

Iowa's Privileged Class I — State Government Employees

State government wages and salaries are higher than private wages and salaries. One useful method for evaluating the annual wages received by state government employees in Iowa is to compare government-sector and private-sector wages, both within the state and on a national basis. This comparison can be made through a two-step process. The first step measures the government-sector and private-sector average annual wage in each state compared with the national average in each sector. The second step compares average annual government-sector wages to average annual private-sector wages. Exhibit 1 provides this information for Iowa and the states with which Iowa most directly competes. Exhibit 2 provides these comparisons for all 50 states and Washington, D.C.

Exhibit 1: Average Annual Wages in Private and Government Sector

	Private Sector		Government Sector		
	Annual Wages	Percent of National Average	Annual Wages	Percent of National Average	Percent of Private Sector
	\$26,494	100.00	\$29,528	100.00	111.45
	\$28,878	109.00	\$33,631	113.90	116.46
	\$21,689	81.86	\$31,910	108.07	147.13
	\$26,026	98.23	\$34,106	115.50	131.05
	\$24,474	92.38	\$24,126	81.71	98.58
	\$20,994	79.24	\$26,927	91.19	128.26
	\$18,555	70.03	\$24,441	82.77	131.72
	\$23,767	89.71	\$30,931	104.75	130.14

and Wages 1994 (U.S. Department of Labor)

In 1994, the average private-sector worker in Iowa earned \$21,689, compared with \$26,494 nationally. Thus, the average private-sector worker in Iowa earned almost 20 percent less than the same worker on a national scale. Only nine states had lower private-sector wages than Iowa. Regionally, the only states that had lower private-sector wages were Nebraska and South Dakota.

State government employees in Iowa earned an average of \$31,910, eight percent higher than the national average state employee wage of \$29,528. Average annual wages earned by Iowa state employees were almost 50 percent higher than their private-sector counterparts. Even more revealing is that the discrepancy between average annual wages of private versus state government workers was *larger in Iowa than in any other state. That is, state government employees in Iowa earned relatively more than private-sector workers in any other state.*

Exhibit 2: Average Annual Wages in Private and Government Sector

	Private Sector		State Government			Local Government		
	Annual Wages	Percent of National Average	Annual Wages	Percent of National Average	Percent of Private Sector	Annual Wages	Percent of National Average	Percent of Private Sector
	\$26,494	100.00	\$29,528	100.00	111.45	\$26,717	100.00	100.84
	\$22,971	86.70	\$27,843	94.29	121.21	\$21,282	79.66	92.65
	\$30,336	114.50	\$41,935	142.02	138.24	\$37,557	140.57	123.80
	\$23,935	90.34	\$19,567	66.27	81.75	\$26,365	98.68	110.15
	\$20,434	77.13	\$25,206	85.36	123.35	\$19,587	73.31	95.85
	\$29,120	109.91	\$39,100	132.42	134.27	\$31,443	117.69	107.98
	\$25,767	97.26	\$27,775	94.06	107.79	\$25,179	94.24	97.72
	\$33,460	126.29	\$37,656	127.53	112.54	\$34,748	130.06	103.85
	\$27,736	104.69	\$28,520	96.59	102.83	\$28,865	108.04	104.07
D.C.	\$36,642	138.30	\$37,168	125.87	101.44	\$46,982	175.85	128.22
Florida	\$23,309	87.98	\$23,059	78.09	98.93	\$26,734	100.06	114.69
Georgia	\$25,393	95.84	\$24,800	83.99	97.66	\$21,832	81.72	85.98
Hawaii	\$25,647	96.80	\$28,632	96.97	111.64	\$33,831	126.63	131.91
Idaho	\$21,631	81.64	\$25,296	85.67	116.94	\$19,502	72.99	90.16
Illinois	\$28,878	109.00	\$33,631	113.90	116.46	\$27,952	104.62	96.79
Indiana	\$24,754	93.43	\$25,166	85.23	101.66	\$23,714	88.76	95.80
Iowa	\$21,689	81.86	\$31,910	108.07	147.13	\$21,029	78.71	96.96
Kansas	\$22,818	86.13	\$25,737	87.16	112.79	\$20,073	75.13	87.97
Kentucky	\$22,407	84.57	\$24,987	84.62	111.51	\$21,921	82.05	97.83
Louisiana	\$23,276	87.85	\$24,829	84.09	106.67	\$19,407	72.64	83.38
Maine	\$21,831	82.40	\$25,891	87.68	118.60	\$21,468	80.35	98.34
Maryland	\$27,094	102.26	\$29,256	99.08	107.98	\$30,588	114.49	112.90
Massachusetts	\$30,720	115.95	\$37,120	125.71	120.83	\$29,860	111.76	97.20
Michigan	\$29,341	110.75	\$33,792	114.44	115.17	\$28,944	108.34	98.65
Minnesota	\$26,026	98.23	\$34,106	115.50	131.05	\$26,010	97.35	99.94
Mississippi	\$20,081	75.79	\$23,292	78.88	115.99	\$18,271	68.39	90.99
Missouri	\$24,474	92.38	\$24,126	81.71	98.58	\$23,024	86.18	94.08
Montana	\$19,186	72.42	\$24,293	82.27	126.62	\$20,476	76.64	106.72
Nebraska	\$20,994	79.24	\$26,927	91.19	128.26	\$21,140	79.13	100.70
Nevada	\$24,860	93.83	\$29,101	98.55	117.06	\$31,018	116.10	124.77
New Hampshire	\$25,312	95.54	\$28,154	95.35	111.23	\$24,592	92.05	97.16
New Jersey	\$32,782	123.73	\$39,416	133.49	120.24	\$35,376	132.41	107.91
New Mexico	\$21,298	80.39	\$25,869	87.61	121.46	\$21,481	80.40	100.86
New York	\$33,152	125.13	\$36,082	122.20	108.84	\$33,767	126.39	101.86
North Carolina	\$23,141	87.34	\$26,830	90.86	115.94	\$22,742	85.12	98.28
North Dakota	\$19,329	72.96	\$23,604	79.94	122.12	\$18,588	69.57	96.17
Ohio	\$25,836	97.52	\$31,403	106.35	121.55	\$25,355	94.90	98.14
Oklahoma	\$21,943	82.82	\$21,914	74.21	99.87	\$20,629	77.21	94.01
Oregon	\$24,047	90.76	\$29,958	101.46	124.58	\$25,806	96.59	107.31
Pennsylvania	\$26,371	99.54	\$32,403	109.74	122.87	\$28,377	106.21	107.61
Rhode Island	\$24,442	92.25	\$30,505	103.31	124.81	\$31,343	117.31	128.23
South Carolina	\$22,078	83.33	\$24,550	83.14	111.20	\$22,066	82.59	99.95
South Dakota	\$18,555	70.03	\$24,441	82.77	131.72	\$18,151	67.94	97.82
Tennessee	\$23,776	89.74	\$25,300	85.68	106.41	\$22,526	84.31	94.74
Texas	\$26,105	98.53	\$24,089	81.58	92.28	\$23,332	87.33	89.38
Utah	\$22,310	84.21	\$24,910	84.36	111.65	\$20,748	77.66	93.00
Vermont	\$22,512	84.97	\$26,528	89.84	117.84	\$22,495	84.20	99.92
Virginia	\$25,177	95.03	\$26,451	89.58	105.06	\$24,815	92.88	98.56
Washington	\$25,535	96.38	\$30,536	103.41	119.58	\$28,163	105.41	110.29
West Virginia	\$22,716	85.74	\$23,056	78.08	101.50	\$21,331	79.84	93.90
Wisconsin	\$23,767	89.71	\$30,931	104.75	130.14	\$26,091	97.66	109.78
Wyoming	\$21,554	81.35	\$24,814	84.04	115.12	\$20,967	78.48	97.28

Source: Employment and Wages 1994 (U.S. Department of Labor)