

TUA NEWS RELEASE

TAXPAYERS UNITED OF AMERICA

407 S. Dearborn Street • Suite 1170 • Chicago, IL 60605-1150 • Fax: (312) 427-5139

• www.taxpayersunited.org • E-mail: tobin@taxpayersunited.org

FOR IMMEDIATE RELEASE
June 14, 2012

Contact: Jim Tobin (312) 427-5128
(773) 354-2076

Illinois Government-Teacher Pensions Far Above Average For Less Work

“How much pension should be paid to part-time employees with partial careers?” asks pension analyst Bill Zettler in his book *Illinois Pension Scam*, published on April 1, 2012.

Illinois government-employee pensions and the amount of “work” performed to earn these pensions is explored by Zettler, and the results of his research raise many questions, especially when comparing salaries and pension benefits of Illinois government employees with workers in the private sector.

And according to Greg Hinz writing in *Crain's Chicago Business*, the percentage of workers in the **private sector** who are covered by a defined-benefit plan has shrunk to a miniscule **three percent**, down from 28 percent from 20 years ago.

Using Illinois government-school teachers as an example, Zettler makes these points:

- The average retired government-school teacher was a part-time employee with a part-time career.
- Teachers work 170 days or 34 weeks a year or less (182 workdays minus 12 sick days or personal days, per the standard teachers' contract). Teacher pensions that teachers describe as “modest” are four to seven times larger than Social Security.
- The average pension in the Teachers Retirement System (TRS) is \$46,000. Average age of retirement is 58, and the average years worked is 25.
- For private-sector employees with college degrees, a career typically begins at age 22 and ends at its earliest after 40 years at age 62 or more likely after 44 years at age 66. For government-school teachers, on the other hand, **less than one percent** work 40 years or more before they retire, and the average teacher works only 25 years.

The Illinois Education Association (IEA) and other public unions, in their members' letters to the media, claim that that the average pensions of government state employees are “modest” and “reasonable.” Concludes Zettler: “Twenty-five years is not a full career nor are 170 days a full-time job. So the IEA's ‘average’ is not the same thing that we private sector workers consider ‘average’.”

This release is the first in a series. Stayed tuned for subsequent releases at: www.taxpayersunited.org.