Mexico

Mexico spends a relatively low share of its government budget on social benefits

In 2014, government expenditure was only 27.9% of GDP in Mexico, below the LAC (33%) and OECD (41.5%) averages. During the same year, Mexico spent 9.3% of its government budget on social benefits, the second-lowest ratio in the LAC region, where the average reached 24.6%. Moreover, taxes and transfers have limited distributional potential, reducing Mexico's Gini coefficient (0.51) by only 2 percentage points. Mexico needs to sustain efforts to achieve inclusive growth, and guarantee that benefits from growth spread evenly across the population, especially considering the relatively low share of expenditure on social benefits.

Chapter 2: Public finance and economics
2.14. General government expenditures as a percentage of GDP, 2007, 2009, 2014 and 2015
2.19. Structure of general government expenditures by economic transaction, 2014 and change 2007 to 2014

Mexico has been very active in making government data available to the public

Mexico has issued an Open Data Executive Decree, deployed a fully functional central open government data portal, established regulatory and technical support bodies and guidelines, and launched initiatives to make public institutions and data users collaborate to find solutions to public issues. These federal initiatives have been complemented by activities at the local level. As a result, in 2015, the value of the composite index on openness, usefulness and reusability (*OURdata* index) of data in Mexico (0.65/1) was the third highest of the LAC region and above the regional (0.43/1) and OECD (0.56/1) averages. However, to fully reap the benefits of open data, public institutions need to align with the federal government's vision for open data by disclosing data consistently, consulting data users regularly, and enabling data requests and co-creation of data, services and products via the central OGD portal.

Chapter 8: Digital and open government
8.20. Central/federal government support to open government data, 2015
8.21. *OURdata* Index: Open, Useful, Reusable Government Data, 2015

Mexico is at the forefront of engaging stakeholders in the design and implementation of regulations

The OECD composite index on stakeholder engagement measures the extent to which those subject to regulations - citizens, businesses, civil society or other members of the community - are engaged in the process of developing regulations. Consultation practices are well-established: all draft regulations are published for comments alongside the corresponding regulatory impact assessment on the website of the Federal Commission for Regulatory Improvement (CONFEMNER) for a minimum of 30 working days. In 2015, among LAC countries with available information, Mexico (3.65/4) scored first on the stakeholder engagement index, above the regional (2.05) and OECD (1.6) averages.

Chapter 7: Regulatory Policy and Governance
7.4. Composite indicator: Stakeholder engagement in developing subordinate regulations, 2015

GOVERNMENT INPUTS: FINANCIAL AND HUMAN RESOURCES
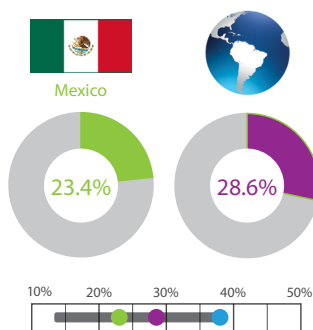
Public Finance & Economics   Public Employment & Compensation

Public Finance and Economics
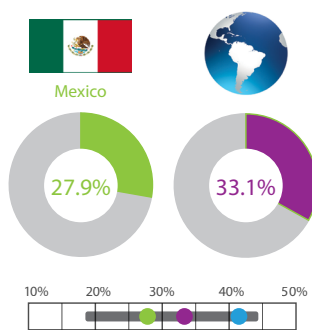
Government revenues (2014)
% of GDP

Mexico

23.4%   28.6%

10% 20% 30% 40% 50%

Source: IMF World Economic Outlook database

Government expenditures (2014)
% of GDP

Mexico

27.9%   33.1%

10% 20% 30% 40% 50%

Source: IMF World Economic Outlook database

Government investment (2014) *
% of GDP

Mexico

2.2%   2.6%

1% 2% 3% 4% 5% 6%
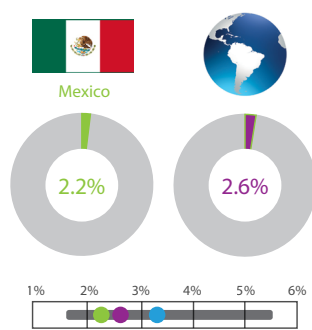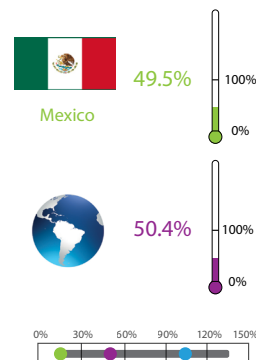
Source: IMF Government Finance Statistics database.
* See Notes

Government gross debt (2014)
% of GDP

Mexico   49.5%   100%   0%

50.4%   100%   0%

0% 30% 60% 90% 120% 150%

Source: IMF World Economic Outlook database

Fiscal balance (2014)
% of GDP

Mexico

-4.6%   -4.5%

0%
-2%
-4%
-6%
-8%
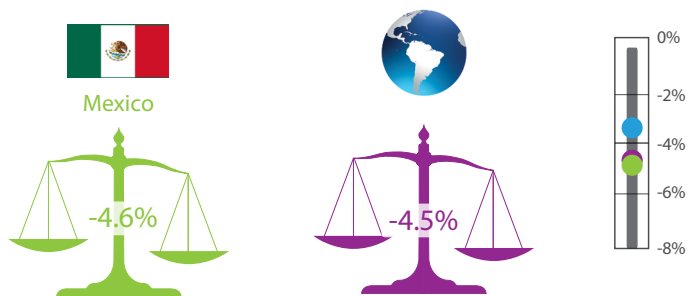
Source: IMF World Economic Outlook database

Breakdown of tax revenues (2014)
% of total taxation

Mexico

15.5% 30.2% 49.8%

16.4% 27.9% 49.5%

- Goods and services
- Income and profits
- Social security
- Other
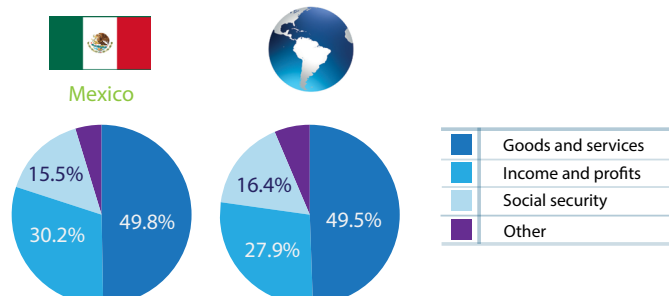
Source: OECD Revenue Statistics in Latin America (database)

Public Employment and Compensation

Public sector employment as % of total employment (2014)

Mexico   11.9%

12.0%

25%
20%
15%
10%
5%
0%

Source: International Labour Organization (database)

Public sector employment filled by women (2014)

Mexico   47.9%

50.3%

60%

50%

40%

Source: International Labour Organization (database)

GOVERNMENT PROCESSES

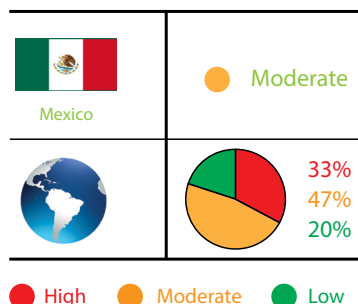Government Institutions | Public Procurement | Digital Government | Health Financing Systems and Budget
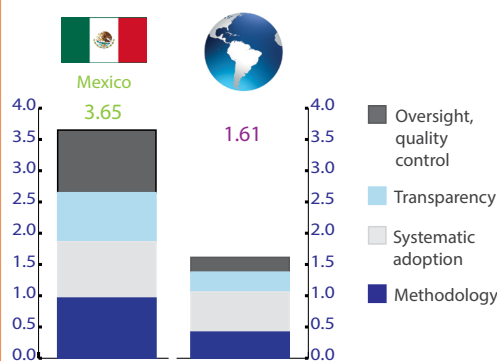
Government Institutions

Level of influence of the Centre of Government over line ministries (2015)

Mexico

○ Moderate

33%
47%
20%

● High ● Moderate ● Low

Source: OECD 2015 Survey on Centre of Government

### iREG: Composite indicator on stakeholder engagement (2015)

The max. score for each category is 1, and the max. aggregate score for the composite is 4

Mexico 3.65

1.61

■ Oversight, quality control
■ Transparency
■ Systematic adoption
■ Methodology

Source: OECD Indicators of Regulatory Policy and Governance for Latin America

Civil service merit index (2012-2015)

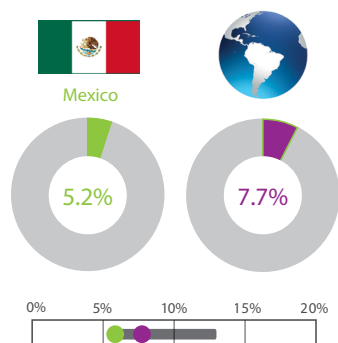Composite index from 0 (lowest) to 100 (highest)

Mexico 40

45
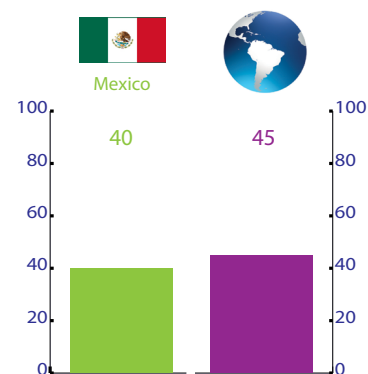
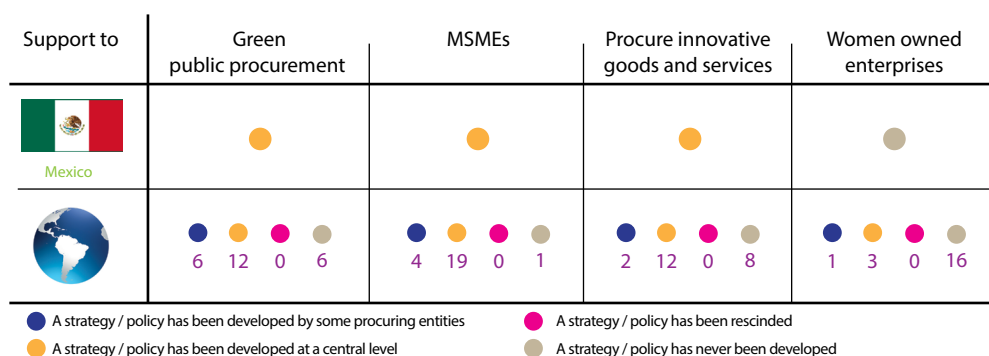Source: Inter-American Development Bank, 2014

Public Procurement

Government procurement (2014) *

% of GDP

Mexico

5.2%

7.7%

0% 5% 10% 15% 20%

Source: IMF Government Finance Statistics database. * See Notes

Development of strategic public procurement by objective (2015)

Support to	Green public procurement	MSMEs	Procure innovative goods and services	Women owned enterprises
Mexico	○	○	○	○
(region)	● ○ ● ○ 6 12 0 6	● ○ ● ○ 4 19 0 1	● ○ ● ○ 2 12 0 8	● ○ ● ○ 1 3 0 16

● A strategy / policy has been developed by some procuring entities
○ A strategy / policy has been developed at a central level
● A strategy / policy has been rescinded
○ A strategy / policy has never been developed

Source: 2015 OECD Survey on Public Procurement

Digital Government

Existence of a main national citizens portal for government services and a legally recognised digital identification mechanism (2015)

	Main national citizens portal for government services	Legally recognised digital identification (e.g. digital signature) mechanism
Mexico	●	●
(region)	61%	56%

● Yes ● No
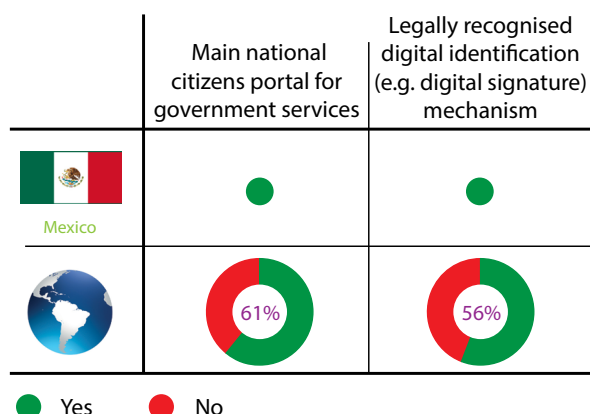
Source: OECD Survey on digital government performance

OURdata Index: Open, Useful, Reusable Government Data (2016) *

Composite index from 0 (lowest) to 1 (highest)

Mexico 0.66

0.44

■ Government support to re-use
■ Data accessibility
■ Data availability
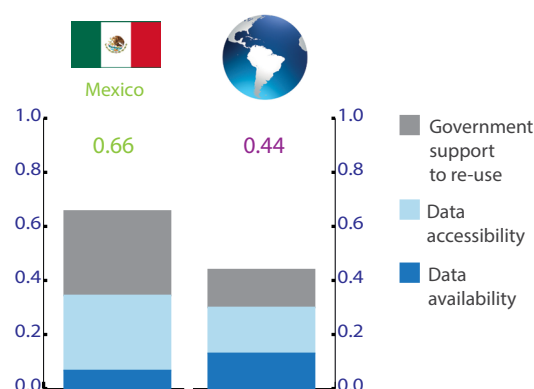
Source: 2016 OECD Survey on Open Government Data. * See Notes

GOVERNMENT PROCESSES

Health Financing Systems And Budget Formulation

Health care financing schemes and percentage of population covered (2015)

Mexico
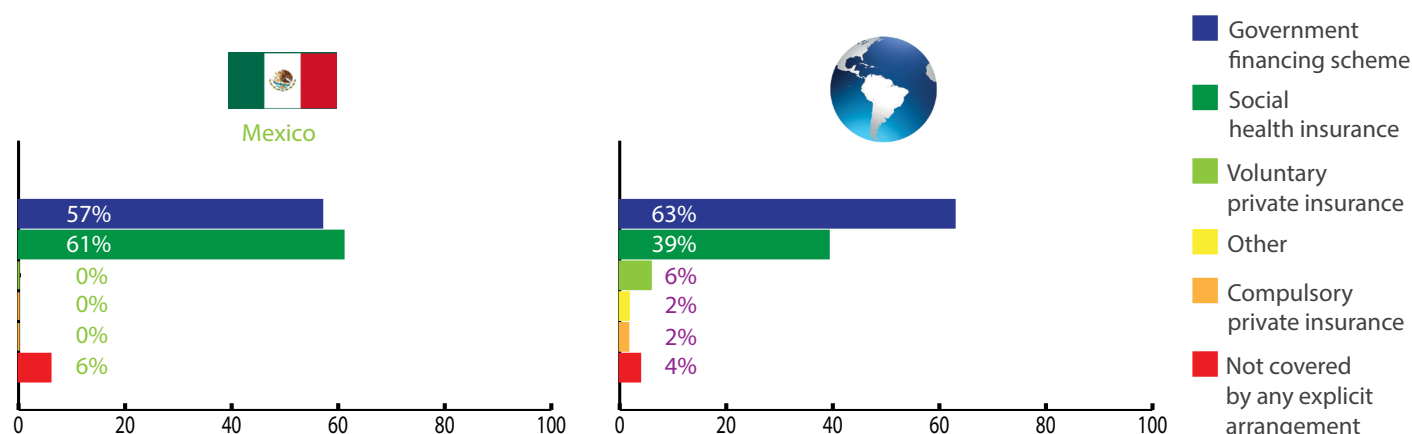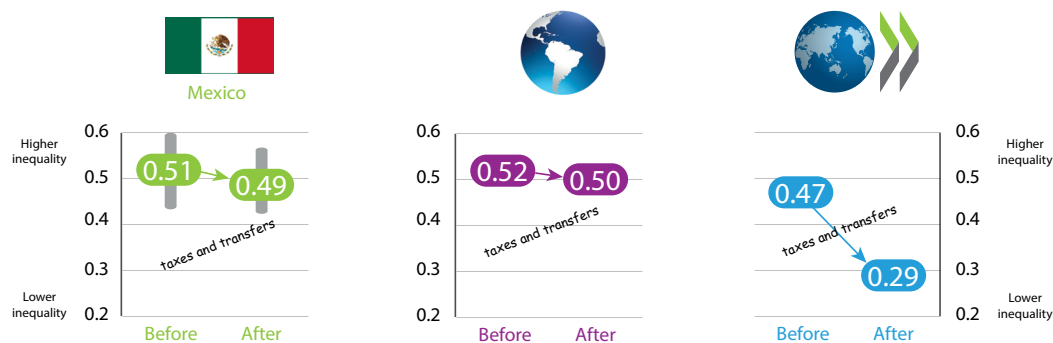
57%	Government financing scheme
61%	Social health insurance
0%	Voluntary private insurance
0%	Other
0%	Compulsory private insurance
6%	Not covered by any explicit arrangement

Legend:
- Government financing scheme
- Social health insurance
- Voluntary private insurance
- Other
- Compulsory private insurance
- Not covered by any explicit arrangement

63%	Government financing scheme
39%	Social health insurance
6%	Voluntary private insurance
2%	Other
2%	Compulsory private insurance
4%	Not covered by any explicit arrangement

Source: 2015 OECD Survey of Budget Officials on Budgeting Practices for Health in LAC countries

OUTPUTS AND OUTCOMES

Gini coefficient: Differences in income inequality pre and post-tax and government transfers (2012)

Indicator from 0 (low income concentration) to 100 (high income concentration)

Mexico

Higher inequality / Lower inequality
- Before: 0.51 → After: 0.49 (taxes and transfers)

- Before: 0.52 → After: 0.50 (taxes and transfers)

Higher inequality / Lower inequality
- Before: 0.47 → After: 0.29 (taxes and transfers)

Source: OECD Income Distribution Database

Notes

* Government investment data for Mexico refer to 2013 and are based on the OECD National Accounts. Tax revenue data for Mexico on payroll, property, goods and services and others are for 2013. Government procurement data for Mexico are for 2013. Costs of goods and services financed by general government are not included in government procurement because they are not accounted separately in the IMF Government Finance Statistics (database). *OURdata* index: Data for Mexico are for 2014.

For more information on the data (including full methodology and figure notes) and to consult all other Country Fact Sheets:
http://www.oecd.org/gov/government-at-a-glance-lac.htm

The Excel spreadsheets used to create the tables and figures in *Government at a Glance: Latin America and the Caribbean 2017* are available via the Stat-Links provided throughout the publication: http://dx.doi.org/10.1787/9789264265554-en

Government at a Glance: Latin America and the Caribbean 2017

Government at a Glance: Latin America and the Caribbean 2017 is the second edition of a joint publication between the Organization for Economic Co-operation and Development (OECD) and the Inter-American Development Bank (IDB). It provides readers with a dashboard of key indicators to inform policy making and benchmark specific interventions. The model is the OECD *Government at a Glance,* which is a fundamental reference, backed by a well-established methodology for OECD member countries. Compared to the previous edition that had a special focus on Public Financial Management and alongside with indicators on public finances and public employment this second version covers a wider range of public management areas including the role and influence of the Centre of Government, Open Government and Open Data policies, Digital Government, Regulatory Governance and practices for Budgeting in health systems.