen to locate in the borough.

With less than 3,200 employees, Brooklyn's Architecture and Engineering Cluster is 30 percent smaller than the national average. Even so, it has grown 17.7 percent from 2011 to 2015, and will grow another 21 percent in the coming decade, in no small part because of the 2014 merger of NYU and Brooklyn Polytechnic (now known as the Polytechnic Institute of NYU).

**Figure 3: Brooklyn Payroll Occupational Clusters**



Source: QCEW Employees, Non-QCEW Employees - EMSI 2015.2 Class of Worker

**Self-Employment**

In addition to these full-time creative employees, more than 40,200 Brooklyn’s creative workers are self-employed. Not only do creative professionals make up the bulk of self-employment in Brooklyn (42 percent), but the number of self-employed creative professionals exceeds the national average in Brooklyn by 163 percent. More than 17,500 self-employed creatives work in the Arts, Design, Entertainment, Sports, and Media cluster. This is well above the national average (LQ 2.49) and is projected to grow another 20 percent over the next decade. Fields like Education (LQ 1.43), Sciences (LQ 1.33), Community and Social Service (LQ 1.28), Healthcare Practitioners (LQ 1.17), Computer and Mathematical (LQ 1.08), and Legal (LQ 1.02) also come out ahead of the national average.

**Figure 4: Brooklyn Occupational Self-Employment Clusters**

Cluster	LQ	Employment	Share of Employment	Annual Salary
Creative Class	1.63	40,241	41.9%	\$40,789
Service Class	1.07	29,964	31.2%	\$22,339
Working Class	1.00	25,919	27.0%	\$20,758

Source: QCEW Employees, Non-QCEW Employees - EMSI 2015.2 Class of Worker

Overall, nine out of ten creative occupations in Brooklyn have seen a rise in self-employment and can expect to see increases in the future. Interestingly, the one exception is Brooklyn’s largest self-employment cluster, Healthcare Practitioners, which experienced a 1.1 percent decline in self-employment from 2011 to 2015 and is expected to decline another 13.3 percent decline by 2025. This is in keeping with a wide-scale trend, as doctors abandon solo practices to join hospitals and HMOs.

**Brooklyn’s Service Class**

Over half (51.7 percent) of the borough’s workforce are employed in low-paid, low-skill routine jobs in food preparation and service, retail trade, personal care, clerical and administrative positions, and more. With nearly 313,000 employees and an LQ of 1.54, the concentration of Brooklyn’s Service Class far exceeds the national average. From 2011 to 2015, Service Class jobs grew by 15.7 percent and they are projected to grow another 18.5 percent by 2025. Service Class workers earn an average annual salary of \$29,000 per year, just 39 percent of what the Creative Class earns on average.

With nearly 95,000 employees, Office and Administrative Support positions is by far the largest Service Class cluster, but its concentration falls short of the national average by about 4 percent. Brooklyn’s 55,000 service-oriented Healthcare Support positions exceed the national average by a whopping 320 percent. Though Brooklyn’s Food Preparation and Service cluster contains less than 45,000 employees, it has seen the most growth (35 percent) from 2011 to 2015. The cluster is also projected to grow another 25 percent in the coming decade.

**Brooklyn’s Working Class**

Just 18.3 percent of Brooklyn’s workforce (110,000 workers) are employed in blue-collar jobs in production, construction, transportation, cleaning, and building and grounds maintenance—79 percent below the national average (LQ 0.79). The average Working Class job in Brooklyn pays around \$37,500 per year, half of what Creative Class workers earn. The majority of these jobs are in Transportation, which contributes over 34,000 workers. Brooklyn’s Working Class jobs are projected to grow at an even slower rate (13.1 percent by 2025) than its Service Class jobs.

**Who Lives in Brooklyn?**

Brooklyn is widely noted for its creative talent, particularly the artists, designers, and entertainers that are drawn to its rapidly gentrifying neighborhoods. In total, 37 percent of Brooklyn residents who work are creative professionals (just over 412,000 residents) and 42.9 percent are service workers (478,000 residents). Blue-collar workers make up the other 20 percent (223,000 residents).

**Figure 5: Brooklyn Occupational Self-Employment Clusters**

<b>Cluster</b>	<b>LQ</b>	<b>Residents</b>	<b>Share of Residents</b>
Creative Class	1.02	412,453	37.0%
Service Class	1.11	478,009	42.9%
Working Class	0.82	223,153	20.0%

*Source: U.S. Census American Community Survey 2015*

Brooklyn’s Creative Class residents tend to have skills associated with two clusters: Management and Education. Together, these two occupational groups make up nearly 40 percent of the borough’s Creative Class residents, with 20.9 percent coming from Management and another 18.5 percent coming from Education. Close behind is Brooklyn’s Arts, Design, Entertainment, Sports, and Media cluster, which makes up another 14.1 percent of Creative Class residents, or 58,000 residents in total. While this number may seem small, it exceeds the national average by 277 percent.

Business and Financial Operations contribute another 11.9 percent to Brooklyn’s share of Creative Class residents. With nearly 50,000 residents, this share is the fourth largest of all ten creative clusters. With just 6,500 residents, or 1.6 percent of Creative Class residents, Brooklyn’s Life, Physical, and Social Science cluster has the smallest share of all. Meanwhile, Architecture and Engineering and Health Technologists and Technicians make up 2.8 percent and 3.7 percent of Creative Class residents, respectively.

Brooklyn, like all of New York’s boroughs except Manhattan, is something of a bedroom for the Creative Class—more of its members live there than work there, and a significant plurality of its workforce provides services for them. But as the statistics in this report show, that is beginning to change.

#### **About the Authors**

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<sup>1</sup> NYU Wagner Rudin Center for Transportation Policy and Management, [“Downtown Rising: How Brooklyn Became A Model for Urban Development,”](#) 2016.

<sup>2</sup> Ibid.