

Teacher Pay – Important, but Not the Only Issue (Part 1)

by Tatiana Bailey, Ph.D.
Director, UCCS Economic Forum

There has been much national attention lately about teacher pay and teacher strikes. At the State Capitol last Thursday and Friday, there were approximately 10,000 demonstrators, and the districts which cancelled classes represented about half of the 910,000 children enrolled in Colorado schools. The media coverage was fueled by some confusion around the revisions reported by a trusted source, the National Education Association (NEA). The confusion stemmed from previous reported salaries for Colorado teachers, which were a bit less than the revisions, so let us first clarify those. Table 1 shows the 2017 average salaries for teachers in Colorado and the U.S. as well as the percentage changes in salaries from 2009 to 2018 in both current and inflation-adjusted numbers.

Table 1. Colorado and United States Teachers' Average Salaries			
	2017 Average Salary	2009-2018 % Change Current \$	2009-2018 % Change Inflation-adjusted \$
Colorado	\$51,808	8.1%	-6.7%
United States	\$59,660	11.2%	-4.0%
Source: National Education Association, April 2018 report: http://www.nea.org/assets/docs/180413-Rankings_And_Estimates_Report_2018.pdf			

It is important to put this in context of what is a “livable wage” in El Paso County for various types of households, and this is included in Table 2.

Table 2. El Paso County Livable Wage, 2017			
	1 Adult	1 Adult 1 Child	2 Adults 2 Children
Hourly Livable Wage for EPC	\$11.37	\$25.74	\$16.51
Annualized Wage	\$23,650	\$53,539	\$34,341
Source: MIT Living Wage Calculator: http://livingwage.mit.edu/counties/08041			

There are several messages in this data. One, a teacher in El Paso County earning on average \$51,808 per year can cover all expenses implicit in a livable wage only if he or she is single with no children or if there are two, full-time working adults in the household. A single parent with a child who is a teacher does not have a livable wage according to MIT’s calculations. Given the slim margin between salaries and livable wages, it is not surprising that nationwide, almost 18 percent of teachers surveyed by the National Center for Education Statistics in 2015-2016 said they work a second job.

Another important piece of the puzzle revolves around our local teacher pay versus the Colorado average. Not unlike many other occupational categories, teachers in our region make less than the national or state averages. According to the Colorado Department of Education, teachers in El Paso County in 2017 earned significantly less than the Colorado average. Table 3 shows that for the 2016-17 school year, even the highest paid district, Manitou Springs, had an average teacher salary that was roughly \$2,000 less than the state-wide average. Edison School District had an average teacher salary about \$15,000 (or 30 percent) less than the Colorado average.

Table 3. El Paso County Average Teacher Salaries, All Experience Levels		
	2016-17 School Year	Percentage Below Colorado Average
Edison 54 (Lowest)	\$36,579	-29.4%
Colorado Springs 11 (Highest)	\$48,305	-6.8%
Source: Colorado Department of Education: https://www.cde.state.co.us/cdereval/averageteachersalaries2017		

Parents and individuals concerned with our prospects for future economic development know that these relatively low salaries have negative ramifications. A major one affecting us state wide is the shortage of teachers. In our state, we have approximately 3,000 open teaching positions, and this is largely related to low teacher pay (we are ranked 31st in the nation) and the escalating cost of living within our state.

For teachers who are newly out of school, the starting teacher salary is likely a deterrence to coming to Colorado, or for those considering the profession, a likely reason for not pursuing an education degree at all. Table 4 shows the starting salary for Colorado teachers compared to the U.S. according to the NEA. On average, teachers starting their careers in Colorado earn on average about \$6,000 less than novice teachers across the U.S. This will likely exacerbate the teacher shortage, which many education experts say is already at a “crisis” level. This does not bode well for our future economic prospects either. Economists are taught in school that the present value of a good or service is typically discounted the longer the time horizon for the “pay off”

Table 4. Average Teacher Starting Salaries, 2016-17	
Colorado	\$32,980
United States	\$38,617
Source: http://www.nea.org/home/2016-2017-average-starting-teacher-salary.html	

implicit in the investment. That is perhaps the crux of the issue. It is difficult to justify higher taxes or the reallocation of existing tax revenues for benefits that do not accrue in the short run. These are tough issues, but as a parent I want my kids to spend 7.5 hours a day with a teacher who is not struggling to make ends meet, who feels revered and valued, and who truly loves his or her job. As someone who works in economic development, I want our future workforce to have all the benefits of a stellar educational system that is well funded, has the latest and greatest in educational materials and methodologies, and is training to the needs of today’s quickly changing business landscape.

Parts 2 and 3 will discuss the per pupil expenditures for K-12 Colorado students and the proportion of tuition college students pay when they attend four-year, public universities.

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