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### CEO Pay: 364 Times More Than Workers'

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CNNMoney.com

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***The wage gap is still gaping, according to a new report. But it's not nearly as wide as the gap between private equity managers and everyone else, including CEOs.***

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New York - Pay comparisons almost always leave someone feeling dwarfed, and none more so than the CEO-to-worker pay gap. But even CEOs have reason to feel seriously dwarfed these days, thanks to the outsized paychecks of private equity and hedge fund managers.

The average CEO of a large U.S. company made roughly \$10.8 million last year, or 364 times that of full-time and part-time workers, who made an average of \$29,544, according to a joint analysis released Wednesday by the liberal Institute for Policy Studies and United for a Fair Economy.

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That gap is down from 411 times in 2005 and well-below the record high of 525 times recorded in 2000. The comparison isn't exactly apples-to-apples, in part because IPS and UFE changed how they measure CEO options pay this year.

The IPS and UFE pay-gap numbers are also wider than some other measures of CEO-to-worker pay because they count both full-time and part-time workers in their calculations, which effectively lowers workers' average pay due to fewer hours worked.

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If you just consider the average compensation (wages plus benefits) of full-time year-round workers in non-managerial jobs - roughly \$40,000 - CEO pay is more like 270 times bigger than the average Joe's. It's still a far cry from days gone by. In 1989, for instance, U.S. CEOs of large companies earned 71 times more than the average worker, according to the Economic Policy Institute.

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The IPS/UFE report also compared U.S. CEO pay to that of leaders in other fields and other countries. The top 20 CEOs of U.S. companies made an average of \$36.4 million in 2006. That's 204 times that of the 20 highest paid U.S. military generals, and 38 times that of the 20 highest-paid non-profit leaders. They also earned three times more than the top 20 CEOs of European companies who had booked higher sales numbers than their U.S. counterparts.

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The pay gap numbers don't include the value of the many perks CEOs receive, which averaged \$438, according to the report. Nor do they include the pension benefits CEOs receive.

But even including all that, CEO pay can look like chump change next to private equity and hedge fund managers' pay. Those managers made an average of \$657.5 million in 2006 - more than 16,000 times what the average full-time worker makes, and roughly 61 times that of the average CEO.

The enormous rise in executive pay in recent years has gotten a lot of attention in the press, the boardroom, and around the Beltway.

The Securities and Exchange Commission has instituted [greater pay disclosure rules](#). There is legislation proposed that would give shareholders [greater say on pay](#) decisions. And lawmakers have been holding hearings to assess whether to [raise the taxes on a portion of private equity and hedge fund managers' compensation](#).

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