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Teachers' Salaries in Private Elementary Schools in Punjab

Simrata* and Jaswinder Singh Brar**
*Department of Economics, **Centre for Research in Economic Change,
Punjabi University, Patiala, Punjab, India

Abstract

This study based on primary data collected from teachers through the stratified random sampling of schools from Patiala district of Punjab provides the various dimensions of salaries received by teachers in private elementary schools. Besides, providing average level of salary, the study also gives information about its over period annual hike and its association with age, location of schools, experience, sex, marital status, social category and professional qualifications. The study showed that the average level of salary was found to be very low with its weak association with experience and professional qualification. Good proportion of teachers in such schools was employed even without minimum professional qualifications. Teachers have been devoid of numerous benefits necessary for quality employment and social security norms. Teachers have been working there in situation of absence of alternative employment avenues commensurate with their qualifications. The job market for teachers in case of private schools is found to be working in favour of employers in situation of absence of enforcement of rules and regulations.

Keywords: Salary, Experience, Qualification, Social Category, Sex, Employment

JEL Classification: J44, O15, A21

Introduction

The employment in private education sector has not received the desired attention of social theorists, economic practitioners, administrators and general policy makers instead of it being providing larger employment. Persons employed in this sector have been deprived off steady employment, professional growth, secured income, job security and other numerous social and monetary benefits. The deregulation of the labour market has widened the gap between formal and informal sectors and increased people's dependence on so called 'not-so-good-jobs'. The better educated after years of unemployment ultimately take up jobs requiring lower level of education. So their degrees and diplomas no longer provide entry into high paid jobs commensurate with their qualifications. The more affluent try to over qualify themselves which is very expensive form of unemployment compensation.

The private schools in turn are divided into two types: recognized schools and unrecognized or non-recognized schools.

Corresponding Author email: brar_jas@yahoo.co.in

It turns out that for understanding the true size of the private schooling sector in India, the distinction between recognized and non-recognized schools is crucial. While government educational data collection exercises are intended to be a census of schools in the country, in fact they cover only the so called 'recognized' schools and do not cover the unrecognized schools.

Many studies have been conducted on the academic, administrative and quality differences between private and government schools. The existence of unprotected private school teachers has been a concern at the local, national and even global level. With low professional status, the choice of becoming a teacher is not the primary choice amongst the Indian youth. However, the non-availability of jobs in other sectors encourages many to join teaching and restrict their opportunities to move on to other professions. People can't remain students till they retire, so when they enter into tight labour markets there is more visible unemployment.

The education sector always competes for talent with other sectors of the economy. An effective and efficient teacher salary system is one of the most important elements of a high quality education system in any country. It is held that teachers' salaries must be set at a level that makes it possible for teachers to live with dignity on the salary from their work and not to be forced to take on second or third jobs (GCE, 2006). The massive policy push to opening up of private schools has raised the number and proportion of such schools in the country. The state of Punjab too witnessed proliferation of large variety of private educational service providers in school sector. The share of private sector in overall schools, enrolment and teacher recruitment increased decisively with wider implications for emergent job market for school teachers in the state.

Against such background, the study has been divided into seven sections. Next section two provides the conceptual framework. Section three, provides in detail the various aspects related to overall approach of the study, process of sampling, selection of schools and ultimately the collection of data from the representative sample of teachers. Section four, gives the information about other aspects of teachers' employment in terms of various other benefits associated with the job. Section five sums the major findings along with extended observations.

Teachers constitute the core of the educational system and their importance in student performance has been widely confirmed by many credible research studies. The labour market framework is used by economists to describe and explain the processes which match individuals to specific jobs in the society. Most of the analyses focus on the determinants of demand for and supply of labour and that of the role of the market structure which shapes the mechanisms through which demand and supply interact. Teacher labour market analysis typically studies the determinants of the number of teachers needed, the factors which influence individuals' willingness to prepare for a teaching job, enter the teaching profession and remain in teaching throughout their working lives, and the role of labour market institutions such as collective bargaining, recruitment and selection processes and contractual elements in the matching between potential teachers and educational authorities.

The supply of teachers in developing

countries, as in developed countries, depends on working conditions and teacher salaries, as well on how salaries and entry requirements in the teacher labour market compare with other labour markets. Many teachers work in schools that lack adequate teaching materials or basic infrastructure. Many teachers in developing countries cite lack of resources, such as adequate facilities, textbooks, and teaching materials, as a primary obstacle to effective teaching. Location also affects teacher supply (Vegas, 2007).

The adoption of new economic and educational policies in the country has totally altered the job market in almost all sectors and subsectors of the economy. The adoption of National Policy of Education (1986) and further New Economic Policy (1991) has opened the floodgates of private sector in the education sector to a large extent**.** In India nearly 23 million children attend non-state primary schools. In general South Asia and in particular, India, Bangladesh and Pakistan have the highest number of private school enrolments (AKFT, 2007). A study of Punjab conducted on seven districts of Punjab reveals that Patiala district has the highest number of unrecognized schools (Mehta, 2005). The number of private schools in Punjab was 12 thousand and one in every four schools in Punjab was reported to be unrecognized (SAP, 2012).

Labour market for teachers in overall includes two things, viz. Teachers' recruitment and retention. In labour market theory the demand for teachers is defined as the number of teaching positions offered at a given level of overall compensation. The supply of teachers means the number of qualified individuals willing to teach at a given level of overall compensation. Overall compensation doesn't means salaries and benefits alone but any type of reward derived from teaching including working conditions and personal satisfaction. The supply of teachers includes most attractive salary package and demand for teachers in overall is driven by students' enrolment, class size, teaching load norms and budgetary constraints. Teachers' shortage occurs in the labour market when demand exceeds supply (Guarino *et al*, 2004).

The teacher labour market is also distinct in several ways. It is well known that the teacher labour market is not perfectly competitive. The market hidden-hand does not ensure that the compensation structure (such as wages), employment levels and skills distribution of the teaching workforce adjust rapidly in order to achieve an equilibrium in which the employers and the teachers are compensated for the value of their marginal utility and productivity. The following have been identified to exert a marked influence: (i) the dominant position of the government in the education sector as a provider and regulator; (ii) the segmented and stratified nature of the market; (iii) the characteristics of the established labour market institutions, such as collective bargaining, reward mechanisms or public servant status of teachers; (iv) the features of the procedures for recruitment, selection and dismissal; (v) the presence of market imperfections such as imperfect/ asymmetric information, uncertainty and risk, and transaction costs; and (vi) the contextual structure of incentives that participants in the teacher labour market face arising from the organization of the school system (Santiago, 2004). Teacher quantity and quality are closely linked. When school teachers face quantitative shortages they typically either – lower the qualification requirement that is

to appoint less qualified applicant or raise teaching loads that is increase class size or the number of classes assigned to a teacher (OECD, 2004).

Sehgal (2005) points out that unprotected workers exists outside the parameters of state mandated labour regulations such as wages, hours of works, leisure time, work environment, occupational hazards, welfare provisions etc. Arunatilake and Jayawardena (2010) emphasized that the insecurity faced by workers in all the countries arises mainly from income inadequacy and income variability, though it is discernible through various forms. Dutta (2005) argued that organized sector offers more stable jobs with higher pay, better working conditions and promotional avenues whereas the unorganized sector is associated with unstable jobs and low or even flat returns to schooling, poor pay and bad working conditions and fewer opportunities for advancements.

Gopinath (2010) states that decent employment implies that workers are covered by social security benefits such as medical treatment, compensation in case of accidents, leave and treatment during maternity and adequate compensation on job loss. The enactment of social security legislation like the Workmen's Compensation Act, 1923; Employees' State Insurance Act, 1948;the Employees' Provident Fund and Miscellaneous Provisions Act, 1952;the Maternity Benefit Act, 1962; and the Payment of Gratuity Act, 1971, was the result of the struggle of thousands of workers and their associations to institutionalize the above notion of social security. But the coverage of these provisions is confined to the public sector and the relatively large enterprises in the private organized sector. If the various acts and measures are enforced effectively, they can play a pivotal role in lowering most of the hardships faced by private school teachers.

For purposes of recognition, they have to ensure adequate pupil-teacher ratio, conform to certain qualifications regarding recruitment of principal and teachers and assure their financial viability. However, all management decisions are taken by the school, including recruitment procedures and teacher salaries. They frame their own admission rules and fee structure for students. These schools are growing as small and medium scale business houses, making extra profits, but they do not make the required payment to the teachers. School teacher's salaries are often perceived to be lower than those of other professionals; this perception is especially strong among teachers. This affects the teacher's motivation to educate causes good teachers to leave the profession and good students to avoid choosing an education major in college. These in turn would produce negative effects in students learning. To improve the quality of education it is essential to pay special attention to teachers and to implement policies to attract, motivate and retain the most talented individuals in the profession (Sindhi, 2012).

For students' betterment it is necessary that teachers are professionally satisfied and relaxed. Repeated studies have shown the disastrous impact of low wages upon destroying teacher's motivation, ability to teach and willingness to remain in teaching. The 2012 results report of the global partnership for education found that teacher's poverty was one the major constraints on quality education and stated that teachers are unable to pay even for basic needs (GCE, 2012). The drop in real salaries of teachers as a result of external economic factors can

have a devastating effect on teacher morale and teaching quality and teachers may resort to supplement their income by charging fees for private tuition or by taking second jobs or leaving the profession altogether. The challenge for policy makers is not to determine from comparison with other countries that teachers are 'over-paid' or 'under-paid' but to understand the nature of the market operating in the country, and the forces which are distorting or optimizing the salary structure and its ultimate impact on generation of quality human capital (Mehrotra and Buckland, 2001). Lack of support for teacher's salaries can lead to great difficulties in the retention of quality teachers resulting in a direct negative impact on educational quality (Dolan et al., 2012).Teachers often feel that their work is undervalued and in a number of countries private school teachers experience high workloads, violence, stress, poor pay scale and poor working environment. Mike horsley and Antony stokes (2005) reviewed that entrenched inflexibilities in the payment systems have contributed towards chronic shortages of qualified teachers in specialized teacher labour market and poor incentives for excellent teachers to remain in teaching. Salaries and alternative opportunities strongly influence who goes into teaching, those who stays in teaching, teaching location and who returns to teaching after a career interruption.

Data Sources and Methodology

The central purpose of the study has been to understand and explain the various dimensions of the private sector based job-market in case of elementary school teachers. This overall objective has been intended to be achieved by focusing upon the teachers working in private unaided schools, also called pure private schools, in the state of Punjab. These private unaided schools are owned and funded privately with no state support. The study is based on both secondary and primary data. All the private unaided schools situated in the Patiala district of the state constituted the universe of study. The district of Patiala has been chosen purposely as it represents the literacy mark of the state. The literacy rate of district of Patiala was 76.30 as against 76.70 per cent of Punjab during 2011which was 69.96 per cent and 69.95 per cent respectively during 2001 (SAP, 2012).

The process of sampling was pursued by using secondary data. The ultimate sampling unit here teachers were approached by a three-stage stratified random sampling. For the first stage all the elementary private schools of Patiala district were segregated into eight community development blocks which are as follows: Patiala, Nabha, Samana, Ghanour, Bhunerheri, Patran, Sanour and Rajpura. The distribution of private elementary schools according to community development block for the district of Patiala is shown in Table 1.

The second stage involves the bifurcation of schools situated in each and every community development block into rural and urban areas. This administrative-cum-location based process results in the distribution of universe into 16 strata. The smallest stratum has eleven schools and largest has forty-eight schools. Patiala block has the highest number of private unaided elementary schools, 14 located in rural areas and 34 in urban areas. The block Bhunerheri has the lowest number of private unaided elementary schools that is 11 and all are located in rural areas. In case of rural areas, maximum schools are in Nabha (22) and in case of urban areas maximum number of schools is in Patiala (34). In order to give proper representation to every stratum,

Table 1: Distribution of private unaided elementary schools of Patiala district, 2012-13

Community development block	Total schools	Rural	Urban
Patiala	48	14	34
	(100)	(29.2)	(70.8)
Nabha	33	22	11
	(100)	(66.7)	(33.3)
Samana	14	6	8
	(100)	(42.9)	(57.1)
Ghanour	14	11	3
	(100)	(78.6)	(21.4)
Bhunerheri	11	11	0
	(100)	(100.0)	(0.0)
Patran	16	11	5
	(100)	(68.7)	(31.3)
Sanour	21	18	3
	(100)	(85.7)	(14.3)
Rajpura	25	19	6
	(100)	(76.0)	(24.0)
Total	**182**	**112**	**70**
	(100)	**(61.54)**	**(38.46)**

Note: Figures in brackets are percentages
Source: DISE Office Patiala.

36 schools have been selected by using the proportional probability method. There are 182 private unaided elementary schools in Patiala District; 70 schools in urban and 112 in rural areas (DISE, 2012-13). While selecting schools the other factors such as age, size of schools or any special financing or organizational aspects have also been factored into for avoidance of extreme cases. The main source of secondary data was the information collected and made available by DISE office, Patiala which pertains to various macro aspects of schools like location, students, teachers and physical infrastructure, etc. The primary data have been collected with the help of a well-structured questionnaire from 200 teachers. For the purpose of sampling, 20 per cent sample size was taken. Out of the total 182 Schools, 20 per cent means 36 schools; actually taken for the sampling (Table 2). And according to this, 22 schools from rural areas and 14 schools from urban areas are selected. Further out of the total 36 schools, the rural and the urban schools were selected proportionally from each block. Similarly, schools have been selected from both rural and urban areas.

Results and Discussion

Salary level and change

There exist numerous problems related to payment of wages and salaries in the country instead of enactment of laws from time to time. The employers succeed in bypassing all those in situation of weak enforcement of rules, regulations and other clauses. All

Table 2: Selection of private elementary schools of Patiala district for sampling, 2012-13

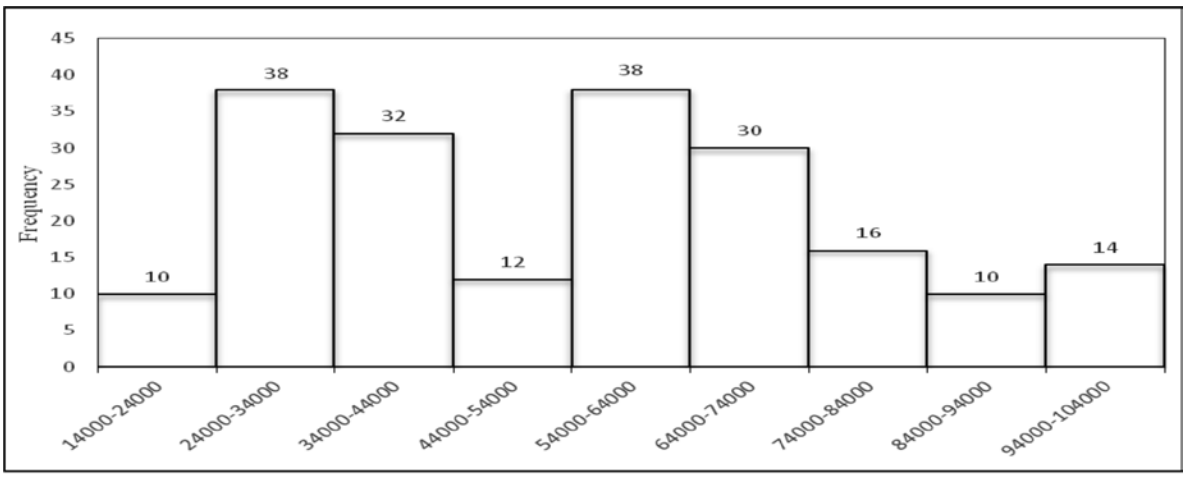
Community development blocks	Total schools	Selected for sampling	Rural	Selected for sampling	Urban	Selected for sampling
Patiala	48	10	14	3	34	7
Nabha	33	6	22	4	11	2
Samana	14	2	6	1	8	1
Ghanour	14	3	11	2	3	1
Bhunerheri	11	2	11	2	0	0
Patran	16	3	11	2	5	1
Sanour	21	5	18	4	3	1
Rajpura	25	5	19	4	6	1
Total	**182**	**36**	**112**	**22**	**70**	**14**

Source: DISE Office Patiala.

Table 3: Distribution of Annual and Monthly Salary of Sampled Teachers, 2015-16

Annual salary				Monthly salary		
Salary (000 Rs.)	Number of teachers	Per cent or (RF)	CF (less than)	Salary (Rs.)	Number of teachers	Per cent
14 - 24	10	5	10	1200-2025	24	12
24 - 34	38	19	48	2025-2850	24	12
34 - 44	32	16	80	2850-3675	32	16
44 - 54	12	6	92	3675-4500	12	6
54 - 64	38	19	130	4500-5325	38	19
64 - 74	30	15	160	5325-6150	30	15
74 - 84	16	8	176	6150-6975	16	8
84 - 94	10	5	186	6975-7800	10	5
94 - 104	14	7	200	7800-8625	14	7
Total	**200**	**100**	**-**	**Total**	**200**	**100**

Notes: 1. RF stands for relative frequency, and CF cumulative frequency.
2. The number of Class Intervals (K) have been worked out by using Sturges formula (K=1+3.322 Log N) where N is equal to number of observations (here 200). Thus, K turned out to be 8.64402 which gives 9 class intervals. Size of Class Intervals is equal to R/N where R stands for Range of data (highest value minus lowest value). Size of Class intervals have been worked out by using Pivot Table of Excel.
Source: Primary Survey April-December 2016.



Source: Histogram Based on Data of Table 3.

Figure1: Distribution of Salary of Sampled Teachers, Annual, 2015-16, (Rs).

employers with more than ten workers in India have to de jure abide by minimum wages law and recognized private schools are required to pay teachers' salaries on a par with that of government teachers. But, in practice, many private schools pay teachers significantly less than the government prescribed minima. For instance, at the middle school level, private teachers' mean salary was only 60 per cent of the public teachers' mean salary (Kingdon and Teal, 2008).

The data given in Table 3 provides the annual and monthly salary received by teachers in sampled private elementary school during 2015-16. The data show that the average salary of the sampled teachers started from just Rs. 1200 to maximum of Rs. 8625 per month. Similarly, the annual salary levels of the sampled teachers varied between Rs. 14,000 and Rs. 1, 04,000. The graphical distribution based on histogram of annual salaries is shown in Figure 1. Similarly, certain descriptive statistics (Table 4) pertaining to annual and monthly salary of the sampled teachers show huge variations in salary structure. The annual mean salary

Table 4: Certain descriptive statistics pertaining to annual and monthly salary, 2015-16

Statistics	Annual salary	Monthly salary
Mean	53516	4460
Standard Error	1578	132
Median	54000	4500
Mode	60000	5000
Standard Deviation	22316	1860
Range	88696	7391
Minimum	14400	1200
Maximum	103096	8591
Count	200	200

Source: Primary Survey April-December 2016.

was equivalent to Rs. 53516 and monthly Rs. 4460. The median salary was equal to Rs. 54, 000 with mode at Rs. 60, 000.

The different organizations or institutions use promotion as a reward for high productivity of their workers which accelerate their efforts. Traits related to individual like age, ethnic group, sex, academic qualification, and work regarding experience is the demographic factors in finding out job satisfaction. Features of direct job setting like the pay, task significance, autonomy, job security, job promotion and communications and dealings with co-workers are significant factors to measure pay and promotions of employees in developing countries. Many researchers give their opinion that job satisfaction is strongly correlated with promotion opportunities and there is a direct and positive association between promotional opportunities and job satisfaction (Malik et. al., 2012).

A perusal of Table 5 shows the experience wise average annual salary received by the sampled teachers. The lowest average annual salary (Rs. 49,520) was received by a group of 66 teachers (33%) having the least experience varying between 1-4 years whereas the highest average annual salary (Rs. 68,100) by another 16 teachers (8%) with the highest experience of 17-20 years. Other categories include teachers having experience between 5-8 years, 9-12 years and 13-16 years with respective average annual salary equivalent to Rs. 52,654, Rs. 57,672, and Rs. 50,625. The study also throw much light on the salary increment of teachers working in these sampled private unaided elementary schools according to the job experience. The sampled teachers include the teachers having experience ranging between one and four years, between five and eight years, between nine and twelve years, between thirteen and

Table 5: Experience-wise average annual salary level and hike of sampled teachers, 2015-16 (Rs.).

S. No.	Teaching Experience (years)	Number	Average Annual Salaries	Annual Salary Hike
1	1-4 years	66 (33.0)	49,520	100-2500
2	5-8 years	80 (40.0)	52,654	1000-3500
3	9-12 years	30 (15.0)	57,672	500-2500
4	13-16 years	8 (4.0)	50,625	1200-1500
5	17-20 years	16 (8.0)	68,100	1500-2600
Overall		**200 (100)**	**53,516**	

Note: Figures in brackets are percentages. Salary hike includes minimum and maximum increase in salary of sampled teachers according to experience (that is, during their total service).
Source: Primary Survey April-December 2016.

years, between seventeen and twenty years. Out of 200 sampled teachers, as many as 66 teachers (33%) in these elementary schools with experience ranging between 1-4 years realized annual salary hike ranging between Rs. 100 - Rs. 2500. Similarly 80 teachers (40%) whose experience ranges between five and eight years experienced annual increment between Rs. 1000- Rs.3500. Those teachers whose experience was between 9-12 years, numbering thirty teachers (15%), realized annual increase between Rs. 500 and Rs. 2500 despite of such a vast experience. Another category of teachers (4%) with teaching experience between thirteen and sixteen years got annual salary hike between Rs. 1200 and Rs.1500. Another category of the teachers (8%) having 17-20 years of teaching experience realized annual salary hike between Rs. 1500 and Rs. 2600.

Salary in relation to other variables

Literature points towards the prevalence of various sorts of discriminations in labour markets both in developed as well developing countries, even in case of education sector. For example, in Pakistan, female teachers in private schools in rural areas were paid 30 per cent less than their male counterparts, and the difference persists even after individual and school characteristics were taken into account. In developing countries, higher job flexibility has usually been found in informal employment. Given that women are over-represented among informal workers, this would translate into female jobs paying less than male jobs. For women looking to do market work, the need to continue to attend to household work and care work often implies that jobs offering flexibility are particularly attractive. These choices are sometimes associated with a potential risk of channeling women into lower quality jobs and weakening their labor market attachment(World Bank, 2012).

Further, it has been reported that nearly 90 per cent of elementary school teachers locate less than 40 miles from their home. The teachers who grew up in an urban environment were much more likely to be teaching in an urban setting than in a sub urban or rural setting. Rural teachers may have fewer opportunities to receive professional development than their non-rural counterparts for two reasons. First, they may have less access to university-sponsored or other third-party professional development activities due to their distance from urban centres. Second, rural school districts may be less likely to sponsor professional development opportunities because it may be prohibitively costly for smaller or geographically dispersed districts to offer the types of professional development available to large or dense districts. If either were true, we might expect rural teachers to have fewer opportunities to develop their professional skills which some teachers would see as a disadvantage to their jobs (Player, 2015).

Literature does provide some explanation for relationship between marital status and market earnings. Since household work is more effort-intensive than leisure, and married women spend less energy on each hour of market work than married men working for the same number of hours. As a result, married women have lower hourly earnings than married men with the same human capital, and they economize on the energy expended on market work by seeking less demanding jobs. Moreover, their lower hourly earnings reduce their investment in market capital even when they work for the same number

of hours as married men. Earnings in some jobs are responsive to changes in the input of energy and in others to changes in the amount of time. This implies that some have larger effort-intensities and others larger time-intensities. Persons devoting much time to effort-intensive household activities like child care would economize on their use of energy by seeking jobs that are not effort intensive, and conversely for persons who devote most of their household time to leisure and other time-intensive activities (Becker, 1985).

Such type facts also emerge from comparison of the average annual salary differences in labour market in numerous contexts. Table 6 reveals the interesting fact when it comes to the comparison of average annual salaries as male teachers got Rs. 9528 more annual salary as compared to their female counterparts with respective salary level of Rs. 60,387 and Rs. 50,859. Similarly, location wise, data also shows that average annual salaries received by urban teachers of Rs. 58,327 were more than the rural teachers who received equivalent of Rs. 50,458.The above also shows that married 120 teachers out of the sampled 200 teachers received more average annual salaries than the 80 single teachers. There is quite significant difference between average earnings of married and single teachers, that is, married teachers received average annual salaries of Rs.56, 579 whereas unmarried teachers received average annual salaries of Rs.48, 949.

The issue of inclusion has always been important in new educational dispensation. NUEPA (2016) study examined the working conditions of elementary and secondary school teachers in nine states, viz. Jharkhand, Karnataka, Madhya Pradesh, Mizoram, Odisha, Punjab, Rajasthan, Tamil Nadu, and Uttar Pradesh. At the state level, Punjab registered the highest improvement in inclusion of SCs, where their representation increased from 12.1 per cent in 2004-05 to over 19 per cent in 2011-12. Improvements in the representation of SCs have also been registered to varying degrees in Rajasthan, Uttar Pradesh, Odisha, Madhya Pradesh, Karnataka, and Tamil Nadu. However, SCs were under-represented in the elementary teaching workforce in 2010-11 and 2011-12 in relation to their Census 2011 population shares, at the all-India level as well as in all states except Mizoram. There are some common features across the states in

Table 6: Marital status, location and sex wise annual salary of sampled teachers, 2015-16

Marital status			Location			Sex		
Marital status	**Number**	**Average annual salary (Rs.)**	**Area**	**Number**	**Average annual salary (Rs.)**	**Sex**	**Number**	**Average annual salary (Rs.)**
Married	120 (60.0)	56,579	Rural	122 (61.0)	50,458	Females	144 (72.0)	50,859
Single	80 (44.0)	48,949	Urban	78 (39.0)	58,327	Males	56 (28.0)	60,387

Note: Figures in the brackets are percentages.
Source: Primary Survey April-December 2016.

elementary education, namely: (a) people-teacher ratios have decreased significantly over the past 10 years, due to the appointment of teachers out pacing growth in enrolments (especially in private schools); (b) Scheduled Tribe (ST) teachers are generally well-represented (except in Madhya Pradesh), while Scheduled Caste (SC) teachers are not; (c) there has been a steady increase in the educational qualifications of all teachers; and (d) there are significant infrastructure challenges, with only a few schools meeting expectations. In some states, the number of ST candidates qualifying to teach remains low, leading to high vacancies in this reserved category. This may call for a more focused approach to enhance the pool of qualified candidates from ST communities for teaching positions.

The digit given in Table 7 shows the distribution of average annual salaries received by the sampled 200 teachers on the basis of social category. The analysis shows that the 122 teachers (61%) belonging to General Category received the highest average annual salaries (Rs. 57, 822). Another 26 teachers (13%) belonging to Backward Classes received salary of Rs. 51, 221. Another 18 teachers (9%) belonging to Other Backward Classes received salary equivalent to Rs. 48, 733. And, 34 teachers (17%) belonging to SC category received the lowest average salary of Rs. 42, 416 among all the social categories.

In many countries, including the Netherlands, population is aging. Therefore, there is increasing attention to the labour market position of older workers. The current situation is that older workers are not very likely to lose their job but once they have lost their job they need a long time to find a new job. This situation is often attributed to the gap between wages and productivity, i.e. older workers may have a wage that is higher than their productivity. At their current employer they are protected by seniority rules and employment protection legislation. But once older workers become unemployed, employers are reluctant to hire an older worker because of the pay-productivity gap. In a perfectly competitive labour market there is no reason for an age-related pay productivity gap to occur because firms pay

Table 7: Social category wise average annual salary of sampled teachers, 2015-16

Social category	Number	Average annual salary (Rs.)
General Category (GC)	122 (61.0)	57,822
Backward Classes (BC)	26 (13.0)	51,221
Other Backward Classes (OBC)	18 (9.0)	48,733
Scheduled Castes (SC)	34 (17.0)	42,416
Overall	**200 (100)**	**53,516**

Note: Figures in the brackets are percentages.
Source: Primary Survey April-December 2016.

workers according to (marginal) productivity. If a firm experiences a negative productivity shock and wages do not adjust the least productive workers are fired until the equality of productivity and wages is restored. If a firm experiences a positive productivity shock and wages do not adjust new workers will be hired until again the equality of productivity and wages is restored (Jan C. van Ours, 2010).

The information shown in Table 8 reveals some interesting facts about the payment of salaries on the basis of age of the sampled 200 teachers. The relationship between level of salary and age did not show any specific pattern as normally it has been expected that with rise in age the salary level will go up because of realization of experience based dividend. But, the highest average annual level of salary (Rs. 59,743) was found to be received by a group of 58 teachers (29%) falling in the age group of 26-30 years. Surprisingly, average annual salaries were lowest (Rs. 40, 000) for the age group of 51-55 years. Moreover, this group with highest age has received the average annual salary which was lower than those received by teachers at the entry stage (21-25 years) to profession, i.e. Rs. 45, 099. It seems that too much heterogeneity in the private unaided school sector has been the cause for weak relationship between salary and age profile.

The large scale appointment of para-teachers in many Indian states has been a very contentious issue among education practitioners, policymakers, academics, parents and teacher unions. Critics point to para-teachers lower qualifications and lack of professional training as the reason for the poor quality of teaching in elementary schools. The supporters argue that introducing para-teachers has helped lower the PTR (pupil teacher ratio) and reduced the number of single-teacher schools at an affordable cost. In addition, since they are locally hired, it is thought they may be less absent (Kingdon and Rao, 2010). Contract teachers have become a central part of schooling reforms and expansion over the last 15 years. Their use is widespread across Africa and South Asia and in some parts of Latin America. The extent to which teachers have been hired on fixed-term contracts varies substantially by country. For example, contract teachers constituted 20 per cent of the total teaching force in Chile and 11 per cent in Peru while up to half the teaching force in West Africa is believed to be hired on a contract basis. At their peak, they constituted about nine per cent of the total teaching force in primary schools in Cambodia. In India, para-teachers (contract teachers) accounted for 9.4 per cent of the total number of elementary school teachers based on the District Information System for Education (DISE 2009). The officially stated rationale for provision of contract teachers is to achieve three major equity and efficiency aims in an affordable way: expanding access to schooling in un-served communities; eliminating single-teacher schools and relieving multi-grade teaching; and reducing high pupil: teacher ratios. While regular government school teachers are hired on permanent contracts with salaries often linked to the civil service pay scale, contract teachers are hired on fixed-term contracts (annually renewable or otherwise depending on the country with the provision that their contracts can be made permanent after an interim period in some countries) and are paid a fraction of what regular teachers are paid (and are often less qualified than their regular counterparts).

Table 8: Age-wise Average Annual Salary of Sampled Teachers,2015-16.

Age (years)	Number	Average annual salary (Rs.)
21-25	46 (23.0)	45,099
26-30	58 (29.0)	59,743
31-35	45 (22.5)	55,106
36-40	24 (12.0)	52,325
41-45	10 (5.0)	48,516
46-50	14 (7.0)	58,928
51-55	3 (1.5)	40,000
Total	**200 (100)**	**53,516**

Note: The figures in the brackets are percentage.
Source: Primary Survey April-December 2016.

Many developing countries have witnessed a mushrooming of the private educational sector in which all teachers are employed on a contractual basis. For example, private school enrolments accounted for 30 per cent of all enrolments across all education levels in Pakistan and 60 per cent of all institutions in urban Pakistan were reportedly privately owned (Kingdon et al., 2013).

The study showed that out of total 200 sampled teachers, 115 teachers (57.5 per cent) were found to be working in these private elementary schools with adequate minimum prescribed professional qualifications, i.e. B. Ed, NTT, ETT, and JBT (Table 9). Their average annual salary was equivalent to Rs.64, 306. And another 85 teachers (42.5 per cent) who do not possess the minimum teaching qualification were getting salaries equivalent to Rs. 38, 943. Thus, the teachers working with the professional qualification got more salaries than those without professional qualifications. The data also shows the distribution of average annual salaries on the basis of nature of employment. Out of the sampled 200 teachers, 139 teachers (69.5%) employed on temporary basis got lower average annual salaries than the 61 teachers (30.5 per cent) employed on regular basis. The regular teachers succeeded in getting more average annual salaries (Rs. 59,842) than temporary/contract teachers (Rs.50, 755).

Other entitlements and benefits

The government rules prescribed for the employees in general or school teachers consist of number of other entitlements apart from direct payment of monthly salary on

Table 9: Qualification and employment-wise average annual salary of sampled teachers, 2015-16

Professional qualification			Type of employment		
Professional qualification	**Number**	**Average annual salaries (Rs.)**	**Type of employment**	**Number**	**Average annual salaries (Rs.)**
With B.Ed./NTT/ETT/JBT	115 (57.5)	64,306	Temporary/ Contract	139 (69.5)	50,755
Without B.Ed./NTT/ETT/JBT	85 (42.5)	38,943	Regular	61 (30.5)	59,842
Overall	**200 (100)**	**53,516**	**Overall**	**200 (100)**	**53,516**

Note: The figures in brackets are percentages.
Source: Primary Survey April-December 2016.

the prescribed date of the month. From the survey it becomes clear that private schools of large majority follow the practice of hiring on monthly salaries. The norm of providing various allowances has not been followed. Importantly, not even a single teacher is getting any type of allowance, i.e. house rent allowance, medical allowance, mobile allowance, dearness allowance, daily allowance, travelling allowance, rest and recreation allowance or any another allowance. However, the sampled teachers were found to be entitled for medical and casual leave. The number of which varied among schools and it was actually very difficult to get sanction such leaves.

None of the teacher approved of getting maternity leave, child care leave, ex India leave, study leave, special disability leave or any other leave. If the teachers want to avail any type of such leaves, a sum varying between Rs. 35-Rs. 300 per day has to be deducted from their pay. No teacher is getting extra salary for any additional degree or overtime allowance for any overtime work. No school was found to be providing any type of plan type benefits, i.e. retirement plan, saving plan, health plan, disability benefit, professional development and job security to its employees. The teachers working in these schools do not have any type of free periods; most of their free periods have adjustments. None of the schools has any association for bargaining of salaries or any grievances redress committee for teachers. The teachers do not get any type of travelling allowance. Out of sampled 200 teachers, 65 per cent teachers use their own vehicle for reaching the school, 32.5 per cent travel by school bus and 2.5 per cent use the private bus for reaching the school. Therefore, these schools were found wanting so far providing various other entitlements to the teaching staff which were considered as the basic ingredient of decent employment.

Conclusion and Policy Implications

The foregoing analysis highlights the crucial dimensions of the salary structure prevalent in private elementary schools with evidence from the state of Punjab. The

situation in the rest of the country would definitely be similar as these schools by and large operate under the same policy framework enacted by various educational and economic policies enacted and evolved over time. The average level of salary was found to be quite on lower side even in the case of better and professionally qualified teachers with modest growth over the period. Though professionally qualified were paid something extra than those without such qualifications but the difference was not very high. There prevails huge difference in the minimum and maximum level of salary received by the teachers. It is very difficult to identify any unique patterns in salary as it varied considerably according to age, qualification, sex, social category and experience. And, importantly, the salary system in such a deregulated environment varies within the narrow band adjusted at lower level of payments. The salary system nowhere has any connection with the statutory minimum but follows market clearance wages. The employers seem to be in strong bargaining position taking advantage of non-existence of regulatory mechanism. But, it is to be noted that even the maximum level of salary was nowhere near to the government prescribed level of salary. The experience too seems is not making much difference so far salary level and annual progression of salary was concerned. The schools were found to be violating so many terms and conditions related with recruitment and payment norms. Good number of teachers was employed without following the minimum eligibility norms. The job market seems to be favouring to the private schools as good number of teachers are available even at very lower level of salaries.

The job market is heterogeneous in terms of recruitment practices, salary structure, pecuniary and non-pecuniary benefits, service conditions, working hours, leave and other host of entitlements, payment modes, etc. Instead of various rules, regulations and policy rhetoric, the private providers of education started delivering education as high-end commercial activity detrimental to the interests of both teachers and students. The privatization of educational services expanded with the acceptance of profit making as a legitimate aim of such institutions now described as educational enterprises. The privatization of education has been actually turned out to be the delivery of education in complete informal mode with far reaching consequences about the quality of education supplied. This will definitely discourage the generation and supply of quality teachers which a nation cannot afford. The state system has to intervene in the large interest of providing good quality education along with protecting the interest of direct stakeholders in the system that is teachers, households and students.

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