

UNIVERSITY OF INEQUALITY?

An already wide pay gap getting worse; Will budget priorities undermine the foundation of the University's success?





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I. INTRODUCTION

In the past several years, clerical and technical workers across campus have seen their pay stagnate and workload increase. At the same time, the University of Illinois Urbana-Champaign has managed to find the resources to dramatically increase the compensation for its top administrators and highest paid staff. Employees doing vital work that serves the community and keeps the University running have been a low priority for the executives that set the budget, and now they are an even lower priority. Many workers struggle just to provide basic necessities to their families.

II. POVERTY WAGES: At a University that prides itself on being a world-class educational institution, many employees are earning wages that leave them in poverty, unable to support their families and afford basic necessities.

- In 2013, the average pay of the bottom 10% of the UIUC wage scale is \$28,296ⁱ. A worker earning that salary would need an additional \$7548 to feed a family of four without the help of food stampsⁱⁱ and an additional \$12,180 to afford an average 3-bedroom family apartment in the Champaign-Urbana areaⁱⁱⁱ.
- The average wage for the lowest-paid 50 workers on campus is \$20,348. There are 68 full-time workers, providing services from childcare to clerical work to food service, who are paid wages below the poverty level for a family of four (\$23,550).
- In 2013, there are 2855 University employees who earn wages that qualify them for food stamps based on the income guidelines for a family of four.
- In 2013, there are 3294 University employees who do not earn enough to afford an average three-bedroom family apartment in the Champaign-Urbana area.

The amount the highest paid employee earns in an hour is more than the amount the lowest wage earner brings home in a two-week paycheck before deductions.



III. Growing Wage Gap: The gap in earnings between the highest and lowest paid employees is increasing sharply, contributing to a stark divide between the fortunate few at the top and the underpaid majority who make the University run.

- The highest paid 50 employees earned an average salary of \$397,141 in 2013, a 25% increase over the average salary for the 50 highest paid in 2010. The average total wage increase for the top 50 earners was \$80,704 over the past three years.
- The lowest paid 50 employees' average salary increased just 3.86% over the same three-year period from \$19,592 to \$20,348.
- In 2013 the lowest paid employee would have to work 96 years to earn what the highest paid employee earned last year, up from 88 years in 2012.

IV. Misplaced priorities: University resources are increasingly being directed toward increased pay and benefits at the top—at the expense of the lowest-wage employees. The pay gap disproportionately affects women, many of whom are single heads of households.

- Total salaries paid to the top 1% of earners at UIUC in 2013 nearly equaled salaries paid to the bottom 10% of earners. The University paid \$ 35,276,587 to the highest earners and \$36,502,843 to the lowest-tier earners.
- The value of increased wages paid to the top 1% over the past three years could have provided a \$3128 pay increase to each employee in the lowest 10% wage tier, an amount that could bring many out of poverty.
- The amount the highest paid employee earns in an hour (\$817) is more than the amount the lowest wage earner brings home in a two-week paycheck before deductions (\$783).
- Women are disproportionately affected by the pay practices at UIUC. 65% of workers in the lowest 10% wage bracket are women, while just 17% of those in the top 1% are women.

SALARY INCREASES FOR THE TOP 6 UIUC POSITIONS 2011-2013

	2013	2012	2011	change 11-13
President*	\$552,375	\$450,000	\$651,000	-15.15%
Chancellor	530,501	512,000	365,650	+45.08%
VC for Academic Affairs	442,900	430,000	303,500	+45.93%
VC for Institutional Advancement	334,750	N/A	278,100	+20.37%
VC for Research	309,000	300,000	275,852	+12.02%
VC for Student Affairs	234,270	228,000	221,000	+6.00%
AVERAGE INCREASE				+19.04%

* The 2011 Salary reflects that of former President Hogan, 2012 and 2013 Salary figures are for current President Robert Easter and include bonus.

V. Conclusion:

UIUC depends on the skills and experience of thousands of employees whose work is often invisible and undervalued. The University's budget has increasingly reflected its goal of attracting and retaining big-name administrators and academic superstars. Their decisions ignore the fact that no administrator (big name or not) and no highly-paid academic superstar can be successful without the quality clerical and technical workers that support everything that is done on campus.

While the top paid workers can bask in the sunshine of nearly limitless raises and big perks, the lowest wage workers face declining real wages, increased workloads and a lack of respect for the contributions they make each day. AFSCME calls upon the President and Board of Directors to address the growing wage gap at the university and negotiate wages that will provide a decent standard of living for all university staff.

PROFILES:



BELVA BLAKELY

Belva Blakely works for the UIUC Extension program, where a number of Work Program Assistants and Community Workers who do important nutrition education in schools and communities get paid poverty wages. There are Extension workers with over 20 years of service making \$12.40 per hour and others with 10 years of service making \$10.40 per hour. A janitor's starting wage at UIUC is \$13.33 and after two years they make \$18.07.

Ms. Blakely has been working as a Community Worker for the Champaign/ Urbana University Extension Program for almost ten years in the Madison and St. Claire communities. She teaches healthy eating in the school system to children from preschool age nine. She loves working with the kids and feels good about helping the communities she serves. But she finds it hard to support herself on the low wages she is paid. It is very hard to support herself. She does not grocery shop often and has to give up a lot of social activity because she cannot afford it. She barely makes it from pay check to check. She believes that the work she and her coworkers do is not valued by the university and that they deserve more.

Dawn Huizenga is a licensed veterinary technician who has worked for the University of Illinois since 1994. Veterinary Technicians must have specialized training and certifications, yet the university pays them less than other classifications that have no educational requirement. Some Vet Tech's with two years of service are paid less than \$15 an hour. After nearly 20 years Dawn is paid \$39,312. To make ends meet, the single mother of two has to work a second part-time job. She lives paycheck to paycheck, counting on sales and coupons to help with groceries and household necessities. With mortgage payments, school fees and transportation costs increasing, Dawn has to make tough choices. She has no internet at home, which means her kids have to use the public library to complete homework assignments. She is grateful that her family has had no major medical issues, but worries about what would happen if she or her children faced an unexpected emergency.

ⁱ Source of all salary data is data provided by the University of Illinois on 10/1/13 in response to a Freedom of Information Act Request

ⁱⁱ Federal Food Stamp Income Guidelines: <http://www.dhs.state.il.us/page.aspx?item=30357>

ⁱⁱⁱ *Out of Reach 2013 Illinois*. National Low Income Housing Coalition <http://nlihc.org/oor/2013/IL>