

PUBLIC SERVICE REFORM IN KIRIBATI

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1. Introduction

Public Service Reform is a planned intervention to raise the level of public service performance. It must have carefully defined goals and a strategy to attain those goals. The ultimate aim of Public Service Reform in Kiribati is to see remarkable improvements in public service outputs, such as more effective and responsive services delivery. This is the driving force behind Public Service Reform in Kiribati which really began in 1996 with the introduction of the National Development Strategy 1996-1999. The fundamental outcome of the National Development Strategy is to improve the living standards of people within scarce resources.

In 1996, the National Development Strategy set out the public service reform priority to be pursued during the four year period of 1996-1999. One of the Public Service Reform priorities for this period was 'Rightsizing of the Public Service'. During this period collective efforts were coordinated to address issues affecting the efficiency and productivity of the public service. The 2000-2003 National Development Strategy continues to build on the cooperative approach to setting development policies and strategies set out in the 1996-1999 NDS. The theme of the 2000-2003 NDS attempts to ensure that the benefits of public service reform will be realized very soon.

The 2000-2003 National Development Strategy also focus on public service reform programmes that must be achieved in order to create the favourable "enabling environment needed to stimulate growth and private sector development" (NDS, 9).

2. Issues/Constraints

A number of issues constraining Public Service Reform includes:

Unparalleled Growth of the Private Sector

It is confirmed that a more private enterprise based and competitively structured economy is needed to enable sustained growth in real per capita income, to facilitate increased exports and foreign investments and a greater impact on the overall efficiency and productivity of the public service. However, the present smallness of the private sector inhibits efforts to introduce reform programs associated with new public management involving privatization and contracting out.

Growth in the private sector is very slow for a number of reasons. There is lack of appropriate institutional structures to support private sector development such as land. Lack of sufficient capital for financing small scale business. With only one commercial and development bank available in the country, lending have

not been easy due to lack of collateral and tight credit policies. There is also lack of local business related skills available.

Large Government budget

Slackness in private sector growth indicates that it is Government obligations to provide and operate in all areas of business including those areas that are considered to be business related activities. The Government of Kiribati does not only provide essential services such as public utilities but it is still in the wholesaling business, airline, hotel, security and cleaning services, etc. As a result the central government budget is by far the largest sector of the Kiribati economy which, on average, accounts for over 80 % of factor GDP during the 1990s. This is significantly large when compared to lower middle countries.

Total formal employment increased from about 6800 in 1995 to about 8600 in 1999, representing average annual growth of about 6%. The number of persons formal employment represents just under 20% of all persons in the working age population (age 15-60, a relatively low labour force participation rate compared with other countries in the region. The Public Service (public administration) accounted for over half (55%) of total employment in 1999, compared with about 22% in Public Enterprises and 23% in the private sector. Since Public Enterprises are Government owned, more than 75% of all formal employment is in Government.

3. What has been achieved

In view of issues and problems discussed above, public service reform has been and will be continuing to focus on reforming the context and mechanisms of public service functions, improving the work environment and operational systems. A number of public service reform programmes have been undertaken and most of them are still in the process. It is anticipated that the impact of such reform programmes will contribute to improving staff morale and satisfaction, which in turn have spill over benefits in increasing the efficiency and productivity of the public service. Those reform programmes include:

National Job Evaluation Exercise

The exercise looks into correction of anomalies existing within the current grading system of all jobs in the public service. It aims at maintaining an equitable and compatible grading system to ensure satisfaction of all employees. This exercise is almost completed and it is anticipated that the implementation will start in 1 July 2001.

Strengthening and Rightsizing of Government Ministries is being undertaken together with the Job Evaluation exercise given the close linkages of these exercises.

Review of the National Conditions of Service (NCS)

The review on the National Conditions of Service aims to ensure that current conditions are relevant, cost effective and contributes to improving the efficiency of the public service. A major review of the NCS was undertaken by a group of senior Government officials from various professions and the work was completed in 1999 however the report of the review is under active considerations. This is quite a big task given its implications on the existing law.

Human Resource Development

Through the assistance of AusAid and EU aid, it has made it possible for the Public Service Office to coordinate in-country training programmes in 5 major sectors of Government such as in Fisheries, Agriculture, Public Health, Education and the Public Service.

Tarawa Technical Institute (TTI) offers a large number of courses in a range of vocational technical disciplines, including building and carpentry, computer studies, business studies, adult general education subjects, and engineering. The strengthening of TTI is one of the initiatives taken to increase TTI capacity to be able to run appropriate courses for Government and the private sector. This initiative also expanded TTI capacity to reach outer islands. The establishment of learning centers on outer islands is a complimentary effort encouraging distant learning from the outer islands. These centers will be the focal contact points for TTI or USP extension programmes to reach the majority of our population on outer islands and who are interested to undertake courses from the islands.

The scheme also aims to make TTI and USP services more accessible to the people on the outer islands. Through this scheme people who have interest in setting up small private businesses and who need skills in this area have easy access to TTI business related courses. This is one of Government efforts to facilitate private sector development.

Reforming the Budget Process

The introduction of output based budgeting system redesigned the budget processes and procedures to allow Ministries to focus more sharply on the outputs they produce and held them accountable for service delivery. This new budgeting system also allows setting measurable performance standards to be achieved which did not exist in the old budget system.

Renewing the Spirit of Public Enterprising

This is a very recent initiative funded by the Government of Kiribati as a means to explore ways for renewing the spirit of public enterprising in Kiribati. It was a one-day symposium where all Government owned public enterprises shared and discussed issues and constraints affecting their operations. This is a first step forward to formulate strategic actions for improving the productivity of public enterprises in Kiribati.

Lessons Learnt from Public Service Reform Programmes

Though a number of public service reform programmes have been undertaken and still in the process, the impact of such reforms have not yet been realized. However, a number of lessons have been learnt including:

- i) Fragmented and Uncoordinated efforts

In the absence of a more comprehensive approach to improve all appropriate institutions that are needed to facilitate the reforms, efforts to facilitate public service reform programmes have been fragmented and uncoordinated. As a result each sector determines, decides and acts on its own without linkages to other similar exercises undertaken in other sectors. Since public service reform programmes involve huge amount of financial support there is a need for an integrated approach to link and coordinate efforts so that the desired outcome is achieved.

- ii) Lack of ownership

Most of the reforms are confined only within senior management or within the sector responsible for such reform programme without involving those that will be directly affected by the change. As a result implementation of such improvement programmes was difficult.

- iii) Lack of appropriate skills for undertaking public service reform programmes

There is still a lot of efforts needed for increasing the skills in undertaking public service reform programmes. Some of the reform programmes should have been successful if adequate skills is available.

Conclusion

From the lessons learnt from what we have done in public service reform, I would like to conclude with the following statement:

“Do not spend much efforts and time in reforming, but put greater strengths to design strategies that ensure the success of the reform process.”