DISPARITIES IN PAY IN THE PUBLIC SERVICE

**A PAPER DELIVERED AT THE RETREAT OF THE STEERING COMMITTEE ON REFORMS**

**BY**

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1. **INTRODUCTION**

1.1 The issue of disparity in pay in the Nigerian Public Service historically, has always generated a lot of emotion that agitate the minds of many labour unions. Perhaps it should be stated clearly that pay disparity is often times found to be the tinder box that ignites the perennial inter-occupational conflicts and contestations in the Nigerian Public Service. More broadly, of all the controversial issues that are prevalent in the work place, one of the most serious is pay disparity. When, for instance, two persons, equally qualified, perform the same occupational tasks but are paid differently, one higher than the other, it is considered a disparity. However, for pay disparity to be acceptable, there must be a justifiable reason that one party should earn more than the other.

1.2 The International Labour Organisation (ILO) in one of its conventions, abhors pay disparity in the workplace if it is based on gender, nationality, race or sexual orientation and demands annual reports from member countries on the status or extent of its prevalence.

1.3 In countries where pay disparity is unlawful, there are circumstances in which it might be permissible or justifiable to condone it. These include when a salary is based on merit i.e. when an individual performs better than others; when a salary is based on commission; and when a salary is based on changed wage structure.

1.4 In my view, any discussion of the subject must be deeply engaging. It is for this reason that when I was requested to do a paper on the topic that would be presented in 30 minutes, I decided to scratch the surface of the subject rather than engage in an in-depth presentation that would not serve much purpose.

**2. PAY DISPARITIES IN THE PUBLIC SERVICES OF THE FEDERATION**

2.1 Pay disparities are not new in the Public Service of Nigeria. It was existent in the period preceding the work of the Public Service Pay Review Commission (1972–1974) otherwise known as the Udoji Commission. However, the introduction of the Unified Grading and Salary Structure (UGSS) in the States and Federal Governments by the Udoji Commission, when the same grade level denoted same salary grade, pay disparity was dealt a resounding blow. Being the result of a systematic job evaluation, the principle of equal pay for work of substantial equal value was entrenched. All appeared to be well, yet there was a simmering discontent among some workers in the Public Service who preferred a return to the era of pay disparity to justify their claim of performing work of substantially higher value than that performed in the Civil Service.

2.2 When the Nigeria National Petroleum Corporation (NNPC) was established by Decree 33 of 1977, it was offered a salary regime comparable to what was being paid in its equity partners of Shell-British Petroleum otherwise known as Shell-BP. Thereafter, the Cookey Commission on Universities (1980) recommended a 15-grade pay structure known as University Salary Scale (USS) which had a 20% mark up on corresponding grades with the existing UGSS. This was accepted by Government and implemented accordingly. Thus, was inadvertently established, a very strong drive for opting out of the Unified Grading and Salary Structure by many agencies in the Public Service, both old and new. By so doing, pay disparity thrived.

2.3 At the time the National Salaries, Incomes and Wages Commission (NSIWC) was established by Act No. 99 of 1993, the damage had been done. The Committee on Harmonization of Remuneration in the Public Service set up by Government in 1998 at the instance of the NSIWC discovered the existence of a plethora of salary structures in the Federal Public Service alone numbering thirty five. At the end of the exercise, Government accepted the recommendation of five sectorally-based salary structures, namely:

i. Harmonised Top Political Office Holders Salary Structure (TOPSAL)

ii. Harmonised Public Service Salary Structure (HAPSS)

iii. Harmonised Armed Forces Salary Structure (HAFSS)

iv. Harmonised Police and Paramilitary Salary Structure (HAPPSS)

v. Harmonised Tertiary Institutions Salary Structure (HATISS).

2.4 All the salary scales excepting TOPSAL, were built on the same basic principle of equal annual incremental rates and equal incremental steps such that persons occupying posts of equivalent grades received the same basic salary and same general allowances such as rent subsidy, transport allowance, meal subsidy, utility, entertainment, furniture and medical . However, to retain a certain level of comparative advantages for certain categories of Public Servants, the Committee took the following actions:

(a) the Harmonised Armed Forces Salary Structure started on the second step of the Harmonised Public Service Salary Structure; and

(b) the Harmonised Tertiary Institutions Salary Structure started on Grade level 02 of the Harmonised Public Service Salary Structure.

2.5 Further, the Committee harmonised the allowances which were generally or partially applicable as remuneration components in the Public Service but allowed those allowances which related to professional peculiarities to continue to apply to the relevant professions. Excluded from the harmonised salaries were the commercialised and partially-commercialised agencies whose remuneration practice had gone far beyond what could be abridged in the exercise. While the partially commercialised parastatals paid higher than the Civil Service by as much as 164%, the fully commercialised ones widened the gap by as much as 421%.

2.6 When the pay of the Permanent Secretary was compared with those of some selected positions in the Public Service, it was discovered that it had moved from a position of parity in 1975 (in tandem with Udoji-Commission’s recommendation) to an inferior position in 1998. For example, the General Manager of Nigerian Ports Authority (NPA) went from a salary of N13,968 per annum in 1975 (same with a Permanent Secretary’s) to N200,000 per annum in 1998. Put differently, while both the Permanent Secretary and the General Manager of NPA earned equal basic salary in 1975, the lather in 1998 was found to be earning approximately 397% of the former’s.

2.7 Similarly, the Professor’s salary, which in 1975 was N12,420 or 89% of the Permanent Secretary’s had by 1998 moved to N57,891 or 103% of the Permanent Secretary’s. In respect of the Chief Executive of the National Social Insurance Trust Fund (NSITF) formerly called National Provident Fund, the salary in 1998 moved from N12,240 (89% of the Permanent Secretary’s) to N121,800 or 242% of the Permanent Secretary’s. The preceding illustrations show that as far back as 1998, pay disparity in the Public Service had really become deep-rooted as earlier stated. Therefore, the harmonisation of salaries that took place then brought some relief to the system. However it did not last long enough as the Academic Staff Union of Universities (ASUU) once again agitated for the creation of University Academic Staff Salary (UASS). This was granted in 2001. Other staff unions in the Universities, Polytechnics, Colleges of Education, Health and Allied Institutions and Research Institutes followed suit. Consequently, the five harmonised salaries were expanded to 13 to cater for the interest of the agitations. For the most part though, the changes occurred only in name and not in substance.

2.8 To redress the above trend, Government in its wisdom embarked on pay reforms. In 2003, the monetisation of fringe benefits in the Public Service was embarked upon based on the recommended approach of the National Salaries, Incomes and Wages Commission. As a follow-up, in 2005, the Relativity Panel chaired by Professor Edozien was appointed but at the point of the submission of its report in 2006, the Emolument Consolidation Committee chaired by Chief Ernest Shonekan was also appointed and its report was submitted in 2006 also. A common white paper for the two reports was therefore, issued by Government which recommended a clean wage through salary consolidation. However, four allowances were allowed to exist in absolute terms only. These are Job-specific allowance, Risk-related allowance (both recurrent in nature), Relocation allowance (paid once) Scarce Skill allowance (payable once or monthly as the case may be).

2.9 The implementation of the monetisation policy and the consolidation of emoluments in the Public Service in 2007 brought about a very glaring evidence of pay disparities in the Public Service. For once, the hidden aspects of personal emoluments were brought to the fore. This created more bad blood between occupational groups championed by the various unions for pay parity.

2.10 To make matters worse, the existing harmonious relationship between the salary of the Director and that of the Permanent Secretary was jolted in 2008 when the Revenue Mobilisation, Allocation and Fiscal Commission (RMAFC) included the Permanent Secretary in the reviewed certain Political, Public and Judicial Office Holders (Salaries and Allowances, etc) (Amendment) Act, 2008. This singular Act created a wide disparity between the pay of a Director and that of the Permanent Secretary. The service wide salary review of 2010 negotiated by the Joint Public Service negotiation councils at the Federal level attempted to redress the disparity by making the salary of the Director one-third of that of the Permanent Secretary’s. *The table below illustrates the pay relativity of the Permanent Secretary and the Director from 2000 to 2010.*

|  |  |  |  |
| --- | --- | --- | --- |
| **Period** | **Total Pay Per Annum** | | **Directors’ Pay as a % of Perm. Sec’s Pay** |
| Director  N | Perm. Sec.  N |
| May 2000 - Sept. 2003 | 1,094,346 | 1,869,744 | 58.53 |
| Oct. 2003 – Dec. 2006 | 2,209,003 | 4,709,352 | 46.91 |
| Jan. 2007 | 2,271,280 | 5,317,016 | 42.72 |
| Feb. 2007 – June 2010 | 2,271,280 | 12,518,122 | 18.14 |
| July 2010 | 5,441,336 | 12,518,122 | 43.47 |

Source: National Salaries, Incomes and Wages Commission and the Certain Political, Public and Judicial Office Holders’ (Salaries, Allowances, etc) (Amendment) Act, 2008

2.11 One point to note is that the salary structures that came as a result the negotiated salary review of 2010, did not put into consideration, the nature of job performed, the quality or quantity of job and the value of job performed since there was no proper job evaluation. Therefore, the rationale for all these salary structures cannot be justified using any known scientific or social model or parameter. Table 1 below tells the story better.

Table 1

|  |  |  |  |
| --- | --- | --- | --- |
| **S/N** | **Salary Structure** | **Categories of Personnel Applicable to** | **Justification** |
| 1. | Consolidated Public Service Salary Structure (CONPSS) | - Core Civil Service  - Constitutional bodies,  - National Assembly Staff  - Judiciary Staff  - Same Parastatals | In line with the agreement reached between Government and the relevant Unions |
| 2. | Consolidated Tertiary Institutions Salary Structure II (CONTISS II) | Non-Academic Staff of Federal Universities | In line with the agreement reached between Government and the relevant Unions. |
| 3. | Consolidated University Academic Salary Structure II (CONUASS II) | Academic Staff of Federal Universities | In line with the agreement reached between Government and the relevant Union. |
| 4. | Consolidated Tertiary Educational Institutions Salary Structure (CONTEDISS) | Non-Academic Staff of Tertiary Educational Institutions i.e. Polytechnics and Colleges of Education | In line with the agreement reached between Government and the relevant Unions. |
| 5. | Consolidated Polytechnics and Colleges of Education Academic Salary Structure  (CONPCASS) | Academic Staff of Polytechnics and colleges of Education | In line with the agreement reached between Government and the relevant Unions. |
| 6. | Consolidated Research and Allied Institutions Salary Structure (CONRAISS) | Research, Training and Allied Institutions | In line with the agreement reached between Government and the relevant Unions. |
| 7. | Consolidated Health Salary Structure (CONHESS) | Health Professionals in Federal Health Institutions | In line with the agreement reached between Government and the relevant Unions. |
| 8. | Consolidated Medical Salary Structure (CONMESS) | Medical/Dental Officers in Federal Health Institutions | In line with the agreement reached between Government and the relevant Union. |
| 9. | Consolidated Police Salary Structure (CONPOSS) | Nigerian Police | Government’s approval |
| 10. | Consolidated Intelligence Community Salary Structure (CONICSS) | Intelligence Community | Government’s approval |
| 11. | Consolidated Paramilitary Salary Structure (CONPASS) | Para-Military Agencies | Government’s approval |
| 12. | Consolidated Armed Forces Salary Structure (CONAFSS) | Armed Forces | Government’s approval |
| 13. | Consolidated Top Federal Public Office Holders’ Salary Structure (CONTOPSAL) | Top Federal Public Office Holders | Government’s approval |
| 14. | Special Salary Structure funded from Treasury | BPE, BPP, ICPC, DMO, EFCC, etc. | Funded from the Government Treasury in line with Presidential Approval. |
| 15. | Self funded Special Salary Structure | NIMASA, CAC, NNPC, CBN, NCAA, NPA, NCC etc. | Funded from the Internally-Generated Revenue according to the provision of the enabling law. |

**3.** **PAY RELATIVITY**

3.1 In discussing pay disparity, mention must be made of pay relativity. It is in that context that reference would be made to the report by the National Committee of Experts on Parameters for Wage Fixing in the Federal Public Service where the issue of pay relativity was extensively and professionally discussed. In the report, pay relativity was defined as “the relationships between the wages of members of the same occupation employed in another Sector (whether Public or Private) or industry (Manufacturing or Banking) or between the wages of members of different occupations employed in different sectors or business environment (Edozien Panel)”. The issue of pay relativity has been very important in public sector salary administration, as it has featured prominently in the work of various past panels on pay reform. Often times agitations and even industrial strikes by workers’ groups or unions over inequity in pay vis-à-vis those of other groups has in fact been one of the major reasons for the setting up of such panels.

3.2 **Types of Pay Relativity**

3.2.1 Based on previous reports, there are three broad aspects of pay relativity in the Federal Public Service as follows:

***(a) Internal Relativity***

This is the pay relationship among job positions within a given salary structure. It is measurable in terms of ***compression ratio,*** which is the ratio of the highest pay to the lowest pay in the pay structure. The essence is to assess the extent of equity in the pay structure. It could also be measured by determining the ratios among pay levels within the structure, other than the highest vis-à-vis the lowest pay.

***(b) Intra-Sectoral/Occupational Relativity***

These are the relationships between the pay attached to jobs of approximately the same status or content in different sectors of the public service. Examples are the comparison of pay levels in the core Civil Service (CONPSS) with those of equivalent positions in other sectors or pay structures, such as in the CONTISS, CONHESS and those of other establishments outside the harmonised salary structures. This also covers the comparison of the pay of employee’s in one occupational group vis-a-vis that of other occupational groups within the organisation.

***(c)***  ***External Relativities***

These are the pay relativities between jobs in the public service and their private sector comparators. This is usually determined through pay comparability surveys. Another perspective of external relativity is comparison with pay in related foreign countries as it effects jobs in the same occupational group.

**3.3 Internal Relativities in the Federal Public Service**

3.3.1 Since this paper centres on pay disparity, the measures adopted to establish the relativity between the pay in one position and the other are simple. The **minimum and maximum** of the consolidated salaries have been used. Using that as the basis, the table 2 below shows the internal relativity (Compression Ratio) in the above-mentioned consolidated salaries which are currently applicable in the Federal Public Service.

Table 2

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| S/No. | Salary Structure | Lowest Pay (Per Annum)  N | Highest Pay (Per Annum)  N | Compression Ratio |
| 1 | CONPSS | 226,800 | 5,452,136 | 1:24 |
| 2 | CONTISS II | 303,850 | 5,316,520 | 1:17.5 |
| 3 | CONUASS II | 1,274,177 | 6,030,963 | 1:4.73 |
| 4 | CONRAISS | 303,850 | 5,316,520 | 1:17.5 |
| 5 | CONPCASS | 1,084,017 | 5,407,503 | 1:5 |
| 6 | CONTEDISS | 303,850 | 5,316,520 | 1: 17.5 |
| 7 | CONMESS | 1,316,488 | 5,139,000 | 1:3.9 |
| 8 | CONHESS | 267,870 | 5,139,000 | 1:19.18 |
| 9 | CONPASS | 517,020 | 6,647,581 | 1: 12.86 |
| 10 | CONPOSS | 517,020 | 6,647,581 | 1:12.86 |
| 11 | CONAFSS | 592,953 | 8,134745 | 1:13.72 |
| 12 | CONICSS | 603,917 | 8,825,764 | 1:14.61 |
| 13 | CONTOPSAL | 5,265,701 | 13,880,666 | 1:2.64 |

* Note: In the instances where the compression ratios are narrower the salary levels are shorter.

**3.4 Compression Ratios of Selected Harmonised Salary Structures as at 23rd March 2011**

3.4.1 In the Table 2 above, the compression ratios of five representative hamonised salary structures, namely CONPSS (for the Civil Service), CONTISS II (for the tertiary education sector), CONRAISS (for research and allied institutions), CONHESS (for the health sector and CONPOSS (for the police) were computed. The ratios derived are as follows:

1. CONPSS - 1:24
2. CONTISS II - 1:17.5
3. CONRAISS - 1:17.5
4. CONHESS - 1:19.8
5. CONPOSS - 1:12.86

3.4.2 The wide compression ratios, particularly in CONPSS and CONHESS are due to the following factors:

* The adjustment of the salary scale of the Director, GL.17 in CONPSS in 2010 to redress the earlier distortion in the pay relativity of that level vis-a-vis the Permanent Secretary;
* In the case of CONHESS, the advantage of the higher-level officers that earn the Professional Non-clinical Duty Allowance or Call Duty Allowance, which the lowest staff do not have.

These suggest the need for some redress in future pay adjustments. It is also important to note that the figures on the CONTISS II are the same as those on CONRAISS and as such the two salary structures have the same compression ratio.

3.4.3 A further computation of other relativity ratios in selected harmonised salary structures, as shown in the Table 3 below would reveal that the relativity ratio of the lowest paid position to the supervisor level staff ranges from 1:1.25 for CONPOSS to 1:1.46 for CONTISS II and CONRAISS. That of the graduate-entry-level staff to the highest pay ranges from 1:4.22 for CONPOSS to 1:7.92 for CONPSS. Then that of the penultimate level pay to the highest pay ranges from 1:1.19 in CONTISS II and CONRAISS to 1:1.88 in CONPSS.

Table 3

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| S/N | Salary Structure | Lowest Pay to Supervisory Level Pay | Entry Graduate Pay to Highest pay | Penultimate Level Pay to Highest Pay |
| 1 | CONPSS | 1:1.39 | 1:7.92 | 1:1.88 |
| 2. | CONTISS | 1:1.46 | 1:4.74 | 1:1.19 |
| 3 | CONRAISS | 1:1.46 | 1:4.74 | 1:1.19 |
| 3. | CONHESS | 1:1.45 | 1:5.18 | 1:1.22 |
| 4 | CONPOSS | 1:1.25 | 1:4.22 | **1:2.021:2.021:2.0211 11** 1:1.81 |

3.4.4 The wide ratios in CONPSS, especially in relation to the highest pay are due to the specially enhanced salary of the Directors (Dir), GL.17, in the pay review of 1st July 2010. The anomaly is particularly exposed in the relativity between the Director and the Deputy Director (DD) GL 16. As could be seen, the relativity ratio of the DD, GL. 16 step 9 to the Dir GL. 17 step 9 is 1:1.88. In other words the DD’s pay was 53.1% of that of the Director’s. Before the pay review of 1st July 2010 the relativity was 1:1.21 or 83% of the Director’s pay. This disparity has arisen in the bid to redress the relativity distortion between the Director and the Permanent Secretary (PS), brought about by the Certain Political, Public and Judicial Office Holders’ (Salaries) Act, 2008.

3.4.5 Another dimension of internal pay relativity issue is the continual argument by medical doctors in the health sector to be on superior salaries vis-à-vis other health professionals such as pharmacist, nurses, medical lab scientist, etc. The argument which started between 1991 and 1998 resulted in the two salary structures in 2009 (CONMESS for doctors and CONHESS for others). Until recently, the two structures have virtually the same figures in the relative sense. The area where there are differentials between the two groups is in the rates of allowances, such as call duty allowance, where the doctors are favoured. There appears to be tacit misunderstanding by both sides on this point and this is a matter that should be finally resolved by a general job evaluation exercise.

**3.5 Intra-Sectoral/Occupational Relativities in the Federal Public Service**

3.5.1 One of the major issues of discontent in the public service has been the pay disparities between the core Civil Service and some parastatals on the CONPSS and other sectors of the public service, which are on the other pay structures. The complaints are about the inequity of placing some public servants in pay scales that are clearly inferior to those of others whose jobs might not be markedly different. A comparative analysis of the CONPSS vis-à-vis the CONTISS II/CONRAISS/CONTEDISS, which together with its equivalent structures, is generally applicable to tertiary educational institutions, research and allied institutions; the CONHESS which is for the Health Sector; and a selection of the pay structures of some treasury-funded and independently-funded agencies with special salary structures are shown in Table 4 below.

3.5.2 From the table it can be seen that substantial pay disparities exist between CONPSS and CONTISS/CONRAISS/CONTEDISS at an average ratio of 1:1.40 and between CONPSS and CONHESS at an average of 1:1.34. In the case of the treasury-funded special salary structures, using the Nigerian Meteorological Agency (NIMET) and Bureau for Public Procurement (BPP) as a case studies, the average relativity ratios of 1:1.45 and 1:2.95 respectively were derived. It therefore implied that on the average a public servant in NIMET and BPP earns higher than his equivalent on CONPSS by 45% and 195% respectively. The comparison of the CONPSS with the pay structures of self-funded establishments, represented by NCC shows average relativity ratios of 1:4.06. This implied that a public servant in NCC earns higher than his equivalent on CONPSS by 306%. This is not yet taking into account special allowances which are often paid to staff in such agencies as peculiar allowances for obvious reasons.

**Table 4**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **S/N** | **CONPSS** | | **CONTISS II/CONRAISS/CONTEDISS** | | | **CONHESS** | | | **NIMET Salary** | | | **BPP Salary** | | | **NCC Salary** | | |
| Grade Level  (Step 1) | Total Pay  (PA)  (N) | Grade Level  (step 1) | Total Pay  (PA)  (N) | Relativity with CONPSS | Grade Level  (step 1) | Total Pay  (PA)  (N) | Relativity with CONPSS | Grade Level (Step 1) | Total Pay  (PA)  (N) | Relativity with CONPSS | Grade Level (Step 1) | Total Pay  (PA)  (N) | Relativity with CONPSS | Grade Level (Step 1) | Total Pay  (PA)  (N) | Relativity with CONPSS |
| 1 | 01 | 226,800 | 01 | 303,850 | 1:1.34 | 01 | 267,870 | 1:1.18 | 01 | 350,023 | 1:1.54 | 01 | 491,568 | 1:2.17 | 01 | - | - |
| 2 | 06 | 316,229 | 05 | 442,816 | 1:1.40 | 05 | 389,519 | 1:1.23 | 06 | 488,117 | 1:1.54 | 06 | 1,757,727 | 1:5.56 | 06 | 1,342,047.31 | 1:4.24 |
| 3 | 10 | 914,511 | 09 | 1,460,163 | 1:1.60 | 09 | 1,316,488 | 1:1.44 | 10 | 1,356,211 | 1:1.48 | 10 | 2,510,169 | 1:2.75 | 10 | 3,644,269.01 | 1:3.99 |
| 4 | 13 | 1,174,233 | 11 | 1,833,967 | 1:1.56 | 11 | 1,856,357 | 1:1.58 | 13 | 1,710,891 | 1:1.46 | 13 | 3,039,358 | 1:2.59 | 13 | 4,888,440.19 | 1:4.16 |
| 5 | 15 | 1,778,616 | 13 | 2,733,869 | 1:1.54 | 13 | 2,786,226 | 1:1.57 | 15 | 3,062,939 | 1:1.72 | 15 | 5,025,517 | 1:2.83 | 15 | 8,727,711.56 | 1:4.91 |
| 6 | 17 | 4,183,600 | 15 | 4,058,262 | 1:0.97 | 15 | 4,233,344 | 1:1.01 | 17 | 4,088,687 | 1:0.98 | 17 | 7,600,767 | 1:1.82 | 17 | 12,620,633.26 | 1:3.02 |
| **Average.** | **-** | **-** | **-** | **-** | **1:1.40** | **-** | **-** | **1:1.34** | **-** | **-** | **1:1.45** | **-** | **-** | **1:2.95** | **-** | **-** | **1:4.06** |

3.5.3 A look at the problem of wide pay disparities between the core public service pay (CONPSS), in particular, and that of the establishments with special salary structures would reveal that such establishments are in two categories:

(i) The treasury-funded agencies for whom government approved special packages, in consideration of their special duties and skill requirements;

(ii) The independently-funded agencies, which were allowed to relate their pay to the rates in their respective industries.

3.5.4 Expected, the same scenario plays out in other agencies headed by Director-General, Executive Secretaries, etc where there are Directors too. While the disparities in pay within the Civil Service were growing, the disparities between pay in the Civil Service and self-funded agencies also continued to widen. Today, despite the concerted efforts of the NSIWC to restrain the agencies the disparities have reached alarming proportions.

3.5.5 The essence of embarking on this excursion into history is to remind all of us that the problem is not recent origin. Pay disparities in the Public Service can hardly be fully understood without a clear indication of how the compensation regime in the entire Public Service is aggregated.

**(A) Treasury-funded Establishments on Harmonised Salary Structure:**

There are agencies whose recurrent expenditure is funded from Government budget. These include the Civil Service, the Armed Forces, the Police and other security agencies and social service parastatals such as educational, research, health and regulatory agencies that are without ample internal revenue generation base, as well as non-commercialised service agencies. At present the Harmonised salary structures are as many as 13 as follows:

(i) Consolidated Public Service Salary Structure (CONPSS)

(ii) Consolidated Tertiary Institution Salary Structure (CONTISS)

(iii) Consolidated University Academic Salary Structure (CONUASS)

(iv) Consolidated Polytechnics and Colleges of Education Academic Salary Structure (CONPCASS)

(v) Consolidated Tertiary Education Institutions Salary Structure (CONTEDISS)

(vi) Consolidated Research, Training and Allied Institutions Salary Structure (CONRETISS)

(vii) Consolidated Medical Salary Structure (CONMESS)

(viii) Consolidated Health Salary Structure (CONHESS)

(ix) Consolidated Armed Forces Salary Structure (CONAFSS)

(x) Consolidated Police Salary Structure (CONPOSS)

(xi) Consolidated Paramilitary Salary Structure (CONPASS)

(xii) Consolidated Intelligence Community Salary Structure (CONICSS)

(xiii) Consolidated Top Public Office Holders Salary Structure (CONTOPSAL)

**(B) Treasury-funded Establishments on Special Salary Structures:**

These are establishments which, though fully funded from treasury, are placed on special salary structures, as a dispensation from government, having taken into consideration their industrial relativities, special technical character and skill needs. Examples of such establishments are the Federal inland Revenue Service, the EFCC, Debt Management Office, Bureau of Public Enterprises, Nigeria Extractive Industries Transparency Initiative (NEITI), National Space Research and Development Agency, Infrastructure Concession Regulatory Commission, Bureau of Public Procurement (BPP), etc

**(C) Self-funded Agencies:**

These are organisations whose independent revenue sources provide them enough endowment to at least fully fund their recurrent expenditure, including staff remuneration, which is usually related to the pay levels in their respective industries. Examples of these are the Central Bank, the NNPC, the Aviation parastatals, the Maritime parastatals, the Nigerian Communications Commission (NCC), Power Holding Company of Nigeria (PHCN), Federal Mortgage Bank, Bank of Industry, etc.

**4. JOB EVALUATION**

4.1 In a large and complex organisation like the public service, the most systematic and appropriate process for determining pay relativities is job evaluation. The last job evaluation in the Federal Public Service was done by the Udoji Commission and consists of four plans as follows:

(i) The Senior Management Plan (SMP)

(ii) The Professional-Administrative-Technological-Technical-Clerical Evaluation System (PATTCES)

(iii) The General Services and Operational Evaluation System (GSOES)

(iv) The Nigeria Police Force Evaluation System (NPFES)

4.2 The SMP and the PATTCES have so far been the commonly applied plans, on the few occasions when jobs have had to be evaluated since 1974. The parameters used in the above evaluation plans represented a good spectrum of objective measures of job worth, grading and pay. Job evaluation should therefore be used as the necessary parameter for determining pay relativities at least the internal and intra-sectoral dimensions of it. This should be followed by a review of the grading structure in the Federal Public Service, to accord with current realities.

**5. CONCLUSION**

5.1 Although pay disparity is not a new phenomenon in the Public Service, it had continued to generate a lot of emotion that agitate the minds of many labour unions. Oftentimes, the disparity in pay had constituted a major ground for workers to declare industrial action. In an attempt to resolve these industrial actions, it has been opined that it is only a comprehensive job evaluation that can address the disparity in pay. ***In this direction, the NSIWC is in the process of conducting a comprehensive nation-wide job evaluation in liaising with the Office of the Head of the Civil Service of the Federation (OHCSF) and the Bureau for Public Service Reform (BPSR). Government should therefore, consider and provide the necessary funds for this important exercise.***

5.2 In discussing pay disparity in this paper, it could be deduced that the issues are real and the handling of the phenomenon can promote or reduce productivity in the Public Service. It is in that regard that the following suggestions may be relevant:

(i) The current pay disparities between the core Civil Service (CONPSS) and other sectors of the Public Service should be reduced to acceptable levels with future pay adjustments.

(ii) The newly created disparities between the Director and equivalent grades and other grades of staff within the core Civil Service should be reduced with future pay adjustments.

(iii) The remuneration package of establishments with special salary structures, whether treasury-funded or independently-funded, should be adjusted in future at much lower rates of increase than those of the mainstream public service, in order to progressively reduce the current pay disparities.

5.3 I have merely scratched the surface in discussing this topic, in the hope that the forum would generate issues that would lead to the reduction of frictions generated by pay disparity in the Public Service. With the calibre of people participating in this retreat, I am sure that the necessary policies will emerge.

Thank you.