



Pennsylvania's Embarrassing Teacher Pay Gap Across its School Districts

Summary: Teacher salary data from the Pennsylvania Department of Education's Professional Staff Summary report show very large pay differences among the commonwealth's 500 school districts. This *Policy Brief* reviews the magnitude of those gaps and offers possible remedial steps. Politically the situation should be unacceptable and at the same time faces enormous political obstacles to being corrected.

Much is constantly being written by public education advocates and teacher unions about inequities in school funding and the need for ever more funding. To be sure, there are wide disparities across commonwealth districts with 25 having revenues of \$20,000 or more from state and local sources per student (2015-16 school year, latest available). Meanwhile, 75 districts had revenue of under \$14,000 per student, with a few under \$12,000. These 75 districts get most of their funding from the state.

Earlier *Policy Briefs* (Vol. 17 No. 43 and Vol. 16, No. 46) have questioned the notion of how funding equity can be determined based solely on the amount spent per student and who would make the determination. And past *Policy Briefs* have pointed out on many occasions that school spending per student is not a reliable predictor of academic performance.

But there is another potentially far more disturbing issue that lawmakers in Harrisburg should be uneasy about. And that is the astounding teacher salary gap that exists among the state's school districts. The worst part is that under the school funding system, both the current system and the ones in place for decades, the wide pay gaps cannot be addressed in a meaningful way.

Teacher pay disparities arise primarily as a result of the wealth and income differences that determine the tax bases across the state's 500 school districts but also differ to varying degrees due to cost-of-living differences and years of experience. And while the commonwealth does provide most of the funds spent by poorer districts and a relatively small share of revenue per student for the wealthy districts, the teacher pay gaps among the highest-paid and lowest-salary districts are enormous nonetheless.

A quick overview to begin: The National Education Association compilation of teacher salaries by state for the 2015-2016 school year ranked Pennsylvania's average salary of \$65,151 as 10th highest in the nation. According to Department of Education data for school

year 2016-17, the statewide average annual pay for classroom teachers rose to \$66,265. Of 500 districts, 184 had pay levels at or above the statewide average while 316 were below the state average pay. The 184 districts had average pay of \$73,802—a pay level that would rank as 5th nationally.

The 316 districts with pay below the \$66,265 state average had an average classroom teacher salary of \$57,864, a gap of \$15,938 or 27.5 percent under the 184 above average pay districts. Then too, there were 56 districts with average pay that ranged from 20 percent (\$53,000) to 40 percent (\$35,720) below the all district average.

But that is just the beginning of the story of pay differences. Consider the most extreme pay gap. For the school year 2016-2017, the highest average teacher salary was paid by the Lower Merion district—the district that also raises the most per-student revenue from local taxpayers. Lower Merion’s average teacher pay was \$99,235, very close to \$100,000 and no doubt many teachers earn well above the average. Meanwhile, the lowest average teacher pay was \$35,720 in the Turkeyfoot Valley Area district. That means Lower Merion teachers earned 2.7 times more than Turkeyfoot Valley teachers, and with commensurately larger benefit packages.

Pennsylvania’s *top* 10 teacher pay districts had an average salary of \$92,382. No state had average pay as high as that level. These districts had total revenue of \$22,178 per ADM (average daily membership) with \$17,486 per ADM in local revenue. At the same time, the *lowest* 10 pay districts had average salaries of \$43,649. Only Mississippi and South Dakota had average pay lower than these districts. These 10 districts had total revenue of \$15,597 per ADM of which only \$4,524 was local revenue, about a fourth of the local revenue of the top 10 pay districts.

The teachers at the top 10 pay districts earn 2.11 times more than the teachers in the lowest 10 salary districts. Or said another way, the top 10 districts’ teachers earned \$2.11 for each \$1.00 paid to the teachers in the 10 districts with the lowest pay.

For the top 25 paying districts, average teacher pay was \$88,608. As with the top 10 districts, no state had an average teacher salary at this level with New York being the highest at \$79,152. These 25 districts had a total \$20,874 in revenue per ADM with \$16,106 raised from local taxpayers. In the lowest 25 salary districts teacher pay averaged \$46,220. These districts had total revenue \$15,454 per ADM, raising only \$4,871 per ADM from local taxpayers. Teachers in the top 25 pay districts earn \$1.90 for each \$1.00 paid to teachers in the lowest 25 pay districts.

Several of the highest-paying districts as well as some districts paying well above average are not in the state’s wealthiest areas. Examples from western Pennsylvania include Plum Borough (\$81,075), Indiana Area (\$83,148), Armstrong County (\$73,246), Belle Vernon (\$74,324) and the United School District of Indiana County (\$70,573). Except for Indiana, these districts raise well below the state average revenue per student from local sources unlike most of the districts with above average pay.

Clearly, the disparities in teacher pay across Pennsylvania school districts are astounding. And yet the teacher unions are virtually silent regarding this embarrassment. During contract bargaining, teacher unions—that are organized by district—will use salary and benefits in

nearby districts with higher pay as comparisons to justify getting higher salaries or better benefit packages. But why do we not hear more from the statewide union leadership and the pro-teacher union legislators about the egregiously large teacher pay gap that exists between mostly wealthier schools and poorer area schools.

It is one thing for per-student revenue to be 35 percent higher in the top 25 pay districts compared to the lowest 25 pay districts. But for the teacher pay to be almost twice as high borders on scandalous. Where is the outcry from the Pennsylvania State Education Association and the Pennsylvania Federation of Teachers that purportedly represent teachers across the commonwealth?

Obviously, the legislators from wealthy districts where teachers are paid handsomely with great pension and other benefits have no interest in risking the ire of the unions in their district by raising the pay gap issue. But why do the legislators who represent the poor districts not call attention to the huge disparities? Are the lowest paid teachers 50 percent less able or competent than the highest paid? That would seem highly doubtful and the teacher unions will be the first to dispute such an assertion. Then why does this enormous pay gap situation exist and why is not a major union objective to correct?

What can be done? For districts with very rich tax bases, give them the option of becoming independent, giving up all state financial support but remaining subject to standardized test requirements, such as charter schools. Or give them the option of remaining in the state system but being forced to begin reducing per student spending over time toward the state average. The latter option could be carried out in a phased in program of freezing local revenue and getting less state revenue over a period of years until parity with the state average per student spending is reached.

Unless this scheme, or something similar, is adopted the wide disparities in teacher pay and per-student funding will persist and may even get worse. At some point teacher union bargaining will have to be done on a statewide basis to avoid the situation where district unions ratchet up costs by using other districts' pay as bargaining chips.

The huge teacher pay disparities in Pennsylvania's school districts ought to make social justice and union advocate legislators from rich districts very uneasy.

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