

CONTEXT

LEGISLATURE: **Bicameral**

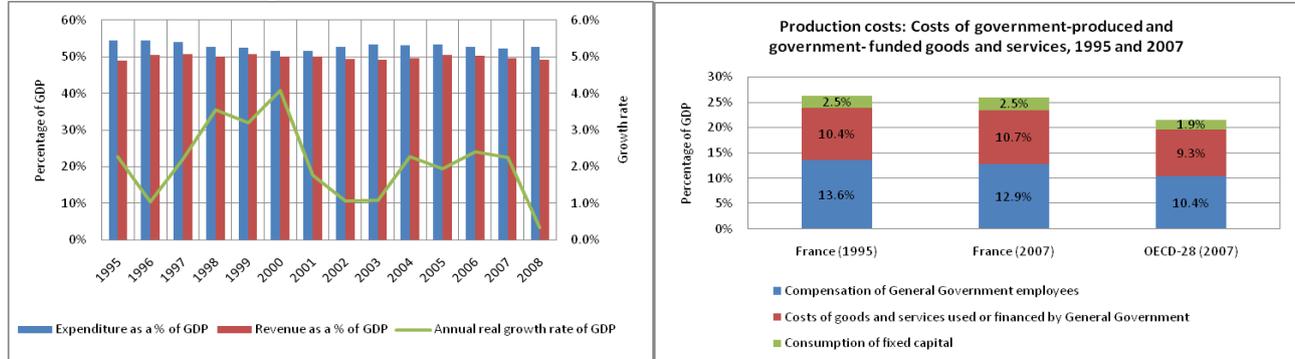
- Upper house: elected
- Lower house: elected using a Two Round system

SYSTEM OF GOVERNMENT: **Dual executive**

- No. of ministries: 16 (2008)
- No. of ministers: 17 (2008)

STATE STRUCTURE: **Unitary**

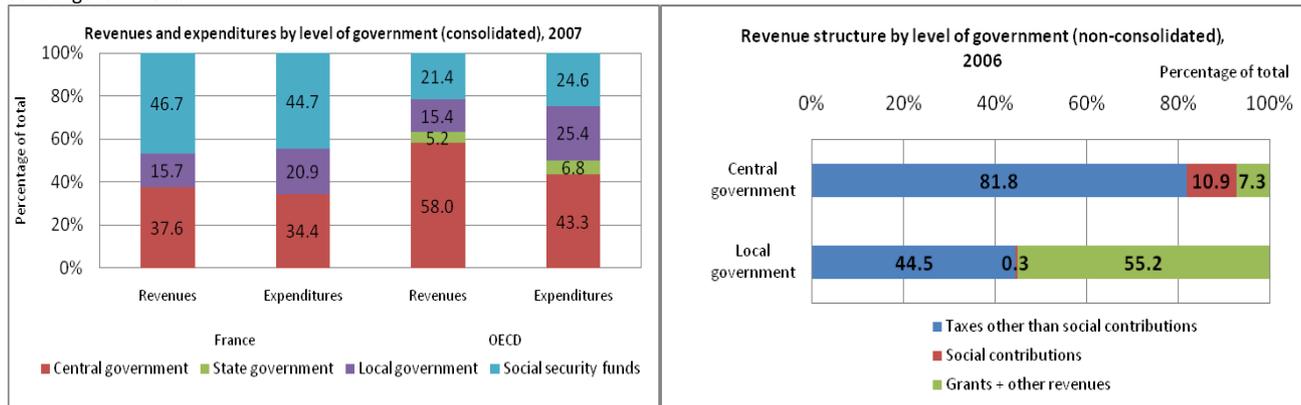
Revenues and expenditures have hovered around 50% of GDP over the last decade, with the government operating at a deficit every year. Total production costs of government funded goods and services as a share of GDP decreased slightly in France between 1995 and 2007, although they remain above the OECD average.



Source: OECD National Accounts. [\[Revenues\]](#) [\[Expenditures\]](#) [\[Production costs\]](#)

In France, the revenue structure by level of government closely approximates the expenditure structure. Among OECD countries, French social security funds account for the largest proportion of total revenues and expenditures. In recent years, the French central government has progressively delegated more responsibility for implementing, and in some cases formulating, a significant part of policy on poverty, education and population ageing (among other areas) to local levels of government. Local governments receive the majority of revenues through transfers from the central government.

REVENUES AND EXPENDITURES



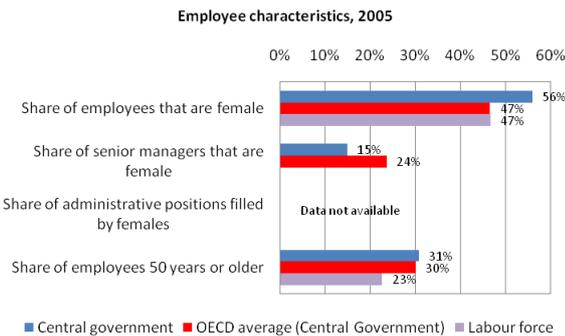
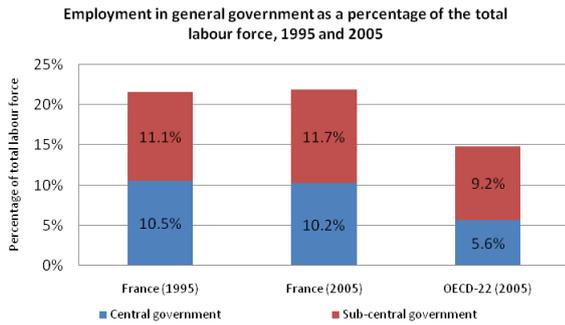
Source: OECD National Accounts [\[Revenues\]](#) [\[Expenditures\]](#)

Compared to the OECD average, the French government allots a notably higher percentage of expenditures for social protection and notably less for economic affairs. Health expenditures are covered by social security funds, which also cover most social protection expenditures (social security funds are not depicted separately below but are included in general government). Local government is responsible for a variety of functions, but has primary responsibility for environmental protection; housing and community amenities; and recreation, culture and religion.

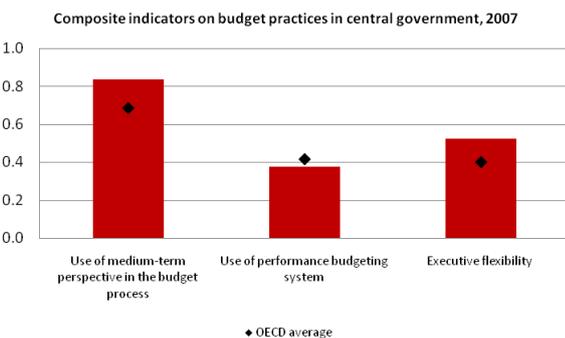
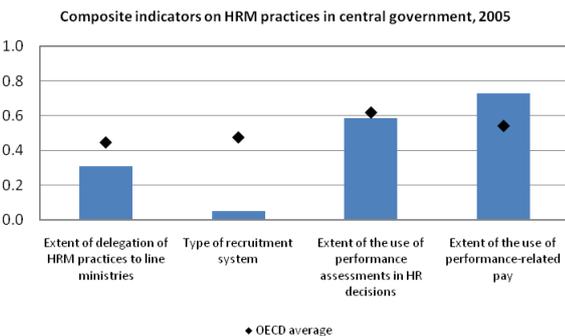
Expenditure structure by function of government (non-consolidated), 2006	France			OECD-26	EU-19
	Central government	Local government	General government	General government	General government
Share of total					
General public services	29.1%	18.7%	13.2%	13.8%	13.9%
Defence	8.5%	0.0%	3.5%	3.4%	3%
Public order and safety	4.4%	3.0%	2.4%	3.8%	3.7%
Economic affairs	14.0%	12.4%	5.5%	10.6%	10.1%
Environment protection	0.4%	7.2%	1.6%	1.7%	1.5%
Housing and community amenities	1.5%	15.1%	3.6%	2%	1.9%
Health	0.9%	0.7%	13.7%	15.1%	14.1%
Recreation, culture and religion	1.8%	10.4%	2.8%	2.6%	2.5%
Education	19.8%	16.5%	11.3%	12.9%	11.6%
Social protection	19.7%	15.9%	42.3%	34.2%	37.7%

Source: OECD National Accounts [\[General government\]](#) [\[Central, state and local\]](#)

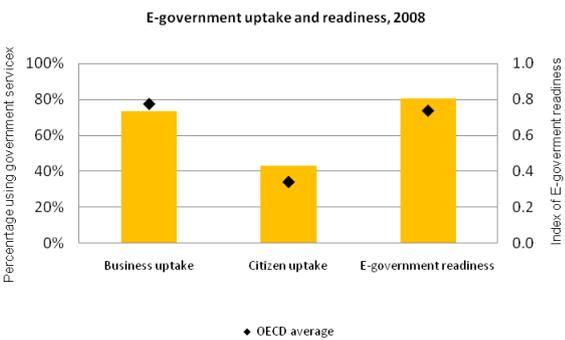
GOVERNMENT EMPLOYMENT: SIZE AND CHARACTERISTICS



COMPOSITE INDICATORS: PUBLIC MANAGEMENT PRACTICES



E-GOVERNMENT



In France, government employment represents approximately 22% of the total labour force, around 8 percentage points higher than the OECD average. Government employment in France is roughly divided between central and local levels of government. All teachers are employed at the central level; employees in education, including teachers and non-teachers, represent 52% of the central government workforce. As the central government has delegated more responsibility for developing policy and providing services to local governments over the past decade, lower levels of government have been recruiting heavily resulting in an overall increase in the share of the labour force employed by government. As of 2005, the State had not reduced its number of its civil servants in line with the reduction in its responsibilities.

Source: OECD Comparison of Employment in the Public Domain Survey and Labour Force Survey

[\[General government employment\]](#) [\[Distribution by level\]](#)

Females represent a significantly higher proportion of the central government workforce in France than the total labour force. Within central government, the representation of females in senior managerial positions in France is lower than the OECD average (24%). The central government workforce is ageing more rapidly than the general labour force. Almost a third of all central government staff will retire in the next 15 years.

Source: OECD Strategic HRM Survey and Labour Force Survey

[\[Female participation\]](#) [\[Ageing\]](#)

The French central government's HRM system is career-based, with access to entry-level government jobs through a strict examination system and promotions from within. The system is also highly centralized with a low level of delegation of authority to line managers to determine HRM policies. However, the central government has placed an increased emphasis on performance based management both in terms of performance assessments and the use of performance-related pay. The French central government is also characterised by a cadre of senior civil servants that are managed separately.

Source: OECD Strategic HRM Survey

[\[Delegation\]](#) [\[Recruitment\]](#) [\[Performance management\]](#)

The French central government has published a medium-term (4 year) budget perspective since 1998. France introduced performance information in the budget process in 2006. Performance goals and indicators for the upcoming fiscal year are included in the budget documentation together with actual performance against the previous year's goals. A performance audit committee oversees the relevance and methodology of the indicators. Managers are granted relatively more flexibility to make changes to budgeted funds than in other OECD countries, with the parliament approving the budget at the level of missions (where missions may cover one or more public organisations).

Source: OECD International Budget Practices and Procedures Database

[\[Medium-term\]](#) [\[Performance budgeting\]](#) [\[Executive flexibility\]](#)
 OECD Journal on Budgeting: www.oecd.org/gov/budget/journal

Overall, France exhibits a high-degree of e-government readiness characterised by an educated population, above average broadband penetration and a high level of services available on line. Compared to other OECD countries, France exhibits a high level of sophistication in the services offered, meaning that users are able to submit forms on line and most sites offer personalisation options. In addition, most e-government services are accessible via the national portal. However, in France, the Law on Information Technology and Freedom of 1978 prohibits administrations from using unique identifiers and from interconnecting data held by different administrations, except in exceptional cases justified and validated by legislative texts regulations. Thus, horizontal pro-activity in favor of citizens is out of reach.

Source: United Nations E-Government Readiness Knowledge Base, Eurostat.

[\[Readiness\]](#) [\[Uptake\]](#)
[\[OECD E-Government Publications\]](#)

INTEGRITY

Types of information central government decision makers are required to disclose and level of transparency, 2009

Requirements for disclosure	President	Prime Minister	Minister	Lower House Legislators	Upper House Legislators
Assets and liabilities	DP	D	D	D	D
Loans	DP	D	D	D	D
Sources and level of income	ND	ND	ND	ND	ND
Outside positions	ND	ND	ND	ND	ND
Gifts	ND	ND	ND	ND	ND
Previous employment	ND	ND	ND	ND	ND

D= Disclosed; DP= Disclosed and publicly available; ND= Not disclosed; NA= Not applicable.

Compared to other OECD countries, France requires decision makers in the executive and legislature to disclose a relatively fewer number of private interests. While decision makers are required to disclose financial interests, they do not have to disclose potential conflicts in other areas, and (except for the President) these disclosures are not made public. Disclosures for the President are published in the official Gazette at two points in time: before assuming office and after leaving office. With the aim of reinforcing transparency, a single Ethics Commission was created in June 2007 to centralise what were previously three separate commissions that were established in 1995. The Ethics Commission handles all individual cases related to post-public employment and the accumulation of activities.

Source: OECD Survey on Integrity
[Disclosures](#)

REGULATORY MANAGEMENT

Requirements for Regulatory Impact Analysis (RIA) processes used by central governments

	2005	2008
Quality reviewed by body external to Ministry preparing rules	No	Yes
Required for draft primary laws	In selected cases	Only for major regulation
Required for draft subordinate regulations	In selected cases	In selected cases
Required to quantify costs	No	Only for major regulation
Required to quantify benefits	Only for major regulation	Only for major regulation
Required to publicly release results	No	No

The 2005 and 2008 surveys of Indicators of Systems of Regulatory Management examined the extent of governance practices designed to improve the quality of regulation in OECD countries. Among the most important practices are: the use of regulatory impact analysis (RIA) to assess the cost and benefits of new regulation and the institutional oversight of the quality of regulations; and the design of programs to reduce the costs of administrative activities on business and citizens.

The French simplification policy combines a programme to simplify existing laws and procedures with a programme to modernise the public administration that includes the development of e-government. In 2007, the government committed to reduce the administrative burdens imposed on businesses by 25% by 2012, with a focus on the 1 000 most burdensome or irritative formalities. Impact assessment was introduced in the mid 1990s. As results were limited, the requirements were strengthened as part of the constitutional reform of 2008. As of September 2009, impact assessment is mandatory for all draft laws going to the Council of State and the Parliament.

Source: OECD Survey on Regulatory Management.

[RIA](#) [Administrative simplification](#)

Regulatory Management Indicators: www.oecd.org/regreform/indicators

EU 15 reviews on Regulatory Reform: www.oecd.org/gov/regref/eu15

Background reports on Regulatory Reform: www.oecd.org/regreform/backgroundreports

Extent of programs for reducing administrative burdens at the central level of government

	1998	2005	2008
Explicit programme exists	No	Yes	Yes
Includes quantitative targets	No	Yes	Yes

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, the costs of goods and services produced by private entities funded by government (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 2009*.

Employment characteristics: The OECD averages refer to the following number of countries:

- Share of employees that are female: OECD-23
- Share of senior managers that are female: OECD-22
- Share of administrative positions filled by females: OECD-17
- Share of employees 50 years or older: OECD-25

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 at: www.oecd.org/gov/indicators/govataglance.

- **Delegation index** gathers data on the delegation of determining the number and types of posts needed in an organization, 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.
- **Type of recruitment system index** includes policies for becoming a civil servant in general (*e.g.* competitive examination or direct application) and for recruiting senior civil servants, and systems for appointing entry-level positions and for allocating posts across departments. This index describes a spectrum of recruitment systems in place in OECD member countries. Countries scoring closer to 0 have career-based systems whereas countries scoring closer to 1 have more position-based systems. The index does not evaluate the performance of difference systems.
- The **performance assessment index** indicates the extent to which it is 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 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.

Budget 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 at: www.oecd.org/gov/indicators/govataglance.

- The **medium term budget perspective index** contains information on whether countries develop and present multi-year expenditure estimates in the annual budget, the number of years the estimate covers, how often estimates are updated; and whether there are multi-year targets or ceilings and how often these are revised. This index measures the extent to which countries have developed a medium-term perspective in their budget process. However, it does not evaluate whether this perspective has been effective at achieving budget outcomes such as fiscal discipline and allocative efficiency.
- The **performance budgeting index** contains information on what type of performance information is developed; the processes for setting goals and targets; the process for monitoring and reporting on results; and if and how performance information is used in budget negotiations and decision making processes by key actors including the central budget authority, the line ministries and politicians. This index examines the degree to which OECD member countries have put a performance budgeting system in place. However, it does not measure how successfully these systems operate in practice.
- The **executive flexibility index** contains the following variables: the extent to which lump sum appropriations are used; the number of line items in the budget; agencies' ability to carry-over unused budget allocations between years, borrow against future appropriations, reallocate between line items and keep efficiency gains; and constraints on the executive's ability to increase spending during budget execution. This index looks at the different levels of flexibility provided to the executive during budget execution. However, it does not measure whether this flexibility is used effectively or appropriately.

E-Government:

- The **UN e-government readiness index** ranges between 0 (low level) and 1 (high level). It measures the capacity of governments to implement and develop e-government services. Developed within the framework of the UN global e-government survey, the indicator consists of three sub-indices: (1) the web measure index, (2) the telecommunication infrastructure index and (3) the human capital index. The web measure index ranks countries based on the coverage, sophistication and availability of e-services and e-products. The index categorizes countries as having either an emerging, enhanced, interactive, transactional, or networked e-government presence. The telecommunication infrastructure index is a weighted average of 5 measures of ICT infrastructure capacity: PCs/100 persons, Internet users/100 persons, Telephone lines/100 persons, Broad-banding/100 persons and Mobile phones/100 persons. The human capital index is a weighted average of the adult literacy rate (two-thirds weight) and the combined primary, secondary and tertiary gross enrolment ratio (one-thirds weight).
- The e-government take-up by citizens indicator measures the percentage of individuals (aged 16-74) who used the Internet to interact with public authorities in the 3 months preceding the survey. Data are collected through Eurostat's annual Community Survey on ICT Usage in Households and by Individuals, and are only available for European countries.
- The e-government take-up by businesses indicator measures the percentage of enterprises using the Internet to interact with public authorities. Only businesses with 10 or more employees are included. Data are collected by national statistical offices based on Eurostat's annual Model Survey on ICT Usage and E-commerce in Businesses.