

We've don

the math for you

PROJECT OF THE ECONOMICS INSTITUTE OF THE CZECH ACADEMY OF SCIENCES

Study 5/2025

Teacher Salaries in 2024 and the Outlook: on a rollercoaster ride²

JUNE 2025

DANIEL MÜNICH*, VLADIMÍR SMOLKA*

Summary

- Between 2017 and 2021, teachers' salaries in the Czech Republic saw a large jump from just 106% to 125% of the average wage in the economy, also thanks to a dynamic growth of real GDP, and growing state budget deficit in 2020-2021. This brought their wages close to the political promise of reaching 130%. But after 2021, things took a downturn. Among other things, this was a consequence of the fall in real GDP growth linked to the covid-19 crisis, the energy crisis with its inflationary wave, the huge reduction in income tax revenue (abolition of the super gross wage) and the subsequent efforts to consolidate state budget spending. By 2024, relative teacher pay had fallen to 109%, and based on our estimates, it is expected to fall further to 108% in 2025. If the 2026 education budget remains at the level currently planned in the Medium-Term Budget Outlook, we could see another drop down to 102%. That would be even lower than the previous low point of 104.7% back in 2015.
- How much teachers earn compared to the average salary in the country plays an impactful role
 in how attractive the profession is and whether enough people want to become teachers
 in the first place. The more selective the profession is, both when people are training to become
 teachers and later during their careers, the better the overall quality of education tends to be.
 High-quality education systems are built over time, through the continuous inflow and outflow
 of teachers and their ongoing professional development. That is why the effects of teacher pay
 on interest in the profession, the quality of teaching, and national educational outcomes tend
 to become visible only in the long term more often over decades than just a few years.

² This study represents the authors' own views and not the official position of the Economics Institute of the Czech Academy of Sciences nor of the Charles University Center for Economic Research and Graduate Education (CERGE). We are grateful to the Ministry of Labour and Social Affairs for its approval to use ISPV data collected and managed by Trexima spol. s r. o. The authors are grateful to Václav Korbel, and Miroslav Hřebecký and numerous other for their valuable comments and advice. We appreciate consultations on salary indicators kindly provided by the Department of Statistics at the Ministry of Education, Youth, and Sports. Any remaining ambiguities or errors are the responsibility of the authors.

^{*} CERGE-EI, a joint workplace of Charles University and the Economics Institute of the Czech Academy of Sciences.

- In international comparisons by the OECD, teachers' salaries are measured against the average earnings of university-educated workers. Until 2017, Czech teachers earned well below the OECD average in relative terms. There was a temporary improvement between 2017–2021, but since then, salaries have been falling again. Looking ahead, the Czech Republic is once again on track to rank among the OECD countries with the lowest relative teacher pay.
- What started as a pre-election promise later became part of the government's program, and is now even written into law: Czech teachers should earn 130% of the national average wage. But international comparisons, like those of the OECD, use a different benchmark they compare teachers' pay to the average earnings of university-educated workers. However, the Czech indicator's value of 130% roughly corresponds to the OECD indicator at the level of the OECD and EU27 average, which was **90%** and **88%** in 2021 and 2022 respectively, while in the Czech Republic it dropped from **79%** to **74%** in the same period. In the following years, 2023 and 2024, the Czech Republic continued to fall further behind the OECD average.
- Simply maintaining the current (2025) level of teachers' relative pay in 2026 and 2027 would require their salaries to grow at the same pace as average wages in the economy by 5.4% and 4.9%, respectively. Any slower growth would mean a further drop in their relative pay, pushing Czech teachers back toward the bottom of the OECD rankings, where they were until 2017.
- To reach the goal of teachers earning 130% of the average wage by 2026, the government would need to increase spending by 30 to 35 CZK 35 billion compared to what is currently planned in the Medium-Term State Budget Outlook (as of September 2024). The total increase would have to be even higher, because the education budget also covers salaries for many other types of educational staff.
- A key factor shaping the development of teachers' relative salaries is the *intensity of spending* on regional education that is, the share of the state budget allocated to education relative to GDP. In the Czech Republic, this spending intensity peaked in 2022–2023, reaching the average level of EU27 countries. However, based on the Medium-Term Budget Outlook and current economic forecasts, this trend is expected to reverse. Compared to 2021, nominal GDP is projected to grow by **39%** by 2026, and average wages by **36%**. But the Ministry of Education's budget for regional schooling is expected to grow by only **21%**.
- Teacher salaries in public regional education make up **64%** of all wage costs in the sector and **60%** of the state's total spending on regional education making them by far the largest budget item. Because of this, the relative pay of different groups of education staff, including teachers, tends to follow the same trend, because their salaries all depend on the same state budget. Therefore, relative salaries after 2021 will fall for all professions in education, though a little more slowly for teachers.
- Czech teachers' salaries in detail:
 - Between 2017–2021, teachers' salaries in the Czech Republic grew much faster than the salaries of other university-educated workers, both in the public and private sectors. Although the growth of teacher pay significantly slowed after 2021, their relative earnings in 2024 were still slightly higher than they were back in 2017.

- Across all age groups, the trend in teachers' relative pay has been similar: strong growth up to 2021, followed by a noticeable decline. Salaries for mid-career teachers have long been the least attractive. That is because, unlike most other university-educated professions, teacher pay increases more slowly with age and experience both in the Czech Republic and internationally although it does continue to rise steadily throughout a teacher's career. Since 2021, the biggest drop in pay attractiveness has been among the youngest teachers.
- Teacher salaries in the Czech Republic have long shown very little variation both nationally and compared to other countries. This does not reflect the differences in teacher quality. Pay is still mostly determined by years of experience and education level, rather than performance or impact. Flat-rate salaries in education lead to underpayment and poor motivation of quality teachers. This increases the risk of teachers leaving the profession and reduces interest in the profession among younger generations.
- After a very significant increase in the share of the above-fee component of teachers' salaries in 2019–2021, there is a slight decrease in 2022–2024, but it still remains higher than for comparable public sector salary professions.
- At the time of completing this study (May 2025), only a few major parties or movements have published an electoral program. Therefore, we will return to the audit of the electoral promises of political groups regarding teachers' salaries in early September 2025.