

HIGHER-EDUCATION TEACHING PERSONNEL WAGES: MAIN TRENDS

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Average wages of higher-education teaching personnel (HETP) in 2015 must account for 130% of the average wages in a given region. The Russian average HETP wages in January–September 2015 accounted for 140.2% of the average wages in economy, showing high differentiation by constituent territory of the Russian Federation. Russia’s Ministry of Education and Science has recently concluded that HETP average wages much higher than 130% is indicative of that the money management of a higher education institution is cost-inefficient. Therefore the Ministry plans to cut subsidies which subordinated higher education institutions receive for implementing their government assignment, considering it reasonable that no extra money should be allocated to institutions which can afford above-normal HETP wages. Hence, budget allocations may be cut for such institutions, whereas they may increase for institutions which fail to catch up with the target value. With such a policy in place, however, a reverse effect can be attained, that is, higher education institutions will cut their HETP average wages in order to be eligible to apply for more funds to cover their current operations.

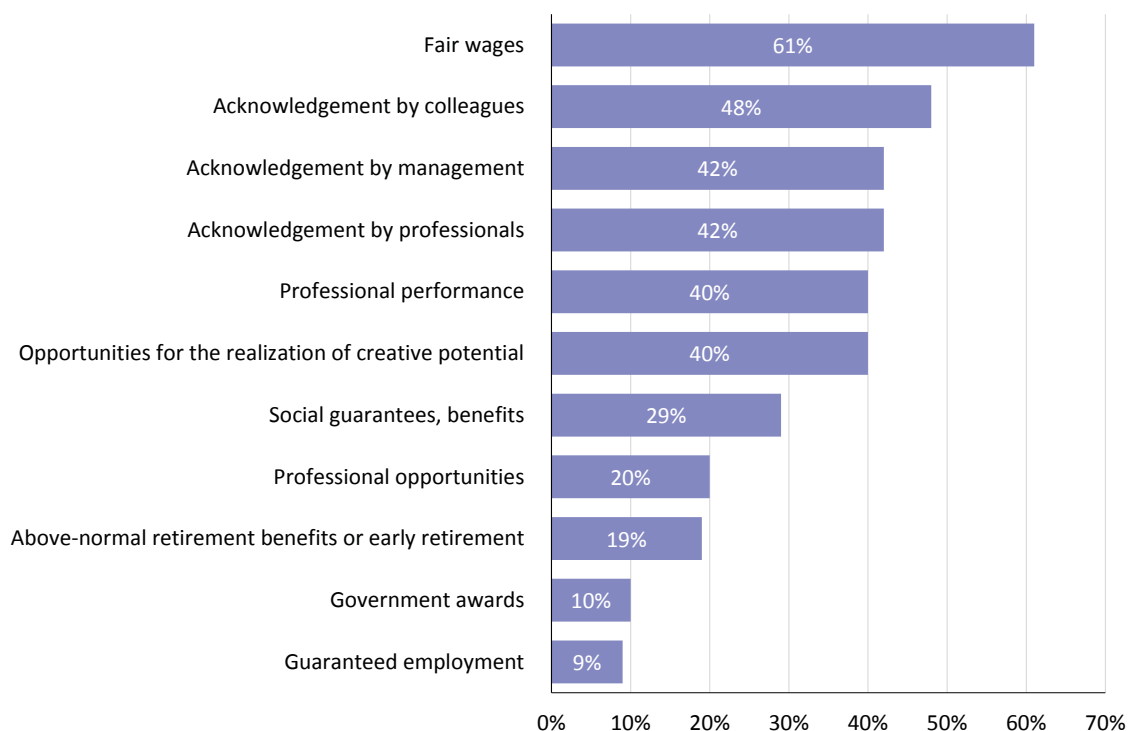
Switching to “effective contracts” with higher-education teaching personnel (hereinafter “HETP”), in the way it was intended in Russia’s Strategy 2020 and then legislated by Presidential Decree No. 597 of 7 May 2012, was based on assumption that the higher-education teacher is employed in a single higher education institution, doing both teaching and academic research, having no side jobs in other higher education institutions or organizations (consulting firms, scientific institutes, etc.). At that time, HETP were viewed as spreading themselves thin by taking two-three jobs, having no time for educating themselves and preparing for classes, improving skills and performing academic research. Hence this inefficiency should be reversed into its opposite by, first of all, raising HETP wages to encourage them to work in a single higher education institution.

A sociological survey was performed in 2011 as part of Russia’s Strategy 2020, which revealed, according to those who prepared the section on professional education, that wages are a strong incentive that could underpin “effective contracts” (Fig. 1).

Given that HETP considered wages as the key incentive for quality and dedicated performance, the foregoing survey also revealed the level, which HETP considered respectable (Fig. 2).

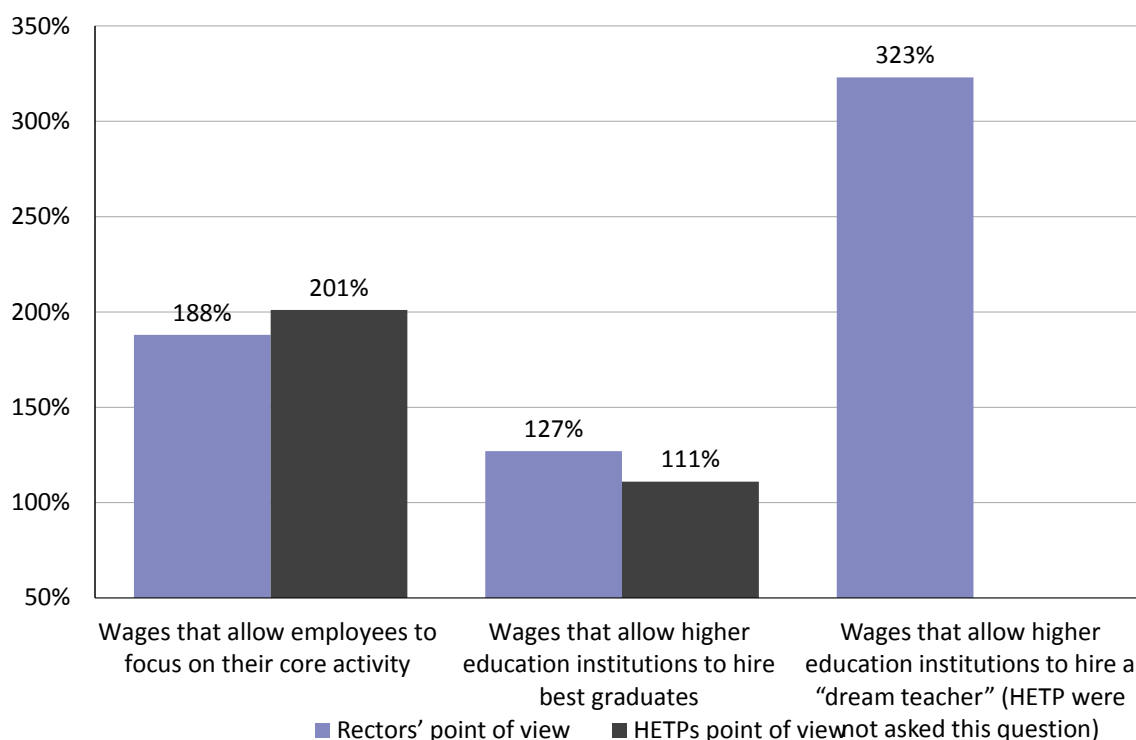
As a reminder, Russia’s President Boris Yeltsin issued Decree No. 1 of 1991, setting HETP average wages at 200% of the average wages in industry (at that time wages in industry were higher than wages in economy). Thus, it was not until 2012 that they began to implement the objective set in 1991, and results are expected no earlier than in 2018, according to the abovementioned Presidential Decree No. 597.

HETP average wages in 2015 must account for 130% of the average wages in a given region. The data on 9M 2015 are currently available.



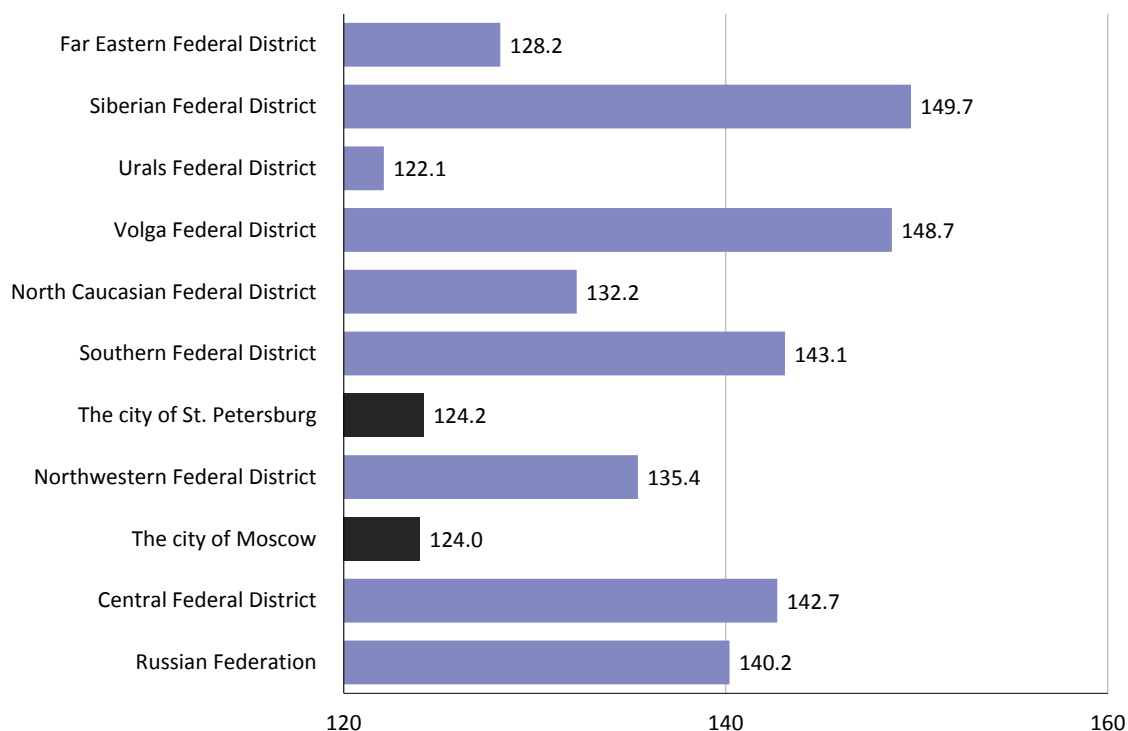
Source: Russia's Strategy 2020.

Fig. 1. HETPs point of view about incentives for quality and dedicated performance (2011)



Source: Russia's Strategy 2020.

Fig. 2. HETP wages that could, according to higher-institution rectors and teachers, ensure the implementation of "effective contracts" (2011, as a percentage of the average wages in a given federal district)



Source: Rosstat (Russia's Federal State Statistics Service).

Fig. 3. HETP average wages in January–September 2015 in the Russian Federation, Russia's federal districts, Moscow and St. Petersburg, as a percentage of the average wages in a given federal district

The data on HETP average wages in Russia as a whole, the federal districts, Moscow and St. Petersburg are presented in Fig. 3.

The Russia's average wages of higher-education teaching personnel in January–September 2015 accounted for 140.2% of the average wages in economy. Also, HETP wages were higher than 140% in the Central Federal District, Southern Federal District, Volga Federal District, Siberian Federal District and the Crimean Federal District. However, HETP wages were lower than 130% in the Russia's largest cities, Moscow and St. Petersburg (124 and 124.2%, respectively), or even lower (122.1%) in the Urals Federal District, and a bit higher (128.2%) in the Far Eastern Federal District.

In the regions in which average wages are below the Russian average, HETP wages in many cases are higher than the average in a given constituent territory of Russia. For example, HETP average wages in the Vladimir Region in the period under review amounted to Rb 37987, or 162% of the average in the Region (Rb 23420). HETP average wages in the rest of the regions of the Central Federal District were below 162% but above 130%, except for the Lipetsk Region (127.7%) and the Ryazan Region (129.8%).

The Northwestern Federal District has much more regions which failed to catch up with 130%, namely the Republics of Karelia and Komi, the Arkhangelsk, Leningrad, Murmansk, Novgorod Regions, in which HETP average wages accounted for 120.4 to 128.5% of the average wages in a given region, except for the Vologda, Kaliningrad and Pskov Regions, in which average wages of higher-education teaching personnel were above 130%, except that the Vologda Region showed a considerably higher level of 156.2%.

All of the constituent territories in the Southern Federal District, except the Astrakhan Region (128.2%), paid HETP wages higher than 130%, according

to the M9 2015 data (Rosstat supplies no data on the Republic of Kalmykia, because there is only a single higher education institution in the Republic).

In the Northwestern Federal District, it is only the Karachayevo-Cherkessian Republic and the Republic of North Ossetia-Alania that failed to catch up with the target value of 130% (Rosstat supplies no data on the Republic of Ingushetia, because there is only a single higher education institution in the Republic), whereas the Volga Federal District had the sole region – Orenburg Region – which showed the lowest wages of 125.9%.

In the Urals Federal District, the Yamal-Nenets Autonomous Area showed the lowest level of wages (106.1%) among the rest of the regions in the District, due to the fact that the District pays the highest average wages in Russia (Rb 77660), and thus HETP in the Yamal-Nenets Autonomous were most likely satisfied with the average wages of Rb 82365. It is only the Khanty-Mansiisk Autonomous Area that paid even higher average wages (Rb 87468), except that they accounted for 148.3% of the average wages in the Khanty-Mansiisk Autonomous Area. The Chelyabinsk Region was another region in the Urals Federal District, which failed, a bit less than 0.5% though, to catch up with 130%.

The Siberian Federal District reached far beyond the target level, in which HETP average wages varied within a range of 132.4% (the Krasnoyarsk Territory) and 171.6% (the Tomsk Region). However, no information was available on the two constituent territories of Russia in the District, namely the Altai and Tyva Republics (which have only a single state higher education institution, although there are branches of higher education institutions located in other regions).

In the Far Eastern Federal District, three constituent territories of Russia showed very low HETP average wages, namely the Republic of Sakha Yakutiya (111.1%), the Kamchatka Territory (119.7%) and the Sakhalin Region (108.0%). At the same time, the Primorsk Territory showed more than 164%.

Finally, the Crimean Federal District, in which higher education institutions in one (the Republic of Crimea) of the two regions showed more than 130%, whereas the latter (the city of Sevastopol) failed to catch up with the former.

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