

Business Week

Earning More, Commuting Farther

By Prashant Gopal Fri Dec 5, 8:08 am ET

David Campaa's 90-minute commute from his Springfield (N.J.) apartment to his job in lower Manhattan -- first by car, then by subway, and finally by foot -- might sound like an ordeal. But the 37-year-old chief technology officer for the New York City Finance Dept. loves his commute.

He reads on the train and looks forward to "walking amongst a million strangers" on Manhattan's streets each day. Campaa, whose previous job was close to his Springfield home, is reluctant to move closer to work because his two young children would have to switch school districts and move from a spacious 2,600-square-foot rental apartment in New Jersey to a cramped Manhattan unit. (He also has a large weekend house with a yard in Pennsylvania that he probably would have sold already if the real estate market were in better shape.)

"If you want your money to go further," Campaa said, "you have to live farther away."

Bigger Cities Mean Longer Commutes

New York's professionals spend more time traveling to and from work than those in any other large metro area, according to Seattle's [PayScale.com](#), which provides real-time salary information to individuals and employers. [BusinessWeek.com](#) worked with PayScale to rank the 15 largest metros based on the typical commute time for a worker earning more than \$100,000 a year. The typical one-way commute in New York for a worker in that salary range was 39.3 minutes compared with 23.7 minutes in Minneapolis, which had the shortest commute time. (Of course, a New Yorker listening to an iPod or reading a book on a train might have a longer but more pleasant commute than a Minnesotan driver battling daily traffic).

The metro areas with the largest populations generally have the most time-consuming commutes. New York, Chicago, Boston, Washington, Philadelphia -- where commutes for high-paid professionals are the longest -- are densely populated and pricey places with large urban cores and suburbs located relatively far away. The Minneapolis-St. Paul metro area has a relatively small population. It also has historic mansions within the city (some of them with lake views) that appeal to well-to-do parents. And many large employers in Minneapolis and Phoenix -- which had the second-best commute times -- are spread out beyond the core. General Mills (NYSE:[GIS](#) - [News](#)) and 3M (NYSE:[MMM](#) - [News](#)), for example, are located in the suburbs of Minneapolis-St. Paul,

so workers might choose to live in the suburbs and still have a short commute. Phoenix has the benefit of fast, wide highways to get commuters around quickly.

But it's not necessarily ideal to have jobs spread across suburbs like butter. Traffic is horrendous around the Washington (D.C.) area because people are not just traveling to and from the city, they're commuting from suburb to suburb. Most Americans have suburb-to-suburb commutes these days, which explains the heavy traffic outside of cities that many suburbanites are familiar with.

The Compensation Connection

The study also suggests that there is a link between salaries and the time people spend in a car, bus, or train each morning. The poorest people in these urban metro areas have the shortest commutes. In the Boston metro area, for example, people earning less than \$20,000 a year commute typically commute 17.3 minutes each way compared with people earning \$50,000 to \$60,000, who commute 30.8 minutes. Commute times in the city of Boston don't rise much for people earning more than \$60,000. Similarly, in New York City commute times climb steadily as annual salaries rise before peaking for employees earning \$110,000 a year. The commute time peak in Los Angeles is \$60,000; it's \$70,000 in Detroit; and it's \$30,000 in the vast Dallas-Fort Worth-Arlington metro area, where the typical commute time for wealthy workers is just 26.4 minutes.

The majority of middle-class Americans seem to want a more suburban lifestyle, possibly because inner-city public schools are weak but also because they value space. In 1955, before the national highway system was developed, the median home was 1,000 square feet and had 3.6 people living in it, said Al Lee, director of quantitative analysis at PayScale.com. Now, the median home is 2,400 square feet and shelters 2.3 people, he said.

"Even for people who could afford to buy a shorter commute time, the typical person was deciding to take the trade-off for a bigger yard and a nicer house in a nicer neighborhood," Lee said. "They were valuing private space vs. public space."

But Lee said there was evidence that a small percentage of those earning more than about \$120,000 were returning to some urban cores, many of which had a boom in high-end condos in recent decades.

Rethinking Suburbs

Christopher B. Leinberger, a visiting fellow at the Brookings Institution in Washington, whose development company, Arcadia Land, builds mass transit-oriented communities, said people have a hunger for walkable communities near jobs and public transportation, even in the suburbs. Government policies in suburban communities need to be changed to allow denser mixed-use developments close to train stations because it's what people want, he said.

"My research shows there's a pent-up demand for walkable urban communities," Leinberger said. "Look at the folks living in Battery Park (in Manhattan), which is filled with families that are living in a very vertical family lifestyle. People want choice."

Wealthier people in our society have more choice as to where they live but often less choice when it comes to where they work. A McDonald's (NYSE:MCD - News) worker will likely choose to work at the branch nearest his home. A nuclear physicist or a professor of Romantic literature have to go where the jobs are, said Alan E. Pisarski, author of the Commuting in America series of books and one of the nation's experts on commuting patterns. Also, many professionals have two earners in their household and, thus, at least one of them is likely to have a long commute, he said.

"The idea of living outside the factory gate is 1908, not 2008," Pisarski said.

People these days change jobs often and therefore shy away from moves because they aren't sure where the next job will be, he said. The real estate downturn has also put restrictions on their ability to move.

Workers such as Campaa would rather commute a longer distance within a given metro area than move. Employers are also reluctant to pay relocation expenses to attract candidates from across the country and would rather find candidates living within commuting distance.

"Having a job where you have to relocate the whole family is becoming a lot less common," Campaa said. "I don't feel that I have to be tied to working in a single city. Many people are thinking that way."

Jobs Move to Suburbs, Too

But many jobs have followed workers to the suburbs, especially to wealthy communities that have attracted large corporate office parks. Wealthy towns like office parks because they generate tax revenue. Those towns dislike rental housing because poorer people don't bring in much tax revenue and require schools and other expensive services, said Robert Cervero, professor of city and regional planning at the University of California at Berkeley.

"This is American democracy at play," Cervero said. "The market leads to settlement patterns. Seclusion is a fact of life. Well-heeled Americans send their children to private schools and separate themselves in communities of high-end housing."