



Responsive Public Management

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Belgium The Di Rupo Government: State and public management reforms

A new government and a focus on budgetary consolidation

On 6 December 2011, after a year and a half of negotiations, a new Belgian coalition government was sworn in. It consists of twelve ministers¹ and six ministers of State, under the leadership of the French-speaking Socialist Elio Di Rupo. The ministerial posts are divided between six political parties, including social democrats, Christian democrats and liberals from both the French- and Dutch-speaking communities. The government does not include the major winner in the June 2010 elections, the New Flemish Alliance (N-VA), because it withdrew from the talks.

The civil service, which had previously been managed by a specific Federal Public Service (FPS)², is now the responsibility of the Minister of State for the Civil Service and the Modernisation of Public Services (Hendrik Bogaert), attached to the Minister of Finance and Sustainable Development (Steven Vanackere). Administrative simplification is now the purview of Olivier Chastel, Minister for the Budget.

Budgetary restraint is a pressing issue. In its proposed policy statement of 1 December 2011, the government made putting public finances back on a sound footing a top priority³. Even before the vote on the 2012 budget took place, an initial budget review was scheduled for the end of February⁴. This was triggered by a likely downward revision of growth forecasts and an ongoing Excessive Deficit Procedure initiated by the European Commission⁵, which requested that certain expenditures be suspended pending the corresponding budget adjustments. Belgium's commitment to balance its public finances by 2015, which the Prime Minister confirmed in January⁶, is expected to be accompanied by an increased number of budget reviews (from two to four annually)⁷.

Wide-ranging State reform to achieve "a more effective federal State and more independent entities"

¹ The list of ministers and ministers of State:

http://www.belgium.be/fr/actualites/2011/news_membres_gouvernement_di_rupo_i_5_12_2011.jsp?referer=tcm:116-155222-64-a4

² Following the 2009 Copernic reform, this is the term used to designate federal ministries.

³ The proposed policy statement: <http://download.saipm.com/pdf/libre/polgenerale.pdf>

⁴ <http://www.lesoir.be/actualite/belgique/2012-01-25/la-commission-des-finances-de-la-chambre-a-approuve-le-budget-892839.php>

⁵ <http://www.europolitique.info/economie-monnaie/la-commission-se-f-licite-des-mesures-prises-par-la-belgique-art322689-28.html>

⁶ <http://www.levif.be/info/actualite/belgique/le-retour-a-l-equilibre-est-la-premiere-des-priorites-de-di-rupo/article-4000035833444.htm>

⁷ http://www.lesoir.be/actualite/belgique/elections_2010/2011-12-13/bogaert-propose- quatre- controles- budgetaires- par- an-883409.php

The institutional reform agreement⁸ that was approved in October 2011 introduced the sixth State reform⁹. The current reform focuses on an unprecedented devolution of powers to the regions and communities in four key areas¹⁰:

- Employment. The regions will be given full authority to oversee job-seekers and to impose sanctions.
- Healthcare and assistance for individuals. Several policies will be devolved to the communities (care and assistance for the elderly, persons with disabilities, etc.).
- Family benefits, which, once they are guaranteed following a change to the Constitution, will become the responsibility of the communities
- Justice, with new powers granted to the communities with respect to service of sentences, crisis centres, etc.

The powers thus devolved represent a total estimated budget of €16.9 billion – a 40% increase for the various federated entities¹¹. The regions will also be given new tax powers (including collection of a portion of income taxes and authority over certain tax breaks), which represent a fourfold increase in the tax revenues under their control¹².

This reform bolsters the need for coordination between the federal government and the federated entities. As a result, the Coordinating Committee, which brings together federal ministers with regional and community governments, will see its role redefined and strengthened.

Actions to improve public management

In addition to the departmental reorganisations that are intrinsic to State reform, the government's proposed policy statement included new public management measures, which were supplemented by recent statements by various members of the government. These measures can be divided into three groups:

- Performance

The most significant public policies, under the Prime Minister's leadership, will be assigned quantified targets and monitored through scorecards that provide an overview of progress achieved. Moreover, a new structure entitled "Optfed"¹³ will be used in the search for ways to improve efficiency in government departments¹⁴. Administration agreements will be signed between every Federal Public Service and its supervisory minister. These agreements, which will replace the management and operational plans currently in force, will be accompanied by increased audits and controls.

- HR management

In this area, a major goal is to boost the attractiveness of the civil service by offering stimulating careers, a bold diversity policy and stepped-up training (including e-learning) and teleworking opportunities. Better staffing requirement planning will also be introduced.

Management assessments will be reviewed with an eye to revitalising and empowering these positions. Staff assessments¹⁵ might also be reformed and carried out on an annual basis, instead of every two years.

⁸ Text of the agreement: http://www.lachambre.be/kvvcr/pdf_sections/home/FRtexte%20dirrupo.pdf

⁹ To learn more about the five previous Belgian State reforms:

www.belgium.be/fr/la_belgique/connaitre_le_pays/histoire/la_belgique_a_partir_de_1830/constitution_de_l_etat_federal/

¹⁰ Belgium consists of three regions (Flanders, Wallonia and Brussels-Capital) and three linguistic communities (the Flemish Community, the German-speaking Community and the former French Community, now called the Wallonia-Brussels Federation). These two types of federated entities are at the same legal level as the federal government, with which they share powers.

¹¹ www.iev.be/getattachment/e8d98d45-1ae3-4ed1-8598-edb98fec4d5e/Contexte.aspx

¹² <http://www.sudpresse.be/politique/2011-10-11/reforme-de-l-etat-le-grand-oral-pour-elio-di-rupo-ce-matin-909145.shtml>. On the issue of financing, see also the institutional agreement (note 7), p. 57.

¹³ Proposed policy statement, part II-1-1, p. 77-78

¹⁴ To learn more about Optifed, see the "Civil Service" general policy memorandum that was presented to MPs in January by Hendrik Bogaert:

http://www.fedweb.belgium.be/fr/actualites/2012/20120111_note_politique_bogaert.jsp?referer=tcm:119-158715-64

Finally, implementation of the 2002 Bilingualism Act¹⁶ will force senior civil servants to be fluent in both Dutch and French.

In terms of trade union/public sector dialogue, emphasis will be placed on the Agreement of 19 April 2010¹⁷ concerning the prevention and management of labour disputes. The agreement will be assessed with respect to the goal of the continuity of public services and bolstered, if required, by stricter measures.

Political ethics will also be strengthened – the rules will be tightened, particularly in the area of public procurement, and an independent committee will be tasked with preventing conflicts of interest.

Lastly, the government's proposed policy statement called for cuts in budgets of ministerial offices, and a 5% reduction in ministers' salaries. Since the basis for calculation is wage levels under the government of Yves Leterme (who resigned in April 2010), this reduction was smaller than originally planned¹⁸ given the wage indexation still in place¹⁹. Compensation for MPs will also be reduced by 5%, and special allowances given to MPs for performing certain duties will also be trimmed²⁰.

Civil service pensions will be reformed; they will now be calculated on the basis of the last ten years of service, rather than the last five²¹. Moreover, early retirement opportunities will be limited, and the minimum age for early departure will be raised from 60 to 62 (the legal retirement age being 65).

- Quality

To better welcome users, each FPS will implement a "Friendliness Charter", and the pace of administrative streamlining efforts will be stepped up.

A particularly proactive streamlining policy will be introduced in Brussels, where the multiplicity of institutions and the dispersion of powers saps the effectiveness of urban policies. The goal is to provide citizens with a more consistent service.

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¹⁵ <http://www.lesoir.be/actualite/belgique/2012-01-02/bogaert-veut-une-evaluation-annuelle-des-fonctionnaires-887645.php>

¹⁶ <http://www.lesoir.be/actualite/belgique/2012-01-11/bogaert-veut-controler-le-bilinguisme-des-fonctionnaires-889551.php>

¹⁷ This agreement calls for the presence of social mediators in public services:

<http://www.emploi.belgique.be/defaultNews.aspx?id=33834>

¹⁸ <http://www.lalibre.be/actu/belgique/article/715441/la-baisse-du-salaire-des-ministres-presque-compensee-par-l-index.html>

¹⁹ Calculation of compensation in the civil service is based on a key index:

http://www.traitements.fgov.be/indexation/default.htm#L'indexation_des_allocations_sociales_et_des_salaires_dans_le_secteur_public

²⁰ http://www.lecho.be/actualite/economie_politique_belgique/Les_presidents_de_la_Chambre_et_du_Senat_perdront_20_de_leur_indemnite.9149277-3154.art?ckc=1

²¹ http://www.rtf.be/info/belgique/detail_reformes-des-pensions-ce-qui-change-pour-chaque-categorie-de-travailleur?id=7272043