Civil service remuneration in Africa

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I ncreasing concern is being expressed about the size and cost of public sector employment in developing countries. Many international organisations and analysts appear to believe that the public sector imposes unnecessarily high financial burdens on developing economies, inhibiting their progress and expansion. It is not surprising, then, that structural adjustment programmes frequently include measures to reduce government expenditure on public sector employment. An important component of the latter is the civil service: those engaged in central administration, which may include state or regional governments, and – in many developing countries – education and health services. Levels, terms and conditions of civil service employment are being subjected to increasingly critical scrutiny under the pressure of financial stringency and possibly on the assumption that they are unduly generous and need to be made less so if appropriate structural adjustment is to take place.

To assist governments in the assessment of prevailing practices and the consideration of possible alternatives, a survey of civil service employment, grading, salaries and other terms and conditions of employment was recently carried out by the ILO in 22 African countries.¹ The present article provides a short summary of some of the analysis from the survey, and in particular raises serious questions about the wisdom of solutions based on cutting the real pay of civil servants.

Civil service systems

Most of the countries examined follow either the British or the French civil service systems.² At first sight these appear to be two quite different

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¹ The full results of this survey will be presented in a study to be published shortly by the ILO. This will provide a compendium of existing arrangements in various African countries which should help those responsible for determining civil service staffing and terms of employment to draw comparisons and assess the advantages and disadvantages of different systems.

² Countries in the survey following British-type systems are Ethiopia, the Gambia, Kenya, Nigeria, Sierra Leone, Somalia, the Sudan, Tanzania and Zimbabwe. Those following French-type systems are Algeria, Benin, the Central African Republic, Chad, Guinea, Mali, Mauritania, Morocco, the Niger, Togo and Tunisia. Information on Zaire is included in some sections but this system does not fit neatly into either a British- or French-type approach. Angola was covered by the survey, but is not referred to in this article.

systems of organisation, grading and payment, but a closer look will show that to all intents and purposes they operate in the same way.

British-type systems usually consist of a number of grades organised into classes or "schemes of service" according to the types of jobs performed. Individuals are eligible for appointment to posts in the various schemes on the basis of formal qualifications or experience. Grades form a series of hierarchical differentiations of employees according to the level of skill, effort or responsibility required by the duties attached to the post. Each grade has a salary scale which determines the salary received by members of that grade, although a number of different grades may have the same salary scale or share segments of a common salary scale. The number of posts in each grade is specified and normally may not be exceeded.

In a French-type system individuals are members of various "cadres" which are divisions of the public service as a whole. For example, in Guinea there are cadres for general administration, education, rural economy, and industry (public works, transport, mining, posts and telecommunications and statistics). Each cadre has a number of corps. For example, the Central African Republic (CAR) has eight corps in the general administration cadre and six in the taxes and customs cadre. Corps usually comprise individuals and posts in specified ministries or departments and each corps has a number of different grades. The main difference between a scheme of service and a corps is that some British-type schemes of service, such as that for clerical officers, have members in all departments and ministries, whereas a French-type corps is restricted to certain departments. In Frenchtype systems there are a series of "ladders" arranged in hierarchical order with index points attached to each step of each ladder. Each ladder is usually separated into three or four grades and the amount of salary payable to an individual in a grade is obtained by multiplying the index points by some monetary value. Most systems specify the maximum proportion of the members of each ladder that can be in the higher grades.

The two systems have certain important features in common:

- (a) most civil servants are permanent employees;
- (b) permanent civil servants are placed into grades and most grades have a salary scale which provides for *periodic increments*;
- (c) admission to a grade may require the possession of specified *educational* or other qualifications;
- (d) in all countries the civil service has strong *internal labour market features*, with some grades reserved entirely for entrants from internal promotion;
- (e) in addition to basic salary, *allowances* may be paid: either as standard allowances paid to all members of a grade or to all civil servants, or contingent on satisfying specified conditions.

Salary scales

The number of salary scales varies considerably. In British-type civil service systems the number is generally greater than in French-type systems, where it depends on whether each ladder, or each grade within a ladder, is considered a separate scale. As progress from one grade to the next is often fairly automatic, it might be more realistic to regard each scale as being represented by the full ladder, although in some cases a grade for a particular corps may consist of only segments of a ladder of index points.

The relationship of salary scales to each other influences the differential rates of pay for members of different grades. In most countries salary scales overlap so that those on the higher steps of a scale for a lower grade may receive more basic salary than those on the lower steps of a higher scale. There may at times be some employees receiving a lower basic salary than those they supervise.

In some countries, some scales overlap while others do not. For example, in Nigeria and the Sudan only scales for the lower grades overlap. In the Gambia no scales overlap, but a special long-service or "stagnation" increment has been introduced, equivalent to 10 per cent of basic salary and payable after five years on the scale maximum, and this can cause overlapping. The index points in ladders overlap in all the French-type civil service systems.

The steps making up a salary scale may be derived from a single series common to all salaries: individual salary scales are then merely segments of the same series. This happens for example in Ethiopia and Kenya. In other cases, for example the Sudan, salary scales overlap but there is no precise correspondence between the salary levels of one scale and those of another.

If all index points are assigned equal monetary value, the salary scales bear the same relationship to each other as do the ladders of points, as in Benin and the CAR. In other countries different "tranches" of points are given different values. In Morocco in 1985 the first 150 points were valued at 79.63 dirhams each and the remainder at 50.92 dirhams each. Similarly, in Tunisia in 1985 the average value of each of the 115 index points in the lowest grade was 572.67 dinars and the average value of each of the 800 highest index points was 312.45 dinars. This approach means that salary differentials are narrower than the differences in the index points themselves would suggest.

Increments

The range of a salary scale depends on the number and size of increments. Table 1 shows the distribution of the percentage range of salary scales in British- and French-type systems. The French-type ranges are for full ladders. Scales vary in length not only among countries but also for different grades within a country. Usually the highest grades have shorter

Country	Percentage range									
	<5	5	10	15	20	30	40	50	60+	Total
Ethiopia	4	1	_	_	1	1	_	1	11	19
Gambia	-	7	11	1(1)	(10)	(5)	(4)	(1)	(1)	19(22)
Kenya	-	-	_	3	2	2	5	6	_	18
Nigeria	_	6	4	3	4	_	_	_	_	17
Sierra Leone	12	11	15	10	4	8	1	2	1	64
Somalia	3	5	4	4	3	3	1	_	<u> </u>	23
Sudan	2	2	2	1	6	5	1	-		19
Tanzania	14	3	2	1	4	4	-	-	-	28
Zimbabwe	1	1	5	_	5	2	-	2	2	18

Table 1. Distribution of salary scales by percentage range, 1985

A. British-type systems

Notes : The range of a salary scale is the percentage by which the scale maximum exceeds the scale minimum. Single-level salary amounts are shown under <5. The percentage columns are themselves ranges, so that 5 per cent includes scales with ranges from 5.0-9.9 per cent and so on. Ethiopia : These are the ranges of the effective salary scales taking into account the limit on increments, which in 1985 meant that no salary scale exceeded 636 birr a month. No increments have been granted to salaries of more than 600 birr a month since 1985. From 1974 to 1982 the ceiling on the receipt of increments was 285 birr a month. The ranges in excess of 60 per cent are 180, 160, 142, 130, 124, 113, 103, 93, 90, 87 and 83 per cent. Gambia : The figures in parentheses refer to the linked scales obtained by joining together two or more of the standard salary scales. The highest of these has a range of 64.1 per cent. Although there are only 19 standard scales, there are an additional 22 linked scales. Kenya : The information refers to the salary scales in force from 1 July 1987. Nigeria : The salary scales apply to the whole public sector except the Central Bank and universities. Sierra Leone : The 64 salary scales include those for medical and nursing classes and the super scale groups A-H. Some of the scales, e.g. CT (5), apply to more than one grade in different classes. The special contract salary scales have been excluded as have the personal emoluments specified for certain posts outside the group and scale schedule. The range in excess of 60 per cent is 76.7 per cent. Somalia: COLA increases were granted in 1974, 1980 and 1987 and these have been included in the salary scales as for pay purposes they are equivalent to improvements in the scales. No pay increments have been granted since 1972; effectively, therefore, all 23 scales can be regarded as single-level salaries. Sudan : The figures refer to basic salaries only. Zimbabwe : Selected scales only. The ranges in excess of 60 per cent are 72.4 and 105.6 per cent.

Country	Percer	Percentage range									
	<20	20	40	60	80	100	120	140	180+	Total	
Benin	_	_	_	_	_	2	6	3	2	13	
CAR	-	_	_	2	2	4	1	<u> </u>	_	9	
Chad	-	4				3	3	2		12	
Guinea	_	_	1	1	2	1	1	_		6	
Mali	2	10		-	-	-		-		12	
Mauritania	-	-	3	4	5		_	_	-	12	
Morocco	_	4	4	1	2	_	_	_	_	11	
Niger	. –	_	_	1	1	4	2	2	1	11	
Togo	-	_		-	2	1	1	1		5	
Tunisia	_	1	1	3	1	_	·	_	_	6	

B. French-type systems

Notes : The range of a ladder is the percentage by which the highest salary level, including the exceptional grade where appropriate, exceeds the lowest step, including probationer where appropriate. As in table 1A, the percentage columns are themselves ranges. Benin : Salaries refer to 1986. In 1985 ladder E2, which was abolished in 1986, had a range of 1867. Per cent. Chad : The four ladders in the 20-40 per cent range are higher echelons in categories A1, A2, B3 and B4. They are not continuations of the ordinary ladders for those categories since the index points for these short ladders do not coincide with those of the normal ladders where they overlap. Morocco: Includes residence allowance. Tunisia : There are six categories or ladders, some of which are divided into different grades.

salary scales. In French-type systems the highest grades often have a salary scale comprising only the top segments of the ladder of index points for their category.

The internal labour market features of the civil service in all countries lead many employees to expect promotion. Successive increments may compensate those who do not receive promotion, and help maintain morale, commitment and efficiency. The absence of increments may increase pressure for more frequent or larger periodic revisions of salary scales. As those in the very highest grades may have limited or no further opportunities for promotion, the fact that their salary scales are often shorter than those for other grades might seem to contradict the argument that scales compensate for loss of promotion prospects. However, civil servants in these grades have already achieved substantial advancement and different types of motivation and incentive may well be more important for them.

In British-type systems, increments are received annually except for Ethiopia, where, subject to the ceiling on increments, they are received every two years, and Somalia, where formal provision is made for increments every three years. An increment can be withheld or postponed if performance is judged unsatisfactory. An "efficiency bar" is often incorporated into the salary scale: progress beyond it to higher levels requires formal approval. Although in practice this may need little more than confirmation from an individual's superior that his work is satisfactory, members of some grades may have to pass an examination.

Administrations following a French-type system often grant increments less frequently than once a year. In some countries, such as Chad and Morocco, the rate of progress up the ladder varies according to personal assessments. Among the British-type systems, Zimbabwe provides for additional increments in some grades. On the whole, increments are not granted solely on merit. Some countries have considered introducing additional merit increments but have not yet done so.³

Relatively long salary scales with increments spaced over a number of years may be introduced to provide continuing increases in pay on the assumption that performance in a grade improves with experience and is therefore worth more to the employer. Of course, this might conflict with a strict interpretation of the rule that a grading system which classes together posts requiring similar levels of inputs should provide equal pay for their incumbents.

Developments in civil service real salaries

There have been periodic revisions of salary scales in all countries except Ethiopia, and even there the national minimum salary throughout the economy was increased in 1977, which had the effect of removing from the

³ As regards Kenya, for example, see *Report of the Civil Service Salaries Review Committee*, 1985 (Nairobi, Government Printer, 1985).

salary scales all salary levels below 50 birr a month. The revision in Chad in 1982 consisted in a reduction of all salary scales by 50 per cent. The number and size of revisions have varied from country to country reflecting differing economic conditions, rates of inflation, the size of public sector salary bills and perceptions of how appropriate prevailing public sector salary levels are in relation to those elsewhere in the economy.

The usual method of measuring changes in real salaries over time is to select some point on the salary scale as representative of salaries for a grade and then to deflate the index of this money wage by an appropriate price index. The scale minimum is often taken to indicate what has happened to real salaries. Column 2 of table 2 shows the minimum basic salary (BS) level in 1975 for the lowest and highest salary scales in a number of countries. Column 3 shows in index form the change in the scale minimum, or recruitment salary (RS), over the period 1975-85. Deflating this by an appropriate consumer price index (CPI) provides the index of the real recruitment salary (RRS) in column 5.

In most cases this is a reasonable measure of the real recruitment salary on the assumption that recruits to the grade enter at the scale minimum. It is not, however, a good measure of the real salaries of individuals who have been employed in that grade over the whole period as they may have received increments for some or all of the period. Only those who were on the scale maximum for the whole period will not have received increments (except in the Gambia) and in their case the scale maximum is the appropriate measure of real salary movements.

The receipt of increments means that changes in RS and in the pay of those employed throughout the period will obviously not be the same. A better indication of the changes in pay of those employed over a period of time is obtained by the non-promotion salary (NPS) shown in column 4. This measures the change in the salary of an individual over time on the assumption that he entered the grade at the starting date (1975) and received all normal increments during the period. The NPS will therefore be higher than the RS for all grades except those which have only a single salary level rather than a salary scale. The difference will depend on the size and number of increments. As shown in table 1, salary scales can have wide ranges so that increments can add significantly to salary over time, and there can be important differences between indices of RS and NPS.

Table 2 also gives the indices of RRS in column 5, as we have already seen, and of real non-promotion salary (RNPS) in column 6. In Somalia there is no difference between changes in RRS and RNPS as no increments were granted over the period. Similarly, there is no difference for the highest grade in Ethiopia as the minimum of the highest grade was above the maximum salary for which increments were permitted. In Zimbabwe the lowest grade received increases in both RRS and RNPS over the period 1976-86, but there was no difference for the highest grade, which received no increments. Similarly, in the Sudan and Tanzania the highest grades have

Country	Grade	BS75	RS85	NPS85	RRS85	RNPS85
	(1)	(2)	(3)	(4)	(5)	(6)
			1975 = 1	00		
Benin	Lowest	11 875	110.5	140.0	43.2	54.8
	Highest	67 292	110.5	161.2	43.2	63.0
CAR	Lowest	13 654	146.7	198.0	48.9	66.0
	Highest	74 123	1 1 0.8	162.1	36.9	54.0
Ethiopia	Lowest	25	200.0	260.0	62.6	81.4
	Highest	1 150	100.0	100.0	31.3	31.3
Gambia	Lowest	137	120.4	152.6	39.5	50.1
	Highest	1 340	110.7	132.8	36.3	43.6
Guinea	Lowest Highest	800 5 800	143.8 121.4	172.5 146.0		
Kenya	Lowest	183	185.2	278.7	58.2	87.6
	Highest	4 272	134.1	160.3	42.2	50.3
Morocco	Lowest	463	168.7	187.7	66.3	73.8
	Highest	1 452	135.2	190.8	53.1	75.0
Nigeria	Lowest	720	208.3	229.2	42.2	46.4
	Highest	12 696	108.8	118.8	22.0	24.1
Sierra Leone	Lowest	360	329.7	335.8	23.4	23.8
	Highest	3 290	225.0	253.6	15.7	18.0
Somalia	Lowest	220	163.6	163.6	5.2	5.2
	Highest	1 800	127.0	127.0	4.0	4.0
Sudan (basic)	Lowest	198	363.6	454.5	30.3	37.9
	Highest	2 850	294.8	294.8	24.6	24.6
(gross)	Lowest	240	624.0	698.9	52.0	58.2
	Highest	4 1 50	407.8	407.8	34.0	34.0
Tanzania	Lowest	480	168.8	175.0	22.9	23.8
	Highest	5 250	138.0	138.0	18.8	18.8
Togo	Lowest	14 576	132.8	191.9	58.1	84.0
	Highest	70 183	132.8	178.8	58.1	78.2
Tunisia	Lowest	40	165.0	192.5	73.8	86.1
	Highest	212	117.9	117.9	52.8	52.8
Zimbabwe	Lowest	459	502.0	538.6	150.6	161.5
	Highest	19 155	193.6	193.6	58.1	58.1

Table 2. Indices of minimum salaries and non-promotion salaries, 1975-85

Notes: Col. 2 shows the minimum salary of the highest and lowest grades in 1975, except for Zimbabwe, where it is for 1976. Cols. 3-6 show the minimum salary for the same grades in 1985 as an index (1975 = 100). For Zimbabwe these figures refer to 1986, and for Somalia to 1987. BS = basic salary, RS = recruitment salary, NPS = non-promotion salary, RRS = real recruitment salary and RNPS = real non-promotion salary (see text).

only a single salary level without increments. In all cases other than the lowest grade in Zimbabwe there were reductions in both RRS and RNPS. In some countries increments made a significant difference to the reduction in real salary. In Kenya they reduced the cut in real salary of the minimum grade from 41.8 per cent to 12.4 per cent. In Togo the fall in RRS was reduced from 41.9 per cent to 16.0 per cent for the minimum grade and to

21.8 per cent for the maximum. Elsewhere increments had relatively smaller effects but still moderated the reduction in real salary.

There were severe, in some cases draconian, reductions in real civil service salaries over this period. In Somalia (extending the period in order to include the 1987 increase in the cost-of-living allowance (COLA) which was granted instead of salary scale revisions) real pay fell from 100 in 1975 to 4.0 or 5.2 in 1987. In Sierra Leone and Tanzania real salaries fell by about four-fifths, as did that of the highest grade in Nigeria. In the Sudan real basic salaries fell by three-quarters to two-thirds, but standard allowances were introduced during the period and if these are taken into account the fall for the lowest grade is reduced from two-thirds to less than a half.

It is evident that in many countries the real value of civil service salaries suffered large reductions over the period. Real recruitment salaries fell almost universally so that recent entrants to civil service employment received much lower real pay than did those entering in 1975. In addition, those employed in the same grade in the civil service from 1975 to 1985 were receiving lower real salaries than they had earned on recruitment, even after ten years' experience. The position is less clear for those in the very highest grades, who were certainly receiving smaller real rewards than their predecessors but had probably been in a lower grade in 1975 and may have entered civil service employment some 20 or 30 years earlier. For the lowest grades the RNPS index is a good indicator of changes in real pay of those recruited in 1975 who did not receive promotion.

The salary reductions in Somalia are such that it is almost impossible to conceive how civil servants can have absorbed them without there being some gravely adverse effects on morale, motivation and efficiency.

Calculations of changes in RRS and RNPS starting from a different year would alter the results as the rate of change in the CPI differs from year to year, the salary level in the base year is influenced by the date of the periodic revisions to salary scales, and changing the period affects the number of increments received. No particular year provides the "correct" base for a longitudinal analysis and some selection has to be made. Table 3 shows the RRS and RNPS in three countries for selected grades recruited in different years. The RRS column shows the real value in 1987 for Ethiopia and Kenya, and in 1985 for the Gambia, of the minimum recruitment salary for the corresponding year. The RNPS column gives the real value in 1987 and 1985 of the non-promotion salary of an individual recruited in the year shown. In Ethiopia, where the data are based on 1987, those recruited in 1975 had reductions in RNPS of 45-52 per cent. In the higher grade PS1, there was a larger reduction because of the ceiling on increments imposed throughout the period. Those recruited in 1981-83 broke even and those recruited later obtained increases in RNPS because the CPI fell and the ceiling on increments was lifted. But all were receiving a lower real recruitment salary than those recruited in 1975. In Kenya those recruited in 1983 or 1984

Base year	Ethiopia	(1987)			Gambia (1985)		Kenya (1987)		
of recruitment	CF9		PS1	PS1		Grade 6		Grade D	
	RRS	RNPS	RRS	RNPS	RRS	RNPS	RRS	RNPS	
1975	37.9	54.7	37.9	48.3	39.9	47.4	55.4	94.2	
1976	48.7	66.3	48.7	62.0	46.6	51.9	50.9	83.2	
1977	56.9	77.4	56.9	72.4	52.4	58.4	52.4	82.6	
1978	65.1	83.4	65.1	82.8	57.0	63.5	57.8	87.6	
1979	75.5	86.8	75.5	96.0	60.5	67.4	62.0	90.2	
1980	78.9	95.4	78.9	94.6	64.5	71.9	69.2	97.1	
1981	83.7	101.3	83.7	100.4	68.5	74.7	59.2	80.1	
1982	87.4	99.5	87.4	98.8	64.5	68.9	74.5	97.0	
1983	88.0	100.2	88.0	99.5	71.4	74.7	86.1	107.5	
1984	95.4	101.8	95.4	101.5	87.9	90.0	93.5	112.3	
1985	113.6	121.3	113.6	120.9	100.0	100.0	103.9	120.7	
1986	102.6	102.6	102.6	102.6			103.5	107.3	
1987	100.0	100.0	100.0	100.0			100.0	100.0	

Table 3. Real recruitment salary and real non-promotion salary indices using different base years of recruitment

Note: Indices are calculated from 1975-87 for Ethiopia and Kenya, and from 1975-85 for Gambia. Example: The real recruitment salary of an Ethiopian civil servant recruited into grade CF9 in 1987 was worth only 37.9 per cent of the salary he would have been recruited at in 1975.

obtained increases in RNPS because their RRS was relatively low and the salary scale revisions in 1985 and 1986 plus increments improved this.

Cohort studies : The promotion effect

Changes in the real salary of individual civil servants will also be affected by whether they have been promoted.

Cohort studies were obtained for some countries. Each of these consisted of about 50 individuals recruited into the civil service in 1975. Where possible the individuals were selected from a number of different ministries and departments but in some cases information was obtainable only from one or two departments and these may not be completely representative of the whole civil service or all those recruited in 1975. The main information collected was the recruitment grade and salary and the current grade and salary. This allowed comparison of the average actual current (1985) salary with the RNPS and the RRS. The effects of various elements (salary scale revisions, increments and promotion) contributing to changes in the real pay of individuals recruited in 1975 could therefore be estimated. The increase in pay resulting from promotion was regarded as a residual, calculated as the difference between current pay and the nonpromotion pay of the individual.

Table 4 summarises the results by showing the RRS, the RNPS and the real average salary ⁴ index (RASI) for a selection of grades from the cohorts. Column 5 shows the number promoted and the size of the grade cohort studied. The P-ratio in column 6 measures the *relative* importance of promotion in the total increase in salaries. Thus a P-ratio of less than 1.000 indicates that, on average for recruits to the grade, revisions of salary scales plus the receipt of increments were more important than promotion, and vice-versa. Column 7 shows the P-ratio for the individual in the grade cohort who received the largest benefits from promotion and so indicates some of the variance in the amount of promotion received by members of that grade.

Promotion was important in all the civil services studied. It was a common, indeed apparently standard, feature of civil service employment in some countries, where all members of the grade cohorts received some promotion over the period (column 5). Promotion had an important effect in moderating the reduction in real pay of civil servants and in some cases actually led to an increase. Entrants to Grade 4/5 in the Gambia, a grade with a pair of linked salary scales, had an average increase in RASI of 17 per cent over the period 1975-85 compared with a fall of 49 per cent in RNPS. Promotion added four times as much to the increase in pay as did salary scale revisions and increments combined, and, for one individual, promotion was seven-and-a-half times more important. In fact, both the increase in RASI and the P-ratio are understated as the actual 1985 salary is not known, only the 1985 grade, and it has been assumed that all individuals are on the minimum step of their 1985 grades. Some if not all of them would have received increments in that grade and so have a higher 1985 salary than assumed.

In a system in which posts are properly graded on the basis of their job requirements and the number of higher-graded posts is determined by overall work needs, promotion requires a change in duties and the higher incomes are rewards for the acceptance and performance of more demanding job requirements. Maintenance of real pay over a period mainly as a result of promotion can therefore be interpreted as a reduction in the real reward for the acceptance of more demanding work. However, in some cases it is thought that promotion may be a substitute for salary scale revisions; if this is the case, there will be a shift in the grade structure of civil service employment with an increasing proportion of posts in the higher grades. If there is no such shift, it cannot be said that the system is being deliberately manipulated to provide promotion opportunities to compensate for inadequate revisions of salary scales or insufficient increments. This question is taken up again in the next section.

Changes in civil service pay bills

Sufficient information was obtained from some countries to calculate the relative contribution to changes in their total civil service salary bill over

⁴ Average salary is the arithmetic mean of salaries of cohort members in the grade concerned.

Country/grade	RRS	RNPS 1	RASI	P/N	P-ratio	P-ratioMax
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	1975 = 10	00				
Ethiopia ²						
CF8	34.7	42.2	53.3	18/25	1.463	4.661
PS1	34.7	41.6	50.4	20/25	1.257	3.800
Gambia ³						
4/5	39.7	51.0	116.9	14/14	3.988	7.676
6	39.8	48.8	75.7	9/9	1.682	5.816
Kenya						
D	50.6	76.5	96.6	19/23	.440	1.758
J	46.8	65.6	81.2	15/15	.453	.882
Mauritania						
2.1	47.5	65.2	106.8	37/40	2.152	6.848
Morocco						
R8.1		84.7	89.9	4/8	.116	.515
110.1		56.5	74.0	6/9	2.118	5.484
M11.1		82.2	149.0	10/10	1.558	1.881
Nigeria ³						
8	21.2	29.2	44.8	23/23	1.352	2.035
3	30.8	35.7	57.3	14/14	1.193	2.273
Somalia ⁴						
A9	5.0	5.0	7.8	50/50	3.525	4.750
B10	5.0	5.0	8.8	24/24	4.750	5.972
Sudan ^{5, 6}						
14	38.9	55.8	141.9	50/50	1.941	2.778
9	50.3	60.4	121.0	17/17	1.224	1.401
Tanzania						
MS3	20.4	23.3	39.6	20/20	1.684	1.752
Tunisia						
BSA		118.3	137.1	5/7	.261	1.412
AIIPA	•••	78.4	127.0	4/4	1.454	2.885
Zaire ⁵						
ATB1		23.9	35.7	7/8	.478	1.624
AGB1		25.3	46.1	17/19	1.186	3.355

Table 4. Real recruitment salary, real non-promotion salary and real average salary indices, 1975-85: Cohort studies

¹ In calculating the RNPS it has been assumed that all individuals receive all the increments; if there are different rates of incremental progress the average rate has been adopted. In French-type systems it has been assumed that movement to a higher segment of a ladder is not automatic but regarded as promotion. In some countries there may be automatic progression, in which case the RNPS would be higher and the P-ratio lower. ² 1974-87. ³ For the Gambia and Nigeria only the 1985 grade is known and not the actual 1985 salary. It has been assumed that individuals are on the minimum step of their promotion grade. This will understate the increase in real average salaries as some of the promoted individuals will have received increments in their new grade. ⁴ 1975-87. ⁵ 1975-86. ⁶ Includes allowances.

Country	Change in	Contributing factors						
	pay bill	Employment	Salary	Structure	Cross			
Ethiopia 1980-85	+59.4	+44.9	0.0	+10.1	+4.5			
Kenya 1980-87	+322.7	+96.0	+41.3	+49.7	+135.7			
Morocco 1980-85	+58.4	+22.4	+25.4	+1.3	+9.3			
Nigeria 1975-85	+99.1	+25.9	+41.9	+12.9	+18.4			
Sierra Leone 1975-85	+175.5	+4.2	+137.0	+12.8	+21.5			
Togo 1 1980-87	+28.7	+14.8	+10.2	+1.8	+2.0			
Tunisia 1980-85	+102.2	+24.5	+55.2	+5.1	+17.4			
¹ Togo figures are for <i>fonctio</i>	<i>nnaires</i> only.							

Table 5.	Components of	f changes in	total civil	service pay bill

a given number of years made by changes in the numbers employed, in the average salary in each grade, and in the structure of grades. This contribution is shown in table 5.

The percentage increase in total salary bill accounted for by changes in employment – the employment effect – is the increase in total salaries that would have resulted from changes in the numbers employed if the distribution of employment among the various grades had remained unaltered and there had been no changes in the average salary for each grade. The salary effect is the increase in total salary bill that would have resulted from the revisions to the average salary (mid-point of the scale) if there had been no changes in the numbers employed or in their distribution among grades. The structure effect shows the increase that would have resulted only from the redistribution of the original employees among grades, and therefore assumes that average salary for each grade remained unaltered. The "cross" term measures the interactive effects of these three factors.

Table 5 shows that while there has been a structure effect in all the countries examined, on the whole it does not seem significant enough to suggest deliberate policies aimed at providing substantial additional promotion opportunities to offset reductions in the real value of salary scales. The structure effect seems relatively large in Kenya, but it was not possible to obtain details of the numbers employed in each salary grade and it was therefore necessary to use a grouping of only 12 categories which do not correspond to the salary grades. Also there was a conscious policy of introducing new grades with higher salary scales to provide greater rewards for those in the highest posts, with the result that the structure effect includes the effect of widening internal differentials.

Changes in the numbers employed – the employment effect – increased the total pay bill by about a quarter in Morocco, Nigeria and Tunisia, by about a half in Ethiopia, and doubled it in Kenya. Changes in average salary raised the total pay bill by 40-55 per cent in Kenya, Nigeria and Tunisia and by 137 per cent in Sierra Leone. Only in Ethiopia did this factor have no effect.

Promotion is important, as we have seen, but the grading or structure effect does not seem excessively large even in a country like Ethiopia, where there have been no salary scale revisions other than the increase in the national minimum and where there have also been constraints on the receipt of increments.

Differentials

Comparison of the rates of change of the RRS for the lowest and highest grades for each country in table 2 shows the extent to which overall differentials were altered between 1975 and 1985. Only in Benin and Togo was there no attempt to change them. In these two countries the revisions of salary scales took the form of a uniform increase in the value of each index point, but there was no change in the number of index points allocated to each grade. In other countries following a French-type system, adjustments to salaries took the form either of differential rates of increase in the value of index points or of revisions of the number of points in each grade, with larger increases for the lower grades. In British-type systems relatively larger percentage increases were given to the lower grades in the periodic salary scale revisions, or, in Somalia, in the COLA increases. Also, because in many countries the revisions of salary scales consisted in increases of the same cash amount for each step of a salary scale, there was often a narrowing of differentials within as well as between scales. In fact, in Kenya, as can be seen from table 6, there was a widening of the range from the top to the bottom scale even though this does not appear to be the case from table 2. This is because new grades with higher salary scales were introduced. Grade O was the highest grade in 1975 and therefore used for the comparison shown in table 2, whereas table 6 uses grade T as the highest grade in 1985.

Table 6 also shows the differential spread of gross salary (basic salary plus certain standard allowances) for some countries. In most examples allowances have the effect of reducing the range of pay, but in Tunisia they widen it very considerably and they lead to a slight widening in Togo.

The range between the highest and lowest pay is often regarded as an important indicator of the extent of salary equality or inequality in a country, but it is a somewhat crude measure as it focuses on the two extremes of the many different salary levels in the public service.

Allowances

Allowances can make a considerable difference to basic salary. Some allowances are paid to civil servants in every country. Usually those that have

Country	Basic salar	у	Gross salary	
	1975	1985	1985	
 Algeria		9.6		<u></u>
Benin	17.3	17.3	13.2	
CAR	13.0	9.4	•••	
Chad	17.5	17.5		
Ethiopia	46.0	23.0	•••	
Gambia	10.7	9.8		
Guinea	15.0	12.6	•••	
Kenya	28.0	32.4		
Mali			7.3	
Mauritania	6.9	5.0	•••	
Morocco	6.0	4.7	4.7	
Niger	18.2	18.2	9.4	
Nigeria	19.4	10.1	•••	
Sierra Leone	10.5	7.0		
Somalia	8.2	6.9 (6.4)		
Sudan	14.4	11.7	11.3 (8.6)	
Tanzania	10.9	8.9	•••	
Togo	10.4	10.4	11.6	
Tunisia	5.3	3.8	14.0	
Zaire	16.7	25.0		
Zimbabwe	41.7	16.1		

Table 6.	Ratio of	f hiahest to	lowest civil	service	salaries.	1975 and 198	35
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Notes: Gross salary includes standard allowances paid to all civil servants. In the Niger there is a housing allowance and maximum post allowance for the highest-paid post. Ethiopia: In 1975 the ratio is between the maximum of the highest scale and the minimum of the lowest. In 1985 the ratio uses the minimum of the highest scale, as it is assumed no increments would be received. Kenya: The 1975 ratio is between grades A and O. By 1985 additional grades R, S and T had been introduced and the 1985 ratio is between the minimum of grade A and the maximum of grade T. Somalia: The ratio in parentheses is that after the 1987 COLA adjustment. Sudan: The ratio in parentheses is that after the 1987 adjustment to allowances.

the greatest effect on pay differentials are the standard allowances paid to all members of a grade. In the Sudan, for example, some allowances are paid to all civil servants, and additional ones to all civil servants working in Khartoum. In 1985 these combined allowances ranged from 126 per cent of the basic salary for the lowest grade to 49 per cent for the highest grade, effectively doubling the basic salary for most grades in Khartoum.

In many countries various other allowances are paid on a contingency basis to those satisfying certain conditions: they may include housing allowances for those not provided with government housing, family allowances, transport allowances and regional allowances. These too can form an important component of total pay, emphasising how misleading it can be to limit consideration of what has actually happened to pay to an examination of levels and changes in basic salary. Countries following French-type systems usually make provision – and this is an exception to the general principle that salary depends on grade – for payment of a "function allowance" to individuals who occupy particular posts. Some posts may be occupied successively by individuals in different grades. In a British-type system an individual occupying a post of a higher grade normally receives an acting allowance. In a French-type system, if a post with a function allowance attached to it is filled by an individual from a higher grade, the salary for the higher grade is received and perhaps part of the function allowance. Otherwise, the function allowance is paid to the new incumbent who effectively receives a higher salary for the duration of the appointment. Function allowances can lead to significant increases in pay for those in the appropriate posts. In Mauritania the function allowance can add between 10 and 55 per cent of basic salary plus COLA. In Tunisia it can be more than half of basic salary and lead to the receipt of still further allowances.

Some higher grades may also receive valuable non-pecuniary benefits in the form of free housing, a car and perhaps a driver, free petrol, and in some cases free domestic services.

Conclusions

There are various methods of measuring changes in civil service pay. The usual one of taking a single figure, perhaps the minimum, mid-point or maximum of a scale, captures the effect of revisions to the salary scale and may be a good measure of changes in real recruitment salary (as well as permitting comparison with salary changes in other employment sectors); but it is a poor measure of changes in the real pay of those who have been employed in the civil service for some time. A second method is to measure the non-promotion salary, which incorporates the effects not only of salary scale revisions but also of increments: this is a useful measure of what has happened to the pay of those recruited into a grade in a given year and have not been promoted, which can be of interest in examining how salaries have performed for grades offering little opportunity for advancement. A third method is to compare current actual salary with the non-promotion salary: this is useful in revealing both what has happened to the pay of those recruited in a particular year and whether they are better or worse off than they were at some point in the past.

Experience in different countries has varied according to which method has been used, but in general each measure has furnished evidence of reductions, and in some cases very large reductions, in the real pay of civil servants in the period 1975-85 (offset, in some cases, by the introduction of or increases in allowances). However, this reduction in real pay, and the associated failure of civil service employment to provide the benefits expected at the time of recruitment, may well have had adverse effects on civil service efficiency. In some instances the reduction has been so severe

that further downward pressure on real pay can hardly be contemplated, and indeed in these countries an increase in real pay is a necessary, although not a sufficient, condition for the revitalisation of the civil service.

In many countries over the period of assessment there have been sizeable increases in the numbers employed in the public service. This, together with the increased burden of interest payments on government debt and the problems of raising extra revenue, has inevitably imposed constraints on governments' ability to maintain real salary levels.

Most developing countries have narrowed the range of civil service salaries by granting relatively larger increases to the lower grades. This is understandable from the viewpoint of general social and economic policies which seek to reduce income inequalities. However, governments, as public sector employers, must also have regard to their managerial responsibilities towards their civil services. If differentials are narrowed unduly there may well be serious adverse effects on the motivation and efficiency of the higher grades (possibly causing the most able to resign), with consequent damage to administrations and their provision of services to the public.

The decision as to what amount of a country's resources should be devoted to the civil service is at least as much political as economic. Governments will differ in the priorities they give to the provision of public services, depending in part on the level of services already provided privately (although it is true of course that some services can only be provided by the State, and others are better provided by the State).

If, as seems to be the case in many developing countries, the resources available to fund public services and public employment are strictly limited, governments may have to strike a compromise between the level of civil service employment and the level of civil service pay. This choice should be guided by consideration of the effect of pay, grading and promotion systems on civil service morale and efficiency. Many countries have poorly developed grading, work measurement and job evaluation systems. Expansion in employment which is not accompanied by effective work organisation and is associated with continuing decline in the real pay of civil servants is likely to be counter-productive and to lead to a lowering of efficiency and poorer provision of public services. The pressures to control or reduce government expenditure on civil service employment can, if used constructively, provide an opportunity to reorganise the civil service and improve public services as well as to remedy the decline, often serious, in the real income of civil servants.