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## PRESS RELEASE

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### **Public sector efficiency in Belgium**

(Article for the June 2017 Economic Review)

Efficiency is defined as the ability to obtain the best possible results using as few resources as possible. The constant quest for efficiency in public sector management is essential for all constituent parts of the State. So, general government as a whole is expected to make a continued effort to improve services provided to the community or to reduce their expenditure, or even pursue these two goals at the same time.

Belgium has a particularly high level of public spending. Among the fifteen West European countries selected, Belgium lies in fourth place in terms of level of expenditure expressed as a percentage of GDP. Along with the Nordic countries, France and Austria, it is one of the States with above-average public expenditure.

In view of this high public spending, the results obtained could be better. This, at least, is what emerges from a comparison of budgets allocated and performance in the fifteen countries analysed. This observation is valid for the four functions studied, namely health, education, security and mobility. At the end of the day, the degree of efficiency in Belgium's public administration can only be described as average. Belgium is generally in a middle-of-the-road position, ahead of the Southern European countries but behind the Scandinavian countries.

In Belgium, public action therefore offers undeniable potential for efficiency gains. Guaranteeing more efficient public policies is therefore a priority challenge, which requires continuing efforts to keep down costs while improving service.

Over the next few years, greater efficiency of public action should in any case be a key objective for all levels of power in Belgium. But first of all, to achieve this objective, we need to adopt a systematic approach enabling the whole range of public sector missions to be analysed and choices made. Then, we have to look at which level of power is best placed to carry out these missions; any overlap should be avoided and economies of scale aimed for. And lastly, we have to work towards the most appropriate organisation of the way in which the various public services operate, notably by making the best use of IT applications and by simplifying procedures. Any reforms that may be needed must be envisaged from a long-term perspective and be rigorously enforced.