

Teacher Pay Losing Ground

An update of Allegretto, Corcoran & Mishel

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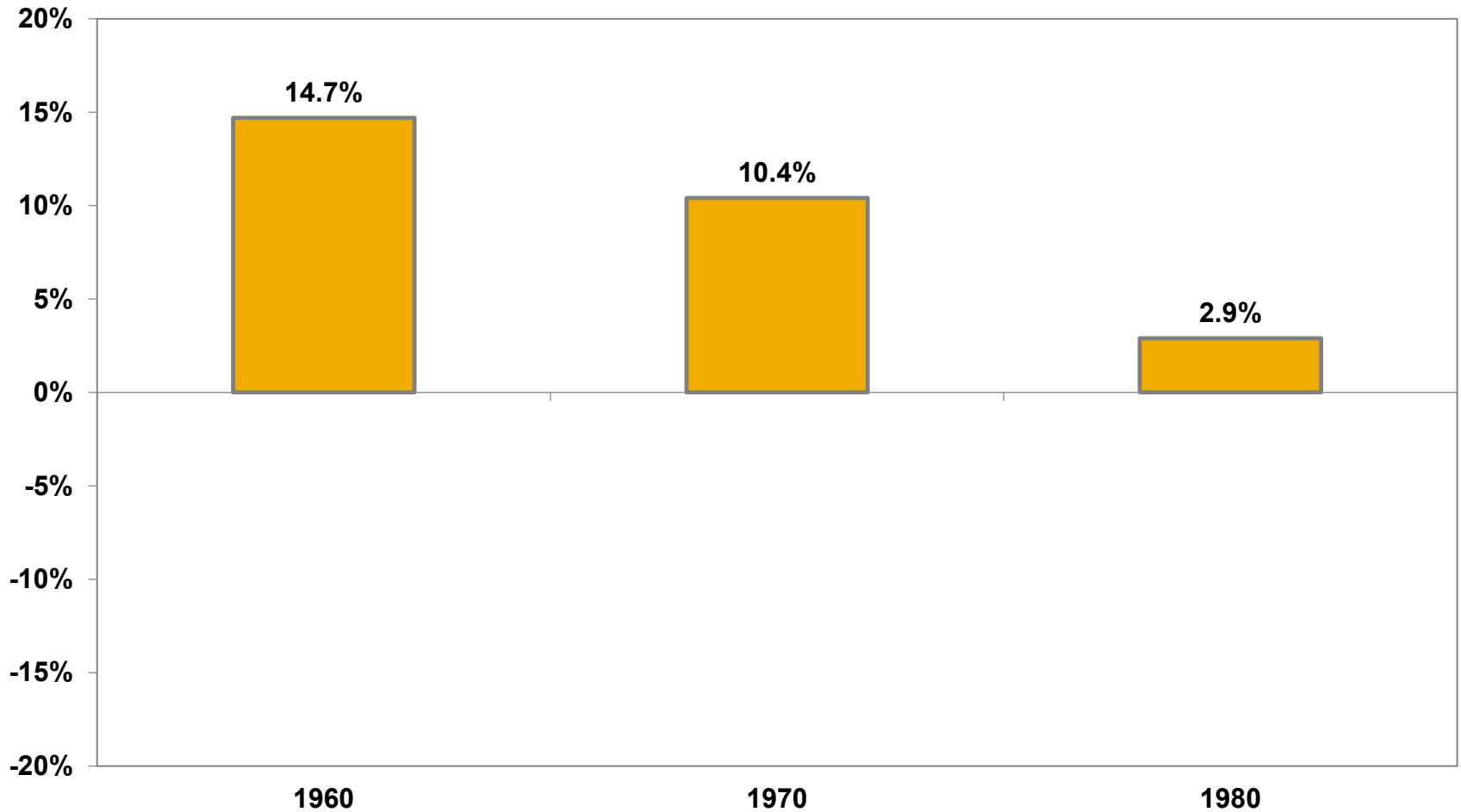
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Historical context of the female teacher pay premium



Source: Allegretto, Corcoran & Mishel 2008. U.S. decennial Census data.

Data and methods

- **Current Population Survey**

- Teachers: elementary, middle & secondary
- Non-imputed data only
 - Imputed wages: too high for teachers, too low for other college graduates
- 1994 redesign

- **Methodology**

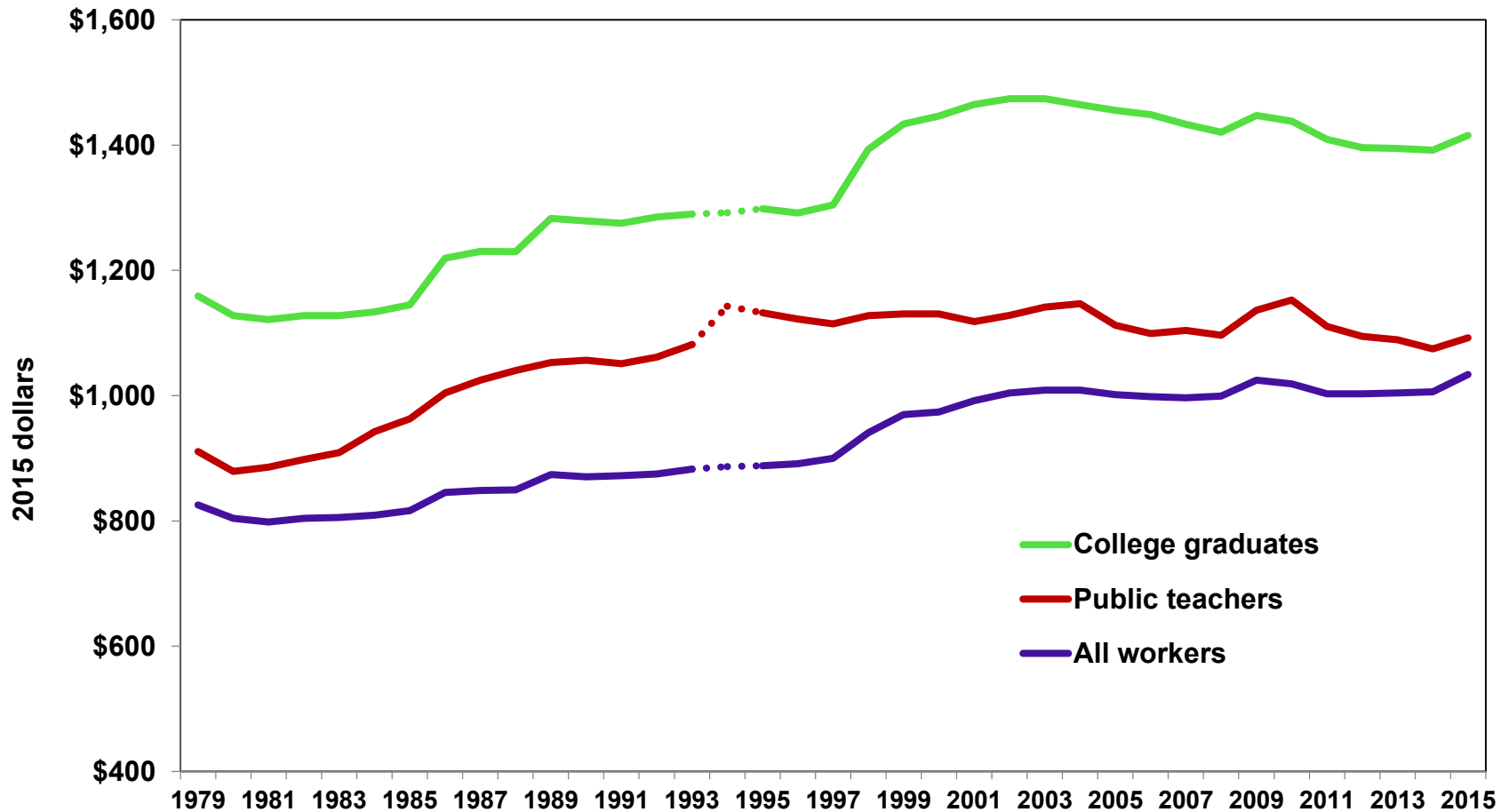
- Mincer wage equation for regression adjusted analysis
 - Controls: education, race, ethnicity, age, region, marital status

Ongoing challenges and issues

- **Use of weekly wages**
- **Teacher hours & weeks worked**
 - Summers off issue: positive or negative?
 - Many teacher work or want to work
 - Weekly hours for teachers & comparable workers are about the same
- **Teachers may have less freedom on the job**
 - Compared to other professionals
 - Very little free time during the work day
 - Almost no vacation/time off during school year
- **Benefits**
 - Teacher and other professional benefits differ

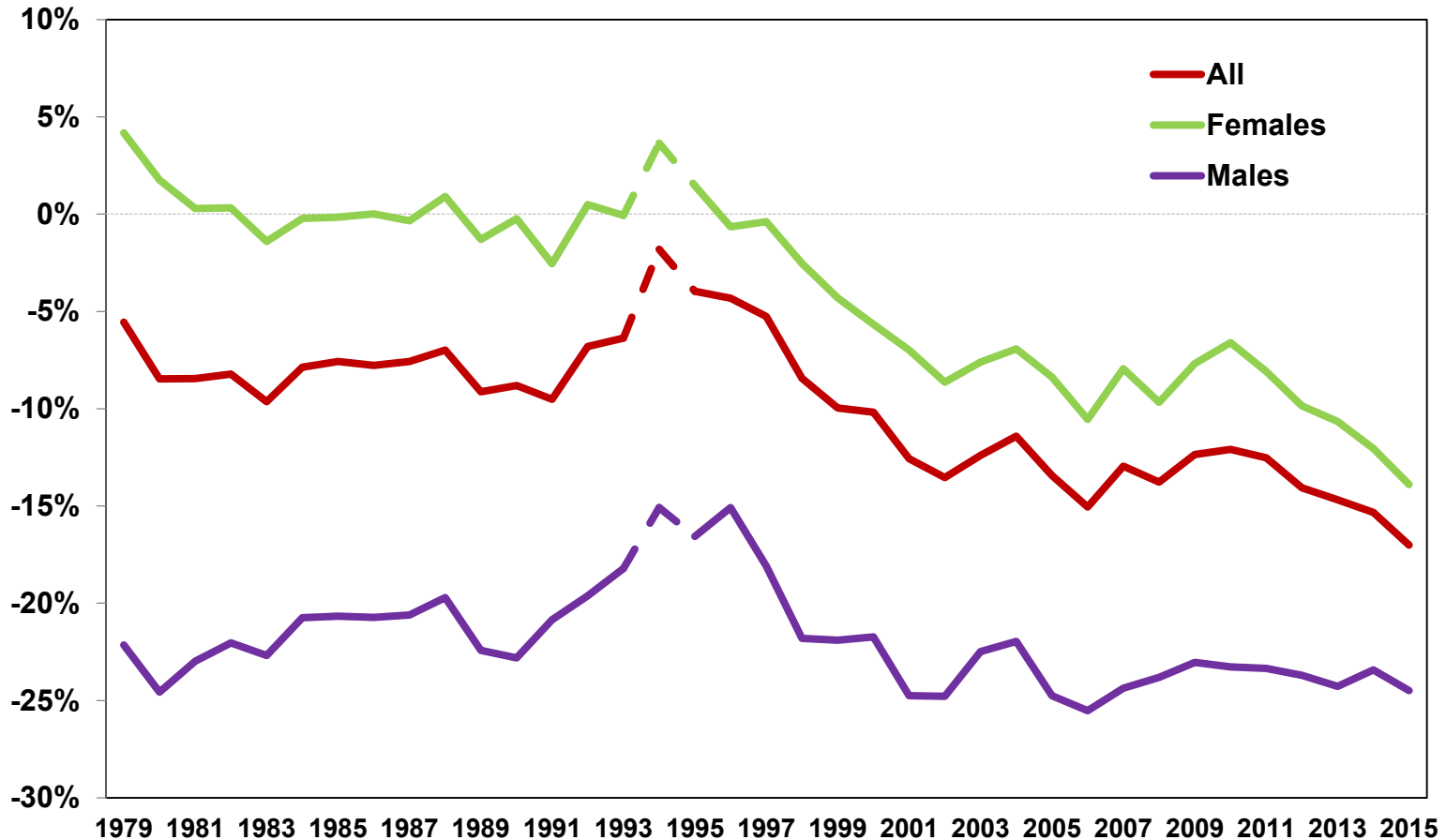
Regardless of issues—the trends matter!

Trends in average weekly wages



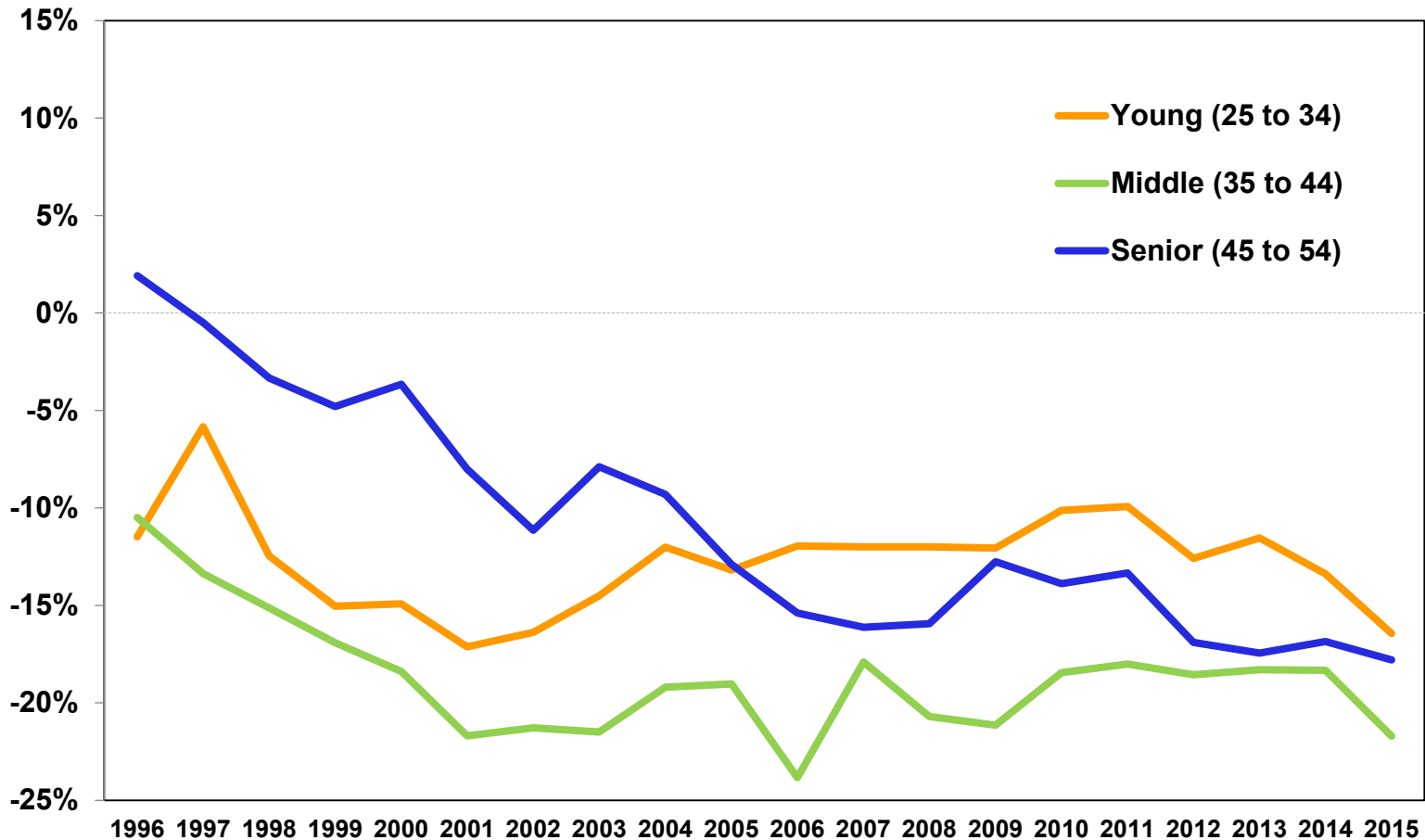
Source: Allegretto & Mishel's analysis of CPS-ORG data on full-time (working at least 35 hours per week) workers with positive wages (excluding self-employed workers and imputed data) ages 18-64.

Public school teacher pay gap, 1979-2015



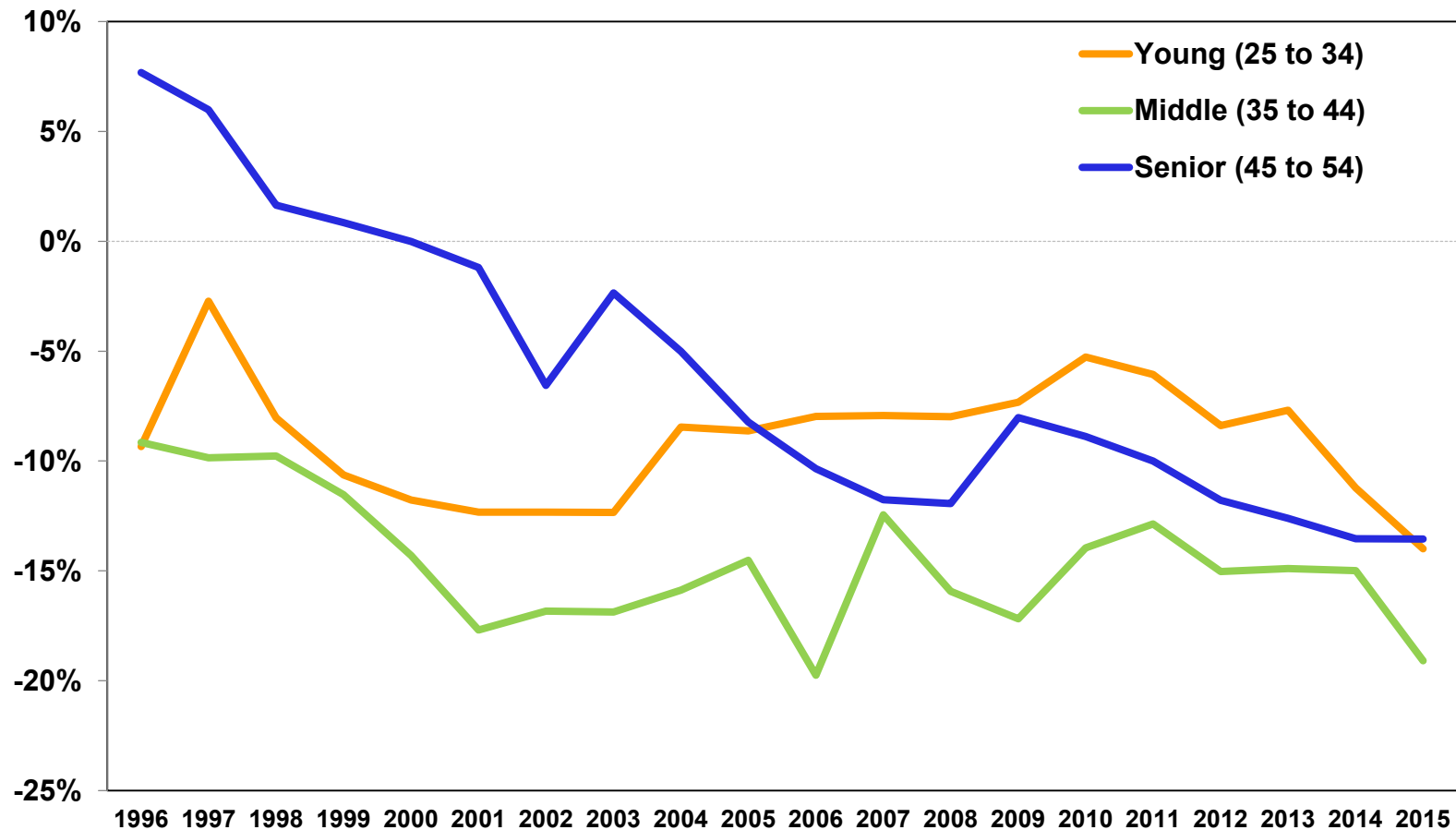
Source: Allegretto & Mishel's regression analysis of CPS-ORG data on workers with positive wages (excluding self-employed workers) ages 18-64. Regressions control for age, education, race/ethnicity, region, and marital status.

Pay gap for all teachers by age range



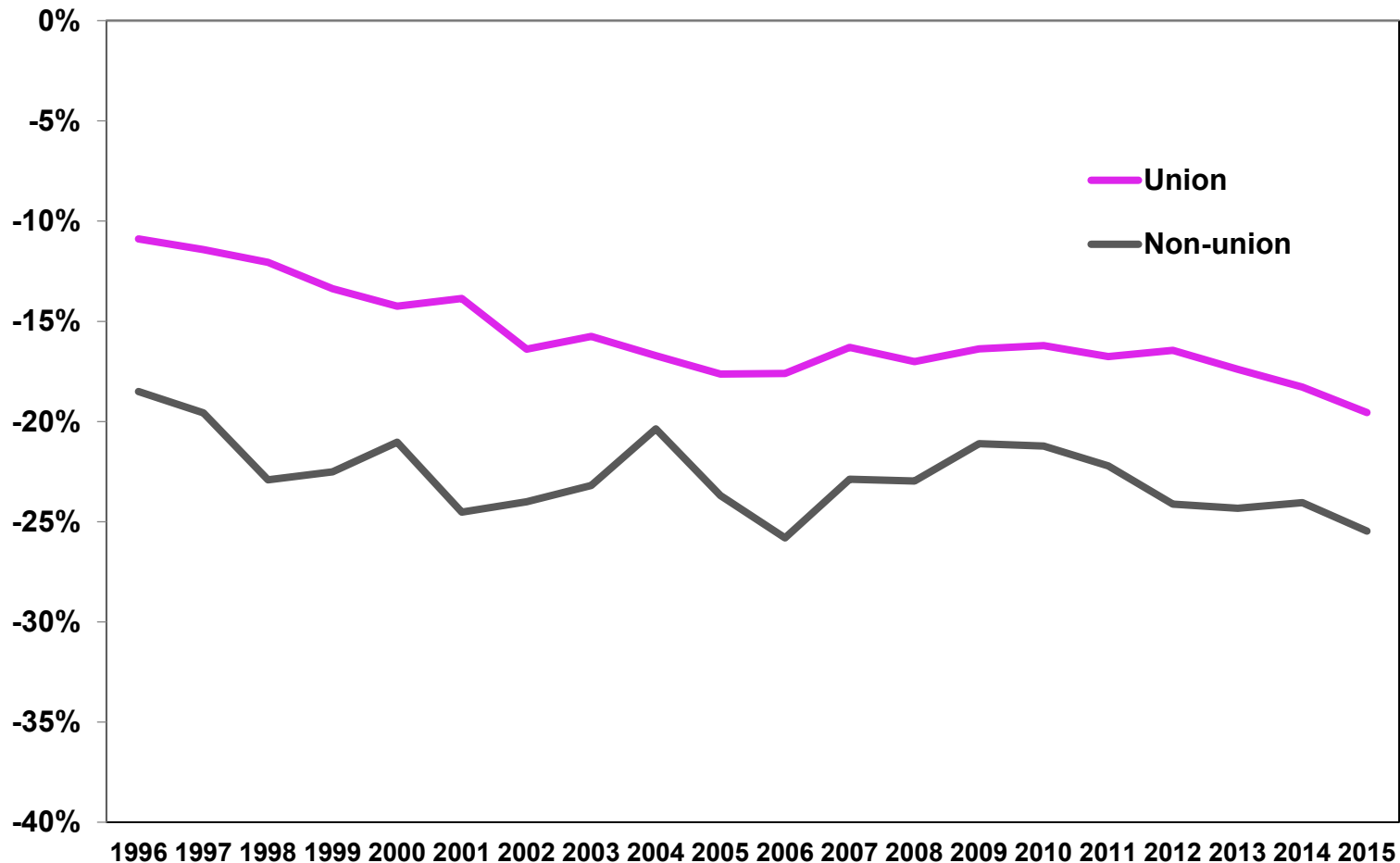
Source: Allegretto & Mishel's analysis of CPS-ORG data on workers with positive wages (excluding self-employed workers) ages 18-64.

Female teacher pay gap by age range



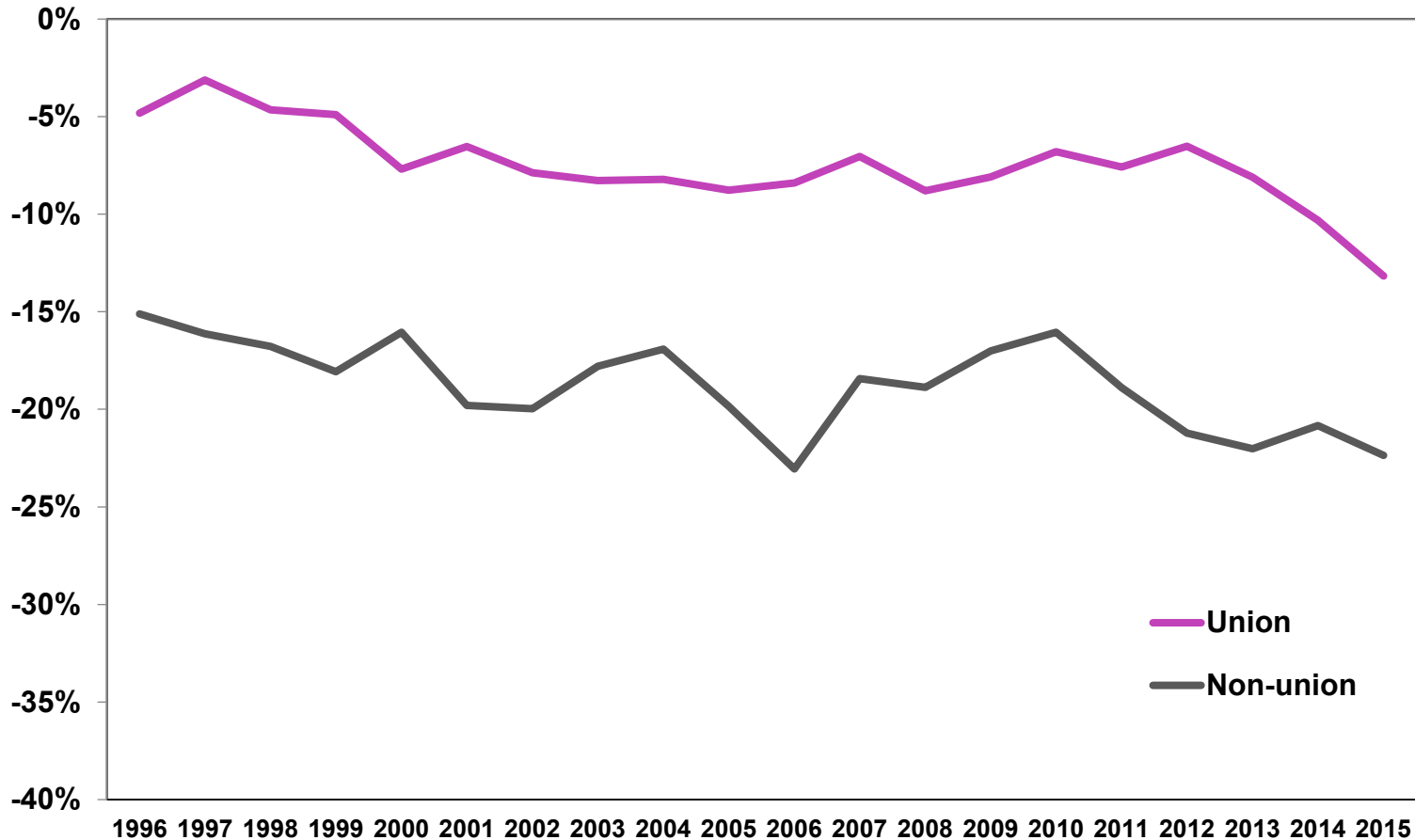
Source: Allegretto & Mishel's analysis of CPS-ORG data on workers with positive wages (excluding self-employed workers) ages 18-64.

Teacher pay gap by union status



Source: Allegretto & Mishel's regression analysis of CPS-ORG data on workers with positive wages (excluding self-employed workers) ages 18-64.

Female teacher pay gap by union status



Source: Allegretto & Mishel's analysis of CPS-ORG data on workers with positive wages (excluding self-employed workers) ages 18-64.

Wages and benefits

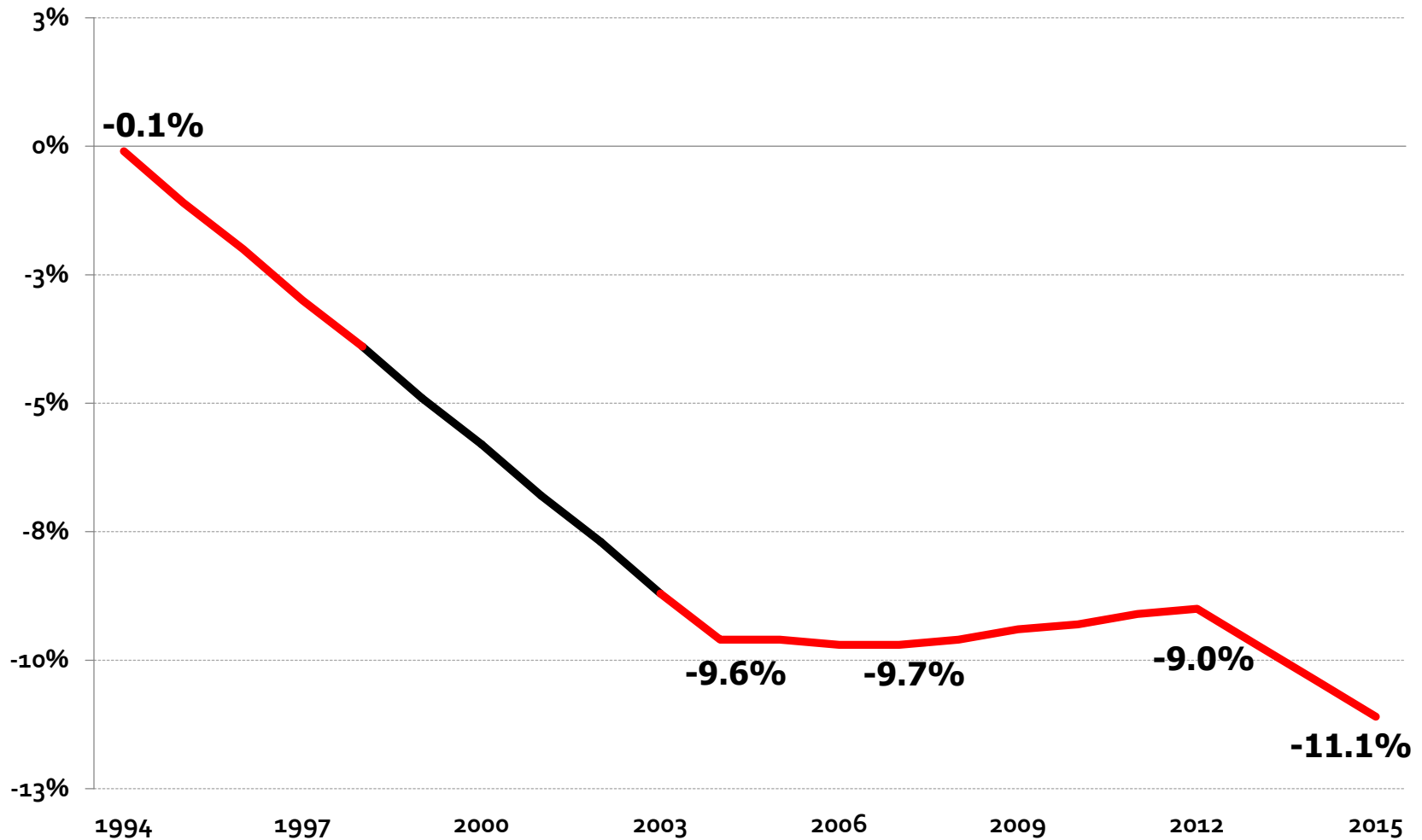
Wages and benefits of public school teachers versus other professionals, 2015

| | Share of compensation (%) | |
|--|---------------------------|-------------|
| | Professionals | Teachers |
| Wages | | |
| Direct wages | 69 | 68.8 |
| Paid leave | 7.4 | 4.4 |
| Supplemental pay | 2 | 0.3 |
| Total W-2 wages | 78.4 | 73.4 |
| Benefits | | |
| Insurance | 8.7 | 11.2 |
| Pension | 6.4 | 10.5 |
| Payroll taxes | 6.4 | 5 |
| Total non-wage benefits* | 21.6 | 26.6 |
| Total compensation | 100 | 100 |
| Memo: Pension and payroll taxes | 12.8 | 15.5 |

* Includes some "other" benefits.

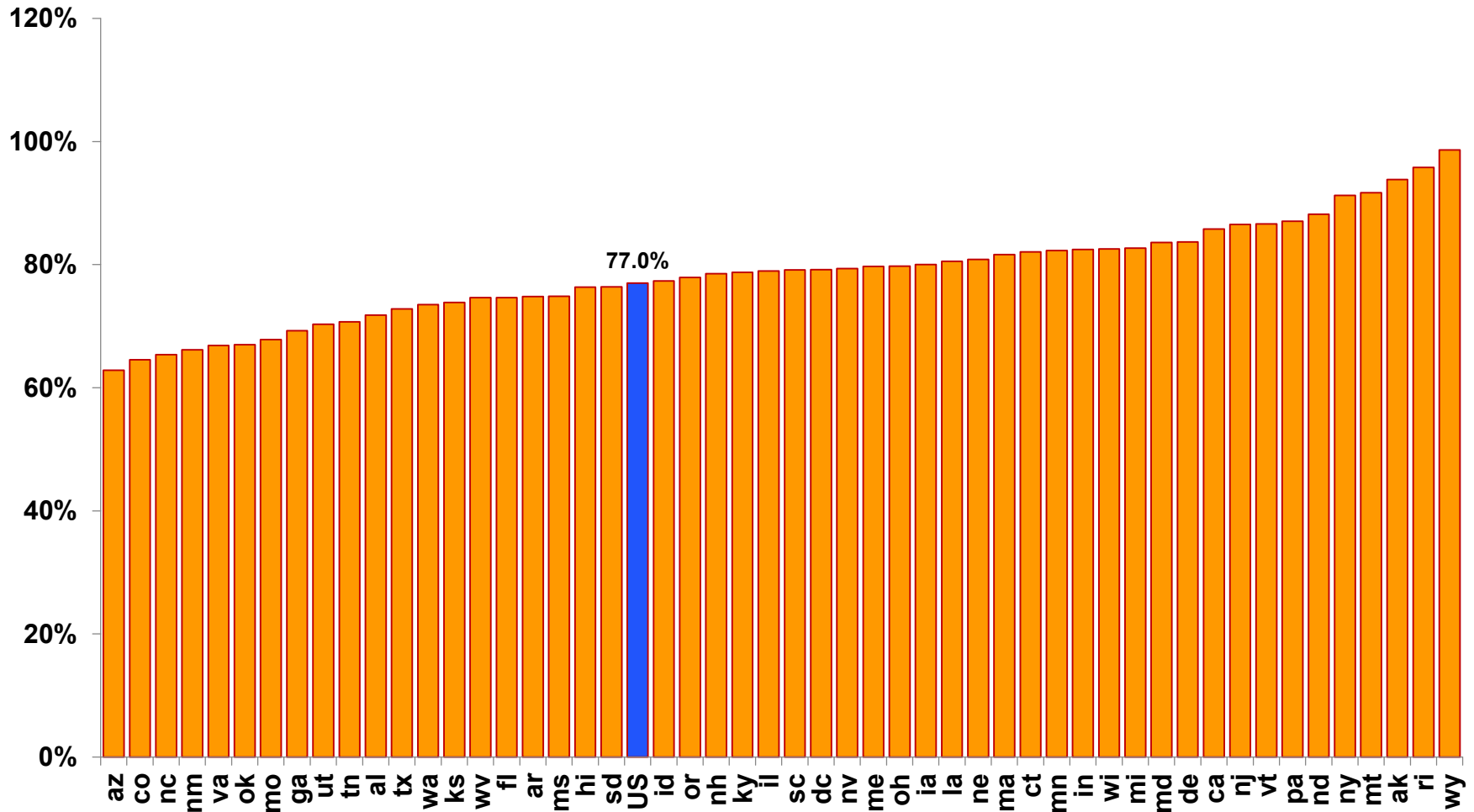
Source: Authors' analysis of Bureau of Labor Statistics Employer Costs for Employee Compensation data

Teacher compensation penalty grows to 11 percent



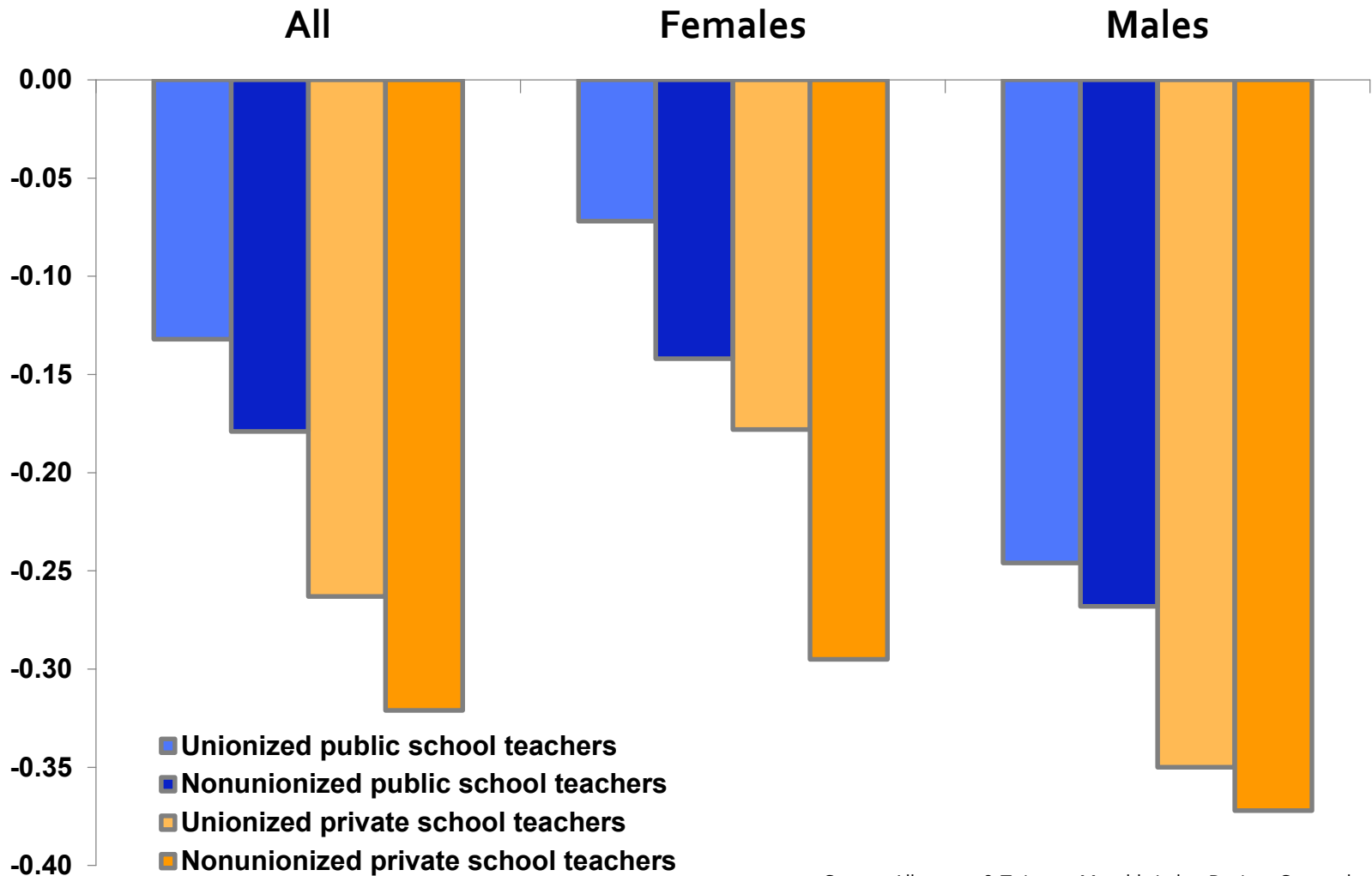
Source: Allegretto and Mishel, 2016

State pay ratios: teachers-to-other college graduates



Source: Allegretto & Mishel's analysis of CPS-ORG pooled data 2011-2015 on workers with positive wages (excluding self-employed workers & imputed data) ages 18-64.

Teacher gaps by sector and union status



Source: Allegretto & Tojerow, Monthly Labor Review, September 2014.

In sum

- **The pay gap for teachers is growing**
 - It is growing & the worst it has ever been
 - It has implications for recruitment as the opportunity cost grows
 - Retention is becoming a bigger problem
 - Gender make up of teachers hasn't changed much for decades and it won't with such large disparities for males
- **The smartest countries tend to be those that have acted to make teaching more prestigious and selective**

Thank You!

“Teacher Pay Losing Ground”

Center on Wage & Employment Dynamics

Economic Policy Institute

August, 2016

Sylvia Allegretto and Larry Mishel