

Support for continued data collection and analysis concerning mobility patterns and career paths of researchers

Country profile – Remuneration China

1	RES	EARCHER REMUNERATION IN ACADEMIA	2
	1.0	Introduction	2
	1.1	Main indicators	3
	1.2	Salaries, stipends and benefits by job positions and employment contract	4
	1.3	Tax System	5
	1.4	Labour legislation in the Higher Education Sector	5
	1.5	Social Security System	6
	1.6	Quality of Life	6
	1.7	Salary data of university researchers by country – A literature survey	7

Brussels, October 2012















1 RESEARCHER REMUNERATION IN ACADEMIA

1.0 Introduction

This is one of a series of more than 40 country profiles summarising data on the remuneration of researchers and work-related benefits in the academic sector. Data were collected for the European Commission in 2012 by an extensive network of national experts as part of the MORE 2 study. The profiles provide also complementary data from official sources.¹

A report containing a comparative analysis of the data and more qualitative information related to the remuneration of researchers will also be published as part of the MORE2 study.

The profiles are structured as follows:

- 1. Main indicators
- 2. Salaries, stipends and benefits by job position and employment contract
- Tax system
- 4. Labour legislation in the Higher Education Sector
- 5. Social security system
- 6. Quality of life
- 7. Where available: Gross annual earnings and hourly earnings of non-academic researchers
- 8. Where available: Salary data of university researchers by country A literature survey

In the first section, the main indicators on remuneration (salaries, stipends, and the degree of autonomy of universities to decide on remuneration-related aspects) are compared with the EU-average and the US. In the second section, the profiles summarise minimum, average and maximum annual gross salaries (both in national currency and in purchasing power parities) for all available job positions and employment statuses.

The following sections present an assessment of the value of the gross annual salaries. As it is very difficult to collect data on net salaries that are meaningfully comparable across countries due to very specific regulations, the country profiles include information on the dues that are typically deducted from gross salaries in order to provide an indication of the level of net salaries. Furthermore, data are also presented on the public benefits researchers receive for these deductions. It is important to note that the data provide an indication of the remuneration package and do not offer an exact, comparable measure for researcher salaries across countries.

Finally, where available the profiles also contain information on the gross annual and hourly earnings of non-academic researchers based on Eurostat's Structure of Earnings Survey, and a summary table on salary data collected in other studies.

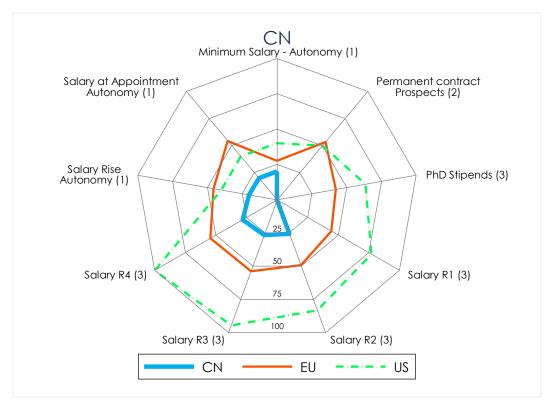
Further information on data collection and results of the study is available in:

IDEA Consult et al, 2013. MORE2 - Support for continued data collection and analysis concerning mobility patterns and career paths of researchers, Remuneration Cross-Country Report (WP4). European Commission, DG Research and Innovation.

Data have been collected in 2012. If there are more recent data available, they have not been included in the country profiles but the respective sources are listed in chapter 7 of the MORE2 WP4 report (IDEA et al. 2013).



1.1 Main indicators



Source: MORE II expert survey; Spokes are normalised minimum = 0, and maximum = 100% in case of "PhD-Stipends" and "Salaries R1-R4", maximum = R1 in case of "Permanent contract", and maximum = 5 in case of "Salary rise", "Salary at appointment", and "Minimum salary". Missing values are set to zero.

- 1) **Degree of autonomy:** "Salary rise", "Salary at appointment", and "Minimum salary" based on question: "Please indicate the institutional level at which the following aspects of public university researchers are de-termined?" Scale: (1) National, (2) Regional (state), (3) Sector/collective agreements, (4) University, (5) Individual negotiation, (0) missing value;
- 2) **Prospect of a "permanent contract"** shows the lowest career stage (R1-R4) at which university researchers can obtain permanent contracts.
- 3) **Salaries:** "PhD Stipends", "Salaries R1-R4" show gross annual salaries (in PPP €) paid in the country as a percentage of the best paying country at this career stage.



1.2 Salaries, stipends and benefits by job positions and employment contract

		Type of co			Annual Gross Salary n national currency and (in PPP €)			Mandatory insurances		
Rank	_{Kiafr} e	Employment status	Contract duration	on minimum	Preside	Wasterner	Health care	Unemployment	Partion	
R1	PhD-Candidate ¹⁾	Stipendiary		(.)	(.)	(.)	х			
R1	Assistant With Phd ²⁾	Employee	Fixed 1-2 years	(.)	· (.)	· (.)	Х	X	Х	
R2	Lecturer ³⁾	Employee	Fixed 2-4 years	71,000 (11,181)	78,000 (12,980)	105,000 (17,470)	х	X	Х	
R3	Associate Professor ⁴⁾	Employee	Fixed 2-4 years	83,000 (13,810)	94,000 (15,640)	138,000 (22,960)	х	х	х	
R4	Professor ⁵⁾	Employee	Fixed >4 years	95,000 (15,810)	115,000 (19,140)	250,000 (41,600)	Х	Х	х	

Source: MORE II - Expert Survey; National currency: CNY; Annual Gross Salary: Source: 3, 4, 5) 2012; MORE II - Expert Survey. Notes: ad Stipends: PhD candidates can receive stipends that cover health care insurance but no retirement pension or unemployment insurance; PPP: Salaries and Stipends in national currency are converted into PPP US-Dollar (2011) and the resulting PPPs are converted into EURO using the currency exchange rate of Eurostat 1,3920\$ = 1EURO; if the year of the salary or the stipend is not 2011, the amount was grossed up to to 2011 using the unit labour costs index of the AMECO database.



1.3 Tax System

Taxes								
Income bracket in national currency from	0	1,501	4,501	9,001	35,001	55,001	80,001	
Income bracket in national currency to	1,500	4,500	9,000	35,000	55,000	80,000	max	
Marginal Tax rate	3.0	10.0	20.0	25.0	30.0	35.0	45.0	

Levy of income tax

The employer automatically deducts the income tax from the gross salary; The employee pays the income tax after her annual tax declaration

Tax Wedge in % of labour costs								
Single, no children (average wage)	-	Married couple, two children (average wage)	-					
Single, no children (167% of average wage)	-	Married couple, two children (167% of average wage)	-					
Married couple, no children (133% of average wage)	-							

Tax rate: Source: MORE II - Expert Survey; **Levy of income tax:** Source: MORE II - Expert Survey based on question "Please indicate how personal income tax is usually levied?"; **Tax Wedge in % of labour costs:** Source: OECD, 2010*; Note: Income tax plus employee and employer contributions less cash benefits in % of the labour costs for selected personal circumstances.

* More recent data available, cf. IDEA et al. 2013, ch. 7.

1.4 Labour legislation in the Higher Education Sector

Institutional levels determining remuneration aspects								
Salary (at appointment)	National; Regional (state); University	Unemployment insurance	National; Regional (state); University					
Salary rise	National; Regional (state); University	Health care insurance	National; Regional (state); University					
Minimum salary	National; Regional (state)	Retirement pension insurance	National; Regional (state); University					
Working time	University; Individual negotiation							
Relevant factors for salary rise (incl. rank)	Other reasons(1); Performance	(2); Seniority(3)						

<u>Source:</u> MORE II - Expert Survey based on question "Please indicate the institutional level at which the following aspects of public university researchers are determined?"; <u>Country-specific comment:</u> Salaries are linked to further educational attainment.

Dismissal of University Researchers							
	9 months tenure	4 years tenure	20 years tenure				
Notice period (in months)	1.0	1.0	1.0	2008	OECD		
Severance pay (in months)	1.0	4.0	12.0	2008	OECD		
Duration of Compensation in case of Unemployment (in Months)	-						
Average Net Replacement Rate in case of Unemployment (in % of previous income for a 40 year old)							
Two-earner married couple, no child	-	Two-earne children	er married couple, two	-			

Dismissal of University Researcher: Note: Conversion into months if original data are listed in weeks or days: weeks/7 days * 30 days; days * 30 days; Duration of Compensation in case of Unemployment (in Months): Note: For a 40-year old (where benefits are conditional on work history, the table assumes a long and uninterrupted employment record); Average Net Replacement Rate: Source: OECD, 2010*; Note: The percentage of a worker's pre-unemployment income that is paid out by the unemployment insurance when the worker becomes unemployed in two different categories of personal circumstances.

* More recent data available, cf. IDEA et al. 2013, ch. 7.



1.5 Social Security System

Public social spending (% of GDP)	-	Public health spending (% of GDP)	-					
Insurances usually go beyond what is mandated by law								
Additional health care insurance								
Additional health care insurance by university	Always	Do researchers usually have additional private health care insurance?	-					
Covered by researchers' remuneration package (incl. mandatory insurance)	Ambulant treatment; Hospital	treatment; Rehabilitation						
Additional retirement pension ins	urance							
Additional retirement pension insurance by university	Always	Do researchers usually have additional private retirement pension insurance?	-					
Additional (private) retirement	Important							

Additional health care/retirement pension insurances by university: Source: MORE II - Expert Survey based on question "Do universities provide the following social security insurances for university researchers, exceeding what is mandated by law?"; Do researchers usually have additional private health care/retirement pension insurance? Source: MORE II - Expert Survey based on questions "Do researchers usually purchase additional health care insurance/pension funds, beyond what is already provided in the remuneration package?"; Country-specific comment: Depends on individual decision; Covered by researchers' remuneration package (incl. mandatory insurance): Source: MORE II - Expert Survey based on question "Please indicate the extent to which health care is compulsorily covered by researchers' remuneration packages in your country."; Additional (private) retirement pension insurance is...: Source: MORE II - Expert Survey based on question "How important is additional (private) retirement pension insurance for researchers in order to maintain their personal standard of living after retirement?".

1.6 Quality of Life

pension insurance is...

Income and Welfare	Governance								
GDP per capita (in PPP €)	6,082	2011	Worldbank	Voice and Accountability #	46 / 46	2011	Worldbank		
GDP per capita (in €)	3,911	2011	Worldbank	Political Stability and Absence of Violence #	42 / 46	2011	Worldbank		
Human Development Index #	46 / 46	2011*	HDI	Government Effectiveness #	37 / 46	2011	Worldbank		
Life expectancy	73.50	2011*	UNDESA	Regulatory Quality #	45 / 46	2011	Worldbank		
				Rule of Law #	44 / 46	2011	Worldbank		
				Control of Corruption #	45 / 46	2011	Worldbank		
Quality of public child care				Quality of Education					
Net childcare costs (% avg wage)	-			Average Years of Schooling #	44 / 45	2010*	UNESCO		
Childcare fees (% avg wage)	-			PISA reading score #	1 / 43	2009	OECD		
Public spending on childcare and early education (% GDP)	-			PISA mathematic score #	1 / 43	2009	OECD		
Public spending on family benefits (% GDP)	-			PISA science score #	1 / 43	2009	OECD		
Public spending on pre school services (% GDP)	-			Public expenditures on education (% of GDP)	3.33	2008	OECD		
Ratio of child to carer	-			Private expenditures on education (% of GDP)					
Ratio of children to teaching staff	-								

[#] Ranking within countries with available data covered in this study; GDP per capita (in PPP €): Note: GDP per capita is converted into PPP US-Dollar (2011) and the resulting PPPs are converted into EURO using the currency exchange rate of Eurostat 1,3920\$ = 1EURO; Life expectancy: Note: Number of years a new born infant could expect to live if prevailing patterns of age-specific mortality rates at the time of birth stay the same throughout the infant's life; Net childcare costs: Note: for a dual earner family with full-time arrangements of 167% of the average wage in % of the average wage; Childcare fees: Note: Childcare fees per two-year old attending accredited early-years care and education services; Childcare fees in % of average wage; Public spending on childcare and early education: Note: Total spending in % of GDP; Public spending on family benefits: Note: Public expenditure on pre-school services, in % of GDP; Ratio of children to carers: Note: Shows the average child-to-carer/educator ratio for children not yet 4 years of age who attend licensed day care facilities; Ratio of children to teaching staff: Note: For children attending pre-school, certified teacher-to-child ratios are calculated by dividing the number of full-time equivalent children enrolled in pre-school programmes by the number of full-time equivalent teachers at that level.

^{*} More recent data available, cf. IDEA et al. 2013, ch. 7.



1.7 Salary data of university researchers by country – A literature survey

China			
Position	Salary (Range) Currency	Reported salary Year	Source Note
Assistent lecturer/lecturer	682 PPP\$	Average monthly salary 2005-06	Altbach et al. (2008) Academic year
Full Professor	1845 PPP\$	Average monthly salary 2005-06	Altbach et al. (2008) Academic year
Full Professor	8992 RMB	monthly salary 2010	Altbach et al. (2012) including subsidies
Rank 4	259 PPP US\$	Average monthly salary 2010	Altbach et al. (2012) public universities
Rank 3	712 PPP US\$	Average monthly salary 2010	Altbach et al. (2012) public universities
Rank 2	803 PPP US\$	Average monthly salary 2010	Altbach et al. (2012) public universities
Top rank	1107 PPP US\$	Average monthly salary 2010	Altbach et al. (2012) public universities