



Salaries & Remuneration Commission

Rewarding productivity

**SECOND QUARTER WAGE BILL BULLETIN
(OCTOBER - DECEMBER 2023)**

DECEMBER 2023

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List of Acronyms and Abbreviations

CBA	Collective Bargaining Agreement
CBK	Central Bank of Kenya
CPI	Consumer Price Index
DSA	Daily Subsistence Allowance
FY	Financial Year
GDP	Gross Domestic Product
Ksh	Kenya Shillings
KNBS	Kenya National Bureau of Statistics
MDAs	Ministries, Departments and Agencies
OCOB	Office of the Controller of Budget
PE	Personal Emoluments
PFM	Public Finance Management (Act/Regulations)
SRC	Salaries and Remuneration Commission
TSC	Teachers Service Commission

1 INTRODUCTION

This Second Quarter Wage Bill Bulletin covers the period October - December 2023 for the financial year (FY) 2023/2024. During this quarter, the Salaries and Remuneration Commission (SRC) undertook monitoring and evaluation visits to selected State corporations, sampled sugar companies, national polytechnics, and the regional centres of the Kenya Medical Research Institute. In addition, SRC also participated in a training on the framework for recognising productivity and performance, undertaken for stakeholders from various regions countrywide.

This bulletin is arranged into sections. Section Two provides an analysis of the impact of SRC advice. It looks at the requests received from public institutions and the value of SRC’s decisions arising from the review and determination of the requests. Section Three examines the public wage bill trends, with specific focus on personnel emolument for the national and county governments. It also looks at the analysis of the local and foreign travel expenditure and its impact on the wage bill.

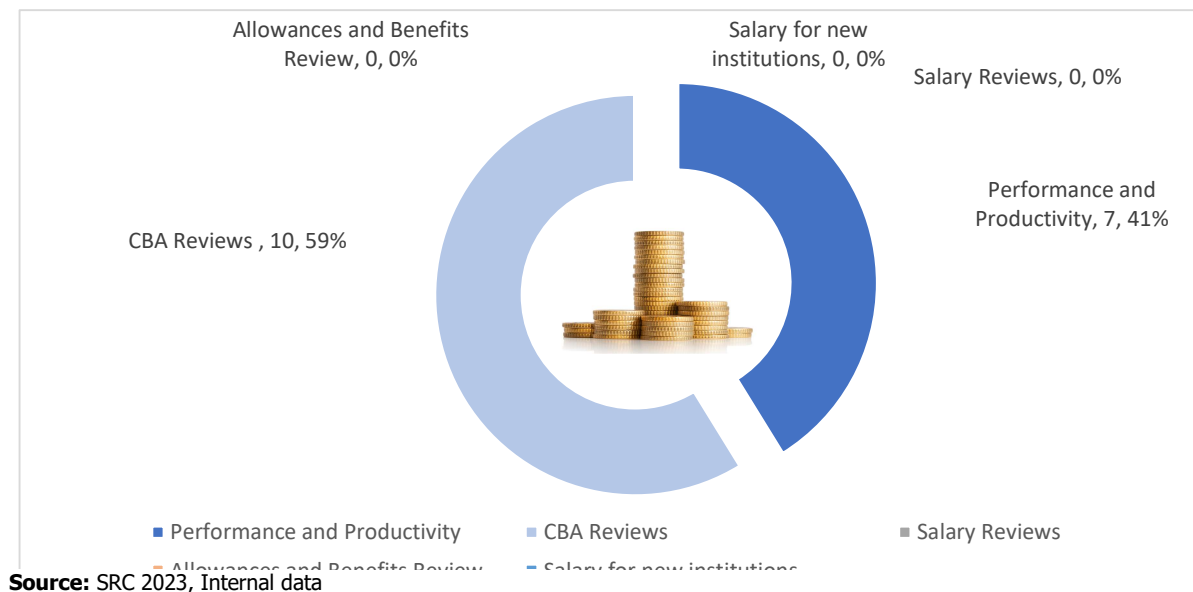
Section Four of the bulletin analyses the changes in the Consumer Price Index and Inflation Rate and its impact on the public wage bill. Section Five considers the wage employment and payment within the public service. Section Six makes concluding remarks arising from the analyses.

2 SRC ADVICE DURING SECOND QUARTER

2.1 Requests from public institutions

During the period under review, SRC received 17 requests from public institutions, as shown in **Figure 1**.

Figure 1: Requests received from public institutions during the second quarter of FY 2023/2024



Observations on the requests from public institutions:

- a) Nil requests accounting for 0 per cent were on allowances and benefits.
- b) 10 requests accounting for 59 per cent were on Collective Bargaining Agreements (CBAs).
- c) 7 requests accounting for 41 per cent were bonus requests.
- d) No request was received on salaries for new public institutions.

2.2 Value of SRC's Advice

SRC approved requests worth Ksh 815.57 million, representing 49.8 per cent of the total requests from public service institutions, which amounted to Ksh 1,637.63 million.

Table 1 shows the value of SRC's advice compared to the requests received from public service institutions during the second quarter of FY 2023/2024.

Table 1: Approved advice as a share of requests received in FY 2022/2023 and FY 2023/2024

Financial Year (FY)	Quarter	Value of Requests by Public Service Institutions (Ksh million)	Value of Requests Approved by SRC (Ksh million)	Approved advice as a share of requests received (%)
2022/23	Q1	2,099.84	1,611.95	76.8
	Q2	614.37	571.16	93.0
	Q3	3,240.44	411.43	12.7
	Q4	2,224.00	1,679.24	75.5
Total for FY 2022/23	Q1-Q4	8,178.65	4,273.78	52.3
2023/24	Q1	39,801.57	24,052.58	60.4
	Q2	1,637.63	815.57	49.8
Total for FY 2023/24	Q1-Q2	41,439.20	24,868.16	60.0

Source: SRC 2023, Internal data

Observations on requests from public institutions:

The total value of advice for the second quarter of FY 2023/2024 amounted to Ksh 815.57 million, representing 49.8 per cent of the value of requests received and determined. In comparison to the same period in FY 2022/2023, the cost of SRC advice went up in absolute terms from Ksh 571.16 million in FY 2022/2023 to Ksh 815.57 million in FY 2023/2024.

Cumulatively, the total value of SRC advice for the half year of FY 2023/2024 amounted to Ksh 24,868.16 million, against the total request of Ksh 41,439.20 million, representing 60 per cent of the value of requests received and determined.

Compared to the same period in FY 2022/2023, the value of both the requests submitted and approved grew almost five times. In the half year of FY 2022/2023, the total value of requests received was Ksh 8,178.65 million, out of which, requests totaling Ksh 4,273.16 million (52.3 per cent) was approved by SRC.

Table 2 shows the breakdown of requests received against the resultant cost of SRC’s advice for FY 2022/2023 and FY 2023/2024.

Table 2: Quarterly trend of value of requests from public institutions and SRC’s advice for FY 2022/2023 and 2023/2024

	FY 2022/2023								FY 2023/2024			
	Quarter 1 (July – Sep 2022)		Quarter 2 (Oct – Dec 2022)		Quarter 3 (Jan – Mar 2023)		Quarter 4 (April - June 2023)		Quarter 1 (July - Sept 2023)		Quarter 2 (Oct - Dec 2023)	
	Value of Requests	Value of Advice	Value of Requests	Value of Advice	Value of Requests	Value of Advice	Value of Requests	Value of Advice	Value of Requests	Value of Advice	Value of Requests	Value of Advice
CBA’s reviews	63.79	11.51	261.22	236.71	2,643.26	3.70	329.80	87.45	17,992.04	2,369.58	664.97	35.10
Allowances and Benefits reviews	415.92	13.43	231.65	213.64	362.44	224.74	1,032.23	752.17	94.39	7.79	DNS	DNS
Salary reviews	0.00	150.82	120.52	120.70	219.00	182.99	839.62	839.62	21,660.11	21,660.11	DNS	DNS
Salary for new institutions	0.00	-	0.00	0.00	-	-	-	-	-	-	0.00	0.00
Rewards / Bonuses	1,469.32	1,436.19	0.99	0.11	15.74	0.00	22.35	0.00	55.04	15.11	972.66	780.48
Total	1,949.02	1,611.95	614.37	571.16	3,240.44	411.43	2,224.00	1,679.24	39,801.57	24,052.58	1,637.63	815.57

Source: SRC 2022, Internal data

*DNS - Data Not Submitted by the time of concluding the analysis.

3 PUBLIC WAGE BILL TRENDS

This section shows highlights of the analysis of the public wage bill trends against the thresholds of 35 per cent, as set by the Public Finance Management (PFM) Act, 2012, and PFM Regulations, 2015.

3.1 Personnel emolument for the county government

The analysis of county government expenditure on wage bill (Personnel Emoluments – [PE]) as a share of the total revenue shows that on average, the ratio has remained above the PFM Regulations, 2015, recommended ratio of 35 per cent over the recent years.

Table 3 shows the expenditure performance of county governments for FY 2022/2023 and FY 2023/2024.

Table 3: County governments expenditure in FY 2022/2023 – 2023/2024 (Ksh billion)

Expenditure	FY 2022/2023					FY 2023/2024	
	Q1	Q2	Q3	Q4	TOTAL	Q1	Q2*
Development	2.22	9.45	18.07	68.25	97.98	6.92	29.50
Operations and maintenance	9.45	29.33	35.32	61.73	135.83	18.76	58.23
Personnel Emoluments	43.15	51.63	41.08	59.24	195.09	41.79	50.00
Total Expenditure	54.82	90.40	94.46	189.22	428.90	67.47	137.73
PE as a % of Total Expenditure	78.7%	57.1%	43.5%	31.3%	45.5%	61.9%	36.3%
Total Revenue	98.97	91.57	65.94	209.53	466.01	99.28	106.70
PE as a % of Total Revenue	43.6%	56.4%	62.3%	28.3%	41.9%	42.1%	46.9%

Source: Office of Controller of Budget (OCOB) 2021 and 2022; *Projected

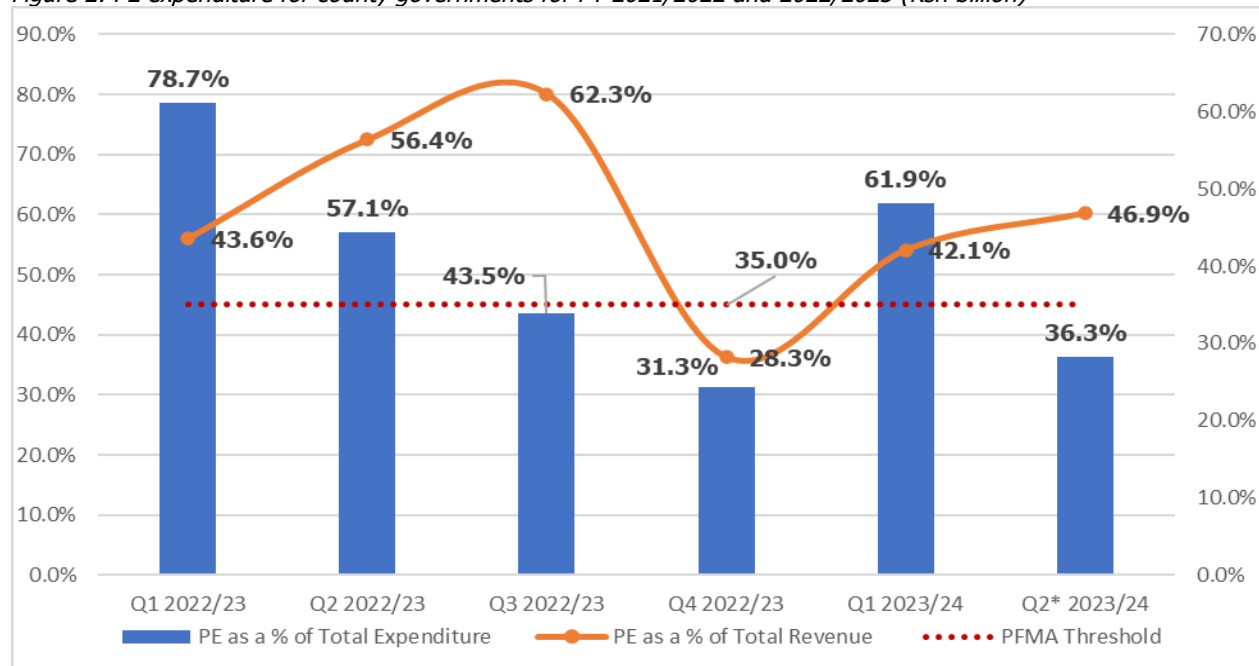
The total expenditure of county governments in the second quarter of FY 2023/2024 is projected to increase to Ksh 137.73 billion, representing a 52.4 per cent expenditure growth, compared to the same period in FY 2022/2023. In FY 2023/2024, the expenditure on PE is projected to increase from Ksh 41.79 billion in the first quarter to Ksh 50 billion, representing a 19.6 per cent growth.

This growth in PE expenditure is partly attributed to the growth of the county government's expenditure in absolute terms. This resulted from the implementation of the third cycle of salary reviews, which awarded county governments a pay review of 18.8 per cent spread across two fiscal years, in addition to the implementation of the annual salary increments.

Weighed against the 35 per cent threshold set by PFM Regulations, 2015, the PE expenditure, as a proportion of the total expenditure, is projected to increase from 42.1 per cent in the first quarter of FY 2023/2024 to 46.9 per cent in the second quarter of FY 2023/2024. This is still above the threshold.

Figure 2 shows the quarterly PE to expenditure and revenue ratio trends in county governments for FY 2022/2023 and 2023/2024.

Figure 2: PE expenditure for county governments for FY 2021/2022 and 2022/2023 (Ksh billion)



Data Source: OCOB, 2021/2022 and 2022/2023

Note: PE and revenue for Q2* are projected from the performance of Q2 of FY 2022/23

3.2 Personnel emoluments for the national government

An analysis of the Controller of Budget’s report on budget implementation shows that in the second quarter of FY 2023/2024, the expenditure on PE in the national government is projected at Ksh 127.79 billion, compared to Ksh 123.53 billion in the same period in FY 2022/2023.

Table 4 shows the quarterly trends on expenditure for the national government for FY 2022/2023 – 2023/2024.

Table 4: Quarterly national government expenditure for FY 2022/2023 – 2023/2024 (Ksh billion)

Expenditure	FY 2022/2023					FY 2023/2024	
	Q1	Q2	Q3	Q4	TOTAL	Q1	Q2*
Development	78.97	92.64	87.91	214.03	473.55	83.70	98.19
Operations and maintenance	126.79	295.21	169.84	266.31	858.15	199.74	465.06
Personnel Emoluments	130.89	123.53	148.07	142.52	545.01	120.99	127.79
Total Expenditure	336.65	511.38	405.82	622.87	1,876.72	404.43	691.04
PE as a % of Total Expenditure	38.9%	24.2%	36.5%	22.9%	29.0%	29.9%	18.5%
Total Revenue	681.30	753.20	656.90	1154.07	3,245.47	747.98	826.91
PE as a % of Total Revenue	19.2%	16.4%	22.5%	12.3%	16.8%	16.2%	15.5%

Source: OCOB, 2022 and 2023

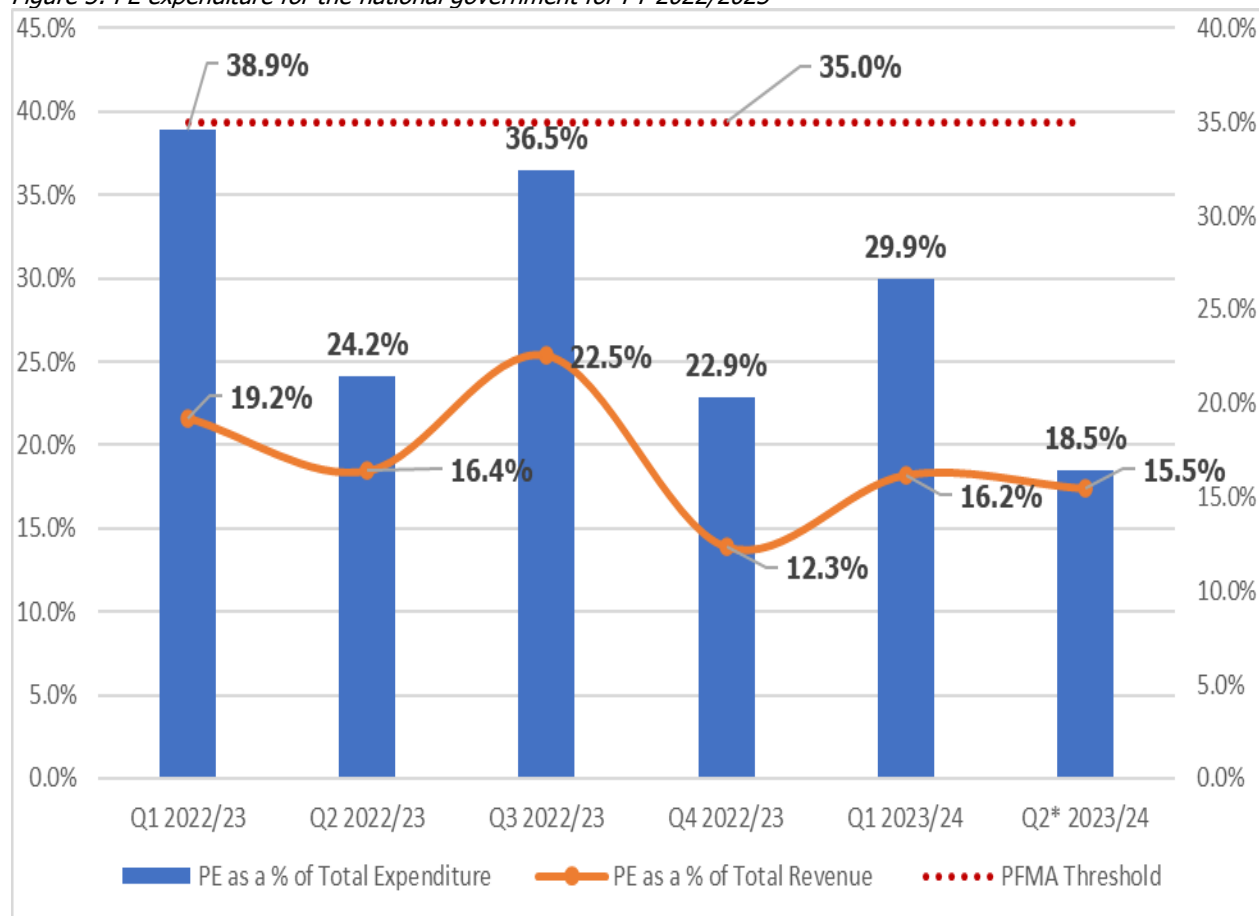
Note:

- (a) Q* are projections.
- (b) The PE and revenue for Q2* are projected from the performance of Q2 of FY 2022/2023.
- (c) The total expenditure is exclusive of Ksh 379.79 billion in respect of the CFS expenditure.
- (d) The total PE in **Table 4** is exclusive of PE from the security sector and A-i-A spending/payments by MDAs.

The total expenditure is projected to increase from Ksh 511.38 billion in the second quarter of FY 2022/2023, to Ksh 691.04 billion in the same period in FY 2023/2024.

Although the total PE is projected to grow in absolute terms, the PE expenditure as a share of the total revenue is projected to reduce from 16.4 per cent in the second quarter of FY 2022/2023, to 15.5 per cent in the same period in FY 2023/2024 (**Figure 3**).

Figure 3: PE expenditure for the national government for FY 2022/2023



Source: OCOB 2022 and 2023

Note: PE and revenue for Q1* are projected from the performance of the fourth quarter of FY 2021/2022

The PE for the national government (excluding the national security sector and the CFS), as a share of the total revenue ratio, has continued to remain relatively within the recommended threshold of 35 per cent, as set by PFM Act, 2012, and PFM Regulations, 2015.

3.3 Analysis of local and foreign travel expenditure

Daily Subsistence Allowance (DSA), which is a subset of the local and foreign travel expenditure, is a key contributor to the growth of the public service wage bill. This section examines the trend in DSA expenditure for the public service for the period FY 2018/2019 to 2022/2023 (**Table 5**).

Table 5: DSA, Revenue, Expenditure, GDP (Ksh billions) and ratios

Item	2018/2019 (Ksh billions)	2019/2020 (Ksh billions)	2020/2021 (Ksh billions)	2021/2022 (Ksh billions)	2022/2023 (Ksh billions)
Total Expenditure	2,433.70	2,565.40	2,749.50	3,027.80	3,221.00
Recurrent Expenditure	1,531.10	1,645.20	1,798.20	2,135.30	2,311.60
Total Revenue	1,701.70	1,733.60	1,783.70	2,199.80	2,360.50
Ordinary Revenue	1,499.80	1,573.40	1,562.00	1,917.90	2,041.10
County Total Expenditure	376.43	383.79	398.01	400.96	428.90
County Recurrent Expenditure	269.00	279.27	281.95	302.49	330.92
County Total Revenue	445.36	411.90	436.60	436.47	466.01
GDP	10,237.73	10,715.07	12,027.66	13,368.34	14,521.60
County DSA	16.20	14.76	12.38	14.48	17.50
Total DSA	33.41	29.38	26.60	34.65	37.87
Local Travel	24.24	23.63	22.85	26.50	29.41
Foreign Travel	9.17	5.75	3.75	8.16	8.46
DSA to total expenditure (%)	1.37%	1.15%	0.97%	1.14%	1.18%
DSA to recurrent expenditure (%)	2.18%	1.79%	1.48%	1.62%	1.64%
DSA to total revenue (%)	1.96%	1.69%	1.49%	1.58%	1.60%
DSA to ordinary revenue (%)	2.23%	1.87%	1.70%	1.81%	1.86%
County DSA to County total revenue (%)	3.64%	3.58%	2.84%	3.32%	3.76%
County DSA to county recurrent expenditure (%)	6.02%	5.29%	4.39%	4.79%	5.29%
County DSA to county total expenditure (%)	4.30%	3.85%	3.11%	3.61%	4.08%
Total DSA to GDP (%)	0.33%	0.27%	0.22%	0.26%	0.26%

Source: Treasury BR0P 2023, OCOB Reports

Table 5 shows that although the total DSA expenditure of the national government has continued to grow in absolute terms as a share of GDP, this has relatively remained stable under 1 per cent for the last five years. For instance, the total DSA expenditure grew from Ksh 33.41 billion (0.33 per cent of GDP) in FY 2018/2019 to Ksh 37.87 billion (0.26 per cent of GDP) in FY 2022/2023.

3.4 Other economic indicators

The following are the key highlights of other relevant economic indicators and parameters used in assessing the fiscal sustainability of the national wage bill.

- a) The wage bill to nominal GDP ratio was 7.91 per cent in FY 2016/2017, rising to 8.57 per cent in FY 2019/2020. The ratio decreased to 8.21 per cent in FY 2020/2021, and 7.74 per cent in FY 2021/2022. It is projected to reduce marginally to 7.58 per cent in FY 2022/2023, and 7.19 per cent in FY 2023/2024. This ratio is projected to decline towards 7.5 per cent, which is the average for developing countries, and 7 per cent, which is the internationally desirable level.
- b) The wage bill to ordinary revenue ratio declined from 54.77 per cent in FY 2020/2021 to 47.06 per cent in FY 2021/2022. It is projected to reduce further to 43.54 per cent in FY 2022/2023 and 40.45 per cent in FY 2023/2024.

- c) Over the last eight years, the public wage bill to total revenue ratio was highest in FY 2020/2021 at 45.9 per cent. It declined to 39.56 per cent in FY 2021/2022. It is projected to reduce further to 34.6 per cent in FY 2022/2023, and 32.15 per cent in FY 2023/2024.
- d) The total wage bill has been growing at an average rate of 7.2 per cent over the last five years, and projected to continue growing, but at a slightly slower rate of 6.36 per cent in FY 2022/2023, and 6.37 per cent in FY 2023/2024.
- e) In terms of changes in the number of employees in the public service, the Teachers Service Commission and the National Police accounted for a significant proportion of the increase in FY 2020/2021 and 2021/2022 at 46 per cent and 95 per cent, respectively.

4 CONSUMER PRICE INDEX AND INFLATION RATE

Consumer Price Index (CPI) considers the weighted average of prices of a representative basket of household consumption goods and services. This includes, but not limited to, transportation, food, housing, water, food and non-alcoholic beverages, as well as electricity, gas and other fuels. Changes in CPI are one of the key parameters for assessing price changes associated with the cost of living.

The Kenya National Bureau of Statistics reports that CPI for the second quarter of FY 2023/2024 increased from 136.71 in October 2023 to 137.55 in December 2023. On average, the CPI for the second quarter of FY 2023/2024 was 137.10 compared to 128.39 in the same period in FY 2022/2023, representing a 6.8 per cent growth in CPI for the period under consideration.

A rise in CPI and Inflation Rate implies a rise in the general prices of goods and services. A persistent general increase in inflation erodes not only the value of the Kenya Shilling, but also its purchasing power. Consequently, this will exert inflationary pressure on the labour market due to the push by employees for salary increments as a way of cushioning public servants and the households against the resultant high cost of living. If this is not mitigated, it may push a sizable proportion of the population into the poverty bracket.

Table 6 shows the monthly CPI and Inflation Rate for FY 2022/2023 – FY 2023/2024.

Table 6: Monthly CPI and Inflation Rate for FY 2022/2023 – 2023/2024

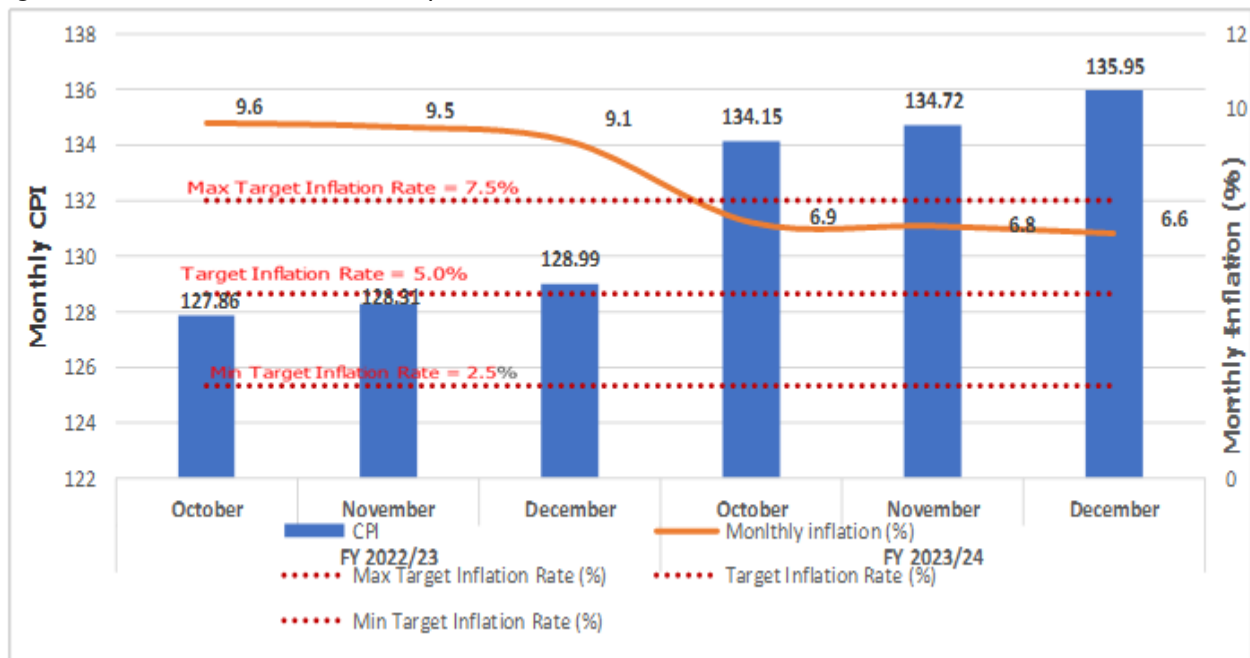
Months	FY 2022/2023				FY 2023/2024			
	CPI	Q. Av. CPI	M-on-M inflation	Q. Av. Inflation	CPI	Q. Av. CPI	M-on-M inflation	Q. Av. Inflation
October	127.86	128.39	9.6	9.4	136.71	137.10	6.9	6.8
November	128.31		9.5		137.03		6.8	
December	128.99		9.1		137.55		6.6	
Quarterly Average	128.39		9.4		137.10		6.8	

Source: KNBS 2023 **Key:** Q. Av. = Quarterly Average; M-on-M = Month-on-Month

During the period under review, the month-on-month inflation declined from 6.9 per cent in October 2023, to 6.6 per cent in December 2023. The drop in the monthly inflation is partly attributed to the drop in the prices of petrol and diesel in the month of December 2023, and partly the bumper harvest across the food basket regions in Kenya.

Similarly, the average inflation rate for the quarter dropped from an average of 9.4 per cent in FY 2022/2023, to an average of 6.8 per cent in FY 2023/2024. The country’s average inflation rate for the second quarter of FY 2023/2024 was above the Central Bank of Kenya’s (CBK) target inflation rate of 5.0 per cent, but below the maximum inflation targeted threshold of 7.5 per cent as shown in **Figure 4**.

Figure 4: CPI and Inflation Rate for half year of FY 2022/2023 – 2023/2024



Source: KNBS 2023

5 EMPLOYEES IN THE PUBLIC SERVICE

An analysis of the Economic Survey 2023 shows that Kenya’s total workforce stands at 12 million. Out of this, approximately 2 million are in the formal sector, which includes government civil service, parastatals, and the private sector employees.

5.1 Wage employment in the public service

Wage employment in the public service registered a 2.7 per cent growth in 2022, compared to an increase of 4.4 per cent recorded in 2021. **Table 7** presents the statistics on wage employment in the public service.

Table 7: Wage employment in the public service 2017 – 2022 ('000)

Category	2017	2018	2019	2020	2021	2022*	% Change (2021 to 2022)
Ministries and other extra-budgetary institutions ¹	197.6	206.4	207.2	206.1	220.7	226.0	2.4
TSC	302.9	313.6	324.5	331.1	349.9	359.1	2.6
Parastatal bodies ²	110.1	96.7	96.2	95.7	96.7	97.8	1.1
Corporations controlled by the government ³	47	47.5	47.3	47.1	47.5	48.1	1.1
County governments	175.5	178.7	190	204.6	208.1	217.3	4.4
Total	833.1	842.9	865.2	884.7	923.0	948.2	2.7

Source: KNBS, Economic Survey 2023, TSC

*Provisional

TSC, which is the largest employer in the public service, registered a growth of 2.6 per cent in employment in 2022, while county governments registered a growth of 4.4 per cent to 217,300 persons. Employment in State corporations controlled by the government and parastatal bodies grew by 1.1 per cent each in 2022, while employment in ministries and other extra-budgetary institutions registered an increase of 2.4 per cent. This was, however, a decelerated growth compared to 7.1 per cent recorded in 2021.

5.2 Wage payment in the public service

In terms of wage payments in the public service in FY 2021/2022, State corporations and consolidated fund services registered the highest growth of 29.43 per cent and 22.16 per cent, respectively. Extra budgetary and social services institutions recorded a decline in wage payments by 11.59 per cent within the same period.

Generally, wage payments in the public service grew by 4.8 per cent in FY 2021/2022, and projected to grow further by 6.5 per cent to Ksh 1,100 billion in FY 2022/2023, as shown in **Table 8**.

Table 8: Wage payments in the public service

	2018/19 (Ksh billion)	2019/20 (Ksh billion)	2020/21 (Ksh billion)	2021/22 (Ksh billion)	2022/23* (Ksh billion)	2023/24* (Ksh billion)
National Government	187.30	208.24	256.53	280.70	298.55	317.56
TSC	313.6	324.5	331.1	349.9	372.14	395.85
CFS - Salaries and Wages	4.19	2.62	2.60	3.18	3.38	3.60
County governments	163.39	171.83	176.03	190.11	202.20	215.07
Extra-budgetary and social services (State corporations - public universities)	159.65	144.29	183.94	162.63	172.97	183.99
State corporations (commercial corporations - financial and non-financial corporations)	42.00	66.34	37.58	48.64	51.73	55.03
Total	870.14	917.81	987.78	1,035.15	1,100.97	1,171.09

Source: KNBS Statistical Abstracts (Various), KNBS Economic Survey (Various), OCOB Reports (Various), National Treasury *Projected

¹ Includes employees of the Judiciary and Parliament.

² Refers to wholly-owned government corporations.

³ Refers to institutions where the government has over 50 per cent shares, but does not wholly own them.

6 CONCLUSION

In conclusion, the following were observed during the second quarter:

- a) During the quarter, SRC received 17 requests from public institutions, 10 of which were on CBA reviews (59 per cent); and 7 on bonus requests (41 per cent).
- b) The requests received were valued at approximately Ksh 815.57 million, representing 49.8 per cent of the total requests from public service institutions, which amounted to Ksh 1,637.63 million.
- c) The month-on-month inflation declined from 6.9 per cent in October 2023, to 6.6 per cent in December 2023. The drop in the monthly inflation is partly attributed to the drop in the prices of petrol and diesel in the month of December 2023, and partly the bumper harvest across the food basket regions in Kenya.
- d) The average inflation rate dropped from an average of 9.4 per cent in FY 2022/2023, to an average of 6.8 per cent in FY 2023/2024. This continued to be above CBK's target inflation rate of 5.0 per cent, but below the maximum inflation targeted threshold of 7.5 per cent.

Reference

- 1) OCOB (2023), County Governments Budget Implementation Review Report for Quarter 1 of FY 2023/24
- 2) OCOB (2023), Annual County Governments Budget Implementation Review Report for FY 2022/2023.
- 3) OCOB (2023), National Government Budget Implementation Review Report for Quarter 1 of FY 2023/24
- 4) OCOB (2023), Annual National Government Budget Implementation Review Report for FY 2022/2023.
- 5) OCOB (2022), Annual National Government Budget Implementation Review Report for FY 2021/2022.
- 6) KNBS (2023), Quarterly Gross Domestic Product Report, 2023
- 7) KNBS (2023), Economic Survey, 2023.
- 8) KNBS (2022), Consumer Price Indices and Inflation Rates for July 2023
- 9) KNBS (2021), Economic Survey, 2021
- 10) KNBS (2020), Economic Survey, 2020.

Table 9: Public wage bill, nominal GDP, ordinary revenue, recurrent expenditure, employment trends, ratios

Economic Indicators (Ksh "Millions")	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23*	2023/24 ⁺
	2015	2016	2017	2018	2019	2020	2021	2022	2023*	2024 ⁺
Compensation to Employees/ Total Wage bill (Ksh Millions)	563,097	622,269	670,762	784,526	870,130	917,820	987,780	1,035,160	1,100,972	1,171,086
GDP Real/Constant	4,061,902	7,594,064	7,885,521	8,330,891	8,756,946	8,733,060	9,395,942	9,851,329	10,353,747	10,985,325
GDP Nominal/Current Price	6,284,185	7,594,064	8,483,397	9,340,307	10,237,727	10,715,070	12,027,662	13,368,340	14,521,600	16,290,300
Inflation Rates (%)	6.6	6.3	8.0	8.0	4.7	5.2	6.1	7.7	6.6	6.6
Total Ordinary Revenue	1,113,038	1,254,790	1,439,570	1,522,276	1,704,363	1,797,665	1,803,536	2,199,808	2,528,825	2,894,900
Total Revenue (Including Grants)	1,396,518	1,512,828	1,661,785	1,804,762	2,042,969	2,255,535	2,151,976	2,616,660	3,181,686	3,642,270
Pension	37,500	53,400	64,000	65,100	66,400	87,000	110,300	119,300	140,700	165,939
Total Expenditure	1,374,151	1,426,498	1,578,275	1,800,999	2,213,109	2,765,766	2,918,522	3,181,561	3,468,308	3,780,898
Total Public Service Employees ("000")			833,100	842,900	865,200	884,700	923,000	937,900	953,041	968,425
Average monthly gross salary per employee (Ksh)	51,019	54,161	58,810	62,341	66,307	67,038	68,630	70,229	71,865	73,540
Wage bill to Nominal GDP (Benchmark Target: 7.5%)	8.96	8.19	7.91	8.40	8.50	8.57	8.21	7.74	7.58	7.19
Wage bill to Ordinary Revenue (PFM Target: 35%)	50.59	49.59	46.59	51.54	51.05	51.06	54.77	47.06	43.54	40.45
Wage bill to Total Revenue (including grants) (%)	40.32	41.13	40.36	43.47	42.59	40.69	45.90	39.56	34.60	32.15
Wage bill to Total Expenditure (%)	40.98	43.62	42.50	43.56	39.32	33.19	33.85	32.54	31.74	30.97
Growth in Wage Bill (%)		10.51	7.79	16.96	10.91	5.48	7.62	4.80	6.36	6.37
Growth in Nominal GDP (%)		20.84	11.71	10.10	9.61	4.66	12.25	11.15	8.63	12.18
Growth in Real GDP (%)		86.96	3.84	5.65	5.11	-0.27	7.59	4.85	5.10	6.10
Growth in Ordinary Revenue (%)		12.74	14.73	5.75	11.96	5.47	0.33	21.97	14.96	14.48
Growth in Total Revenue (%)		8.33	9.85	8.60	13.20	10.40	-4.59	21.59	21.59	14.48
Growth in Total Expenditure (%)		3.81	10.64	14.11	22.88	24.97	5.52	9.01	9.01	9.01
Growth in Average monthly gross salary per employee (%)		6.16	8.58	6.00	6.36	1.10	2.37	2.33	2.33	2.33
Growth in Employment (%)				1.18	2.65	2.25	4.33	1.61	1.61	1.61

Source: The Economic Survey 2020, 2021, 2022 and 2023; Budget Policy Statements 2016–2023

*Estimate

⁺Projections