EPIC
Education Policy Innovation Collaborative

Teacher Compensation in Michigan: A Summary of Recent Research

Michigan is losing ground in the area of teacher pay and the gap is growing. **Once among the top five states** in the nation for teacher compensation, Michigan has spent three decades sliding downward, with **inflation-adjusted salaries decreasing roughly 29%** since 1995 and **starting pay now ranking 45th in the country**. As states across the country have acted boldly to recruit and retain educators, Michigan has offered modest gestures.

Since 2024, three reports from the **Education Policy Innovation Collaborative** paint a consistent picture of teacher compensation in Michigan. Teacher pay in Michigan has continued to rise in dollar terms each year, but it has **fallen further behind** other states, other professions, and inflation. Meanwhile, the public has consistently supported action to reverse the trend.

Where does Michigan stand?

Teachers in Michigan were once among the highest-paid in the country. For much of the period from 1970 through 2007, Michigan's average teacher salary ranked among the top ten states nationally, and for roughly **half of that stretch it ranked in the top five.** Adjusted for inflation, Michigan teacher salaries peaked in 1995 at the equivalent of $100,064 in 2025 dollars. Since then, the trajectory has been mostly downward: salaries fell slowly through the mid-2000s, dipped more steeply after 2011, and by 2025 sat at $71,023 — **a decline of 29% since 1995,** the largest drop of any state.

While nominal salaries have increased in Michigan, other states have increased teacher pay faster. As a result, teacher compensation in Michigan has slipped relative to other states, sitting at 22nd nationally in 2025. **Starting salaries have fallen even further behind** than average salaries: Michigan ranked 39th nationally in 2021-22 and 45th by 2025.

STARTING TEACHER PAY RANK

39th in 21-22 — **45th** in 2025

AVERAGE TEACHER PAY RANK

16th in 21-22 — **22nd** in 2025

MICHIGAN TEACHER WAGE PENALTY

20.7% in 2022 — **28.8%** in 2025

BEHIND NATIONAL AVERAGE STARTING SALARY

$3,882 in 2022 — **~$5,000** in 2025

The widening wage gap

Along with declining purchasing power, salaries for teachers have fallen behind what other college-educated workers earn. In 2022, Michigan teachers earned 20.7% less than other college-educated workers. That gap grew to 22.6% in 2023 and then 28.8% in 2024. Through 2023, Michigan's "teacher pay penalty" was actually less than the national average. As of 2024, however, this gap was larger in Michigan than in the country overall and Michigan had the 12th highest teacher pay penalty among all states.

READ THE REPORT

This report draws on updated and expanded data sources covering teacher compensation trends, cross-state comparisons, and recent analyses of how teachers are paid compared to other college-educated professionals.

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What's behind the numbers

Trends in teacher pay coincide with trends in Michigan's teacher labor market broadly and changes in the state's school finance system. Since 1995, school funding in Michigan has been largely controlled by the state, which limits districts' ability to raise teacher pay on their own. Notably, that aligns with the date that teacher pay in Michigan began its decades-long decline. Starting around 2011, changes in how Michigan's educator retirement system is financed meant that districts had to pay more toward legacy costs, leaving less for current educators. That begins the period when teacher salaries in Michigan saw their steepest decline, adjusted for inflation. Shortly thereafter, enrollment in teacher preparation programs declined significantly, falling by nearly 50% from 2013 to 2017. The four most recent years, which have seen historically high rates of teacher attrition and classrooms being led by under-credentialed educators, are also the years with Michigan's lowest inflation-adjusted teacher salaries in more than 50 years.

How should we pay for it? A consistent public preference

Along with trends in teacher compensation, EPIC's reports also analyze public opinion data on the subject. Over time, Michiganders' preferences on this issue have been consistent.

Michiganders strongly support increasing teacher pay, especially for early career teachers. Across all three reports, **more than 7 in 10 believe that pay for starting teachers** in Michigan should be increased.

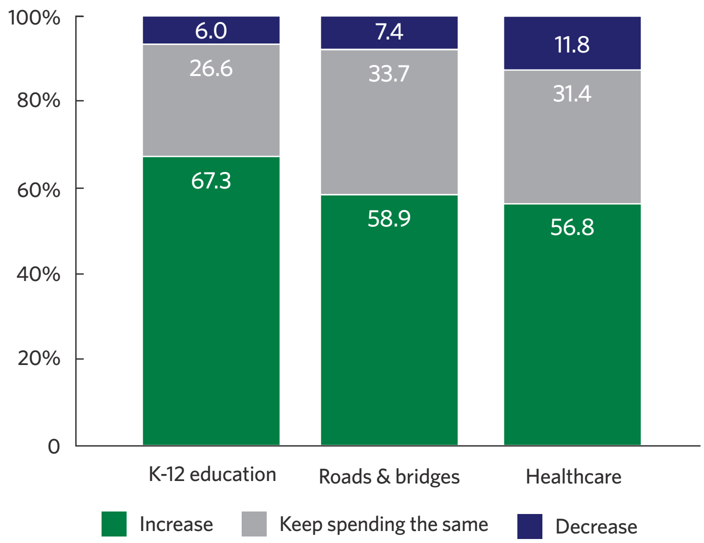
Looking at how raises should be implemented, targeted incentives earn the most support. In the most recent report, 74.1% support salary incentives for teachers in hard-to-staff schools; 72.0% for hard-to-staff subjects.

The public also **supports greater educational funding in general.** Our most recent report found that more than 2 in 3 Michigan adults believe funding for K-12 funding should increase, more than those who support more funding for roads and bridges and healthcare.

When asked where to get the money needed to raise teacher salaries, the most popular option was cutting programs outside of K-12 education and using those dollars to schools (55.1% agreement in the most recent survey). Less popular options include tax increases (25.7% agreement) and cuts to educational programs (16.4%).

Should State Spending be Increased, Decreased, or Maintained in Selected Areas?

State Budget Priorities - Public Opinion



Looking ahead

Research shows that pay is a key factor that shapes schools' ability to recruit and retain high-quality teachers. This implies that strategies to address Michigan's teacher workforce challenges likely need to consider compensation. At the same time, EPIC's research shows strong and consistent public support for raising teacher salaries, suggesting that policymakers interested in strengthening Michigan's teacher workforce may have an opportunity to do so by increasing teacher compensation.

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