

Time to trim the civil service

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FINALLY, the Government has itself described the civil service as bloated.

To his credit, Second Finance Minister Datuk Johari Abdul Ghani openly and honestly stated that the civil service, although bloated, will not be reduced but will instead be made to multi-task to improve productivity. This statement is serious but also worrisome.

We now have one civil servant serving 19.37 people. The ratio is 1:110 for Indonesia, 1:108 for China, and 1:50 for South Korea. We won't compare ourselves to the low ratio of 1:71.4 in Singapore because it's a small island with hardly any rural population.

But why is our civil service so bloated? Firstly, we recruited rapidly to give jobs to the boys when the output from the education system expanded. We even had an "Isi Penuh" programme at one time. That is we rushed to create jobs and filled them fast!

Secondly, unlike the private sector, we rarely retrench staff even in bad times. We hardly sack anyone for inefficiency and even waste of public funds.

Thirdly, the civil service has become a sacred cow that has to be

handled gingerly for fear of reaction against the federal and state governments at the ballot box!

Life is relatively comfortable especially at the lower levels of the civil service. Salaries are better than before, pensions are secure, health provisions are generous, and the drive to be more productive is soft. In fact, there is now a strong *manja-manja* attitude towards civil servants.

The demand to join the civil service is high but the supply of jobs is slowing down considerably.

The Government should decide to reduce the size of the civil service to prevent the strain on the budget deficits, especially in the future.

Salary and pension bills are going up whereas productivity is not publicly perceived to be improving. Those who deal with civil servants often tell us more about the undue delays, corruption and "*tidak apa*" or lackadaisical attitude shown on the ground towards the public.

The Government should appoint a high-level task force, if not a royal commission, to examine ways and means of trimming the civil service to an efficient and rea-

sonable size.

To start with, the Government should revise its stand on not reducing "the 1.6 million strong bloated civil service." If it finds it difficult to reduce the civil service, then please freeze recruitment or make it more sparing and definitely more selective. Please go for more quality rather than quantity!

The civil service is huge because the public sector has been designed to be inordinately large. This has evolved because the private sector has been denied and deprived of greater opportunities to serve the public.

There are many government services, facilities and works and supplies that can be provided more efficiently by the business sector. In fact, this could be the way forward for more bumiputra contractors and other races to participate more actively and competitively to serve our society better.

The cost of maintaining the civil service, at RM74bil in 2016 for salaries and allowances, is not sustainable.

The pension bill of RM19bil per annum, without any contribution to the GDP by retirees, is also unbearable in the longer term. At

the same time, according to Johari, revenue from palm oil and other commodities have been falling drastically. So where do we go from here?

It is basic economic and financial logic that we cannot afford to cope with rising salary expenditure and lower revenue. It is much more difficult to raise revenue than to cut expenditure.

The Government has said that our fundamentals are strong. Indeed, they are reasonably healthy at this time. But at this rate of a growing civil service that is now acknowledged as bloated, we cannot afford to assume that the economic and financial fundamentals can continue to be strong for much longer.

My appeal then is for Government to more actively seek to reduce the size of the civil service and to act without undue delay. Our good economic fundamentals are being seriously threatened and we must preserve and protect them from further risks.

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