

Study 7 / 2021

Teachers' salaries in 2020 and beyond: will the Czech Republic rest on its laurels?²

AUGUST 2021

DANIEL MÜNICH AND VLADIMÍR SMOLKA

Summary

- In relative terms, teachers' pay in the Czech Republic was lower than in most EU and OECD countries until 2017/18. Thanks to an unusually fast pace of growth in the past few years, in 2021, teacher's pay will almost reach the average for OECD countries and the EU, which is around 90% of the average salary for a university-educated employee in the national economy. Andrej Babiš's outgoing government will thus fulfil its Summer 2018 program statement.
- The level of teachers' pay is a factor in attracting interest in teaching as a profession. Raising interest is necessary not only in order to recruit sufficient numbers of teachers, but to allow selectivity into the profession, allowing for more emphasis on the quality of teaching. These are long-term processes that gradually build the overall quality of the country's teaching staff, through continuous arrivals and departures from the profession. Therefore, the impact of the teachers' pay rates on attracting interest in the profession, the quality of teachers' work, and pupils' educational outcomes can only be observed over many years, or even decades.

² This study represents the authors' own views and not the official position of the Czech Academy of Sciences' Economics Institute nor of the Charles University Centre for Economic Research and Graduate Education (CERGE). We appreciate the Ministry of Labour and Social Affairs for its approval to use ISPV data collected and managed by f. TREXIMA spol. s r. o. Authors are grateful to Karel Gargulák, Filip Pertold and Jan Koucký & a project "Důvody nedostatku učitelů" https://pages.pedf.cuni.cz/nedostatekucitelu/ for their valuable comments and advices. We appreciate consultations on salary indicators kindly provided by the department of statistics at the Ministry of Education and Youth, Petr Čech, Hana Hlavínová and Vladimír Hulík. Any remaining ambiguities or errors are the responsibility of the authors. The study was produced with support from the Czech Academy of Sciences as part of its AV21 Strategy programme "Society in Motion and Public Policies".

- To maintain the current relative level of teachers' pay in the coming years, the Czech government will have to raise teachers' salaries at the rate of growth of nominal wages in the national economy. During the next few years, it will also be necessary to budget for a much-needed increase in numbers of teachers. The additional funds required for the education budget will further reduce the already low pay of many other pedagogical and non-pedagogical professionals in our schools.
- In 2020, just as in 2019, the greatest growth in relative pay went to the youngest teachers, whose salaries are far more attractive than those of their elder colleagues. Teachers in the middle age category of 30–49 currently have the lowest relative pay. This is because Czech teachers' salaries increase only very slowly with years of experience (even by international comparison), although they increase throughout the whole teaching career. This is evidently a consequence of the continuing absence of career development system and the absence of teaching quality standards in the Czech teaching profession.
- Variability in teachers' pay remained very low in 2020 and does not adequately reflect
 diversity in the quality of teachers' work. Teachers' pay remains primarily determined
 by wage grids, i.e., by years of teaching experience. Largely administrative salary
 setting leads to high quality teaching staff being undervalued and insufficiently
 motivated, which in turn is connected with a higher risk of their leaving
 the profession, and with low interest in entering teaching among the younger
 generations.
- Following on from the increases in 2019, 2020 also saw a substantial increase in above standard wage grid pay for teachers. Indeed, the share of above-standard pay in the teaching profession reached an average of 12–14% in 2020, substantially surpassing the 8–11% among other university-educated employees in the public sector. A non-negligible proportion of the total raise in teachers' pay was thus in the above wage grid pay, as the government originally pledged that it would be.
- When comparing teachers' pay over time or across countries, it is important to consider the details of the methodology of calculations. There are many reasons values may vary for apparently identical indicators, and these are not always sufficiently elucidated in discussions accompanying the methodologies and data sources used. It is crucial to be clear, for example, whether or not the pay includes all components of pay, including end-of- year bonuses, whether the pay includes that of the school principals, whether only teacher's salaries are counted, or if there is a broader range of pedagogical positions included. It is also important to note whether private school data is included, whether the figures are only for primary schools, or if they are for a whole regional education sector including preschools and upper-secondary schools.