

CONTEXT

SYSTEM OF GOVERNMENT: Presidential

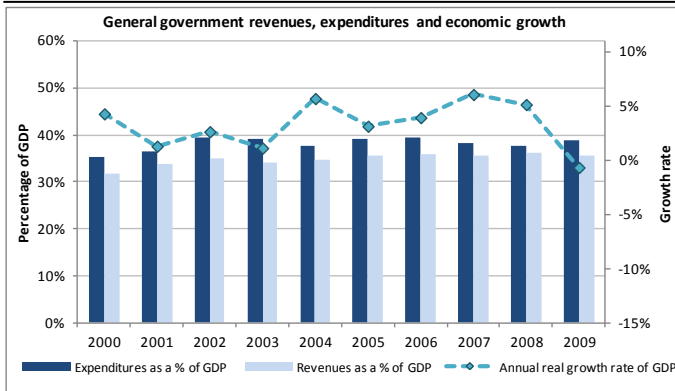
- No. of ministries: 38 (2011)
- No. of governments over last 20 years: 7

STATE STRUCTURE: Federal (26 states and 1 Federal District)

LEGISLATURE: Bicameral

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

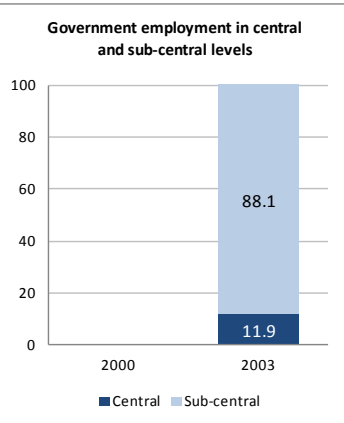
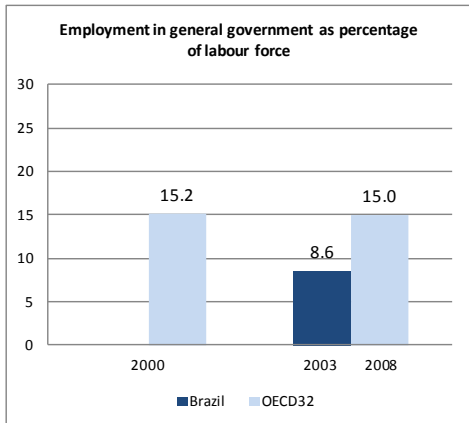
PUBLIC FINANCE



Government revenues account for almost 36% of Brazil's GDP and are approaching the OECD average. Approximately two-thirds of total revenues (24.8% of GDP) are collected by the federal government, 9.4% of GDP by Brazil's 26 states, and 1.6% of GDP by over 5 500 municipalities. Reforms now aim to simplify and streamline indirect taxation and alleviate the tax burden on labour income. The government expenditures in Brazil, excluding social protection, are relatively on par (as a measure of GDP) with the OECD average. The cost of service delivery, measured by the share in GDP of intermediate government consumption, compensation for civil servants and social transfers in kind financed by the government, is also relatively high. This suggests that there is scope for making government operations more cost-effective.

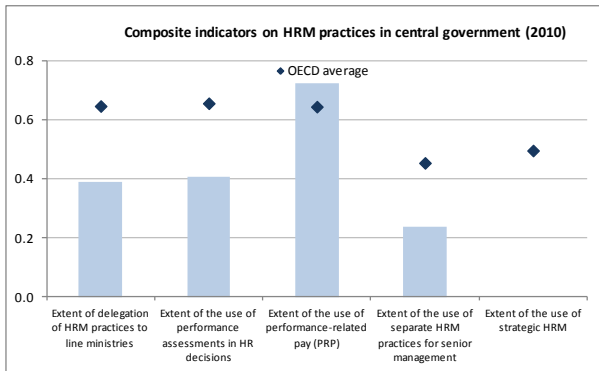
Source: IMF (2011) *Economic Outlook*, April 2011, IMF, Washington, DC. [\[Revenues\]](#) [\[Expenditures\]](#)

GOVERNMENT EMPLOYMENT AND HRM PRACTICES



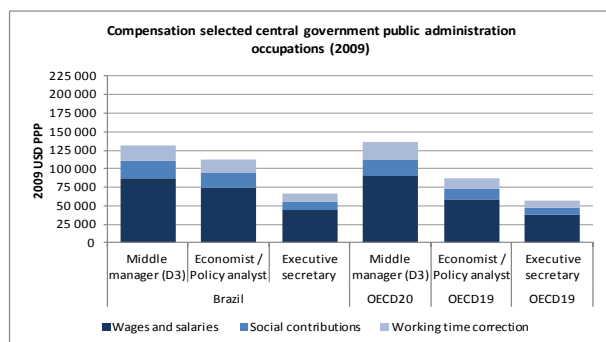
The government in Brazil employs just 8.6% of the total labour force, which is well below the OECD average of 15%, and lower than the rates of most OECD countries, which range from 6.7%-29.3%. Brazil is seeking to maintain this situation, and plans to replace 80-100% of retiring staff. Public employment is also highly decentralised in Brazil, with more than 88% of staff working at the sub-national level. Only one OECD country has a greater level of decentralisation in this area.

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



In the federal government of Brazil, all HRM functions are centralised in the Ministry of Planning, Budgeting and Management, starting from the number and types of jobs at organisations to recruitment, wage setting, working conditions, allocation of funds and performance management (specific policies are developed in each public body, in accordance with guidance provided by the Ministry of Planning, Budgeting and Management). There is mandatory formalised performance assessment for government employees and performance pay is used in the form of performance-based permanent pay increments for most government employees. The Brazilian federal government has established a separate cadre of senior civil servants, however, their HRM practices are not different from other government employees. HRM practices are currently not pursued for strategic purposes in the federal government of Brazil.

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
















Middle managers in the Brazilian public service receive total compensation just below the OECD average (middle managers develop and manage the work programme and staff of units, divisions or policy areas). Compensation for economists/policy analysts and administrative executive secretaries is slightly above average (administrative executive secretaries provide organisation support for managers and professionals, including drafting correspondence and preparing contracts and budgets). Wages and salaries make up 66% of compensation, while social contributions (such as pensions, health and child care) account for 19%. The Brazilian public service has a relatively flat compensation structure, with middle managers earning only 1.2 times more than economists/policy analysts, and 2 times more than executive secretaries (compared to the OECD average ratios of 1.6 and 2.4 respectively). Most public employees in Brazil are required to work 40 hours per week, and work on average 221 days per year.

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

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

Regulatory governance mechanisms (2008)

Functions of the oversight body		Percentage of OECD countries responding "yes"	BRAZIL 2009
Consulted as part of process of developing new regulation	2005	 73%	NA.
	2008	 82%	No
Reports on progress made on reform by individual ministries	2005	 43%	NA.
	2008	 56%	No
Authority of reviewing and monitoring regulatory impacts conducted in individual ministries	2005	 43%	NA.
	2008	 50%	No
Conducts its own regulatory impact analysis	2005	 43%	NA.
	2008	 47%	No
Anticipating compliance and enforcement			
Regulatory policies require that issue of securing compliance and enforcement be anticipated when developing new legislation	2005	 57%	NA.
	2008	 70%	NA.
Guidance for regulators on compliance and enforcement	2005	 37%	NA.
	2008	 47%	NA.
Existence of policy on risk-based enforcement	2005	N.A.	NA.
	2008	 30%	NA.

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

The Brazilian federal government has not set up a dedicated administrative oversight body for regulatory management. However within the Presidency of the Republic, the Civil House (*Casa Civil*) plays a key role in the development of an agenda for regulatory management in Brazil.

Draft law proposals are prepared by legal departments in the ministries. Once the projects are sent to the Presidency, the Civil House is responsible for reviewing the proposal for its legality and political convenience. The Civil House is responsible for the implementation of the programme for strengthening institutional capacity for regulatory management (PRO-REG) launched by the federal government in 2007 with the support of the Inter-American Bank of Development. There is no obligation in Brazil to conduct impact assessment in the policy and decision-making process. As part of the PRO-REG initiative, five federal agencies are participating in pilot projects for the implementation of regulatory impact assessment.

Source: [Regulatory Management System Country Notes 2011](#) based on a survey conducted in 2009; OECD (2008), *Brazil – Strengthening Government for Growth*, OECD Publishing. www.regulacao.gov.br [Oversight bodies] [Compliance and enforcement] www.oecd.org/refreform/indicators

Disclosure of public sector information (2010)

Types of information disclosed	Proactive disclosure		
	Brazil	OECD32	Publication channels
Budget documents	⊙	94%	MA, OW
Audit reports	⊙	72%	MA
List of public servants and their salaries	⊙	28%	CP
Sharing of administrative data			
Administrative data sets	⊙	66%	CP, MA, OW
Requirements on publishing in open data formats	..	53%	..
<ul style="list-style-type: none"> ● Required to be proactively published by FOI laws ⊙ Not required, but routinely proactively published ○ Neither required nor routinely published; .. Data not available <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>			

The federal government of Brazil has put in place various policies to foster proactive transparency and enhance citizen engagement. This began with a push for budget transparency in 2000 and has since been expanded to cover administrative processes and decision making. For example, the Transparency Portal of the Federal Public Administration, created in November 2004, provides free real-time access to information on budget execution, as a basis to support direct monitoring of federal government programmes by citizens. Federal public organisations are also obliged to publish data and information related to budget execution and financial reporting, on a dedicated transparency page linked to their website.

A number of federal public organisations also publish information related to the non-financial performance of their programmes and the social challenges that they address. The Committee for Organisation of Information of the Presidency of the Republic is developing a standard portal for administrative data sets, *DadosGov*, and the Ministry of Planning, Budgeting and Management is working to create the National Infrastructure for Open Data in line with modern principles of open government, including direct access, indexed data and interoperability. These actions have taken place in the absence of a comprehensive freedom of information law, as is present in all OECD countries, although a draft law is currently in the National Congress for approval.

Source: *OECD 2010 Survey on Access to Information*. [Disclosure of information] [Publication channels]

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	No	Yes	No	97%
Selection & evaluation criteria	Yes	No	No	No	97%
Tender documents	Yes	No	No	No	82%
Contract award	Yes	Yes	Yes	No	100%
Justification for award	No	No	No	No	59%
Tracking procurement spending	No	No	No	Yes	32%
Percentages refer to the share of OECD countries that reported publishing information "always" or "sometimes".					

In Brazil, information on procurement by the federal public administration is made available through the federal procurement portal (www.comprasnet.gov.br), the Official Gazette of the Union (www.redegoverno.gov.br), the transparency pages of individual public organisations, the Transparency Portal of the Federal Public Administration (www.portaldatransparencia.gov.br) and the federal public works portal (www.obrasnet.gov.br). None of these portals, however, provides a one-stop shop for information needed by suppliers or citizens. As such, the federal government could integrate procurement information into one portal as a one-stop shop for suppliers and citizens. As part of this process, attention could focus on understanding the use of the various procurement portals as a basis for evaluating the appropriateness of information and means in which it is made available.

Brazil's federal public administration makes publicly available information on its procurement laws and policies, general and specific information related to bid submission and contract award. In addition, Brazil allows public tracking of procurement spending, something that is achieved in approximately one-quarter of OECD countries. The federal government could enhance transparency in both the pre-tender and post-award phases of the public procurement cycle. For example, in the pre-tender phase, federal public organisations could publish annual procurement plans to allow suppliers to better understand and meet the government's needs. At the other end of the procurement cycle, federal public organisations could publish information on contract amendments above a certain threshold on the federal procurement portal.

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

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.

- 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.