



OLR RESEARCH REPORT

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COMPARISON OF PRIVATE SECTOR AND STATE EMPLOYEE WAGES

By: John Moran, Principal Analyst

You asked for a comparison of private sector and state employee wages in Connecticut for the following jobs: data entry clerks, executive assistants, physicians, nurses, nurses' aides, group home workers, lawyers, and university professors. You also wanted a comparison of the wages paid to Connecticut's Department of Social Services commissioner and those paid to a sample of chief executive officers (CEOs) for major Connecticut-based health insurance companies.

SUMMARY

The median wage data for the jobs you selected show that the State of Connecticut generally pays more than the private sector for those jobs that appear to require less training and education. As you move along the continuum toward jobs that require more training and education, the median wage for private sector jobs roughly matches the median wage for many comparable state jobs and exceeds it for some.

For example, the median wage for word processors and clerks working for the state tends to be higher than the median wage for those working in the private sector. This pattern changes for the jobs requiring more training and education, e.g., the median pay for lawyers and professors is higher in the private sector. The median state and private sector wage for some high skilled positions, such as general practitioner physicians and registered nurses, are about the same.

When comparing state pay for the social services commissioner, who heads a multi-billion dollar agency, to the chief executive officer of a large private health insurance company, the private sector pay dwarfs the commissioner's pay. The compensation paid to the sample of CEOs used in this report exceeds the commissioner's pay by multiples of 40 to 100.

PAY COMPARISON FOR SELECTED JOBS

We based our comparisons on the median wage for comparable state and private sector jobs compiled by the Connecticut Department of Labor (DOL). This report includes a sample from that larger list. Because some of the job titles you inquired about did not exactly match those on the list, we selected those that were most similar.

You specifically asked us to compare the wages for state and private sector for "group home workers," but DOL does not break them out as a separate category. Instead, it includes these workers in a larger category includes laundry services, traveler accommodations, and certain educational services jobs. (Group home workers make up about 20% of that category.) Because these jobs are not similar to group home workers, we did not include this category in our comparison. But we did include "personal and home care aides," which are a separate category, because their duties seem closer to those of group home workers than laundry service workers.

We also included some additional titles in our comparison, such as LPNs because they seem related to some of the jobs you listed.

Table 1 compares the median wages for job titles you requested. We grouped the job titles in broad categories for ease of reference. Because DOL separates college professors and other academic positions according to their field of study and level of competitiveness, we limited our comparison to professors in four academic disciplines. In general, most private sector postsecondary teaching jobs in Connecticut pay more than comparable state jobs. Of the 15 positions included in Table 1, state median wage is higher for eight and private wage is higher for seven.

Table 1: State of Connecticut and Private Sector Selected Annual Pay Comparison

Category / Job Title	State Median Pay	Private Median Pay	Higher Pay
Office			
Word Processors and Typists	\$35,231	\$33,433	State
Office Clerks, General	42,254	29,904	State
Executive Secretaries & Administrative Assistants	59,127	45,905	State
Legal Secretaries	37,191	47,699	Private
Secretaries, except legal, medical, and executive	51,338	33,616	State
Health Care			
Personal and Home Care Aides	39,773	20,077	State
Nursing Aides	45,249	30,191	State
LPNs & LVNs	55,002	53,059	State
Registered Nurses	70,263	70,623	Private
Physicians—General Practitioners	157,911	154,307	State
Other			
Lawyers	111,076	116,203	Private
Professors:			
• Computer Science	62,620	86,521	Private
• Math	63,564	71,485	Private
• Political Science	70,715	82,898	Private
• English and Literature	63,290	79,570	Private

Source: CT Department of Labor

DSS COMMISSIONER AND HEALTH INSURANCE CEO

When comparing state compensation for the social services commissioner, who heads a multi-billion dollar state agency, to the chief executive officer of a large private health insurance company, the private sector pay dwarfs the commissioner's pay by multiples ranging from 40 to 100.

Table 2 below shows salary and other compensation for this group because so much of a CEO's compensation is made up in bonuses, stocks or stock options, and other forms of compensation that are not part of salary.

Table 2: Comparison of Department of Social Service Commissioner and Health Insurance Company CEO Pay

Job Title	Salary	Other Compensation*	Total Compensation
CT Department of Social Service Commissioner	\$166,980	\$0	\$166,980
CIGNA CEO	750,961	5,842,960	6,593,921
UnitedHealth Group CEO	1,300,000	7,601,916	8,901,916
Aetna CEO	1,095,785	16,962,377	18,058,162

*Figures taken from each company's SEC filings. Compensation includes salary, stock awards and options, bonuses, deferred compensation earnings, and other forms of compensation.

Source for CEO pay: Company Securities and Exchange Commission filings.

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