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Teachers are paid almost 20% less than similar workers

When including benefits, teachers still face a 10.2% total compensation penalty

In [a new paper](#), economist [Sylvia Allegretto](#), co-chair of the UC Berkeley Center on Wage and Employment Dynamics (CWED), and EPI distinguished fellow Lawrence Mishel find that teachers' wages and compensation continue to be substantially below that of comparable workers. When adjusted for education, experience, and demographic factors, teachers earned weekly wages 6.0% less than comparable workers in 1997. In 2019, the penalty was 19.2%, which, notably, was a 2.8 percentage-point improvement compared with a wage penalty of 22.0% a year earlier.

Although teachers on average enjoy better benefits packages than similar workers, Allegretto and Mishel find that benefits only mitigate part of the wage gap. Including benefits, teachers are still left with a 10.2% compensation gap compared to similar workers. While the data in this paper are through 2019 and thus predate the pandemic, the analysis may provide useful insights as schools struggle to reopen.

“Teachers deserve to be paid fairly, particularly during a pandemic when teachers have had to adapt to new and difficult environments. Eliminating the teacher pay penalty is crucial to building the teacher workforce we need during the pandemic and recruiting new teachers during the recovery,” said Mishel. “Teachers are demanding safe environments for themselves and their students, and should not have to carry the extra burden of inadequate compensation.”

Teacher strikes in California, Arizona, West Virginia, Colorado, and others during 2018 and 2019 raised the profile of deteriorating teacher pay as a critical public policy issue. Although it is too early to say definitively, the strikes may have played a role in the recent improvement in the teacher pay gap. Teachers and parents protested cutbacks in education spending and a squeeze on teacher pay that persist well into the economic recovery from the Great Recession. These spending cuts were not the result of weak state economies. Rather, many were enacted by state legislatures to finance tax cuts for the wealthy and corporations.

The long-term growth in the wage penalty for teachers has contributed to an inadequate supply of effective teachers at every stage of the career ladder. Moreover, increased pressure from testing, state budget cuts, and demand for smaller class sizes has put strains on retaining sufficient mid-career teachers.

“As we recover from the economic shockwave of the coronavirus pandemic, federal aid is critically needed to ensure that state and local governments do not pursue austerity measures,” said Allegretto, “Funding education should be a key priority for policymakers’, and closing the teacher pay gap to attract and retain teachers is a crucial part of that.”

Other key findings include:

- The wage penalty has grown remarkably among women. In 1960, female teachers earned 14.7% *more* than comparable female workers. However, in 2019, the authors find a 13.2% wage gap for female teachers.
- The male teacher wage gap was 22.1% in 1979 and improved to 15.1% in the mid-1990s, but worsened in the late 1990s into the early 2000s. It stood at 30.2% in 2019.
- The report provides teacher weekly wage penalties for each state for the period of 2014–19. Of the eight states with the largest wage penalties, four (those *italicized*) were where massive walkouts took place in 2018: Virginia (32.7%) had the largest penalty, followed by *Arizona* (31.8%), *New Mexico* (29.5%), *Oklahoma* (29.0%), *Colorado* (28.8%), Washington (28.1%), Oregon (27.3%) and *North Carolina* (25.3%). The teaching penalty also exceeded 25% in Georgia (25.1%).

Allegretto and Mishel estimate teacher wage penalties using regression analyses which compare weekly wages of public-school teachers to other workers with comparable levels of education, experience, race, ethnicity, and other wage setting factors. By using a measure of weekly wages, the analysis avoids having to adjust for teachers’ so-called “summers off.” Allegretto and Mishel use data on teacher and professionals’ benefits and wages to adjust the teacher wage penalty estimates for the advantage teachers enjoy in having better benefit packages, deriving a compensation penalty which nets out the impact of both wages and benefits.

[The Center for Wage and Employment Dynamics \(CWED\)](#) is a project of the Institute for Research on Labor and Employment (IRLE) at UC Berkeley. IRLE connects world-class research with policy to improve workers’ lives, communities, and society.

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