

OVERVIEW OF CHANGES IN THE NUMBER OF EMPLOYEES AND SALARIES IN PUBLIC ADMINISTRATION INSTITUTIONS

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INTRODUCTION

In 2024, a public administration reform project called “Civil Service restructuring”¹ was launched, which, among other goals, aims to create a more competitive and balanced pay system, give managers more freedom in decision-making so that departments can set up pay structures that meet their needs, attract specialists with the right skills, retain current employees, and boost their motivation to achieve better results.

An overview conducted by the National Audit Office in 2025 revealed that the average gross salary in public administration institutions had increased by 10%, pay disparities between institutions had narrowed, and the number of employees had remained largely unchanged (an increase of about 1%). It was also found that some institutions did not take advantage of the opportunity to manage their allocated salary fund² more flexibly.

In order to assess whether the trends in salaries and staff numbers observed during the first year of the reform’s implementation have persisted, in what direction they are changing, and what conclusions this allows us to draw about human resource management in public administration institutions, the overview is repeated, supplementing the analysis with data from another year.

¹ [Public Administration Reform Project: “Civil Service Restructuring”](#)

² [Transformation of public governance improvements launched in 2024 results in rising public sector salaries](#)

Objective of the overview is to examine how human resource management practices in public administration institutions are changing following the public governance reform launched in 2024, assessing these practices in terms of remuneration and staff numbers.

The overview aims to answer the following questions:

- 1) How did the rate of salary growth in public administration institutions change between 2023 and 2025, compared to overall national salary trends and salary dynamics in the public and private sectors?
- 2) How did the salary fund for public administration institutions change between 2023 and 2025, and what does this indicate about the institutions' use of the opportunity provided by the reform to increase funds allocated to salaries over the course of the year?
- 3) How did the average monthly wage and the average monthly official salary change between 2023 and 2025, and what do these changes reveal about wage parity among institutions, municipalities, and job categories³?
- 4) What is the relationship between changes in salaries and changes in the number of employees?
- 5) What conclusions can be drawn about the human resource management objectives of the restructuring based on the observed changes in the salary fund, the number of employees, and base salaries?

It is hoped that the information presented in this overview will contribute to data-driven public sector management and provide a basis for further monitoring and analysis of remuneration policy in the context of public governance restructuring.

An interactive tool has been developed to utilize the results, allowing users to analyse the collected data by desired criteria and assess trends in salaries and changes in the number of employees. You can access the tool and the information it contains by clicking this link: [“Microsoft Power BI”](#).

SUMMARY

Civil service restructuring in the area of salaries aimed to create a more competitive and flexible pay system, narrow the gap with the private sector, and create better conditions for attracting and retaining the necessary staff. At the same time, it was envisaged to strengthen the role of managers: to centralize recruitment, improve their appraisal system, and develop their competencies.

This overview revealed that, following the civil service restructuring, salaries in public administration institutions increased, but there was only limited change in the human resource management practices of these institutions. Following faster growth in 2023–2024, salaries in public administration institutions grew at a similar rate to that of the national economy as a whole, in both the public and private sectors, while the number of employees changed only slightly. This indicates that salary growth is more closely linked

³Job categories: 1) state politicians and state officials; 2) judges; 3) civil servants in managerial positions; 4) civil servants serving as advisors; 5) civil servants—specialists; 6) employees holding managerial positions; 7) other employees

to general remuneration policy and funding decisions rather than to significant changes in the labour force composition or systematic institutional restructuring.

Funding for the salary fund increased, but the rate of growth remained uneven across institutions and municipalities. Following the restructuring, the option to increase funding for salaries during the year was also used only to a limited extent by appropriation managers in the second year of the reform.

An analysis of job categories shows that the aim of the restructuring to strengthen the management corps is most clearly reflected in the increase in base salaries for employees in managerial positions. However, the growth in the remuneration of specialists was the slowest, even though the competitiveness of this group is crucial for attracting and retaining the necessary competencies. This indicates that institutions' remuneration management has placed greater emphasis on senior positions, but the issue of attracting and retaining specialists has not yet become a sufficiently clear priority in remuneration management.

The following are the main findings of the overview according to the survey questions, which detail how salaries, the salary fund, base salaries, and the number of employees changed in the 2023–2025 period:

- ✓ How did the rate of salary growth in public administration institutions change between 2023 and 2025, compared to overall national salary trends and salary dynamics in the public and private sectors?
 - In 2024, salaries in public administration institutions rose faster than the national average (by 13% and 10%, respectively), but by 2025 this gap had closed - salaries were rising at a similar rate to the national average (+8%).
- ✓ How did the salary fund for public administration institutions change between 2023 and 2025, and what does this reveal about how institutions have utilized the opportunity provided by the restructuring to increase funding for salaries over the course of the year?
- ✓ The salary fund grew steadily from 2023 to 2025 (+24%), but the rate of growth slowed in 2025 compared to 2024 (from 15% to 8%). Growth was driven primarily by the sectors of education, science, and sports; national security and defence; and public safety. Following the restructuring, the practice of increasing funds allocated for salaries did not change significantly and did not become more frequent than before—in 2023, these funds were increased by 50%, in 2024—51%, and in 2025—only 41% of appropriation managers. For two consecutive years, only 31 out of 108 appropriation managers increased these funds. The increase in the revised plan compared to the initial plan remained relatively small: EUR 5.7 million in 2024, EUR 12.7 million in 2025, compared to EUR 18.6 million in 2023.
- ✓ How did the average monthly wage and the average monthly official salary change between 2023 and 2025, and what do these changes reveal about wage parity among institutions, municipalities, and job categories⁴?
 - Average salaries increased in nearly all institutions, but the growth was much faster in the first year of the restructuring than in the second. Only 27 out of 172 state-level

⁴ Job categories: 1) state politicians and state officials; 2) judges; 3) civil servants in managerial positions; 4) civil servants serving as advisors; 5) civil servants—specialists; 6) employees holding managerial positions; 7) other employees.

institutions and 7 out of 14 municipal administrations maintained an average salary growth rate of 15% or higher in both years of the restructuring.

- Salaries in municipalities grew at a more steady pace than in national-level institutions, but significant disparities remained among municipalities. The gap between the highest and lowest average salaries did not narrow: in 2023, it stood at approximately EUR 1,714, and in 2025, at approximately EUR 1,774. The highest average salaries in 2025 were found in the administrations of large cities and resort municipalities. Although salaries in lower-paying municipalities often grew faster than the average, some of them remained among the lowest-paying municipalities in 2025.
 - An analysis of official salaries revealed that the salaries of employees in managerial positions grew the fastest (which reflects the restructuring's goal of strengthening the management efficiency of institutions), while the rate of increase in the remuneration of specialists was the slowest. The average base salary for the same job groups varied by a factor of 1.5 to 3 across ministries: the smallest difference was found in the group of advisors, and the largest in the group of employees holding managerial positions.
- ✓ What is the relationship between salaries and changes in the number of employees?
- The relationship between changes in salaries and changes in the number of employees was weak and inconsistent. Salaries rose at a similar rate both in institutions where the number of employees increased and in those where it decreased. This suggests that changes in remuneration were driven more by other factors (e.g., decisions regarding remuneration policy or salary structure) rather than changes in the number of employees.