

LEGISLATURE: Bicameral

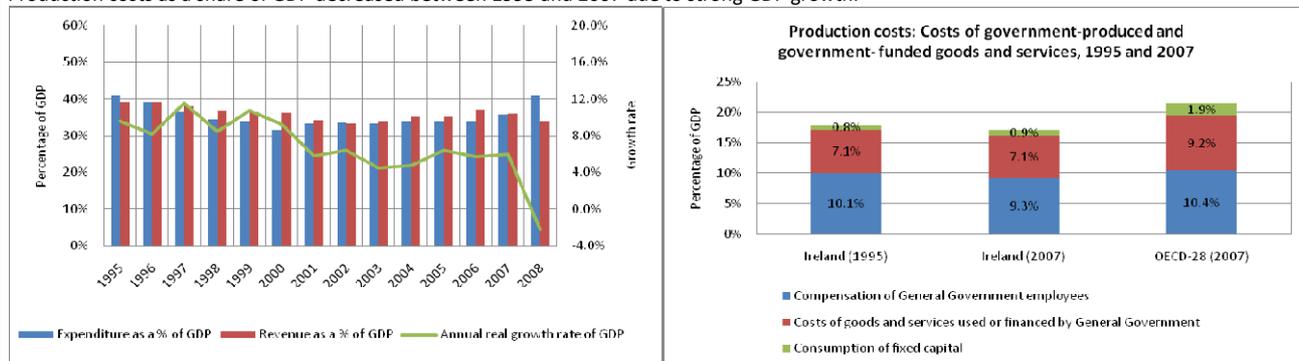
- Upper house: non-elected
- Lower house: elected using Proportional Representation

SYSTEM OF GOVERNMENT: Parliamentary

- No. of ministries: 15 (2008)
- No. of ministers: 15 (2008)

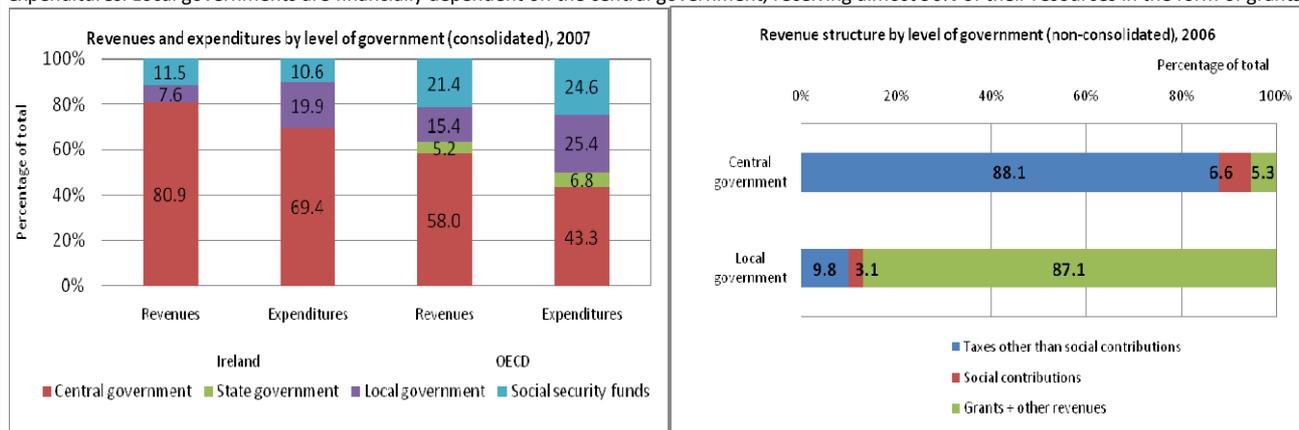
STATE STRUCTURE: Unitary

The Irish economy expanded rapidly in recent years, driven by domestic demand, although the global financial and economic crisis has plunged Ireland into a recession. Ireland enjoyed spectacular growth in tax revenues since 2002. This allowed real public spending to increase faster than in any other OECD country except Korea, while the government also paid down public debt and started to build a fund to pay for future pension liabilities. However, the economic downturn will reduce tax revenues and put pressure on expenditures, leading to increases in deficits and debt. Production costs as a share of GDP decreased between 1995 and 2007 due to strong GDP growth.



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

Ireland is one of the most centralised OECD countries. The central government collects over 80% of revenues and accounts for almost 70% of all expenditures. Local governments are financially dependent on the central government, receiving almost 90% of their resources in the form of grants.



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

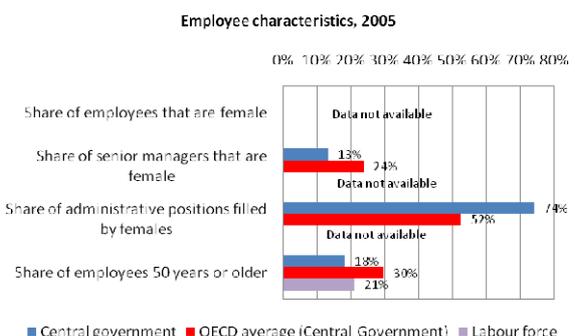
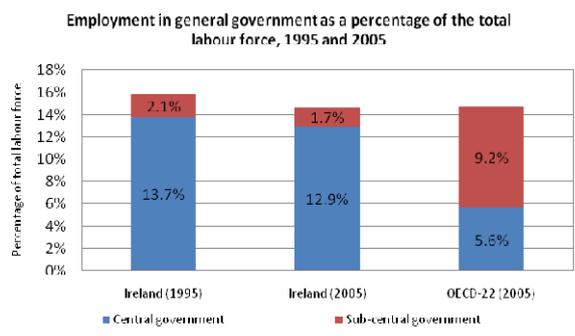
Compared to the OECD average, the Irish government spends a larger proportion of resources on economic affairs (which includes infrastructure investments) and health. This is balanced by a comparatively smaller proportion of expenditures devoted to general public services and social protection. A large proportion of local government expenditures are devoted to economic affairs, education and housing-related functions. The central government bears the fiscal responsibility for all health services. In addition, a large share of central government expenditures goes towards education, social protection, economic affairs and general public services.

Expenditure structure by function of government (non-consolidated), 2006	Ireland		OECD-26	EU-19
	Central government	Local government		
General public services	13.3%	10.5%	10.4%	13.9%
Defence	1.7%	0.0%	1.4%	3%
Public order and safety	4.4%	3.3%	4.2%	3.7%
Economic affairs	13.7%	27.4%	12.9%	10.1%
Environment protection	0.2%	9.1%	1.9%	1.5%
Housing and community amenities	3.3%	25.5%	5.2%	1.9%
Health	24.7%	0.0%	20.3%	14.1%
Recreation, culture and religion	1.4%	4.4%	2.0%	2.5%
Education	15.9%	16.1%	13.1%	11.6%
Social protection	21.5%	3.8%	28.6%	37.7%

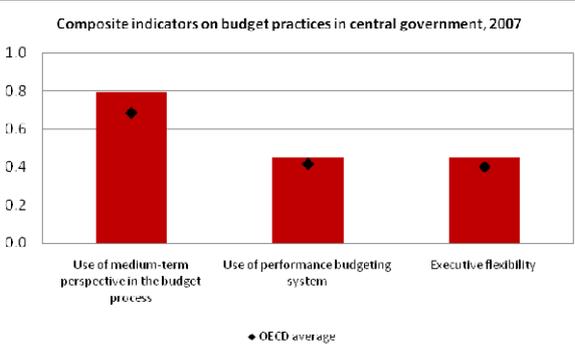
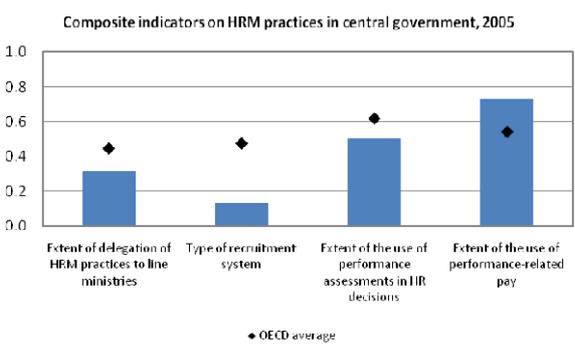
Source: OECD National Accounts [\[General government\]](#) [\[Central, state and local\]](#)

Note: The data for Ireland are current as of November 2009 and include revisions to those originally published in *Government at a Glance*.

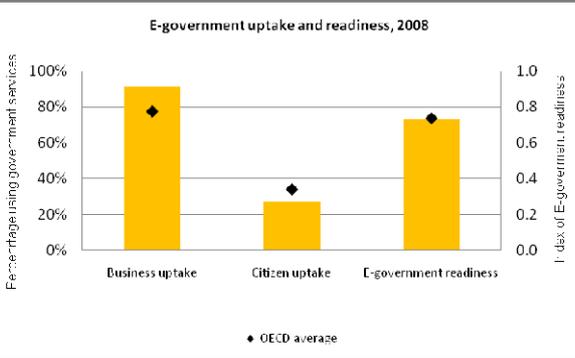
GOVERNMENT EMPLOYMENT: SIZE AND CHARACTERISTICS



COMPOSITE INDICATORS: PUBLIC MANAGEMENT PRACTICES



E-GOVERNMENT



In 2005, the Irish government employed 14.6% of the total labour force, very close to the OECD average. Government employment in Ireland is highly centralised, with almost all staff employed by central government. The share of the labour force employed by government decreased slightly between 1995 and 2005 both at the central and local levels.

Source: *OECD Comparison of Employment in the Public Domain Survey and Labour Force Survey*
[\[General government employment\]](#) [\[Distribution by level\]](#)

Within central government, females occupy three-quarters of administrative positions, much higher than the OECD average (53%). At the same time, less than 15% of senior managerial posts are filled by females, which is below the OECD average (24%). Both the central government workforce and the wider labour force are ageing less rapidly than in many other OECD countries. Ageing does not seem to be a particularly pressing issue for the current Irish government, although it will be in the longer run.

Source: *OECD Strategic HRM Survey and Labour Force Survey*
[\[Female participation\]](#) [\[Ageing\]](#)

The recruitment system in the Irish central government is strongly career-based. The HRM system is relatively centralised, with a rather low level of delegation of HRM practices to line departments and managers. In general, pay levels, the terms and conditions of employment, and overall staffing levels are set centrally. However, departments have some latitude to configure staffing levels for positions below senior/middle management, subject to government policies on expenditures and overall staffing levels. While the use of performance assessments is not universal in central government, the use of performance-related pay – especially for senior managers - is more prevalent than in many other OECD countries. Ireland has little differentiation between the HRM practices for the senior management group and other staff; there is no formal executive civil service.

Source: *OECD Strategic HRM Survey*
[\[Delegation\]](#) [\[Recruitment\]](#) [\[Performance management\]](#)

Ireland has incorporated a medium-term perspective in the budget process to a larger extent than many other OECD countries, by presenting medium-term expenditure estimates that span a 3-year period and using expenditure ceilings/targets for some items. To strengthen its use of performance information in the management process, a requirement for efficiency reviews was introduced in the 2008 Budget. While agencification has occurred to a large extent in Ireland, agencies do not exhibit comparably more flexibility in using budgeted resources.

Source: *OECD International Budget Practices and Procedures Database*.
[\[Medium-term\]](#) [\[Performance budgeting\]](#) [\[Executive flexibility\]](#)
 OECD Journal on Budgeting: www.oecd.org/gov/budget/journal

Ireland exhibits a similar level of e-government readiness compared to other OECD countries. While Ireland has had many successes in developing internal e-government systems, co-operation across different Public Service bodies has been more difficult. Although business uptake remains high compared to other OECD countries, fragmentation of responsibility for different elements of e-government has meant that the full potential of ICT for citizens is not being realised by public sector organisations. The integration of functions for the technical and financial framework will assist in rejuvenating e-government.

Source: *United Nations E-Government Readiness Knowledge Base, Eurostat*.
[\[Readiness\]](#) [\[Uptake\]](#)
[\[OECD E-Government Publications\]](#)
[\[OECD 2008 Public Management Review of Ireland\]](#)

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	DP	DP	DP
Loans	*	DP	DP	DP	DP
Source and level of income	*	DP	DP	DP	DP
Outside positions	*	DP	DP	DP	DP
Gifts	*	DP	DP	DP	DP
Previous employment	*	ND	ND	ND	ND

D= Disclosed; DP= Disclosed and publicly available; ND= Not disclosed; NA= Not applicable; * The constitutional position places the President outside of the Executive.

Under the Ethics Acts, Ireland requires all elected representatives from the executive and legislative branches (*i.e.* Oireachtas members) to disclose annually their private registrable interests, which are made publicly available. They are also required to make declarations of a material interest in Oireachtas proceedings. Office holders (*e.g.* Ministers, Minister of State) are additionally required to make statements of any material interest they have in a function of their office. Regarding assets and liabilities, assets (*e.g.* shares, land, directorships, etc.) must be disclosed in the annual statement of registrable interests, but not liabilities as these are not registrable interests. Liabilities can be voluntarily disclosed and are then treated as registrable interests. Oireachtas members would be required to disclose a liability if it were a material interest in any proceedings of the House of which they are a member, and office holders would be required to disclose a liability if it were a material interest in a function of their office.

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	Yes	Yes
Required for draft primary laws	Always	Always
Required for draft subordinate regulations	Only for major regulation	Only for major regulation
Required to quantify costs	Only for major regulation	Only for major regulation
Required to quantify benefits	Only for major regulation	Only for major regulation
Required to publicly release results	Always	Always

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.

Ireland has an established system of impact assessment. Recommendations from an operational review of its RIA system, published in 2008, have helped to further strengthen the *ex ante* process. A detailed survey of business attitudes toward regulation has helped to identify the specific regulatory areas or aspects of regulation causing most irritation to business. This has helped to prioritise areas for administrative simplification and burden reduction. Simplification efforts are also being advanced through a detailed restatement programme.

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	No	Yes
Includes quantitative targets	No	N/A	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.