

Texas last in benefits for public employees -- but government employees' packages still beat private sector in all but 6 states

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By Mark Lisher



Texas ranks last in benefits for public employees.

So says *USA Today*, tucked in the middle of [a story earlier this week](#) that said public employees in 41 states and the District of Columbia made more in salary and benefits, on average, than private employees.

Texas was not one of them. Only public workers in Massachusetts and Georgia lagged further behind private workers than they did in Texas, according to the chart that accompanied the story.

But what about that last in benefits business?

“Last? I knew we were pretty bad off, but I didn’t know we were last,” Mike Gross, the organizing coordinator for the [Texas State Employees Union](#), a group claiming membership of 12,000 state employees in a state that legally prohibits collective bargaining. “We’re at the bottom by almost every measure in investment in our people.”

Since the story didn’t break the numbers down into benefits and salaries, [Texas Watchdog created its own database](#), from the same [Bureau of Economic Analysis](#) data used for the *USA Today* story. What the analysis proves, once again, is that without explanation and context, numbers are mischievous creatures.

[To access the database click here.](#)

Texas is dead last in the average benefits package given to its public employees, according to the data for 2009.

Andy Homer, director of government relations for the [Texas Public Employees Association](#), representing 17,000 state employees, said the benefits package item was a surprise to legislators as the story made its way around the Capitol.

“I think it has helped us, not in any positive way, but to help us, maybe, avoid some of the more serious cuts,” Homer said. “I don’t think some of these people realized what the numbers were.”

But what were the numbers? The BEA says Texas ranked 51st in its benefits package for the average public worker at \$10,760 a year. That is, however, considerably more than the \$9,190 the average private employee receives in benefits in Texas, according to the BEA.

A public employee’s benefits package here is worth more than the average private-sector benefits package in all but Alaska, California, Connecticut, the District of Columbia, Massachusetts, New Jersey and New York. Texas’ private benefits package ranks 20th among the states and D.C.

In terms of pay, public employees in Texas rank 25th with an average annual salary of \$40,550, while private

employees rank 14th, making on average \$45,700. Considering total compensation, the \$51,310 salary and benefits package puts public employees here in 30th place, while the \$54,890 package for private employees ranks 14th.

When it comes to salary, private employees do better than public employees nationally, making an average of \$45,660, compared to \$43,850 for public employees. The median benefits package for public employees, however, is \$13,930 compared to \$9,600 for private employees.

Private benefits packages range from \$7,060 a year in South Dakota to \$12,300 in Connecticut. The highest public benefits package, \$24,870, also in Connecticut, is nearly two-and-a-half times the size of Texas'.

Perhaps most remarkable is that the most pitched battle between elected officials and state employees is being carried on in Wisconsin, which ranks 33rd and below Texas in the average salary and benefits package. The benefits package, the subject of much debate in the Badger State, ranks 41st in the country. Just \$890 separates the package in a state that allows employees to collectively bargain for it from cellar dweller Texas, where they may not.

Reinforced by explanation and context, the numbers still cannot stand on their own. They are averages, and include state and local employees whose job descriptions run a broad gamut -- from medical specialists and public lawyers to janitors and service workers.

They do not take into account chronic underfunding of state health and pension plans, which would further distance the benefits numbers for public employees from their private counterparts, according to [Chris Edwards](#), director of tax policy studies at the Cato Institute, a D.C.-based libertarian think tank.

"There is a greater degree of job stability in the public sector that must count for something," Edwards said. "These employees simply don't get laid off. And there is a big difference in risk between a public teacher's pension and a private teacher's 401(k)."

If the data were to be further dissected and a comparison made of specific job classifications such as accountant, state employees' total compensation packages would lag behind private employees by at least 15 percent, Homer said. The Employees Association has figures to show that state employees are twice as likely to have college degrees as a comparable body of private employees.

For the taxpayer watchdog [Americans for Prosperity in Austin](#), it isn't the size of the public employees' benefits package, but its advantage over that of the private sector, executive director Peggy Venable said. Texas, she said, has a lot of government employees per capita, whose benefits are shouldered by taxpayers who also contribute to their own benefits.

Taxpayers are rightfully concerned about the pension portion of those packages.

"At some point it is going to end up breaking the back of taxpayers," Venable said. "We are placing the responsibility for today's pensions on the next generation of taxpayers, and we can't afford that."

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