
Financial support for students in higher education in the Czech Republic: a system overhaul is required²

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Summary

- Financial support for students in higher education in the Czech Republic has not received the attention it deserves over the past decade. Not only has the general public lost little sleep over this matter, but academics and politicians have largely ignored it, too. Information, statistics, and analysis of the targeting and impacts of current student financial support are at best piecemeal and at worst non-existent, which is symptomatic of the little public and policy interest in this matter. As a result, over the past few years there have been only a few minor tweaks made to the existing outdated and underfunded system.
- International comparisons show that the total amount of financial support for students in the Czech Republic is very low. A large share of that support is also provided across-the-board, meaning that support for the most socio-economically needy students and prospective students is very low. The average total monthly support provided both directly and indirectly to students under 26 years of age is between some 5,300 CZK [euro 200] for those from the poorest backgrounds and 2,700 CZK [euro 110] for others. Support for students aged 26 and above is only around 500 CZK [euro 20] per month, regardless of their economic background.

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- In European comparison, the support for socio-economically weak students is extremely low. Only a very small proportion of students are eligible for publicly funded social scholarships, which provide only minimal financial support in any case. No data is currently collected on the demographic or social status of scholarship recipients. Similarly, there is no data measuring the extent to which children from poorer backgrounds are deterred from university study by the low level of available support. The amount of funding made available through social scholarships and the breadth of the pool of students eligible for them is not regularly increased in response to inflation or students' rising living costs, but is revised in connection with ad hoc raises made to the minimum wage and living wages.
- Indirect support is provided primarily in the form of tax breaks to the parents of students who are classified as dependent children until their 26th birthdays. Most parents of students under 26 are eligible for tax concessions of between 1,000 and 2,000 CZK [euro 40-80] per month. However, parents whose income is insufficient as a result of long-term unemployment, sick leave, or for other reasons are not eligible. Our estimates suggest that as many as 15% of students' families may fail to qualify for study-related tax concessions.
- Accommodation bursaries are the only form of support that bears any similarity to the universal student grants seen in many other European countries. However, these bursaries are also very low, providing only around 600 CZK [euro 24] per month. Furthermore, students must fulfil several eligibility criteria to receive the support, which is not linked to their or their families' socio-economic situations.
- These key sources of support are accessible only to students who are under 26 years of age. This is one of the lowest age thresholds of its kind in Europe. Despite the fact that a non-negligible share of university students are older than 25, financial support for students over the age of 26 is minimal. This long-established age cut-off is hugely outdated with respect to contemporary developments in higher education and in modern society more generally.
- The highly socio-economically selective nature of the overall Czech education system, which is deeply linked to children's family backgrounds, influences which students have any ambition to continue into higher education. There are four factors specific to the Czech Republic that have so far reduced awareness of the need for greater and more accessible financial support for students: **(i)** the very narrow income distribution in the Czech society; **(ii)** the low unemployment rate (among parents); **(iii)** the absence of tuition fees for study at public universities; and **(iv)** the high level of socio-economic selectivity in the education system, from preschool through to secondary school. This last factor reduces the share of young people from poorer backgrounds who have any inclination or ambition to study at university. As still relatively low socio-economic gaps in Czech society (i.e. among parents) will probably widen in the future, and if the social selectivity of schooling is successfully reduced in the future, the weaknesses of the current system of student support will become more evident.
- There are currently no campaigns by higher education institutions themselves to substantially modernize or strengthen financial support for students. The Ministry of Education is not taking any visible steps towards doing so, either, nor – with a few minor exceptions – is the issue given any emphasis by the more prominent political parties running in 2021 parliamentary elections. There has been little interest in the issue from journalists too. The needs and interests of socio-economically disadvantaged prospective university applicants are, quite naturally, fragmented, uncoordinated, and lacking a strong public voice.