



Mind the Gap:
The disparity between public sector and statewide salaries

The Problem

Historically, public employees have faced a trade-off: lower wages than the private sector in exchange for job security and generous benefits. That trade-off, however, has been disappearing over the years as government employees enjoy steady increases in wages, even during economic downturns. Meanwhile, businesses in the private sector must cut back or at least hold steady on costs, including payroll, in challenging economic climates.

The Illinois Policy Institute's transparency website, IllinoisOpenGov.org, highlights many examples of state government workers receiving average annual wages much higher than the average statewide wage estimates for the same position. For example, the Bureau of Labor Statistics estimates that the average annual wages in 2008 for automotive mechanics in Illinois equaled \$40,600. During 2008, the State of Illinois had 186 auto mechanics on its

Job Title	Average Annual Wages in 2008		
	Overall State Average	Illinois State Government Average	Disparity
Auto Mechanic	\$40,600	\$55,555	+36.8%
Laboratory Technician	\$39,880	\$54,572	+36.8%
Janitor	\$25,510	\$41,965	+64.5%
Barber	\$27,580	\$65,967	+139.2%
Architect	\$73,610	\$84,335	+14.6%
Court Reporter	\$39,470	\$60,833	+54.1%
Welder	\$35,590	\$61,833	+73.7%
Baker	\$24,040	\$34,639	+44.1%
Landscape Architect	\$62,840	\$82,503	+31.3%
Pharmacy Technician	\$27,850	\$35,722	+28.3%
Archivist	\$51,730	\$58,834	+13.7%
Switchboard Operator	\$25,700	\$33,236	+29.3%
Rehabilitation Counselor	\$35,320	\$57,666	+63.3%
Cartographers and Photogrammetrists	\$47,450	\$54,971	+15.9%
Painter	\$48,160	\$61,015	+26.7%
Cook	\$26,370	\$42,349	+60.6%
Truck Driver	\$41,780	\$73,564	+76.1%

Source: IllinoisOpenGov.org and the Bureau of Labor Statistics.

This is part of the Illinois Policy Institute's weekly Spotlight on Spending series, highlighting wasteful or inefficient programs and spending with the goal of bringing more responsible spending and accountable government to Illinois. For additional information on state spending, visit www.IllinoisOpenGov.org.

payroll with average annual wages of \$55,555—36.8 percent higher than the overall Illinois average.

By paying public sector employees significantly above market value wages, Illinois unnecessarily burdens the people who pay state government salaries: the taxpayers. These payrolls, which do not account for the generous benefits packages government employees enjoy, are unsustainable.

The Solution

Payroll expenses represent a significant portion of the state budget, and wages need to reflect current market conditions. State workers are not entitled to immunity from the cutbacks taxpayers face during tough economic times.

The Illinois Policy Institute's alternative budget for fiscal year 2011—Budget Solutions 2011—demonstrated how right-sizing government labor costs could help balance the state's budget without a tax increase.

Why This Works

While taxpayers are struggling to make ends meet in a down economy, state employees enjoy benefits and job security above and beyond what the private sector offers for many positions. Instead of asking Illinois residents to take on the added burden of higher taxes, the state government must face the same market realities as taxpayers and the private sector and adjust their budget and payroll accordingly.

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