

# Teachers' low pay: a very expensive saving<sup>1</sup>

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## Summary of the key facts

- Educating the population contributes substantially to long term economic growth and to the quality of life of modern society. The quality of education is primarily determined by the quality of teachers and that, in turn, is dependent on the attractiveness of the teaching profession. The profession's attractiveness co-determines who chooses to train for a teaching career, who enters the profession, who stays, and who decides to leave the profession very early on. It thus has an effect on the quality of teaching staff over a very long period, meaning that we cannot expect any sharp improvement in the quality of education from short-term political pledges or ad-hoc increases in teachers' pay. A societal commitment to improving the quality of education would thus gain credibility if the average teacher's salary were tied to the salary level of a suitably defined reference group.
- Czech teachers' average salaries at primary school level are the lowest in relation to the average salaries of other university-educated employees not only across the EU but also among OECD countries. In the Czech Republic teacher's pay comes in at 56% whereas the average across the EU and OECD is around 86%. Using alternative indicators of teachers' pay does nothing to change the Czechs' dismal international position.
- The low level of expenditure on primary school teachers' salaries is reflected in the extremely unusual structure of public expenditures on primary schooling. Czech evidence shows that an abnormally low share of the overall expenditures on primary schooling goes to operational costs, and a very low share is spent on teacher's pay.

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- The average teacher's salary in proportion to the average wage in the national economy is currently at a similar level as it was in 1995, that is between 105% and 110%. That is very little, given that most Czech employees do not have a university education, whereas teachers do, and are nowadays required to. In 2016, 85% of university educated employees aged 30-49 in both the private and public sectors were paid more than the median salary of a primary school teacher of the same age. This situation has not improved over the past decade; the only small improvement has been seen for the relatively small group of the youngest teachers, aged under 30.
- Among university applicants with above-average intellectual credentials, interest in training for the teaching profession is low. Furthermore, many gifted graduates of university teacher training courses do not subsequently enter the profession, and many young teachers leave the profession early on for higher paid jobs and more perspective careers. The low attractiveness of teachers' pay also translates into low interest among people successful in other professions in teaching. The result is a great lack of teachers, in particular young teachers, and a slow but sure reduction in the quality of teaching staff.