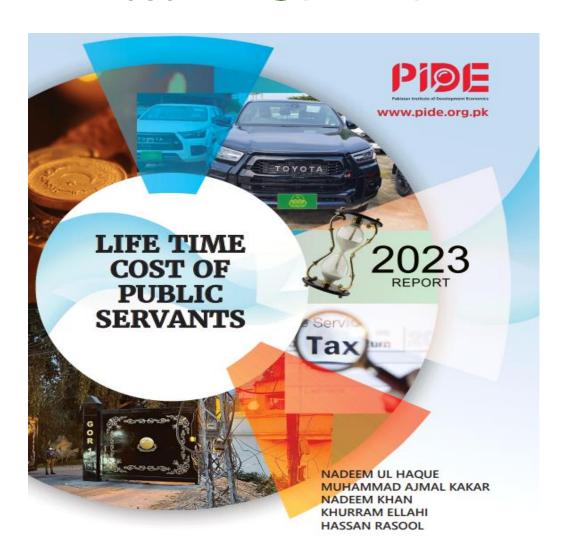
# MEDIA COVERAGE



# **Web Editions**

#### Dawn

https://www.dawn.com/news/1781276/public-servants-cost-national-kitty-over-rs8tr-study-reveals

### The News

https://www.thenews.com.pk/print/1119586-report-shines-light-on-huge-disparity-between-govt-employees-salaries

## **Tribune Express**

https://tribune.com.pk/story/2441311/study-reveals-burden-of-new-recruits-on-national-budget

https://tribune.com.pk/story/2441383/grade-17-officer-costs-govt-rs245m-report

# **Pakistan Today**

https://profit.pakistantoday.com.pk/2023/10/16/amendments-proposed-to-pension-rules/

#### Geo TV

https://www.geo.tv/latest/514677-report-shines-light-on-huge-disparity-between-govt-employees-salaries

**Dunya News** 

# https://dunyanews.tv/amp/english/763117.php

#### **Dawn News**

https://www.dawnnews.tv/news/1213706

# **Daily Jang**

https://jang.com.pk/news/1279053

# **Independent News Pakistan**

https://inp.net.pk/news-detail/pakistan/pkr-245-million-require-by-the-state-to-afford-a-grade-17-officer-for-a-period-of-thirty-years

# **DNA News Agency**

https://dnanews.com.pk/life-time-cost-of-public-servants/

#### **Urdu Point**

https://www.urdupoint.com/en/pakistan/pide-conducts-study-on-life-time-cost-of-p-1756772.html

## **Islamabad Post**

https://islamabadpost.com.pk/life-time-cost-of-public-servants/

### **Pakistan News International**

https://pni.net.pk/en/latest-business-news/pide-conducts-study-on-life-time-cost-of-public-servants/

## Centerline

https://centreline.com.pk/2023/10/15/life-time-cost-of-public-servants/

# **The Current**

https://thecurrent.pk/bureaucracy-costs-rs-8-trillion-to-treasury-survey/

## LIVE Mint

https://www.livemint.com/news/world/pakistans-annual-expenditure-on-public-servants-is-over-pkr-8-trillion-report-11697474857820.html

**Daily Frontier Star** 

https://dailyfrontierstar.com/pide-conducts-study-on-life-time-cost-of-public-servants-2/

# **Print Editions**

October 16, 2023

# Public servants cost national kitty over Rs8tr, study reveals

Pide says PAS favoured with 'non-monetary benefits and better appointments'

By Khaleeg Kiani

ISLAMABAD: The federal government spends over Rs8 trillion on paying its 1.92 million employees and providing pensions on top of over six dozen kinds of perks, privileges and other dole outs, yet knowing little about their contribution, outcome and impact on taxpayers.

While the judiciary gets the highest in perks, it is the Pakistan Administrative Services (PAS) — erstwhile DMG — that manipulates special benefits instead of allowing the professionals of other cadres to comes.

ducted by a five-member team of state-run modern management," Pakistan Institute of Development Economics (Pide) led by Nadeemul Haque.

employees is about Rs3 trillion, and pensions cost about Rs1.5 trillion. Project workers, people working in government companies, and other organisations cost approxi-Servants', said.

#### Pay scale revision

It said the Basic Pay Scale (BPS) of 1983 had undergone a series of revisions, with a total of 12 updates implemented since its inception — the latest revision in 2022. "Sadly, none of these revisions were based excel and return the taxpayers with out- on modern human resource principles to develop modern public sector incentives

This is the crux of the latest study con- with market conditions and the needs of

It said the BPS system continued with the socialist one-pay scale structure across "In Pakistan...the cost of paying these the entire public sector with a few minor tweaks but PAS was increasingly favoured with non-monetary benefits and better appointments. The technical or professionally skilled remain sidelined in terms mately another Rs2.5 trillion" while the of grades and in terms of non-monetary total amount spent on wages and salaries of benefits. While the national pay scales the military becomes around Rs1tr, the later sought to enter the system to lateral study, titled 'Life time Cost of Public entry to BPS for technical or sector specialists in management payscales and special payscales (MPs & SPS) but this was made difficult and yet "all subservient to

> The study on perks and benefits of civil servants concluded that as generally believed, civil servants are not at a salary disadvantage; in fact, there was a lot more which never reflected on their salary slips.

The study noted that with higher grades,

the proportion of cash allowances in pay and quantified perks in the total cost increases and government housing facility, given as an in-kind benefit, has never been accounted for in the total cost of the civil

The use of official vehicles for personal use by grade 20-22 officers increases the total cost by more than 1.2 times the basic and medical bills reimbursements.

The study noted, "Perks and different allowances add to the total cost of civil servants substantially, and if monetized, would break the myth of low salaries in the public sector. The judicial employees receive the highest number of perks... The secretariat and other ministries' staff also gain 150pc of their basic salary as an allowance."

#### Unproductive employees

challenge due to the high number of non-

productive government employees. Politicians pride themselves on placing their favorites in the public sector knowing that the taxpayer has no say in the process and will pay the cost. "Yet no one looks at what the cost of this dirigisme politics is! Not only are most political employees mostly employed in positions where they are not productive, they are pay. In addition are the medical allowances also a drain on the budget," the study found out.

The cost of bad recruitment can be significant, both in terms of financial losses and the opportunity cost of lost opportunities. The employment practices of political governments in developing economies often stem from a combination of political motivations, short-term focus, lack of economic expertise, and societal expectations. While immediate job creation can have positive effects, it's crucial ...[to] strike a balance Pakistan is facing a growing financial between short-term gains and sustainable fiscal policies, it concluded.

# Govt employees salaries

tute of Development Eco- to the government has ever Rs136, and Rs245 million will nomics (PIDE) titled "Life been calculated. The use of be required by the State of Time Cost of Public Serv- official vehicles for personal Pakistan to afford a Grade-17

encompassing salaries, perks more than 1.2 times the basic. These sums represent the highest and lowest salary public sector. levels.

forces and autonomous/ national budget. semi-autonomous/corpora-

military and the total amount for them in elections. spent on wages becomes In the findings of the ation and to find a balance around Rs1 trillion.

in-kind benefit, has never benefits and operating cost tive effects.

Continued from page 1 been accounted for in the respectively. total cost of the civil serv- It has also been calcu-

ants" revealed on Sunday. use by Grade 20-22 officers officer for a period of thirty The aggregate ratio increases the total cost by years.

Pakistan is 1,374,911 as of that each newly recruited taxation. December 2022. This num- individual (ranging from According to the press

political slogans of offering needs long-term planning; In Pakistan, the govern- public employment to sub- salaries and pensions are the ment spends ample amount stantial number of individu- major expense for the instiof money on paying its als, without acknowledging tute, so PIDE has proposed employees and providing that government's job is to being extra careful and pensions: The cost of paying create new opportunities cost-effective before decidthese employees is about Rs3 and not offering jobs. How- ing to keep an employee. trillion, and pension costs ever, politicians by providing This way, the institute can about Rs1.5 trillion. Project employment opportunities to figure out how it can afford workers, people working in many individuals, especially to pay the person for the rest government companies and within their own party or of his or her working life. other organisations cost patronage network, can cul- It is essential for govapproximately another Rs2.5 tivate a base of supporters ernments to evaluate the trillion. The salaries for the who are more likely to vote long-term financial implica-

done by the Pakistan Insti- ants nor its opportunity cost lated that the sums of Rs49,

and benefits, and operating pay. Medical allowances and what the state and governexpenses for BPS 22 employ- medical bills reimbursement ment of Pakistan will have ees is significantly greater add over Rs2.5 to Rs3 billion to spend on a worker. This than that of BPS 1 employ- to the medical bills. Perks prompts the question of ees, at a ratio of 32.52 times. and different allowances whether or not we have suf-This indicates a substantial add to the total cost of civil ficient revenue streams to disparity in perks, benefits, servants substantially, and if support the compensation and operating costs, with a monetised, would break the for the next 30 years; if not, considerable chasm between myth of low salaries in the it's a good time to pause and consider the implications of The Pakistan Institute adding a new worker to the According to the Paki- of Development Economics system, given that the State stan Bureau of Statistics, the (PIDE), a premier national of Pakistan and the governlatest headcount of federal think tank's current study ment will be responsible for government employees in has investigated the burden covering the cost through

ber includes civilians, armed Grade 1-22) brings on the release issued by the PIDE, it was said that to break free However, politicians raise of its debt spiral, Pakistan

tions of immediate job crestudy titled "Life Time Cost, between short-term benefits With higher grades, the of Public Servants", it is iden- and sustainable fiscal poliproportion of cash allow- tified that the net present cies. While the creation of ances in pay and quanti- value of a Grade-1 employee immediate jobs can have fied perks in the total cost hired in July 2023 would be a good effect, it is equally increases. Government Rs8.1727 million including important to note that rapid housing facility, given as an salary & pension, perks & job creation can have nega-



Front Page October 16, 2023

# Report shines light on huge disparity between govt employees salaries

Pay, perks, operating expenses of BPS-22 officers over 32 times more than those of BPS-1 employees

# By Mehtab Haider

17 to 22 compared to lower employee. This suggests that

grades.

ISLAMABAD: The combined salaries, perks, and operat-compressed, with a large ratio of salaries, perks and ing expenses is much higher gap between the highest and operating expenses is much for BPS-22 employees get- the lowest salaries," a study higher for upper grades from ting 32.52 times from BPS-1

perks and benefits and oper-"The combined ratio of ating expenditure are highly

Continued on page 4



# Politicians 'promise jobs' to get votes

PIDE study highlights burden on budget from training of new recruits

# **OUR CORRESPONDENT**

LAHORE

A recent study conducted by the offering jobs. by newly recruited individuals age network, politicians can build over a thirty-year period.

den placed on the national budget their own political party or patron-Rs49 million for a Grade-17 officer through taxation.

The study, titled "Lifetime Cost likely to vote for them in elections, about whether the country post to help Pakistan break free from of Public Servants," also uncov- According to the study's find- sesses sufficient revenue streams its debt spiral. It suggests that ered that politicians often make ings, the net present value of a to support this compensation the institute carefully consider promises of public employment Grade-1 employee hired in July for the next 30 years. The state- the cost-effectiveness of retainwithout taking into account the 2023 would amount to Rs8, 17, ment underlines the importance ing an employee before making government's role in creating new 27 million. This includes various of pausing and reflecting on the a decision. opportunities rather than solely components such as salary, pen- implications of adding a new "PIDE has proposed a prudent sion, perks, benefits, and oper- worker to the system. It is cru- and cost-effective approach before Pakistan Institute of Development However, the study also suggests ating costs. In a similar vein, it cial to remember that the state of making decisions about retaining Economics (PIDE) has brought to that by providing employment op- was calculated that the state of Pakistan and the government will employees. This way, the institute light the significant financial bur-portunities, particularly within Pakistan would need to allocate be responsible for covering the cost can assess how it can afford to

The statement emphasises the throughout their working life."

ranging from Grade 1 to Grade 22. a base of supporters who are more These figures raise questions necessity for long-term planning

sustain the person's employment



October 16, 2023

# Lifetime Cost of Public Servants

ISLAMABAD: Pakistan Institute of Development Economics (PIDE), A Premier National Think Tank's current study has investigated the burden that each newly recruited individual (ranging from Grade 1-22) brings on the national budget. However, politicians raise political slogans of offering public employment to substantial number of individuals, without acknowledging that Government's job is to create new opportunities and not offering jobs. However, politicians by providing employment opportunities to many individuals, especially within their own party or patronage network, politicians

BPS	Salary & Pension Expenditure (30 Years)	Salary & Other bene- fits (30 Years)	Salary, benefits and Operating Expenses (30 Years)
1	8.0 million	17.0 million	27.0 million
17	49.0 million	136 million	245 million

can cultivate a base of supporters who are more likely to vote for them in elections.

According to the findings of the study titled "Life time Cost of Public Servants", it is identified that the net present value of a Grade-1 employee hired in July 2023 would be PKR 8, 17, 27 million including salary & pension, perks & benefits and operating cost respectively.

It has also been calculated

- PKR 49, PKR 136, and PKR 245 million will be required by the state of Pakistan to afford a Grade-17 officer for a period of thirty years.
- Politicians by providing employment opportunities cultivate a base of supporters.
- It is essential for governments to evaluate the long-term financial implications of immediate job creation and to find a balance between short-term benefits and sustainable fiscal policies.

that the sums of PKR 49, PKR 136, and PKR 245 million will be required by the state of Pakistan to afford a Grade-17 officer for a period of thirty years.

These sums represent what the State and Government of Pakistan will have to spend on a worker. This prompts the question of whether or not we have sufficient revenue streams to support the compensation for the next 30 years; if not, it's a good time to pause and consider the implications of adding a new worker to the system, given that the State of Pakistan and the government will be responsible for covering the cost through taxation.

According to the Press job crea Release issued from PIDE, it effects.

was said that to break free of its debt spiral, Pakistan needs long-term planning; salaries and pensions are a major expense for the institute, so PIDE has proposed being extra careful and cost-effective before deciding to keep an employee. This way, the institute can figure out how it can afford to pay the person for the rest of his or her working life.

It is essential for governments to evaluate the longterm financial implications of immediate job creation and to find a balance between shortterm benefits and sustainable fiscal policies. While the creation of immediate jobs can have a good effect, it is equally important to note that rapid job creation can have negative effects.



# **Life time Cost of Public Servants**

It is essential for governments to evaluate the long-term financial implications of immediate job creation and to find a balance between short-term benefits and sustainable fiscal policies

DNA

ISLAMABAD: Pakistan Institute of Development Economics (PIDE), A Premier National Think Tank's current study has investigated the burden that each newly recruited individual (ranging from Grade 1-22) brings on the national budget. However, politicians raise political slogans of offering public employment to substantial number of individuals, without acknowledging that Government's job is to create new opportunities and not offering jobs. However, politicians by

providing employment opportunities to many individuals, especially within their own party or patronage network, politicians can cultivate a base of supporters who are more likely to vote for them in elections.

According to the findings of the study titled "Life time Cost of Public Servants", it is identified that the net present value of a Grade-1 employee hired in July 2023 would be PKR 8, 17, 27 million including salary & pension, perks & benefits and operating cost respectively. It has also been calculated that the sums of PKR 49, PKR 136, and PKR 245 mil-

lion will be required by the state of Pakistan to afford a Grade-17 officer for a period of thirty years.

BPS Salary & Pension Expenditure (30 Years) Salary & Other benefits (30 Years) Salary, benefits and Operating Expenses (30 Years)

 $\begin{array}{cccc} 1 & 8.0 \text{ million} \\ 17.0 \text{ million} & 2 \ 7 \ . \ 0 \\ \text{million} \end{array}$ 

17 49.0 million 136 million 2 4 5 million

These sums represent what the State and Government of Pakistan will have to spend on a worker. This prompts the question of whether or not we have sufficient revenue streams to support the compensation for the next 30 years; if not, it's a good time to pause and consider the implications of adding a new worker to the system, given that the State of Pakistan and the government will be responsible for covering the cost through taxation.

According to the Press Release issued from PIDE, it was said that to break free of its debt spiral, Pakistan needs long-term planning; salaries and pensions are a major expense for the institute, so PIDE has proposed being extra careful and cost-effective before deciding to keep an employee. This way, the institute can figure out how it can afford to pay the person for the rest of his or her working life.

It is essential for governments to evaluate the longterm financial implications of immediate job creation and to find a balance between short-term benefits and sustainable fiscal policies. While the creation of immediate jobs can have a good effect, it is equally important to note that rapid job creation can have negative effects.

# The Frontier Post

October 16, 2023

# Study on 'Life time Cost of Public Servants' held

### F.P. Report

Tank's current study has respectively. investigated the burden national budget.

Sunday.

However, by providing

a Grade-1 employee hired Pakistan and the govern-PESHAWAR: The Pakistan in July 2023 would be PKR ment will be responsible for Institute of Development 8, 17, 27 million including covering the cost through Economics (PIDE), A salary & pension, perks & taxation. Premier National Think benefits and operating cost

that each newly recruited ed that the sums of PKR 49, free of its debt spiral, individual (ranging from PKR 136, and PKR 245 Pakistan needs long-term Grade 1-22) brings on the million will be required by planning; salaries and pen-However, politicians afford a Grade-17 officer for the institute, so PIDE

offering public employ- BPS Salary & Pension careful and cost-effective ment to a substantial num- Expenditure (30 Years) before deciding to keep an ber of individuals, without Salary & Other benefits (30 employee. acknowledging that the Years) Salary, benefits and This way, the institute Government's job is to cre- Operating Expenses (30 can figure out how it can ate new opportunities and Years) 1 8.0 million 17.0 afford to pay the person for not offering jobs, said in a million 27.0 million 17 the rest of his or her workpress release here on 49.0 million 136 million ing life. 245 million.

employment opportunities what the State and term financial implications to many individuals, espe- Government of Pakistan of immediate job creation cially within their own will have to spend on a and to find a balance party or patronage network, worker. This prompts the between short-term benepoliticians can cultivate a question of whether or not fits and sustainable fiscal base of supporters who are we have sufficient revenue policies. more likely to vote for them streams to support the compensation for the next 30 immediate jobs can have a According to the find- years; if not, it's a good good effect, it is equally ings of the study titled time to pause and consider important to note that rapid "Life time Cost of Public the implications of adding a job creation can have nega-Servants", it is identified new worker to the system, tive effects.

that the net present value of given that the State of

According to the Press Release issued from PIDE, It has also been calculat- it was said that to break the state of Pakistan to sions are a major expense raise political slogans of for a period of thirty years. has proposed being extra

It is essential for govern-These sums represent ments to evaluate the long-

While the creation of



# PIDE conducts study on 'Life time Cost of Public Servants'

#### FRONTIER NEWS

PESHAWAR: Pakistan Institute of Development Economics (PIDE), A Premier National Think Tank's current study has investigated the burden that each newly recruited individual (ranging from Grade 1-22) brings on the national budget.

However, politicians raise political slogans of offering public employment to a substantial number of individuals, without acknowledging that the Government's job is to create new opportunities and not offering jobs, said in a press release here on Sunday.

However, by providing

employment opportunities to many individuals, especially within their own party or patronage network, politicians can cultivate a base of supporters who are more likely to vote for them in elections.

According to the findings of the study titled "Life time Cost of Public Servants", it is identified that the net present value of a Grade-1 employee hired in July 2023 would be PKR 8, 17, 27 million including salary & pension, perks & benefits and operating cost respectively.

It has also been calculated that the sums of PKR 49, PKR 136, and PKR 245 million will be required by the state of

employment opportunities to Pakistan to afford a Grade-17 many individuals, especially officer for a period of thirty within their own party or years.

BPS Salary & Pension Expenditure (30 Years) Salary & Other benefits (30 Years) Salary, benefits and Operating Expenses (30 Years) 1 8.0 million 17.0 million 27.0 million 17 49.0 million 136 million 245 million.

These sums represent what the State and Government of Pakistan will have to spend on a worker. This prompts the question of whether or not we have sufficient revenue streams to support the compensation for the next 30 years; if not, it's a good time to pause and consider the implications of adding a new worker to the system, given that the State of Pakistan and the government will be responsible for covering the cost through taxation.

According to the Press Release issued from PIDE, it was said that to break free of its debt spiral, Pakistan needs long-term planning; salaries and pensions are a major expense for the institute, so PIDE has proposed being extra careful and cost-effective before deciding to keep an employee. This way, the institute can figure out how it can afford to pay the person for the rest of his or her working life.

October 16, 2023

# PIDE conducts study on 'Life time Cost of Public Servants'

TIMES REPORT on Sunday.

Pakistan Institute of opportunities Economics (PIDE), A especially Premier from Grade 1-22) them in elections. brings on the nation-

tunities and not operating offering jobs, said in respectively. a press release here

National their own party or Grade-17 officer for a to pause and consider study has investigat- politicians can culti- years. ed the burden that vate a base of supeach newly recruited porters who are more Pension Expenditure that the State of

cians raise political of Public Servants", 8.0 million slogans of offering it is identified that million public employment the net present value lion 17 ber of individuals, hired in July 2023 245 million. without acknowledg- would be PKR 8, 17, 27 These sums repre- Pakistan needs longthe million including sent what the State term

However, by pro- sums of PKR 49, PKR cient BPS

individual (ranging likely to vote for (30 Years) Salary & Pakistan and the gov- governments to eval-According to the Years) Salary, bene- responsible for cover- financial implicafindings of the study fits and Operating ing the cost through tions of immediate However, politi- titled "Life time Cost Expenses (30 Years) 1 taxation. 17.0 to a substantial num- of a Grade-1 employee lion 136 million said that to break able fiscal policies.

Salary & to the system, given working life.

According to the find a planning; It has also been question of whether being extra careful negative effects.

calculated that the or not we have suffi- and cost-effective revenue before deciding to PESHAWAR: viding employment 136, and PKR 245 mil- streams to support keep an employee. to lion will be required the compensation for This way, the insti-Development many individuals, by the state of the next 30 years; if tute can figure out within Pakistan to afford a not, it's a good time how it can afford to Think Tank's current patronage network, period of thirty the implications of pay the person for adding a new worker the rest of his or her

It is essential for Other benefits (30 ernment will be uate the long-term job creation and to balance 27.0 mil- Press Release issued between short-term 49.0 mil- from PIDE, it was benefits and sustainfree of its debt spiral, While the creation of immediate jobs can Government's job is salary & pension, and Government of salaries and pensions have a good effect, it to create new oppor- perks & benefits and Pakistan will have to are a major expense is equally important cost spend on a worker, for the institute, so to note that rapid job This prompts the PIDE has proposed creation can have



October 16, 2023

# TODAY'S MUSLIM

# PIDE conducts study on 'Life time Cost of **Public Servants'**

T M Report

Tank's current study has spectively. investigated the burden

ment to a substantial without acknowledging Years) press release here on lion Sunday.

ing employment oppor- 245 million. tunities to many individ-

identified that the net sider the implications of effects.

Premier National Think and operating cost re-tion.

BPS However, by provid- 49.0 million 136 million

uals, especially within what the State and plications of immediate their own party or pa- Government of Pakistan job creation and to find tronage network, politi- will have to spend on a a balance between cians can cultivate a worker. This prompts short-term benefits and base of supporters who the question of whether sustainable fiscal poliare more likely to vote or not we have suffi- cies. While the creation for them in elections. cient revenue streams to of immediate jobs can According to the support the compensa- have a good effect, it is findings of the study ti- tion for the next 30 equally important to tled "Life time Cost of years; if not, it's a good note that rapid job cre-Public Servants", it is time to pause and con- ation can have negative

present value of a adding a new worker to Grade-1 employee hired the system, given that PESHAWAR: in July 2023 would be the State of Pakistan and Pakistan Institute of PKR 8, 17, 27 million the government will be D e v e l o p m e n t including salary & pen- responsible for covering Economics (PIDE), A sion, perks & benefits the cost through taxa-

According to the It has also been cal- Press Release issued that each newly recruit- culated that the sums of from PIDE, it was said ed individual (ranging PKR 49, PKR 136, and that to break free of its from Grade 1-22) brings PKR 245 million will be debt spiral, Pakistan on the national budget. required by the state of needs long-term plan-However, politicians Pakistan to afford a ning; salaries and penraise political slogans of Grade-17 officer for a sions are a major exoffering public employ- period of thirty years. pense for the institute, Salary & so PIDE has proposed number of individuals, Pension Expenditure (30 being extra careful and Salary & cost-effective before dethat the Government's Other benefits (30 ciding to keep an emjob is to create new op- Years) Salary, benefits ployee. This way, the inportunities and not of- and Operating Expenses stitute can figure out fering jobs, said in a (30 Years) 1 8.0 mil- how it can afford to pay 17.0 million the person for the rest of million 17 his or her working life.

It is essential for governments to evaluate the These sums represent long-term financial im-