

The Minimum Decent Wage rose to CZK 45 865 (ca. 1 835 Euro), and in Prague and Brno to CZK 53 953 (ca. 2 158 Euro). The biggest expense is expensive housing.

Prague, 22 April 2025 - The Minimum Decent Wage for 2024 is CZK 45,865 gross. In Prague and Brno, where the cost of living is higher, it reached even CZK 53 953. This amount corresponds to the remuneration for full-time work, which is supposed to cover the necessary costs of housing, food, transport, healthcare, education and other necessities of life. A significant number of people still fall below the Minimum Decent Wage (MDW), approximately 2.5 million workers last year. Almost three quarters of women earn less than the MDW.

The Platform for a Minimum Decent Wage, an independent expert group that updates this amount annually, this time focused on the role of **housing costs** in the income situation of workers. In the worsening housing crisis of recent years, the Czech Republic has the worst affordability of ownership housing in Europe (a 70 m² flat cost 13.3 gross annual wages last year). The situation in rental housing, whose prices have risen faster than wages in recent years, is also deteriorating. More and more young people who are not among the above-average earners have to rely on rental housing. Approximately two-thirds of households headed by a person under 35 live in rented accommodation. The proportion of families with children under ten living in rented accommodation has increased by half in the last five years.

"The real purchasing power of Czech employees has still not reached the level before the coronavirus pandemic. This is largely due to the development of housing prices, which are becoming an increasingly difficult cost to finance. The government's salary policy or the taxation of low wages does not help employees to cope with the high prices of basic necessities," says **Jan Bittner**, an economist at the University of Economics and author of the podcast „Škrty ("Cuts"), who participates in the annual calculation of the MDM.

"The question of whether people are earning wages that cover basic needs has both an income side (how much they earn) and a cost side (how the prices of basic necessities change). That is why this year we have focused on the very topical issue of housing. Our aim was to point out the growing inequalities around housing, which even 'decent' wages cannot compensate for, even though they are high by Czech standards. On the contrary, we see that current state policies often accelerate these inequalities," comments anthropologist **Lucie Trlifajová** from the Faculty of Social Sciences of Charles University and the Centre for Social Issues - SPOT.

Given that the proportion of people living in rented accommodation has increased year-on-year, especially in cities, the **Tenants' Initiative („Iniciativa nájemníků a nájemnic", INN)** has also joined the activities of the Platform for a Minimum Decent Wage this year.

"As tenants, we are extremely burdened by the high cost of housing, for many of us it is the biggest expense in our budget. We are thus exposed to economic and social insecurity on a daily basis. That is why we demand consistent and enforceable protection for tenants, including an end to the chaining of short-term contracts," says **Oleksandra Polívka**, INN member.

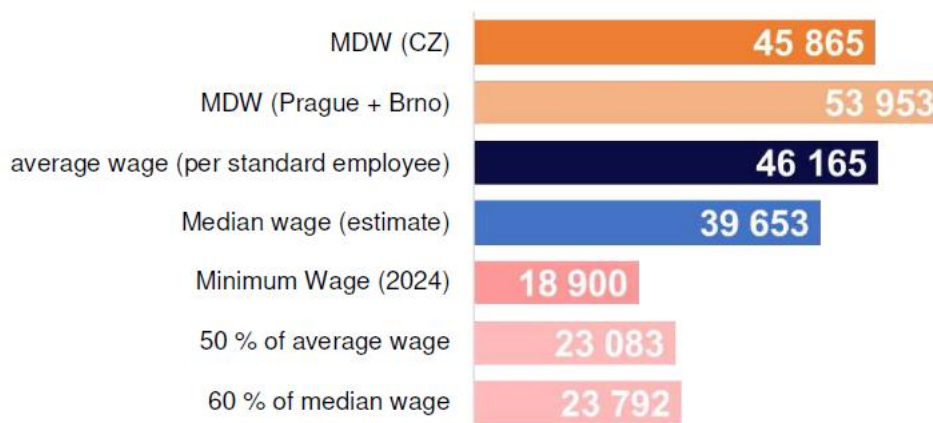
Kateřina Smejkalová, a political scientist at the Friedrich-Ebert-Stiftung and a member of the Platform for a Minimum Decent Wage, emphasizes the extraordinary role of housing.

"The housing crisis in the Czech Republic is creating existential insecurity for large segments of society. As we know from research, it has fatal consequences for the functioning of society as a whole - from the much talked about declining birth rate, to reduced flexibility on the labour market, to political radicalisation or resignation. The democracy itself is also destabilised by the massive inequalities that the current situation on the housing market is generating," Smejkalová said.

WHO IS AFFECTED BY TOO LOW WAGES IN THE CZECH REPUBLIC:

- 63% of employees in the Czech Republic do not receive the MDW, compared to 59% in Prague and Brno.
- 56% of men and 72% of women have incomes below the MDW.
- 68% of people under 35 years are below the MDW.

Minimum Decent Wage in comparison:



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What is the Minimum Decent Wage?

The Minimum Decent Wage is an indicator that calculates, based on current prices, what the remuneration for work during normal working hours should need to be in order to provide workers and their households with enough money to live on, which is perceived by most of society as a certain basic standard. It should be able to cover the costs of food and housing, clothing, transport, health care, education and leisure, and pay for other important expenses, including savings for unexpected circumstances.

More detailed information on the concept, its calculation, differences from other indicators, as well as illustrative stories and data for previous years can be found at www.dustojnamzda.cz.

Platform for a Minimum Decent Wage

The Minimum Decent Wage is a project of an independent and informal expert platform that has been meeting on the concept and calculation since 2016. The platform was inspired by the concept used abroad as the "living wage". For the first time, the Minimum Decent Wage for the Czech Republic was published for 2019 in spring 2020.

A list of Platform members is available at <https://www.dustojnamzda.cz/kdo/>.

Further information:

Website: dustojnamzda.cz/en/

FB: facebook.com/dustojnamzda

About the Tenants' Initiative

INN is a membership organisation that gives voice to the tenantry. It operates on a basis of tenant solidarity – the membership helps each other collectively assert tenant rights in individual cases of injustice.

INN organizes tenants and women tenants across the country to work together for social change that will bring decent and secure housing for those who cannot achieve home ownership. It has active chapters in Brno, Prague, Ostrava, Olomouc and České Budějovice, and more are being established.

Website: iniciativanajemniku.cz

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