



“Recruitment and retention in the education sector, a matter of social dialogue”

A European project by ETUCE and EFEE

Country case: Latvia

Within the project framework the following country case is based on talks with a representative of the Ministry of Education and Science (MoES) and the President of Latvian Union of Education and Science Workers (LIZDA) in Latvia in May 2012. Discussions were difficult as both sides were negotiating the Ministry’s reform proposals and the trade union’s requests for teachers’ pay raise at that same time.

1. Introduction

Latvia is a North-East European country at the Baltic Sea. It is not richly endowed with natural resources, so its future depends in large measure on intellectual capacity, which is regarded as the nation’s greatest resource. Historically, the region was under the control of Germans, Poles, Swedes, and Russians. Latvia is a relatively new national state, founded in 1918. In 1940, it was annexed by the Soviet Union. It regained its independence in 1991. Currently, the population of almost 2.1 million inhabitants comprises Latvians (62.1%), Russians (26.9%), Byelorussians (3.3%), Ukrainians (2.2%), Poles (2.2%), Lithuanians (1.2%), others (2.1%). In 2004, Latvia became EU member. Since the country’s independence in 1990, all governments have declared economic changes from centrally planned to free market economy as their main aim. Reforms accomplished in the 1990’s have strengthened the private sector. The service sector, which contributed only 32% to the total value added in 1990, had more than doubled by 2002 to 71%.

Latvia was hit hard by the economic crisis in 2008. Between 2000 and 2007, Latvia’s economy grew at annual rate of 9%, making it one of the fastest growing economies not only in Europe but even worldwide. Wages doubled between 2005 and 2008. Much of the demand was channelled into property, driving up the perceived value of property to unrealistic levels causing a classic “asset price bubble” in the real estate sector. With the global financial crisis in 2008, European banks abruptly stopped lending to Latvia, foreign depositors withdrew their funds, and in late 2008 Latvia began to experience a deep recession. The crisis plunged the world into its deepest recession in 70 years and turned into a severe economic crisis. Latvia’s banks faced collapse, businesses closed down, unemployment soared and economy contracted by 4 % in 2008 and by 18 % in 2009. Much of this was a painful correction to the bubble that had inflated in the economy during the previous decade. The IMF and the European Commission (EC) provided a combined €7.5 billion bailout in December

2008, and further loans were received from the EC in 2009. The current centre-right coalition government has adopted a strict austerity and fiscal discipline policy aiming to join the Euro in 2014.

According to the MoES annual report to the EC, the budget austerity program led to deep cuts for state salaries and municipal institutions, as well as to a consolidation of educational institutions' numbers. In 2009, structural units were reduced by 40%, the number of employees by 30% and salaries by 37% (MoES 2009/10). Further cuts occurred in 2010. There were considerably less comprehensive schools in the academic year 2010/11, with a similar decline in vocational schools. There has also been a consecutive decline of higher education students' numbers over the last 5 years. In this academic year, while 66% of higher education students were paying the tuition themselves, 34% were being state funded, although the number of students studying with state funding has been rising (BNN 2011a).

2. Major changes in education since 1990

The political changes in the 90-ies transformed Latvia's education system considerably. The enrolment ratio in universities has doubled. Latvian language became the only official state language. The process of modernizing syllabi and teaching standards started. Textbook contents were revised. All of these changes followed the new legislation and administrative decrees supported by public investments which in real terms were 16% higher in 2000 than ten years before.

Local governments tried to improve the schools through new regional, county and community-level education policies. In particular the municipalities were granted rights and responsibilities to found and maintain schools while the central government kept the responsibility for teachers' salaries. Still, the administrative reform in 2007 established a highly fragmented and diverse municipal structure with very unequal sizes, population numbers and economic development levels.

Facilities and equipment were modernized. Today, information technologies are widely used and teaching methods are richer. The National Tripartite Cooperation Council established a Subcommittee on education and employment approving professional standards. It is involved in the accreditation of vocational and higher education programs. The MoES established a fund for student loans. Many changes have occurred with an irreversible impact on education quality. Latvian education has undergone a successful transition from a system effective for planned economy to a system effective for market economy and a democratic society.

In 2006, the Parliament ratified the Council of Europe's Convention for the Protection of National Minorities, still excluding minority languages in the government and self-government bodies and in street names. This was mainly aimed at Russian language and upset Russian speakers in Latvia and abroad. Education is still provided in Latvian, Russian and 7 other minority languages. Under the law, lessons in primary schools are given bilingually. In Russian-language secondary schools more than half of the lessons are given in Latvian. With regard to language laws and education reforms, the debate on ethnical discrimination goes on. Qualified bilingual teachers' shortages cause problems in ensuring Latvian lessons for students with a different mother tongue. State-funded university education is in Latvian, and students with languages must pass a language entrance examination. Private institutions offer higher education in Russian. The UN Committee monitoring children rights has noted that in Latvia the principle of non-discrimination is not fully implemented for children belonging to minorities, including Roma children, children with disabilities and children living in rural areas with difficulties to access adequate health and education facilities. (VIAA, 2006)

3. Goals of Education

According to the Education Law, the National Education Standards provide the strategic goals of compulsory curricula, syllabus, basic principles and procedures for education assessment acquired by a pupil. The conceptual framework document approved by the Parliament in 2005: „The Latvian

Growth Model: People Take First Place” proscribes a person-centred model for growth. An educated and knowledge-based society is the key to internal and external national security. Thus, the main goals of education and training are to support the creation of a knowledge-based, democratic and socially integrated society, in order to increase economic competitiveness. It shall also preserve and develop Latvian cultural values.

An analysis by the MoE on the performance in the education sector during the previous planning period (2002-2005) indicated a shortage of pre-school education providers, unsatisfactory quality of basic education, low prestige of the teaching profession, poor fit between the education and training profiles offered by vocational and higher education and labour market needs, as well as barriers to access. In order to address these problems, as well as taking into account the new long-term national growth and a national development plan, a new basic policy framework for education was approved in 2006. Particular attention was paid to the quality of pre- and primary school education, the modernisation of vocational training and increased competitiveness in higher education. Emphasis was put on modernising equipment and facilities for acquiring practical skills needed in the labour market. Effective measures to ensure support to children with special needs and those facing social risks include capacity building for education managers and teachers as well as closer cooperation between schools, parents and society.

4. The Latvian education system

4.1. Pre-school and early childhood care

Pre-primary education was optional until 2001/02. It became mandatory in 2002 for five and six year old children. The pre-school education’s aim is to foster the child’s overall development and to prepare it for the primary stage of basic general education. It is provided by pre-primary education institutions, kindergartens (nurseries) or at special pre-primary classes at general education institutions. It is considered as general education’s first stage. It should be completed at the age of 7. Children with health or psychological problems may continue for another year following either parental request or doctors’ recommendations, pre-school. The entire teaching process is organised through playing various targeted games.

4.2. Basic (Primary and Lower Secondary) and Upper Secondary Education

By law, children are obliged to go to school from the age of seven to sixteen. In special cases, the acquisition of basic education may last till the age of eighteen. In 2011, there were 830 general education day schools, 35 primary schools (grades 1-4), 365 basic schools (grades 1-9) and 367 combined basic/upper secondary (grades 1-12) schools. Compulsory curriculum includes 4 subject areas: Introduction to technologies and sciences, languages, art and social sciences. The curriculum for comprehensive education is defined by 20 subject standards.

Most pupils continue their education in general upper secondary schools of three years while about a fourth go to technical and further schools. The compulsory curriculum of three year general upper secondary schools is determined by the National Standard in the four standardised educational profiles: (1) comprehensive education, without intensive teaching of any particular subject; (2) the humanities and social sciences program; (3) the mathematics, natural sciences and technical sciences program; (4) the vocational program. The Centre for Curriculum Development and Examination as a national administrative body reports directly to the MoES. It sets the educational standards and regulations for the assessment of learning achievements for compulsory and general upper secondary schools. This happens through exams both at school level and centrally at national level.

4.3. Other schooling arrangements

Children may additionally attend vocation-oriented education in arts and music or another area of personal interest. Generally, the so-called little arts and music schools are founded and maintained by municipal governments.

Special education schools or classes within general education schools provide education to children with special needs corresponding to their individual physical and mental conditions. The structure of special education is very similar to the mainstream education. It shall provide opportunities for pupils with special needs to attain general skills with a strong emphasis on their applicability, thus facilitating social inclusion. There are 63 special education schools in Latvia. Almost all of these schools provide housing for their pupils in dormitories.

4.4. Vocational and Further Education

In 2006/07, there were 92 nationally accredited vocational education schools in Latvia with a total enrolment of 40,439 students. The schools employed 4,824 teachers. 70% of those were women. The majority of vocational schools provide 2-3 and 4 years vocational education and training programs at upper secondary level. Only few programs are designed for basic vocational and training purposes.

5. Administrative structure and governance of the education system

Education is administered at institutional, municipal, national level. At national level, the Parliament, Cabinet of Ministers and the MoES are the main decision-making bodies. The Ministry as the leading public administration institution in education implements the national policy and development strategy. It develops education, sciences, sport, youth and state language policies and coordinates the implementation. It drafts the regulatory legislation and policy planning documents. Municipalities supervise their pre-schools, basic and general upper secondary schools territory and participate in funding the maintenance costs. Municipal boards perform education-related functions. Vocational training schools are mainly maintained and supervised by the MoES in co-operation with the branch ministries and social partners. Only arts and music schools are placed under the authority of the Ministry of Culture. Private and municipal schools must be registered with the National Education Registry and comply with government education standards.

In the tertiary sector regulation, funding and governance are shared between government and institutions. Higher education institutions are autonomous under national legislation with their own independent governing body (senate). The MoES is the main institution in charge. It administers government funding and programs. Higher education institutions are accountable to the government via accreditation.

6. Educational Financing

In 2012, the national education budget is about 260 million LVL (390 million EUR), of which 210 million LVL (315 million EUR) is state subsidy to local governments for teachers' salaries. In 2010, the budget was 482 million LVL (720 million EUR) of which 216 million LVL (324 million EUR) was state subsidy to local governments for teachers' salaries. Public primary and secondary general education in Latvia is free of charge and financed through the municipal budget. The state pays primary and secondary teachers' wages. The local authority finances the school maintenance and grounds and other teaching expenses. Vocational schools usually belong to the state or local authority, which finance both teaching and school maintenance.

Private educational establishments at primary-secondary level may set their own tuition fees. Accredited private lower and upper secondary schools receive subsidies from the national government budget to cover salaries and related social security taxes to fund the provision of accredited lower and upper secondary education programs. Accredited private vocational training

schools receive subsidies as agreed between a government ministry and the training institution for the training of a determined number of people in a specific vocational area.

7. Challenges with regard to recruitment and retention of teachers

7.1. Teaching as a profession

Teachers are trained at five higher education institutes on two possible training routes. Most common is a professional bachelor's degree program of 4 years for a teaching qualification for a specific level. Secondary school teachers specialise in a specific subject. Pre- and primary school teachers are qualified to teach all subjects. The second route comprises a bachelor's program of three years in education sciences and two years in a second-level professional program to qualify at a specific level of education and/or subject area. Vocational school teachers get a diploma in a vocational area and a qualification in vocational teaching.

Currently, the profession is unattractive due to the low social prestige and relatively low salary levels. 88% of teachers in the general education sector (grades 1-12) are women (70% in the vocational education sector). 9.09% of teachers currently employed are at pension age. In 2000/01, 19% of teachers were 30 years old and younger; in 2004/05 it was only 15%. However, considering the decreasing numbers of school-aged children, this will not create a drastic shortage of teachers.

7.2. Demographic challenges

Over the past few years, the number of pupils in comprehensive schools and educators has dropped. According to the Central Statistical Bureau, in 2010/11, 28,800 teachers were teaching, which is 5,600 less than in 2005/06. Data shows that student enrolment in basic education programs has been declining, too. Over the past six years, enrolment has declined by 53,000 students to the current level of only 174,700 today (BNN 2011a). In terms of student teacher ratio that amounts to 6,06 students per teacher. The social partners agree that demographic trends are the major challenge to the education system and will require soon policy changes.

7.3. Recruitment policies in education

The MoES representative characterized current teachers' population as a homogeneous social group with shared experiences and highly resilient under the economic circumstances. It is highly women-dominated and ageing, with most being older than 45 years. Almost a fourth is in pre- and pension age. Several key problems were highlighted from the Ministry's point of view. Teacher's status and motivation is too low. With the current statutory salary of 250 LVL (330 EUR), which dropped from 344 LVL (500 EUR) in 2009, the profession is unattractive for new entrants and not competitive at the labour market. In 2011, the average monthly wage was 493 LVL (750 EUR). Full time teachers take extra lessons and auxiliary tasks, often in reality adding to almost other full working time. Consequently, not much time is left for preparation, professional development and extra-curricular activities. In interview partner's view, teaching methods are old-fashioned, stagnant and do not motivate the students. Moreover, the current pay model does not motivate teachers either to change their teaching style. The Ministry offers a pay raise of 10% to lowest paid cohort tying it to the qualification level. Only some teachers would thereby qualify for a pay increase. The number of concerned qualified teachers and the extra budgetary amounts is not known yet.

The LIZDA representative was of different opinion on teachers' pay. According to LIZDA statistics the main problem was not only the general low salary levels but rather the large salary diversification depending on municipalities, school numbers and student numbers. In the current model the budget for teachers' salaries is allocated by the Ministry to the municipalities according to the number of students. Then, the municipalities pay the schools in their territory. This system seems to be non-transparent. In 2012, the average teacher salary per shift ranges from 251 LVL in Krustpils to 393 LVL

in Olaine. This shows, that depending on the school's location and size teachers get significantly different pays for the same work.

This situation seems unfair and ineffective. It is a direct result from previous decisions to introduce the "money-follows-students" principle funding the maintenance of schools additionally. For many small and economically underdeveloped municipalities the school maintenance costs are a significant income. The same can be said about teachers living in such places who may favour very low income over unemployment or migration. In consequence, teacher recruitment policies are passive. Schools (principals) are solely responsible for recruiting, hiring and dismissing teachers. However, in times of teacher oversupply there are little incentives and motivation to actively seek new employees and retain current ones. In accordance with the Labour Law teachers are hired permanently. Dismissal before the pension age is legally difficult, unless the job position is terminated. The number of available teaching posts is not directly set by Ministry; it is affected however by regulation on minimum class sizes, number of lessons in subject areas for various grades and student enrolment figures.

The MoES proposes to radically change the teachers' employment model from the current one based on contact hours (lessons) to the 40 hours working week, including all tasks of which lessons would be part of. The basic pay rate would be supplemented by additional bonuses for quality. This proposal, however, does not yet clarify what that basic rate could be, how it will relate to the principle "money follows student" and how exactly quality bonuses would be calculated.

This illustrates the current key problem for the social dialogue. Both parties do agree in their criticism of the current model. Their capacity to develop workable/agreeable alternatives still seems to be limited.

8. The social dialogue

Social dialogue mechanisms are rather flexible. The employer side is represented by MoES. Education workers are organised in three organisations; the Latvian Union of Education and Science Workers (LIZDA), the Latvian Association of School Managers (LIVA), representing both employees' vis-à-vis government, and employers' vis-à-vis teachers, and the Council of Pedagogues, a professional teachers' association. Municipalities have the key role in setting up and maintaining school networks, financial distributions and employing school leaders, but are no part of this structure. In the Ministry's view, parental associations should participate, too.

With more than 30,000 members LIZDA is by far the largest organisation. Their engagement in the social dialogue is based on a special co-operation agreement with the MoES. Working groups meet regularly and prepare reform proposals on salaries, working conditions and working time. According to LIZDA, the earlier constructive cooperation was interrupted due political disagreements between various fractions in the Government. The Reform party used education as a topic during the recent election campaign and brand marked it as "ineffective", "old-fashioned" and "sclerotic". Promises were made to reform the system both in terms of efficiency and quality. Consequently, it had tried then to launch a number of controversial proposals such as: introduction of universal fees for higher education students and state guaranteed study loans schemes; significantly extending the academic year at the expense of summer holidays; radicalizing school funding through introducing classical voucher system and free school choice for parents. As these proposals were not discussed with social partners in advance, but channelled directly to general public via media, they created considerable tension and public rhetoric, harming the social dialogue. While LIZDA agrees in principle with reforming teachers' pay system along the lines of 40 hour working week, it disagrees with other proposals and insists on harmonizing teachers' salaries rather than further differentiating between teachers according unclear "quality criteria".

Both respondents noted that each side expects the other party's further elaborated counter-proposals, both being quite limited in their capacity to deliver either for political reasons or simply for a lack of

resources. Both sides agreed that a reliable information system could provide better information on actual teacher numbers, their core topics and on their real pay. Both sides, in the absence of updated statistics, operate with statutory numbers and limited data.

9. Conclusions

In Latvia, there are recognized social dialogue mechanisms in place and they do address the current key issue in education system: the need for teachers remuneration system's reform. However, the scope of manoeuvre by both social partners is significantly limited due to the country's objective circumstances.

On the one side, the Ministry's powers to initiate a legal change on general teachers' employment and salary conditions are limited. The school network, recruitment and retention of teachers and resource distribution are the municipalities' prerogative and thus no part of the social dialogue structures. Given the deeply embedded political and economic interests at the local government level, there seems to be no political will to challenge this arrangement in the near future. On the other side, the capacity of the trade union to negotiate teachers' pay reform seems to be reduced due to the very fragmented and diversified interests of majority of their constituency, most of them probably preferring current "status quo" over rather negligible benefits for all at the expense of loss for many. Clearly, there are no such financial resources at the government's disposal to "buy the compromise" through offering large enough increase for everyone in order to make a radically new system e.g. "40 hours working week" acceptable to all.

Finally, the social dialogue is limited due to the lack of shared broader visions for the future of the teaching profession. The Government and the MoES are openly prioritizing economic growth and employability as the education's main goals. In this context the teaching profession is seen as rather overprotected and disconnected from accountability from immediate outcomes.

Interviewing at the Ministry it became apparent that the Government would welcome a professional generation change. New entrants replacing older teachers would be expected to apply new methods, a dynamic teaching style but also to be open to flexible working conditions, less secure employment conditions, more performance related pay and not considering teaching as a life career choice. LIZDA, representing almost all current teachers, is open to dialogue and forward looking but it remains a strong defender of education as a human right and value. It sees teaching as both a profession and a mission for life. There is an urgent need for a genuine social dialogue at higher level. It is not enough to agree that the system needs reform. It is rather necessary to agree first on profession's future perspective and then to negotiate best steps in order to achieve results.

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