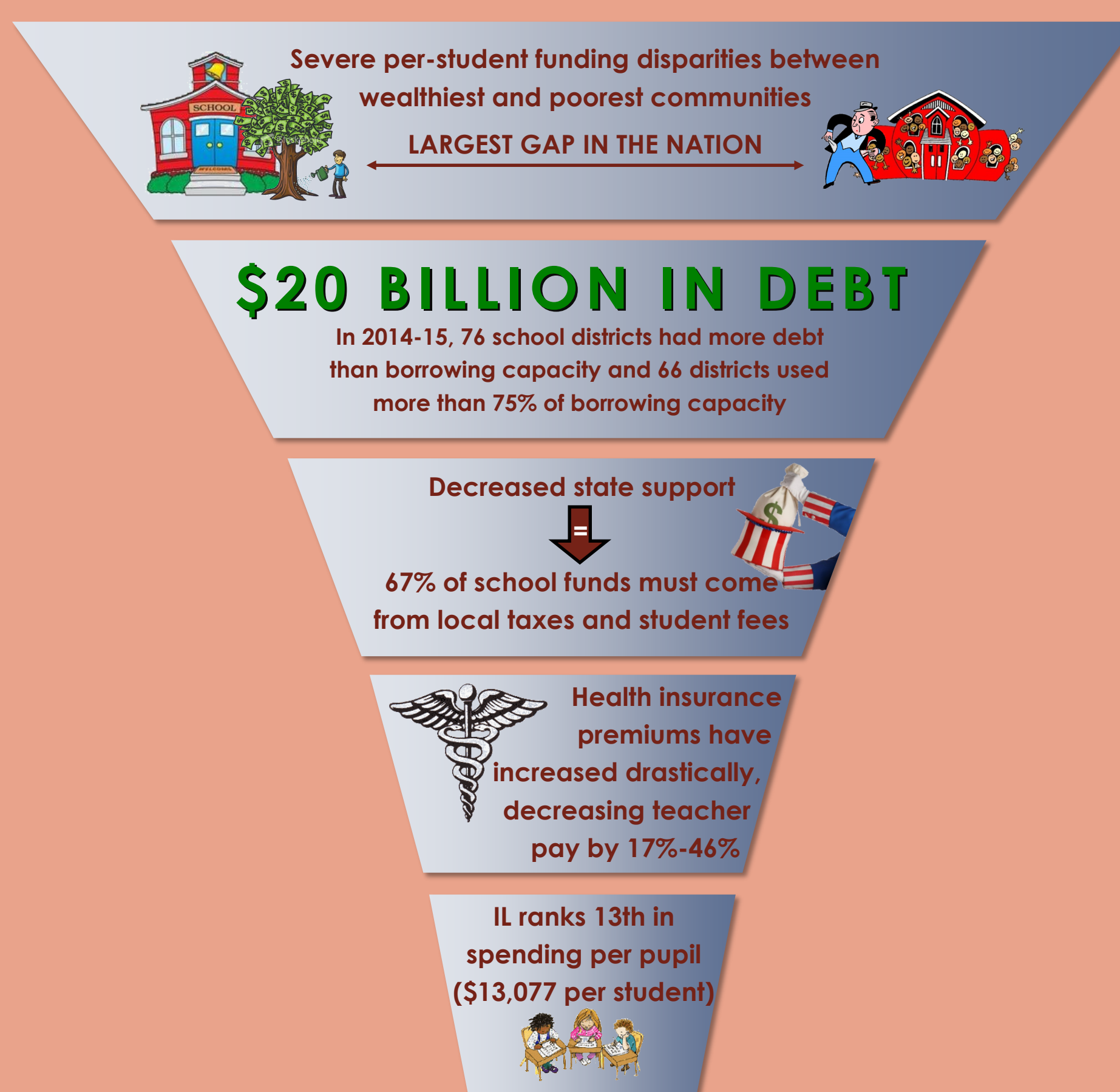


# A Highly Educated Classroom: Illinois Teachers Are Not Overpaid

Jill Manzo, Researcher, Illinois Economic Policy Institute  
Robert Bruno, PhD, Director, Labor Education Program  
Frank Manzo IV, MPP, Policy Director, Illinois Economic Policy Institute

## CHALLENGES FACING K-12 PUBLIC EDUCATION IN ILLINOIS

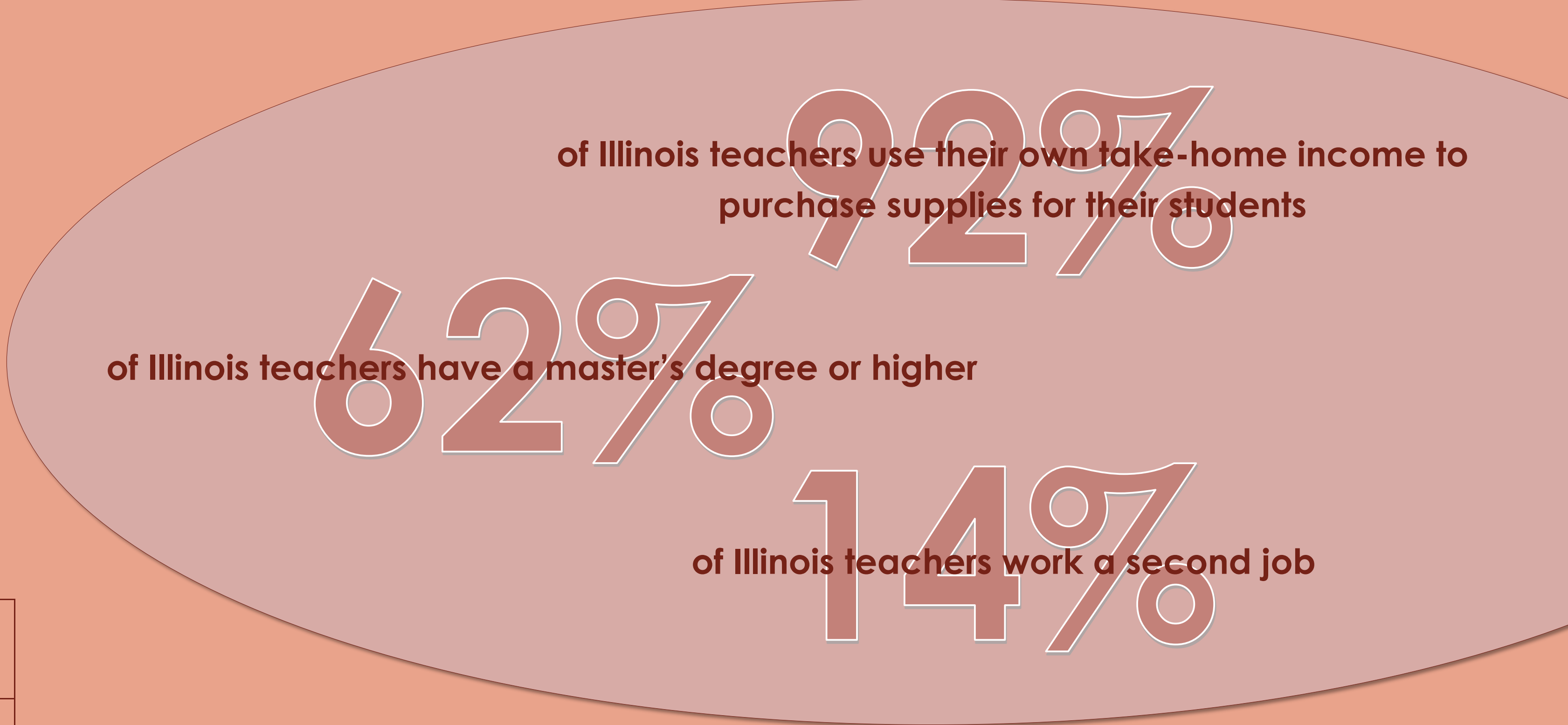
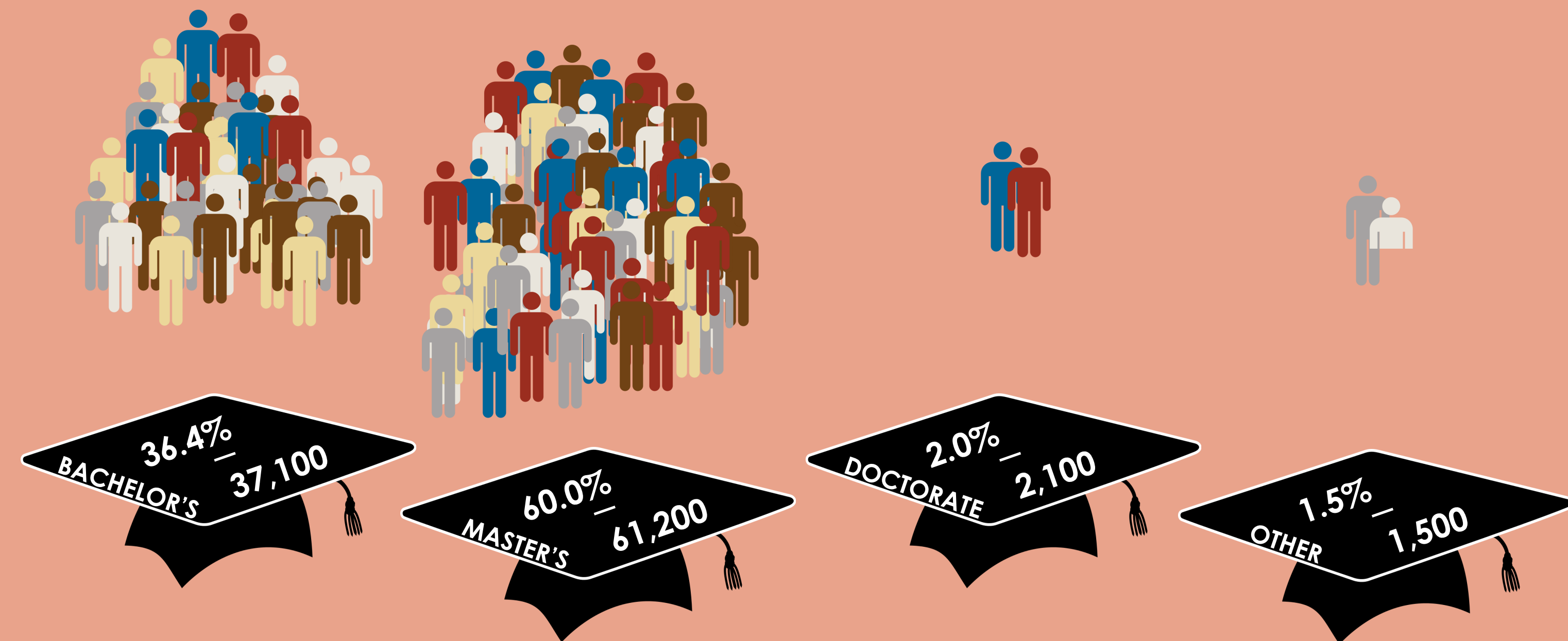


Illinois ranks **50th** in the nation in the percentage of total revenue that comes from the state for public education

## INCOME DISTRIBUTION IN ILLINOIS, 2015

	All Teachers	35+ Hours Per Week Private Sector Bachelor	35+ Hours Per Week Private Sector Master
Average	\$62,907	\$76,496	\$102,778
Bottom 10%	\$39,269	\$24,000	\$32,000
Bottom 25%	\$46,896	\$37,000	\$50,000
Median	\$58,348	\$60,000	\$80,000
Top 25%	\$76,315	\$90,000	\$120,000
Top 10%	\$91,108	\$135,000	\$180,000
Top 1%	\$125,865	\$505,000	\$505,000

## PUBLIC SCHOOL TEACHERS IN ILLINOIS HAVE HIGH LEVELS OF EDUCATIONAL ATTAINMENT: (of 2015, 35+ Hours, Public Teachers in Illinois)



## BACKGROUND

Educators are the backbone of any civil society and economy. A well-educated society tends to produce positive economic and social outcomes, such as high worker incomes, high productivity, high life expectancy, high civic and political engagement, and high life satisfaction (Berger & Fischer, 2013). Research has also found that high quality and highly trained educators improve the individual prospects of the next generation by increasing intergenerational mobility. Because teachers influence the ability of children to thrive in the future, it is imperative that students are taught by the best educators in environments conducive to learning.

Over the last two decades, a chorus of education researchers and policymakers have focused attention on K-12 teacher compensation systems. In Illinois, as in all other states, the dominant determinants of pay are based on salary schedules, which provide larger salaries to teachers with higher levels of formal education and for each additional year of teaching experience. These systems reward teachers with pay increments (i.e., “steps and lanes”) for acquiring and demonstrating specific knowledge and skills needed to meet educational goals.

In part driven by the belief that public school teachers are not “underpaid,” some commentators have called for reforming the practice of allocating teacher pay (Hess, 2004). In Illinois, for example, it was recently claimed that teachers at Chicago Public Schools are the highest-paid of the nation’s 50 largest school districts (Korte, 2016). However, claims of excessive pay have been discredited by additional research, which finds that teachers experience a wage penalty of between 10 and 19 percent when compared to similarly situated private sector workers (Mishel, 2012; Keefe, 2012; Allegrretto, et al., 2011; Olson & Lubotsky, 2011). Illinois has and needs quality teachers that are highly educated, skilled, and trained so the state can compete in the global economy. Quality educators are only attracted to the teaching profession if public schools offer salaries that are competitive in the marketplace (Strauss, 2014).

Properly understanding teacher pay is critical to developing an efficient teacher compensation structure. School districts need to be able to recruit, professionally develop, and retain a quality educational workforce. In one large national survey, 75 percent of teachers report that salary is an essential element to retaining effective teachers (Scholastic & Bill and Melinda Gates Foundation, 2012). Survey respondents also concur that if additional revenues are raised to improve local public schools, 34 percent of Americans say they would want the money targeted toward teachers, nearly twice as many as for any other spending priority (PDK Poll, 2016).

## EXECUTIVE SUMMARY

Teachers in Illinois are among the best-educated in the nation and earn appropriate incomes that reward their skill. Illinois’ teachers are highly educated, with over 62 percent of full-time public elementary, middle, and secondary school teachers in the state having earned a master’s degree. An additional 36 percent of full-time public school teachers have a bachelor’s degree. These highly skilled educators help foster the next generation of workers and innovators who will grow Illinois’ economy. Full-time public K-12 teachers in Illinois earn less than highly educated workers in Illinois private and nonprofit sector, on average. The average full-time public school teacher in Illinois earns an annual salary of about \$63,000.

- Full-time private and nonprofit sector workers with a bachelor’s degree earn more than \$76,000 per year, over \$13,000 more than public school teachers in Illinois.
- Full-time private and nonprofit sector workers with a master’s degree earn about \$103,000 per year, approximately \$40,000 more than public school teachers in Illinois.

A key difference between public school teachers and their private sector counterparts is that income is distributed much more equally among public school teachers. The top 1 percent of teachers earns about \$126,000 per year (and only after many years of experience), while the top 1 percent of private sector workers earns \$505,000 in Illinois.

