

**SYSTEM OF GOVERNMENT: Parliamentary**

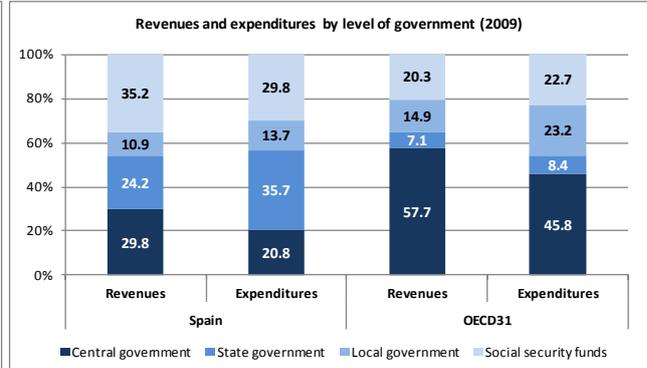
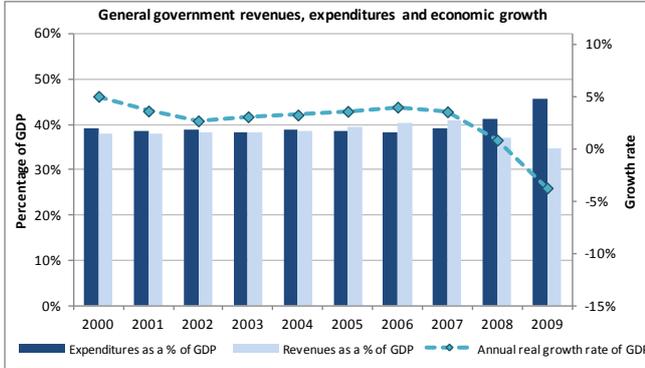
- No. of ministries: 15 (2010)
- No. of governments over last 20 years: 6
- No. of coalitions over last 20 years: 1

**STATE STRUCTURE:** Strongly decentralised with 17 Autonomous Communities and 2 Autonomous Cities.

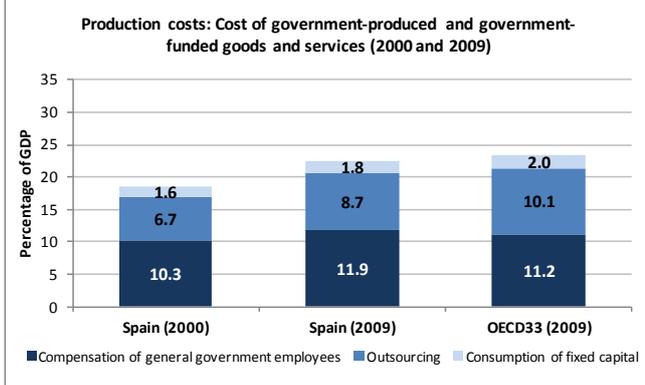
**LEGISLATURE: Bicameral**

- Upper house: elected
- Lower house: elected using Proportional Representation

In 2009, the Spanish government was close in size to the OECD average, with expenditures at around 46% of GDP. After balancing budgets or operating at a surplus from 2002-07, deficits increased sharply in 2009 as revenues fell below 35% of GDP and expenditures spiked above 45% due to the stimulus and automatic stabilisers. Government expenditures are highly decentralised in Spain, with regional governments accounting for more spending than central governments (35.7% vs. 20.8%). Regional governments devote most of their spending to education and health care, and also have some social spending responsibilities (such as social assistance).



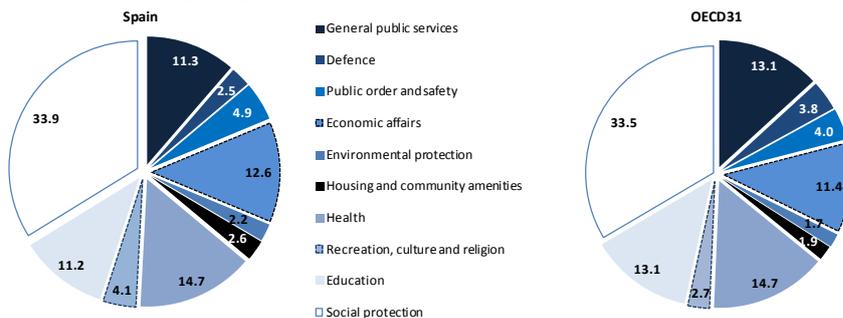
Source: OECD National Accounts and Economic Outlook 89. [Revenues] [Expenditures] [Revenues by level of government] [Expenditures by level of government]



About 22% of the economy was devoted to producing public goods and services in 2009, very close to the OECD average. Spain relies more on government employees in the production process than many other OECD countries, using outsourcing to a lesser extent. Outsourcing represents about 39% of the costs of producing public goods and services in Spain, compared with 43% on average in the OECD area.

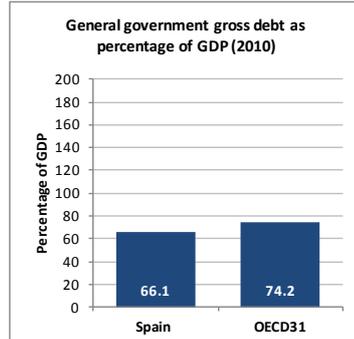
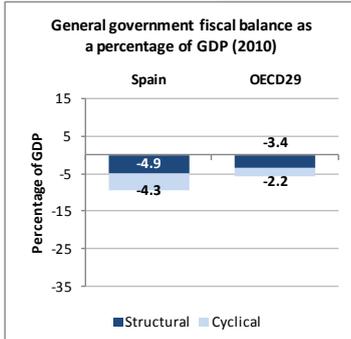
Source: OECD National Accounts. [Production costs]

**Structure of general government expenditures by function (2008)**



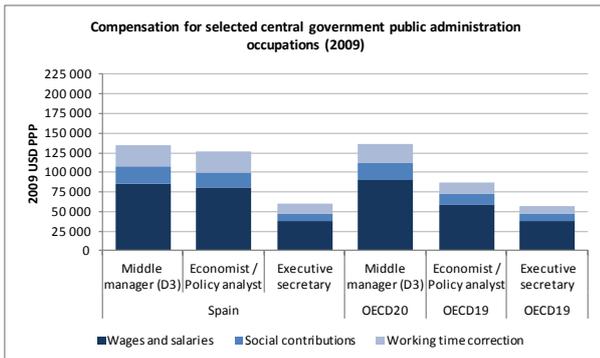
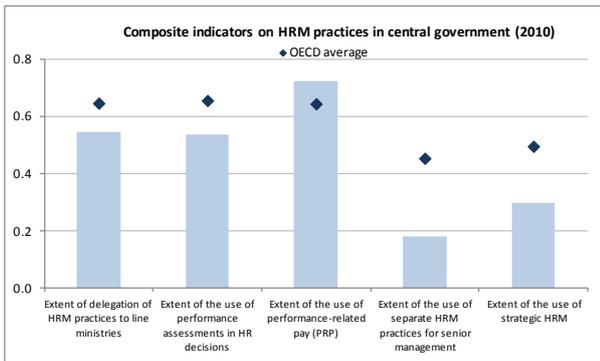
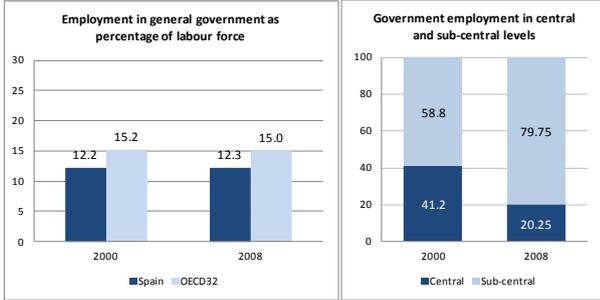
The Spanish government devotes a slightly larger share of resources to economic affairs (including infrastructure) and recreation, culture and religion than on average across the OECD. This is balanced by a smaller share of spending devoted to administration (general public services) and education.

Source: OECD National Accounts. [Expenditures by function]



Source: OECD Economic Outlook 89. OECD average refers to the unweighted average [Fiscal balance] [Debt]

The general government operated at a deficit of 9.2% of GDP in 2010, higher than the OECD average. However, in 2010, gross general government debt was below the OECD average at 66.1% of GDP (OECD definitions differ from Maastricht criteria). Consolidation efforts aim to bring the public deficit to 3% in 2013. Pension reform (bill 25 March 2011) and the currently implemented reduction of pharmaceutical expenditures aim to reduce age-related public expenditures, addressing the long-term sustainability of public finances.



Working time correction brings countries to the same basis of comparison in terms of annual working hours (accounting for weekly working hours and holidays).

Only 12.3% of the labour force in Spain is employed by the government. This share is below the OECD average of 15% and has remained fairly stable since 2000. The Spanish government would like to further reduce the share, in part by replacing only 10% of departing staff until 2013 and no new hiring of temporary personnel. Across the OECD, public employment as a share of the labour force ranges from 6.7% to 29.3%. Between 2000 and 2008, employment in the Spanish government became increasingly decentralised, with the percentage of staff working at the sub-central level rising from 58.8% to 79.75%.

Source: International Labour Organisation. [\[General government employment\]](#) [\[Distribution by level\]](#)

In Spain's central government, few responsibilities for HRM are delegated to line ministries. There is a strong central control of wage setting (except the variable portion of pay), working conditions and performance assessment. Recruitment is a shared responsibility between the Centre and the line ministries. While performance assessment is used somewhat less than on average among other OECD countries, performance pay is applied more extensively, primarily in the form of bonuses. In addition, the Basic Statute of Public Employees (2007) makes performance assessment compulsory for every Administration, and the central government and autonomous regions are currently developing further this regulation. Spain does not have a separate cadre of senior civil servants. There is much to improve in the use of HRM strategically, although staff relocations and efficiency savings are explicitly planned.

Source: OECD 2010 Strategic HRM Survey. [\[Delegation\]](#) [\[Performance assessment\]](#) [\[PRP\]](#) [\[Senior management\]](#) [\[Strategic HRM\]](#)

Middle managers and executive administrative secretaries in the Spanish public service receive total compensation that is similar to the OECD average, while compensation for economists/policy analysts is higher than average. Wages and salaries make up 64% of total compensation, and social contributions, 16%. Middle managers make only 1.1 times more than economists/policy analysts, and 2.3 times more than executive secretaries. Most public employees in Spain are required to work 37.5 hours per week, and work around 222 days per year. The government implemented a 5% reduction on average in public wages in 2010 and a freeze on wages in 2011. Further, new civil servants from 2011 are covered by the Social Security system and, as a result, the current pension system for civil servants will be progressively phased out.

Source: OECD 2010 Compensation Survey. [\[Middle managers\]](#) [\[Economist/Policy Analyst\]](#) [\[Executive Secretary\]](#)

### Transparency in public procurement (2010)

	Central proc. website	Contracting entity website	Domestic printed or electronic journal	Other website	Pct. OECD countries that publish info
Information for potential bidders	Yes	Yes	No	No	97%
Selection & evaluation criteria	Yes	No	No	No	97%
Tender documents	Yes	No	No	No	82%
Contract award	Yes	No	No	No	100%
Justification for award	Yes	No	No	No	59%
Tracking procurement spending	Yes	No	No	No	32%

Percentages refer to the share of OECD countries that reported publishing information "always" or "sometimes".

Achieving greater transparency in public procurement is important, especially given that Spain spent an estimated 12% of GDP on procurement in 2008.

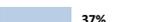
Spain, along with Korea, Mexico and Chile, publishes almost all information related to public procurement on its central procurement website. Contracting entity websites may disclose information for potential bidders, contract award and justification for awarding a contract to a selected supplier. Currently, Spain is one of the countries that publishes information on justifications for awarding a contract to a selected contractor and allows the tracking of public procurement spending on line as is done by 59% and 32% of OECD member countries, respectively.

The recent Law on Sustainable Economy (March 2011) implements measures to promote efficiency in public procurement and financing public-private partnerships.

Providing an adequate degree of transparency throughout the entire public procurement cycle is critical to minimise risk of fraud, corruption and mismanagement of public funds in order to ensure fairness and equitable treatment of potential suppliers. Additionally, it allows for effective oversight by concerned institutions and the general public.

Source: OECD 2010 Survey on Public Procurement. [\[Transparency in public procurement\]](#)

**REGULATORY GOVERNANCE**
**Regulatory governance mechanisms (2008)**

Functions of the oversight body		Percentage of OECD countries responding "yes"	SPAIN
Consulted as part of process of developing new regulation	2005	 73%	No
	2008	 82%	No
Reports on progress made on reform by individual ministries	2005	 43%	No
	2008	 56%	Yes
Authority of reviewing and monitoring regulatory impacts conducted in individual ministries	2005	 43%	No
	2008	 50%	No
Conducts its own regulatory impact analysis	2005	 43%	No
	2008	 47%	No
<b>Anticipating compliance and enforcement</b>			
Regulatory policies require that issue of securing compliance and enforcement be anticipated when developing new legislation	2005	 57%	No
	2008	 70%	No
Guidance for regulators on compliance and enforcement	2005	 37%	No
	2008	 47%	No
Existence of policy on risk-based enforcement	2005	N.A.	N.A.
	2008	 30%	No

*This table presents two elements drawn from the wide range of activities for managing regulatory quality.*

In Spain, responsibility for regulatory management is shared by several bodies, with the Ministry for Presidency having played a leading role in the development of regulatory policy since 2009.

Within the Ministry for Presidency, the Sub-Directorate General for the Improvement and Simplification of Procedural Regulation coordinates and oversees the implementation of the main initiatives for regulatory quality, including the implementation of regulatory impact analysis, the administrative burden reduction programme and the simplification of administrative procedures. Still within the Ministry for Presidency, but working as an independent body, the National Agency for the Evaluation of Public Policies and Qualities of Services (AEVAL) produces evaluation reports and prepares guidelines and methodological guides, including on regulatory impact assessment. Other important players for regulatory management are the Ministry for Territorial Policy (regarding coordination with the autonomous communities), the Ministry of Economics and Finance, and the Ministry of Environment (regarding the administrative burden regulation programme).

The approach to enforcement varies significantly across the nationality territory, and risk-based enforcement is yet little developed. Thus there is no explicit policy on risk-based enforcement.

Source: OECD 2008 Survey on Regulatory Management; OECD (2010), Better Regulation in Europe – Spain, OECD Publishing, Paris.  
[\[Oversight bodies\]](#) [\[Compliance and enforcement\]](#)

**OPEN GOVERNMENT**
**Disclosure of public sector information (2010)**

Types of information disclosed	Proactive disclosure		
	Spain	OECD32	Publication channels
Budget documents	●	94%	MA
Audit reports	●	72%	OW
List of public servants and their salaries	○	28%	Not published
<b>Sharing of administrative data</b>			
Administrative data sets	⊙	66%	OW
Requirements on publishing in open data formats	Yes	53%	–
<ul style="list-style-type: none"> <li>● Required to be proactively published by FOI or sectoral laws</li> <li>⊙ Not required by FOI or sectoral laws, but routinely proactively published</li> <li>○ Neither required nor routinely published</li> </ul> <p>CP= central portal; MA= ministry or agency website; OW=other website            OECD percentages refer to the percentage of the 32 responding OECD countries that either require that information be published by law or do not require it but routinely publish information.</p>			

Similarly to most OECD countries, the country's Freedom of Information legislation- which includes among other provisions the Law on Common Administrative Procedure (1992)- requires that the Spanish government proactively publish budget documents and audit reports, and this information is generally made available on ministry or agency websites and other websites. Furthermore, the 2007 Law on Citizens' Electronic Access to Public Services recognizes the right of citizens to access government information through electronic means, including access to public records and archives. However, as of yet, there is no requirement in place to publish administrative data sets online which is the case in about half of OECD countries. Initiatives such as [www.aporta.es](http://www.aporta.es) however may help to promote the re-use of public data, and there are already requirements in place to publish in open data formats. Like the majority of OECD countries, Spain does not publish lists of public servants and their salaries.

Source: OECD 2010 Survey on Access to Information. [\[Disclosure of information\]](#) [\[Publication channels\]](#)

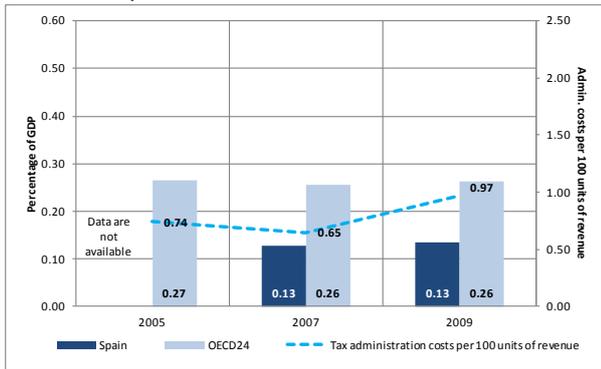
**E-GOVERNMENT**
**E-Government building blocks and e-procurement (2010)**

e-enabling laws and policies	Spain	OECD25
Recognition & use of digital signature	●	100%
Electronic filing within the public sector	●	88%
Administering PPPs for e-government projects	●	64%
<b>Services offered on single-entry procurement website</b>		
Tender searches	●	62%
Tracking of outcomes of contracts	●	32%
OECD percentages refer to percentage of responding countries answering in the affirmative. ● Yes ○ No .. Data unavailable		

Similar to most OECD countries, the Spanish Government has put laws and/or policies in place to promote the use of digital signatures and electronic filing in the public sector. It also administers PPPs for e-government projects which can help increase innovation in public administrations through greater knowledge transfers and exchange of best practices between the public and the private sectors. Spain's eGovernment strategy is currently under review, and a National eGovernment Action Plan is foreseen to be published in 2011. Increasing eGovernment take-up as the cornerstone for a more productive and participative society and a more sustainable Public Administration are key objectives. Spain's single-entry procurement website allows businesses to perform tender searches, and is among a small group of countries that allows users to track the outcomes of contracts on the website, making the procurement process more transparent.

Source: OECD 2010 e-Government Survey and OECD 2010 Public Procurement Survey. [\[E-enabling laws\]](#) [\[E-procurement\]](#)

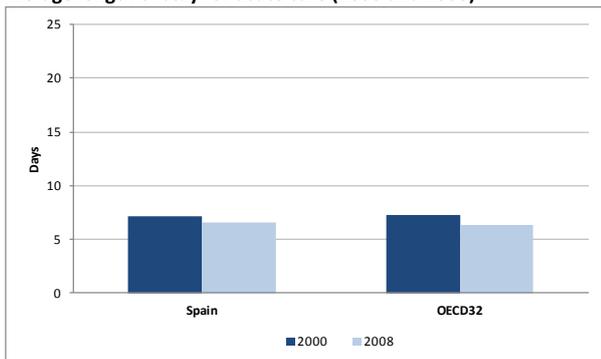
### Tax efficiency: Total revenue body expenditures as a percentage of GDP and tax administration costs per 100 units of revenue (2005, 2007 and 2009)



Growing fiscal constraints have led to increased attention on improving the efficiency of tax administrations. The “cost of collection ratio,” for instance, is one efficiency measure which compares the annual administration costs incurred by a revenue body with the total revenue collected over the course of a fiscal year. Over time, a decreasing trend could reflect greater efficiency in terms of lowered costs and/or improved tax compliance. In Spain, the administration costs of collecting 100 units of revenue have decreased from 2005 to 2007 before increasing significantly once more by 2009. Total revenue body expenditures as a percentage of GDP remained stable during this period, suggesting the change in the ratio could be due to macroeconomic conditions such as a drop in revenues following the crisis.

Source: OECD (2011), Tax Administration in OECD and Selected Non-OECD countries: 2010 Comparative Information Series, OECD Publishing, Paris. [\[Total revenue body expenditures\]](#) [\[Tax administration costs per 100 units of revenue\]](#)

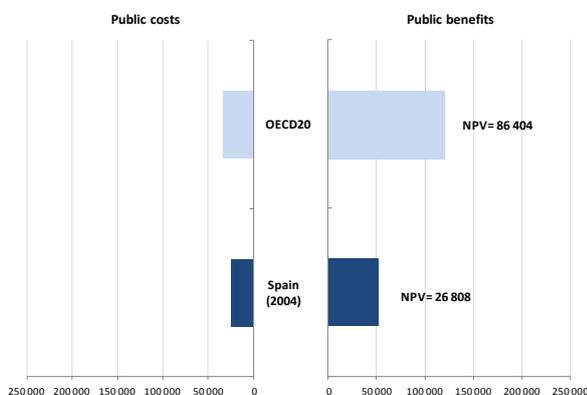
### Average length of stay for acute care (2000 and 2008)



The average length of stay (ALOS) for acute care indicates the average number of days that patients spend in the hospital for curative care. Similar to other OECD countries, in Spain the ALOS decreased from 2000 to 2008 (from 7.1 days to 6.5 days respectively). This reduction is similar to that of the OECD average over the same period. Over time, reductions in ALOS could reflect efficiency gains, as it could signal that hospitals are expanding early discharge programmes, shifting to day-case surgery for suitable procedures, utilising less invasive procedures, and/or improving pre-admission assessment, all of which can help reduce costs. Too short a length of stay however could cause an adverse effect on health outcomes.

Source: OECD Health Data 2010. [\[ALOS for acute care\]](#)

### Public net present value for male obtaining tertiary education as part of initial education (2006), USD PPP



Both government and society gain economic benefits from increased schooling. Obtaining a tertiary education helps people enter the labour market and earn more, thereby increasing government tax revenues. A more educated and employed population can also reduce the government obligations for benefits and social assistance. At around USD 26 800, Spain’s public net present value (NPV) for a man obtaining tertiary education is lower than in other OECD countries. This measure represents the public economic returns to education after having accounted for the costs of this education.

Source: OECD (2010), Education at a Glance 2010: OECD Indicators, OECD Publishing, Paris. [\[Public NPV of education\]](#)

**Production costs** are a subset of total government expenditures, excluding government investment (other than depreciation costs), interest paid on government debt and payments made to citizens and others not in exchange for the production of goods and services (such as subsidies or social benefits). Production costs include compensation costs of general government employees, outsourcing (intermediate consumption and social transfers in kind via market producers), and the consumption of fixed capital (indicating the level of depreciation of capital).

**Structure of government expenditures:** Data on expenditures are disaggregated according to the Classification of the Functions of Government (COFOG), which divides government spending into 10 functions. More information about the types of expenditures included in each function can be found in Annex B of *Government at a Glance 2011*.

**“Gross general government debt”** refers to general government gross financial liabilities that require payments of principal and interest. For the European Union countries, gross public debt according to the Maastricht criteria is not presented here (see Annex Table 62 of OECD Economic Outlook No. 89). These data are not always comparable across countries due to different definitions or treatment of debt components. Gross debt is used rather than net debt due to the difficulties in making cross-country comparisons of the value of government-held assets, and because it is more relevant in the context of debt interest payments.

**HRM Composites:** The indexes range between 0 (low level) and 1 (high level). Details about the theoretical framework, construction, variables and weighting for each composite are available in Annex E at: [www.oecd.org/gov/indicators/govataglance](http://www.oecd.org/gov/indicators/govataglance).

- The **delegation index** gathers data on the delegation of determining: the number and types of posts needed in an organisation, the allocation of the budget envelope, compensation levels, position classification, recruitment and dismissals, and conditions of employment. This index summarises the relative level of authority provided to line ministries to make HRM decisions. It does not evaluate how well line ministries are using this authority.
- The **performance assessment index** indicates the types of performance assessment tools and criteria used, and the extent to which assessments are used in career advancement, remuneration and contract renewal decisions, based on the views of survey respondents. This index provides information on the formal use of performance assessments in central government, but does not provide any information on its implementation or the quality of work performed by public servants.
- The **performance-related pay (PRP) index** looks at the range of employees to whom PRP applies and the maximum proportion of base pay that PRP may represent. This index provides information on the formal use of performance related pay in central government, but does not provide any information on its implementation or the quality of work performed by public servants.
- The **senior management index** looks at the extent to which separate management rules and practices (such as recruitment, performance management and PRP) are applied to senior civil servants, including the identification of potential senior civil servants early in their careers. The index is not an indicator of how well senior civil servants are managed or how they perform.
- The **strategic HRM index** looks at the extent to which centralised HRM bodies use performance assessments, capacity reviews and other tools to engage in and promote strategic workforce planning, including the use of HRM targets in the assessments of middle and top managers. The index does not reflect situations where strategic workforce planning has been delegated to the ministry/department/agency level.

**Compensation data:** Total compensation includes wages and salaries and employers’ social contributions (those to statutory social security schemes or privately funded social insurance schemes, as well as unfunded employee social benefits paid by the employer, including pension payments paid through the state budget rather than through employer social contributions (mostly for some pay-as-you-go systems)). In most cases data are for six central government ministries/departments only (interior, finance, justice, education, health and environment or their equivalents). Working time adjustment compensates for differences in time worked (both weekly working time and holidays). Compensation was converted to US dollars using purchasing power parities (PPPs) for GDP from the OECD National Accounts database. Differences in compensation policies can be the result of different bargaining powers; the state of the labour market (such as compensation in the private sector for similar positions); specific labour shortages; and the attractiveness of the government as an employer. While the survey uses the International Standard Classification of Occupations (ISCO) to standardise job categories, full comparability of responsibilities behind the occupational titles across countries presents difficulties in some cases. Annex D in *Government at a Glance 2011* fully details all limitations to data comparability, including those related to the measurement of employer’s social contributions (which were based on sources outside the survey for a number of countries, leading to potential inconsistencies).

**Regulatory governance:** The OECD average refers to the following number of countries:

- Functions of oversight bodies 2005: OECD30. Data are not available for Chile, Estonia, Israel and Slovenia.
- Functions of oversight bodies 2008: OECD34. Data for Chile, Estonia, Israel and Slovenia refer to 2009.
- Anticipating compliance and enforcement 2005 and 2008: OECD30. Data are not available for Chile, Estonia, Israel and Slovenia.

**Tax efficiency:** Tax administration efficiency ratios are influenced by differences in tax rates and the overall legislated tax burden; variations in the range and in the nature of taxes collected (including social contributions); macroeconomic conditions affecting tax receipts; and differences in the underlying cost structures resulting from institutional arrangements and/or the conduct of non-tax functions.

**Public net present value for male obtaining tertiary education:** Tertiary education refers to levels 5 and 6 in the International Standard Classification of Education (ISCED 97). Public costs include lost income tax receipts during the schooling years and public expenditures related to tertiary education. Public benefits include additional tax and social contribution receipts associated with higher earnings, and savings from transfers (housing benefits and social assistance) that the public sector does not have to pay above a certain level of earnings. The discount rate is set at 3%, which largely reflects the typical interest on an investment in long-term government bonds in an OECD country.