

Global Campaign for Education Policy Motion on Austerity and Public Sector Wage Bill Constraints

Background

More than 69 million new teachers are needed to reach SDG 4 by 2030. Yet austerity and public wage bill constraints are exacerbating the global teacher shortage.

Despite the COVID pandemic demonstrating the critical nature of teachers' work, governments have responded by slashing education financing. Education budgets have been cut in half of all countries, and in two thirds of low and lower-middle income countries. Further, the International Monetary Fund continues to steer borrower countries to limit spending on public services including education and cut or freeze the public sector wage bill.

Research in 15 countries revealed that IMF cuts added up to nearly US\$ 15 million. This is the equivalent of cutting over 3 million primary school teachers. In those 15 countries, just a one-point rise in the percentage of GDP spent on the public sector wage bill would allow for the recruitment of 8 million new teachers, more or less addressing all the teacher shortages.

The imposition of public sector wage bill constraints blocks the recruitment of much needed new teachers and limits the already low pay of education workers. This leads to over-crowded classrooms, high pupil-teacher ratios, unmanageable teacher workloads, and a profession that is unattractive to young people.

Teacher working conditions are student learning conditions. It is therefore essential that the IMF ends public wage bill constraints, and that governments invest in a sufficient supply of well trained and qualified teachers to ensure quality education for all.

It is time to recognise that teachers are not a cost but a crucial investment for quality education. It is time to put an end the blunt use of public sector wage bill constraints by the IMF and Ministries of Finance that block the capacity to recruit more teachers (even where there are shortages) or to pay teachers more (even where teachers are on low pay)

Recommendations

GCE calls on governments to take the following actions:

Governments should implement the full set of recommendations as outlined Transforming Education Summit's Call to Action on financing education.

Governments should reject public wage bill constraints imposed by the IMF and instead set ambitious increases in public sector wage bills year on year, financed through ambitious and progressive tax reforms, to reinvigorate public services after decades of decline.

Governments should do long term workforce planning, forecast the number of recruitments needed to end the national teacher shortages and make adequate investments to hire enough trained and qualified teachers to meet international Pupil-Teacher Ratios.

Governments should engage in social dialogue and collective bargaining with education unions to ensure all education workers have decent salaries and working conditions.

GCE calls on the IMF to take the following actions:

The IMF must clearly indicate in which countries, how, and when it will stop imposing wage ceilings.

The IMF must respond to the recommendation made in the Transforming Education Summit's Call to Action to address obstacles such as public sector wage bill constraints that prevent increased spending on education and champion policies that will allow significant new recruitment of professional teachers wherever there are shortages.

The IMF must conduct a detailed Independent Evaluation Office review of IMF use of public sector wage bill constraints and its impact on education.

The IMF must ensure that people are at the centre of macro-economic policy planning, as multiple current global crises are confounding to cause suffering, especially for the most vulnerable.

The IMF must fulfil commitments in the finance call to action made at the Transforming Education Summit to ensure a floor on social spending for education and promote resilient communities through well-funded quality public services.

The GCE will take the following actions:

The GCE will monitor and track education financing through the Global Financing Observatory.

The GCE will expose and campaign against the IMF's policy advice where it negatively impacts the right to education and will promote progressive alternatives to austerity.