Teacher Salaries: A Critical Equity Issue

Quality teachers are one of the most important factors in student achievement. Yet since the recession, the real value of teacher salaries (adjusted for inflation) has decreased in the majority of states. In about half of all U.S. states, the average teacher does not even earn a living wage needed to support a family. Inadequate compensation has predictable consequences for attracting and retaining the skilled professionals so crucial to student outcomes—especially in schools and subjects that are hard to staff. The strikes and protests that erupted last spring in West Virginia, Kentucky, Oklahoma, Arizona, and Colorado are visible manifestations of this troubling reality.

At the heart of the teacher salary issue are growing funding inequities among the states. Some states may need to invest more in education to raise baseline levels. But it will not be enough just to throw more money at the problem—states also need to take a thoughtful look at how well and how equitably all resources are...
Low Salaries and Teacher Shortages

Are today’s teacher salaries enough to attract and retain a high-quality workforce? Some data suggest not. Several recent studies, accounting for factors such as hours worked, gender, and race, conclude that teacher salaries today are 14 to 25 percent lower than those for other professions available to college graduates. One study by the Economic Policy Institute found that this gap has grown over time: Teachers in 1998 earned about 8 percent less than professionals with similar education and experience. By 2015, teachers underearned their peers by 17 percent.

At the same time, districts across the country are facing significant teacher shortages. Virtually all states report shortages in numerous subject areas—including in elementary education, where there historically have been more than enough qualified applicants. The pipeline of teacher applicants is also drying up, judging by the sharp decline in the number of U.S. college students enrolling in teacher certification programs—from 684,000 in 2011 to 419,000 in 2015. The number of long-term crisis substitutes, emergency or provisionally certified teacher hires, and unfilled vacant positions in schools has dramatically risen over the past several years, particularly in low-income and rural communities.

The depth of the salary gap appears most dramatically when the average teacher salary in each state is compared with a living wage metric that was created at Penn State and is maintained by Amy Glasmeier at the Massachusetts Institute of Technology (MIT). The MIT researchers calculate the living wage as the minimum income needed to cover basic expenses (including food, child care, medical costs, housing, transportation, and miscellaneous “other”) based on local costs and across a variety of family structures. To get a sense of the value of a teacher’s salary, we looked at MIT’s living wage for one- and two-parent households with a single salary earner and one to three children and created a weighted average to account for the prevalence of different family types. We call this metric a “family living wage.”

In about half of all states, the average teacher salary is less than the family living wage (figure

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2). This aligns with other research findings. For example, the Center for American Progress found that in 35 states, teachers with 10 years of experience or more who head families of four would qualify for multiple public assistance programs to make ends meet. Colorado has the greatest gap, with the average teacher salary 25 percent less than the family living wage (which translates to about $12,000 below, adjusted for geography), whereas in Massachusetts, the average teacher salary is already 25 percent above the family living wage (nearly $18,000 above, adjusted for geography). Those states highlighted in orange and red have experienced a recent decline in real inflation-adjusted per-pupil funding (from 2009–10 to 2014–15) of greater than 5 percent (orange) or greater than 10 percent (red). Notably, most of the states with salaries below the family living wage are the same ones that cut education funding after the recession.

Lower Pay, Greater Hiring Challenges

Not surprisingly, states with the greatest gap between salaries and a family living wage showed the most significant signs of an unhealthy labor market for teachers. Those with salary levels more than 15 percent below the family living wage exhibited the following characteristics, compared with states that pay teachers more than 10 percent above the living wage:14

- about two and a half times the number of shortages in subjects and grades that should be easier to staff, like elementary school or English language arts (2.3 versus 0.9);
- an average teacher turnover rate of 16.6

percent, 54 percent higher than in states with average teacher salaries of more than 10 percent above the living wage; and
- more than twice the percentage of uncertified teachers (2.3 percent versus 1.1 percent) and a more than 50 percent higher rate of novice teachers (14 percent versus 9.1 percent).

The majority of states where teachers earn less than the living wage are also most likely to have lower K-12 spending as a percentage of state GDP.

Yet all states show signs of labor market problems, since even states where teacher salaries are above the family living wage pay on average only 9 percent above.

New Approaches for Salary Equity

In their role as advocates for educational quality and equity, state boards of education can help guide state agency policymakers and legislators toward funding strategies that address the problem of stagnating teacher salaries. They can call attention to the need for improving the entire value proposition for teachers—salary, benefits, and working conditions—rather than merely putting more money into existing structures. State boards’ efforts to set high standards for teachers will be for naught if highly skilled individuals do not want to enter the teaching profession in the first place.

As a first step, state boards can start the

Figure 2. Gap between the average teacher salary and the family living wage in each state, 2016–17

policy conversation by seeking answers to the following key questions:

1. Where does my state rank in terms of overall funding levels?

2. Are average teacher salaries in my state below a living wage? How big is the gap?

3. Does my state have any policies in place to ensure that districts with the highest concentrations of student need have the necessary resources to attract and retain high-quality teachers?

4. Does my state invest in pilots or otherwise encourage new ways of organizing schools to professionalize teaching? What about new forms of teacher career paths or compensation structures?

Innovative approaches for increasing teacher salaries to maximize impact on student performance can include the following:

1. **Invest new revenue in teacher salaries benchmarked against comparable professions rather than staff increases.** As spending rises with GDP growth, states and districts can raise teacher salaries to keep pace with benchmarks from comparable professions instead of adding services and staff. This would mark a strategic shift. Over time, teacher salaries should rise relative to inflation.

2. **Rethink teacher compensation structures.** For example, “frontloading” teacher compensation and linking salaries to teachers’ roles, responsibilities, and contributions. This strategy could include increasing starting salaries, shifting raises to earlier in a teacher’s career, reducing the number of step increases but increasing their size, and shifting to defined contribution [such as 403(b)] retirement plans that vest more quickly—whichever makes sense depending on the market context and the existing salary structure. In addition, states and districts can expand the role of high-performing teachers and reward those who take on greater challenges with stipends and leadership opportunities. These strategies could help attract and retain young teachers by helping them achieve a family living wage earlier in their careers.

3. **Link salary reform to other key initiatives to improve teaching and learning.** As states invest to close the salary gap between teachers and other professions open to college graduates, they can tie salary increases to other important reform initiatives, such as extending the school day or year and increasing time for teacher professional learning and collaboration.

**Resource Equity**

To provide an excellent education to all students, states must not only ensure funding adequacy, they must also pay attention to resource equity—how people, time, and money are allocated to create learning experiences that enable all students to succeed.

In states struggling to attract and retain high-quality teachers, state boards of education can advocate for improving the “value proposition” of becoming and staying a teacher, particularly for the least experienced teachers, who have the highest turnover. Within states, some districts may have a harder time than others in attracting and keeping great teachers, especially those serving high concentrations of student need, which often have lower funding levels. Creating this strong value proposition will require redesigning schools—organizing people, time, and money differently.

The current unhealthy state of the labor market for teachers is a challenge that must be met. But it is also an opportunity to modernize the teaching profession and to adopt practices that foster innovation and lead to more effective use of all K-12 resources. Supporting teachers as the professionals they are is a critical step that will lead the way to achieving student performance goals.

Karen Hawley Miles is the CEO and president of Education Resource Strategies, a nonprofit that partners with district, school, and state leaders to transform how they organize people, time, and money so that every school prepares every child for tomorrow, no matter their race or income. Nicole Katz is a principal associate at ERS. This article is adapted from “Low Teacher Salaries 101: How We Got Here, Why It Matters, and How States and School Systems Can Pay Teachers More Fairly and Strategically” (Watertown, MA: Education Resource Strategies, June 2018), which can be accessed at https://www.ersstrategies.org/tap/low_teacher_salaries_101.


3Ibid.
What can other state boards learn from your experience?

**Porter:** Develop a vision that is bold—that takes the responsibility for moving each child into the middle of the 21st century. Keep that vision in mind for all your decision making.

**McNiece:** Two things I’d add: We have worked very hard as a board—Jim especially and others—to have open-minded communication and build relationships, and that has served us well. But we’ve also been realistic in our expectations. By the way, the relationship isn’t just with the legislature, it’s with groups that sometimes we don’t always agree with: It’s the teacher’s union, the school boards association, the administrators, the local boards. Having a really good commissioner of education helps, too. He’s smart, he’s personable, and he’s got a vision of where he wants to take us. He is trusted by the legislature and the governor, and that makes a big difference. I think we’re trusted overall by both, but it’s a different kind of trust. We’re not over here saying we know the answer. We’re saying we’ve gone through New Member Orientation, and that helps them be better board members. We adhere to “take a vote, make a decision, don’t hold a grudge.” Move onto the next. You win some, some you don’t. Getting along is important. We certainly have differences on our board, but we don’t let those differences get in the way of doing the right thing and being good board members.

**Porter:** That’s something we sometimes forget. The training that we got, the resources we have available—both in person and in substance and data—they help us in these instances. Every state has to figure this out for themselves, within their constitutions and their political realities.

We have more challenges awaiting us, but the House will be all elected this year, the governor will be new, other leaders will be new. There are no Supreme Court justices up for approval, but there is a push immediately by a leadership faction to bring a constitutional amendment that would basically disqualify the courts from making any kind of ruling about finance. But you can’t win a game by changing officials.

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**McNiece:** I’m going to throw a little kick-in for NASBE here: Most of our board members have gone through New Member Orientation, and that helps them be better board members. We adhere to “take a vote, make a decision, don’t hold a grudge.” Move onto the next. You win some, some you don’t. Getting along is important. We certainly have differences on our board, but we don’t let those differences get in the way of doing the right thing and being good board members.

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『NCES, table 211.60, “Estimated Average Annual Salary of Teachers in Public Elementary and Secondary Schools, by State: Selected Years, 1969–70 through 2015–16.”


Sylvia A. Allegretto and Lawrence Mishel, “The Teacher Pay Gap Is Wider Than Ever,” report (Washington, DC: Economic Policy Institute, August 9, 2016). A note from the report on their methodology reads, “Regression-adjusted estimates include controls for age (quartic), education, race/ethnicity, geographical region, marital status, and gender for the pooled sample. Data are for workers age 18–64 with positive wages (excluding self-employed workers). Non-imputed data are not available for 1994 and 1995; data points for these years have been extrapolated and are represented by dotted lines.”

Ibid.


NCES, table 211.50.


For a full description of our methodology, see Miles et al., “Low Teacher Salaries 101.”


Using data from NCES, table 211.60; Glasmeier and MIT, “Living Wage Calculator”; U.S. Department of Education, “Teacher Shortage Areas”; “A Coming Crisis in Teaching? Teacher Supply, Demand, and Shortages in the U.S.” (Palo Alto, CA: Learning Policy Institute, 2016). We consider typically easy-to-staff fields to be elementary education, early childhood, the arts, English language arts, and social studies/humanities.