

PUBLIC SECTOR GROUP

Application for Thematic Group Funding

1. *Activity Title:*

(i) Database on Government Employment and Wages

(ii) PREM Note “Civil Service Reform in ECA and MENA: Updating Lessons from Experience”

2. *Task Manager:*

Amitabha Mukherjee (ECSPE) and Giulio de Tommaso (MNSED)

3. *Description of activity:*

The 1997 database on government pay and employment used to prepare the Background Papers on the same subject for the 1997 WDR¹ was the first attempt in over ten years to systematically gather and present data on public sector employment and wages since the seminal work by Heller and Tait². The data-gathering effort took over a year, despite difficulties in obtaining accurate and recent data. This was enormously labor-intensive, and has stood well so far. Given the breadth of the exercise and the demonstrated accuracy of the data, it is possible to utilize the 1997 study as a benchmark. We also realize that it is possible to obtain much more recent data, and to utilize such data to update the lessons of experience from civil service reform efforts undertaken by the World Bank around the world. We are well placed to do so, since we ourselves are working on these issues across several countries, have increased our own country knowledge in certain areas of the world, and also have numerous colleagues within the Bank as well as counterparts in development institutions whose advice and knowledge we can utilize.

The objectives of the activity are to:

- (a) update the extensive public sector pay and employment database established for the 1997 WDR Background Paper ‘Government Employment and Pay – A Global and Regional Perspective’ (*Schiavo-Campo, de Tommaso and Mukherjee: WPS 1771 and its companion study WPS 1806*). That database used pay and employment data ranging from 1992-1995, and – thanks to the analytical and operational work undertaken by the Bank since the publication of the 1997 WDR – more precise, recent and accurate data for many of the countries are now available; and
- (b) utilize the database and other relevant materials to update lessons of experience from the World Bank’s civil service reform efforts around the world, since developments in different Regions of the world have led to significant changes in accountability systems, greater emphasis on service delivery, and in public sector pay and employment over the last few years: these updated lessons of experience are intended to be made available within the Bank through a PREM Note and also perhaps to a wider external audience. The output will enable better design and more effective implementation of all operations which address the gamut of issues now referred to as “civil service reform”³.

¹ “Government Employment and Pay – A Global and Regional Perspective” and “An International Statistical Survey of Government Employment and Wages”, by Schiavo-Campo, de Tommaso and Mukherjee, World Bank, 1997.

² “Government Employment and Pay: Some International Comparisons”, by Heller and Tait, IMF, 1983.

³ One of the emerging themes in “civil service reform” work in ECA, for instance, is the importance of going beyond a traditional “stove-piping” approach to civil service reform to a comprehensive approach emphasizing (a) appropriate institutional arrangements and incentive systems; (b) effective

4. *Breakdown of costs:*

Category	Explanation	Cost (USD)
Staff time	4 staff-weeks @ \$ 3,500 per week	14,000
Quality Control	1 staff-week @ \$ 5,500 per week	5,500
Total		19,500

Cooperation has been sought and received from various international organizations dealing with public sector reform issues, such as the IMF, the OECD, the Asian Development Bank, the Inter-American Development Bank, the ILO, UNDP and others. In particular, we have sought and built strong partnerships with the PREM Network, with colleagues across all Regions and different sectors within the Bank, as well as with colleagues who have worked with us on this subject in the past - such as Salvatore Schiavo-Campo and Anne-Marie Leroy – the latter now with the French Government.

Adequate arrangements have been made for quality assurance. Respective Sector Leaders to whom the task managers are mapped, and PRMPS, will exercise quality assurance in respect of the work.

5. *Timeline:*

i. The database will be prepared region by region, in accordance with the tentative schedule proposed below.

Name of Region	Tentative Schedule
OECD	September 15, 2000
LAC	December 15, 2000
Asia	November 15, 2000
ECA	September 30, 2000
MENA	October 15, 2000
Africa	March 1, 2001
All Regions	March 31, 2001

ii. The PREM Note (tentatively titled “Civil Service Reform in ECA and MENA: Updating Lessons from Experience”) will follow the completion of the database and is proposed to (a) update and complement existing Bank studies and reports on civil service reform efforts, and (b) examine also whether, and to what extent, issues such as those outlined in Footnote 3 were taken into account in the design and implementation of civil service reform projects and what has been the impact on project outcomes of failure to do so.

Name of Output	Tentative Schedule
PREM Note	March 31, 2001

6. *Description of expected contributions to current operations on the ground (with identification of specific operations):*

accountability mechanisms; and (c) strengthening of linkages between service delivery and performance management. The latter approach has tended to enhance the prospects of sustainable reform, and goes beyond the traditional cost containment approach, which has mainly been confined to considerations of reducing employment (temporarily) and raising salaries (permanently) of civil servants.

Task Managers for operations planned or current for Tanzania, Albania and Zambia have requested data.

7. *Explanation of the public good aspect of this activity, i.e. the generalizable lessons and benefits that this activity is expected to provide:*

The proposed activity will update the existing database and at the same time result in outputs that will (a) be of operational significance and (b) add to the Bank's Knowledge Management system. *The database will be of immense use to practitioners within and outside the Bank, as also to audiences outside the Bank (including Governments) who want readily accessible and recent data for comparative purposes for public sector pay and employment reform purposes. The work will also tie in with the priority accorded by the Bank to governance issues, to institutional reform and to Knowledge Management.*

8. *Form(s) of knowledge output(s) that this activity will generate (e.g., PREM Note, paper, workshop, seminar):*

Database made available on line through the new Administrative and Civil Service website, and PREM note.
