



## PRESS RELEASE

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**COLUMBUS** – With Ohio facing an estimated \$8 billion budget deficit, the Buckeye Institute for Public Policy Solutions today released a report on the disparity in compensation packages between state government workers and their private sector peers. The report, “**The Grand Bargain Is Dead: The Compensation of State Government Workers Far Exceeds Their Private-Sector Neighbors**,” details the gold-plated nature of state government worker compensation and contains options for elected officials to consider that would reduce the costs of these lucrative compensation packages. If certain options were implemented, Ohio could save an estimated \$2.1 billion in the next two years.

Using data from state government, the U.S. Bureau of Labor Statistics, the Social Security Administration, and the U.S. Department of Labor, Dr. Matthew Marlin, the Chair of Economics and Quantitative Sciences at the Palumbo-Donahue School of Business at Duquesne University, and his team found that the yearly cost of the median state government worker when including pay, health care premiums, sick leave, and pension contributions is \$66,051, which is \$16,800 more than the private-sector peer. Marlin et al. further found that over a 30-year career, the state government worker costs roughly twice as much as his private-sector peer (\$3,725,470 versus \$1,893,096).

Matt A. Mayer, President of the Buckeye Institute, stated, “With private-sector taxpayers getting hit with enormous job losses, pay cuts or freezes, and benefit reductions, it is time to rein in the gold-plated compensation of state workers. The grand bargain between taxpayers and public sector workers is dead. Today, government workers get paid a lot more, pay a smaller share of their healthcare premiums, get better sick leave, and retire with gold-plated pensions most Ohioans can only dream about. Even European countries are scaling back the compensation of their government workers. With the deficit, drastic changes are required.”

The report can be viewed on **The Wire** at [www.buckeyeinstitute.org](http://www.buckeyeinstitute.org).