



PUBLIC SECTOR PRICE TAG

Public sector bosses on hefty pay packets always get a bad press, especially when junior staff are facing brutal cuts. But should they get paid less than their private sector counterparts? **Karen Higginbottom** weighs up the arguments

The pay of leaders in the UK's public sector organisations has been firmly in the spotlight recently with media reports of council 'fat cats' drawing huge salaries while brutal public sector cuts are being made. Local government minister Eric Pickles disparagingly referred to the role of chief executives in councils as a 'non-job'.

The prime minister has also criticised the large salaries drawn by public sector CEOs and made

frequent pledges in his election campaign last year to tackle 'unfair pay' in this sector.

And last year, research by the BBC's Panorama programme and the Bureau of Investigative Journalism revealed that more than 9,000 public sector employees earned a higher wage than the PM himself.

It's a spurious argument to compare the salary of the PM with that of public sector employees, argues Chris Johnson, head of human capital at business consultancy Mercer. Johnson previously worked at the Cabinet Office, with

responsibility for pay. "The motivation of someone to become active in politics is fundamentally different from employees who are in a career doing a job," he says. "The other part of the argument is that political pay is highly sensitive and symbolic. When you add it all up, the PM's total financial package is worth considerably more than his base pay."

Pay levels for the top 5% of public sector jobs have risen by 51% in the past decade, according to government figures. This is partly due to the introduction of private