TEACHER PAY IN DECLINE IN COMPARISON WITH OTHER PROFESSIONS, REPORT FINDS

Despite calls for talented teachers and raising national education standards, teacher recruitment and retention remains a challenge because of the persistent decline of teacher salaries in comparison with other professions, according to a report by the Economic Policy Institute (EPI), a Washington-based economic policy think tank. The EPI study on teacher pay in 2003, found that teachers’ weekly compensation was almost 14 percent below that of workers with similar education and work experience, “a gap only minimally offset by higher non-wage benefits in teaching.” The most recent study, authored by Sylvia A. Allegretto, Sean P. Corcoran, and Lawrence Mishel, updates that analysis through 2006.

“Raising teacher compensation is a critical component in any strategy to recruit and retain a higher quality teacher workforce if the goal is to affect the broad array of teachers, that is, move the quality of the median teacher,” the report states. “Policies that solely focus on changing the composition of the current compensation levels, such as merit or pay-for-performance schemes, are unlikely to be effective unless they also correct the teacher compensation disadvantage in the labor market.”

The average weekly pay for public school teachers in 2006 was 15 percent below that of comparable workers, the report finds, noting a total increase in the pay gap between teachers and other workers of 13.4 percent between 1979 and 2006. Most of this increase, 9 percentage points, occurred in the past 10 years. These findings varied widely by state, the report indicates, noting that in 15 states the average weekly earnings of teachers were over 25 percent less than their counterparts. Only five states had a gap of less than 10 percent.

The trend in wage disparities is particularly significant for female teachers. “Perhaps like no other profession, the labor market for teachers was profoundly affected by improvements in work opportunities for women during the mid-20th century. In prior years, teaching was one of the few professions that women could pursue, resulting in a 14.7 percent pay advantage for women teachers in 1960 in comparison to other women of similar educational backgrounds. In the next 40 years, that pay advantage declined to a 13.2 percent disadvantage in 2000 in comparison to other women workers. The increase in the pay gap is more pronounced for mid- and senior-level teachers, the report adds, noting that teachers between ages 25 and 34 saw a steady pay disadvantage of about 12 percent between 1990 and 2006.

The report cites other studies suggesting that teacher pay could be increased by reducing their generous benefits packages. “In fact, a straightforward analysis of teacher compensation data shows that K-12 teacher benefits are better on average than those of other professionals, but that benefits are a small share of overall compensation (about 20%), so that accounting for differences in benefits does not alter the overall disparity significantly.” Even when factoring in the value of non-wage benefits, teachers still saw a 12 percent overall compensation disadvantage in 2006, as opposed to the 15 percent wage disadvantage.
