

Aspects of availability of higher education in the Czech Republic

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Abstract: Education might be considered as a modern mean of production which can affect the quality of life both of individuals and all economies long-term. Also the economical and social aspects of educations should be taken into account. The Czech Republic belongs to those countries having a long historical tradition in education (Jan Amos Komensky 1592-1670). After the transition from a command economy to a market economy (1989) and consequently after European reforms at the end of 20th century, crucial changes were realized. A survey (this contribution contains some of its results) focussing on these changes tracked and searched for the Czech households readiness and ability to provide sufficient financial support for their children to study at higher education institutions.

Keywords: Higher Education Availability; Types of Households; Costs of study; Family Budgets; Incomes and Expenditures of Households.

1. Introduction

European higher education has been attempting to introduce qualitative changes since the beginning of this century. The Maastricht agreement [2] under pressure from the requirements of economic growth in EU countries in 1992 has opened the issue of unification of EU countries to implement a European dimension into the curriculum. The Bologna Declaration brought the conditions for the development of higher education in 1999 [8] and the continuing need for a dynamic and competitive Europe has led to the formulation of strategies (Lisbon, 2000), which would stimulate economic growth, promote employment and maintain a minimum level of quality of life for citizens of the European continent [7,9]. Thus, building a knowledge-based society and economy has become the main goal, targeting in particular:

- Increasing the flexibility of human capital on the labour market;
- Research, technological development and innovations;
- Investment into human capital and the limitation of exclusion from the society.

The construction of a unified European area of higher education based on mutual compatibility and comparability (European Credit Transfer and Accumulation System) has become the parallel goal of these changes. Defined standards in high education at the level of Bachelor's – Master's – Doctoral's studies have become requirements in the attained educational level and the length of study recognition (a Diploma Supplement).

The Czech Republic faces issues arising from the above mentioned harmonization.

2. European educational strategy in terms of the Czech Republic

The most important tasks of the Czech Republic in terms of the new economical strategy Europe 2020 [5] can be recognized particularly as follows.

- The task to decrease the number of students leaving school before finishing to 10 %;

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- The task to increase the proportion of the higher-educated population in age range between 30-34 years to 40%.

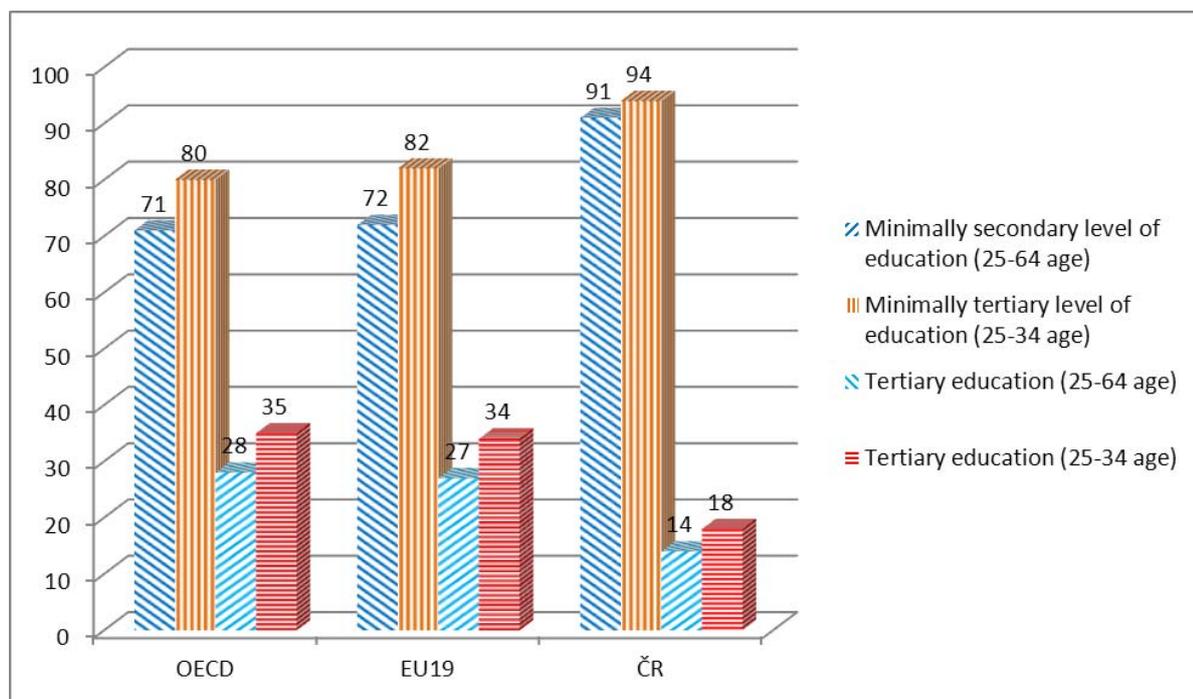
From the point of view of the first criterion, the Czech Republic has no problem with meeting the criteria as in the long-term the number of students leaving schools before finishing reaches 5,6%. The national goal of the Czech Republic at 5,5% has become obligatory and more than realistic. However, there are some countries of the European Union which exhibit a lower level of premature departure (e.g. Slovakia and Poland – 5,3%).

The second part of the EU goal focuses on increasing the share population from 30-34 years having finished a tertiary level of education to 40%. In contrast to the previous goal which was “too easy” from the point of view of the Czech Republic, this goal seems to be “too difficult”. That is why the national goal of the Czech Republic for 2020 was settled at the level of 32% graduates of the tertiary level of education in the above mentioned age range. However, in 2008 the Czech Republic could boast only 18% of tertiary-educated people [10]. It is the second worst situation (after Romania) in European Union.

Using the wider age range (25 – 64 years) the Czech Republic shows an even lower proportion of tertiary-educated people – see Chart I.

In this context the survey was carried out in order to monitor the economical level of preparedness of Czech families to provide higher education for their children. Economical and social availability of higher education is the crucial issue for the attainment of the required educational level [1,6].

Chart1: The proportion of the population according to the reaching of the highest educational level (2008; in %)



3. Methodology

The research is based on statistical data by courtesy of the Czech Statistical Office acquired in a survey of 3 000 Czech households in 2008. The survey defined four model types of household in the Czech Republic:

- Full family having one dependent child (2+1) – the proportion of the total number of households out of the Czech Republic is 11,1%;
- Full family having two dependent children (2+2) - proportion 12,1 % ;
- Full family with three dependent children (2+3) - proportion 2 %;
- Incomplete family with one dependent child (1+1) - proportion 5,2 %.

The economical dispositions of these households were derived from the gross incomes in the Czech Republic in the stated year [4] and the number of working members of each household. The survey was divided into two parts: in the first one the statistical average data for the average inhabitant of the Czech

Republic were examined; in the second part, model recalculations for each household model were carried out. The survey also examined at which rate the study at the higher education level influenced the consumer budget of a certain household type.

The most independent variables were created as the educational level of working household members, field of business they are involved in, the region, category of living place, structure of incomes and expenditures of individual consumption according to CZ-COICOP classification [3], and the travel distance to school. Other variables were established as a model variable (it means e.g. net household incomes according to tax regulations, net expenditures according to the Household Budget Survey or they were discovered by data collection in terrain and compared to secondary data).

4. Research findings

The research has outlined the most important factors of higher education availability for certain types of Czech households:

- The industry the parents are employed in and their job position (determined by education) are the most influential factors of the level of gross incomes and consequently net incomes of the households;
- The region the household lives in, because it significantly affects not only the level of household incomes but also the items of expenditures, especially housing costs (according to the flat category and type of ownership);
- The distance of a school from the place of living (in case the student is travelling) or the cost of living (in the case of staying in the place where the school is located) and also the school localisation (normal cities are not so economically demanding as the metropolis cities).

Some initial data of selected types of households as the average of the year 2008 are displayed in Table I. For households type B and C where more than one dependent child is considered the model presumes one student of a public high school and one or two students at a higher education institution (resp. two students in higher education – model C). Expenditures in the category of Educational costs thus do not include the tuition fees which are required by private secondary and tertiary schools. Amounts of tuition fees per year range 1220 – 6720 USD in the Czech Republic according to the school focus and its localisation. Students in the Czech Republic might study not only at 28 public higher education schools but also at 45 private universities.

Items	Family A	Family B	Family C	Family D
No. of members	2+1	2+2	2+3	1+1
No. of economically active members	2	1	2	1
Gross incomes of households	25414	21683	23510	12012
Net incomes of households	21103	19559	20659	10489
Net expenditures of households	20249	22890	19103	11119
Difference (net incomes minus net expenditures)	+854	-3331	+1556	-630

Table I – Family budgets (county year averages in USD)

This table clearly reveals that the average household types B and D in the Czech Republic are not able to cover their average expenditures by their average incomes as was derived from the Household Budget Survey. Undoubtedly there is an economical disadvantage to entering the university for children living in a household with only one economically active member. Whatever the cause (the unemployment of one of the member, incomplete family), children from these households have to face the crucial barriers to entering a higher education institution due to limited income.

Despite this fact, the Household Budget Survey of the Czech Republic exhibited a relatively homogenous structure of consumption expenditures of each household type. The comparison among them is shown in Table II.

Consumer expenditure in %	A	B	C	D
Type of household				

Grocery and non-alcohol drinks	01	18,3	19,7	20,9	20,5
Alcohol beverages, tobacco	02	2,8	2,4	2,0	2,0
Clothing and footwear	03	6,2	6,1	6,1	5,7
Housing, water, energy and fuel	04	15,3	16,2	16,0	24,0
Flat equipment, household furnishing, maintenance	05	7,7	8,4	6,0	5,5
Health	06	1,8	1,9	1,4	2,0
Transport	07	11,9	12,3	13,4	8,2
Post and telecommunication	08	4,9	4,3	4,7	5,6
Recreation, culture	09	12,0	11,1	11,3	10,8
Education	10	0,8	1,0	1,1	1,0
Food and accommodation	11	6,5	5,0	6,9	4,9
Goods + services	12	11,9	11,6	10,2	9,8
TOTAL		100	100	100	100

Table II. The average structure of consumer expenditures according to the type of household in % – classification CZ-COICOP

The realized survey reflected the influence of the most important factors on the specific type of household in a certain region (expressed by deviations from the country's average – see table I and II). The survey is based on modified values both on costs and expenditures. On the side of costs, the highest deviations in performance are the housing costs (item 04) which reached the level of 34 % out of the total net incomes of certain households.

The modification of average country values in a specific region (North-West) in items 04 (Housing) and 10 (Education) is displayed in Table III:

Features		Family A	Family B	Family C	Family D
Educational level of working members of household	0	SE+TE*	TE	SE+TE	TE
Gross incomes of households	1	25565	27005	27096	15628
Net incomes of households	2	19916	19374	21601	12046
Net expenditures of households	3	19111	22674	19976	12769
Modification of net expenditures (plus housing expenditures)	4	23091	25994	23772	14411
Deviation from all-republic average	4-3	-3980	-3320	-3796	-1642
Modification of net expenditures (+ housing expenditures + expenditures on education)	5	26360	28031	26630	15271
Deviation from all-republic average	5-3	-7249	-5367	-6758	-2502
Modification of net expenditures (+ housing expenditures + expenditures on education lowered by benefits)	6	22380	24711	22937	13629
Deviation from all-republic average	6-3	-3269	-2037	-2961	-860

Table III. Household budgets (one year) in USD in selected region

* SE – secondary-educated parent, TE – tertiary educated parent

Table III approaches the reality of Czech households while reflecting the influence of real housing costs and costs for education including support system available (e.g. scholarships for accommodation). The highest discrepancy occurs in the household type B (the difference between line 6 and 2 reached 5.337 USD), where the amount falling short in the budget of a four-member household cannot be replaced by savings in expenditures (see Table II). In this case the higher education might be considered possible only by having

additional sources – for example from the second occupation of a parent or the part-time job of the studying child (eventually a student loan). Households A, C and D exhibit a surplus in expenditures on incomes but its level is not so dramatic and it might be eliminated in terms of a family's better budgeting or savings.

5. Conclusions

Although tuition fees have not yet been enacted at public universities in the Czech Republic the higher education inevitably means for every family a considerable financial burden. Economic barriers in the form of inadequate family income stand out especially in households with one income and a greater number of children. It is impossible to overlook the fact that namely this fact affects the lagging behind of the Czech Republic in the number of graduates in the population of 25-34 year old, but particularly in the population of 35-65 year old.

The survey showed that in recent years even in a small country like the Republic the economic gap has been widening and economic disposition of households may diverge even considerably more from the statistical average which is reported.

Note: The search is financed by the internal grant agency of the J. E. Purkyne University in Usti nad Labem, the Czech Republic (IGA 43 201 15 0004 01).

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