

Working conditions in central public administration

Introduction

National-level definition and levels

Reasons for reforms and their impact

Evolution of working conditions

Debate on working conditions of CPA workers

Perspectives on future developments

Conclusions

Bibliography

Annex 1: Country codes

During the last few decades, public administration workers have been subject to a number of structural, modernising reforms, in a framework often designated as 'new public management'. The current economic and financial crisis has also meant that the steep rise in public debt has prompted many authorities to try to reduce public expenditure by introducing freezes and reductions in pay and employment for civil servants. This report sets out to provide an overview of the main causes and reasons for change in central public administration in the European member states plus Norway. It also looks at the impact these changes have had on the sector's working conditions, as well as exploring how this situation is expected to evolve.

Introduction

It is well known that, during the last few decades, public administration workers have been subject to a number of 'structural' reforms, implemented with a view to modernise public administration and services, in a framework often designated as 'new public management'.

In general, the reforms seem to imply a progressive alignment of working conditions of public administration workers with those of private sector workers. This evolution has had a serious impact on employment, working conditions and labour relationships among public sector workers. However, there is a lack of specific information on the impact of these restructuring efforts on the working conditions of public workers in the EU27.

Furthermore, the current economic and financial crisis has meant that several EU countries face higher unemployment and poverty levels, with some EU countries having unsustainable public debt. The increase of public expenditure on unemployment and welfare benefits, and reduced tax revenue due to stagnant economic activity, have largely contributed to the rise of public debt.

Public authorities across Europe have introduced different reforms to try to reduce public expenditure. From 2007/08 these have mainly been pay freezes and pay cuts to civil servants, as well as a reduction of public sector jobs.

Data from the <u>Eurostat's 2012 Labour Force Survey</u> show that the number of people working in public administration and the defence sector for the whole EU27 and Croatia fell from 15.6 million in 2009 to 14.9 million in 2012.

This report sets out to provide an overview of the situation in all 28 EU Member States plus Norway regarding the main causes and reasons for the changes in Central Public Administration (CPA) their impact on working conditions, and a projection of future CPA working conditions.

Specifically, this report will:

- analyse the concept of CPA in the different European countries, the diversity of workers and the recent evolution of this employment;
- characterise the working conditions of CPA personnel and their main changes;
- identify bodies responsible for the inspection and enforcement of compliance with regulations or legislation on working conditions in the national CPAs;
- describe the main reforms undertaken by CPAs in European countries and the causes and rationale, both general and specific, behind the introduction of these changes;
- analyse social dialogue on working conditions in CPAs, the opinions of the social partners on recent changes, and any initiatives taken by them;
- consider the future changes and challenges for working conditions in CPA.

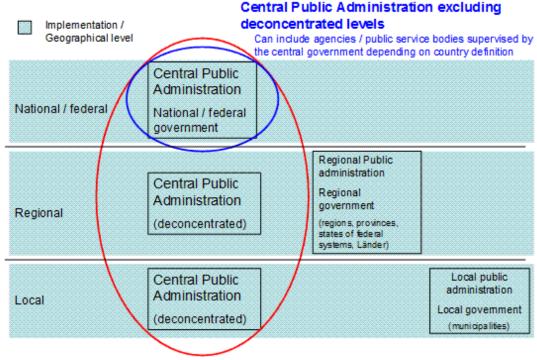
National-level definition and levels

The concept of Central Public Administration is not clear-cut. It has many different definitions and facets depending on the country it operates in, and that country's historical, cultural and political context. There is not even usually a national definition, as such, for CPA and indeed, this term is not used in many countries; some using terms such as Federal Administration, State Administration, or Public Service. However, in general, the concept refers to those administrative organisms, bodies and institutions that operate at central and national level and have a hierarchical dependence on political decision-making (usually, the ministries). For instance, in Bulgaria, the central administration includes:

- administration of the Council of Ministers (CoM);
- ministries;
- government agencies;
- administration of the State commissions;
- executive agencies;
- administrative structures established by law;
- administrative structures established by a decree of the CoM.

Consequently, it may seem obvious that the concept excludes other entities that function at regional or local level, but it is not as simple as that. Thus, CPA includes deconcentrated bodies both at regional or local level. Deconcentration refers to the transfer of administrative functions through the relocation of central administrative bodies to different geographical areas. For instance, the regional delegation of a national ministry is usually included within CPA in all countries and thus all its workers are counted as CPA personnel, irrespective of where they work (Figure 1). For instance, in France, central public administration (APUC) is subordinate to the central government, regardless of where it is geographically located. In contrast, regional, departmental and municipal administrations report to the regional, departmental or municipal authorities. In the Czech Republic, CPA includes territorial administrative state bodies with a local authority.

Figure 1: The different levels of central public administration



Central Public Administration including deconcentrated levels

The decisions are made on central (government) level and can be implemented at central, regional or local level. (Deconcentration)

Source: Eurofound

Figure 1: The different levels of central public administration

In federal states (such as Germany) or quite regionalised countries (such as Spain), CPA includes only the Federal or State Administration, so the administration of the *Länder* or of the *Comunidades Autónomas* are excluded. It is interesting to note that, in these countries, CPA accounts for only a relatively small number of all public workers. Similarly, Belgium has experienced successive state reforms from a centralised unitary state into a federal one, and many civil servants have been transferred from the central administration to communities and regions.

It is also the case that, in some countries, even regional or local bodies are part of the CPA. For instance, in Estonia, the CPA includes employees working in county governments. In Greece, it includes seven regional decentralised administrations. The Swedish CPA includes county administrative boards.

Apart from the territorial scope, another important issue when defining CPA refers to the kind of entities it includes and what activities they perform. Here the diversity of criteria applied among countries is huge, as is the diversity of particular entities and administrative bodies in each country. In addition to purely governmental bodies (ministries) a myriad of entities, agencies, councils, boards, committees and institutions are also considered part of the CPA in some countries but not in others, making it impossible to establish a common profile.

In Germany, under basic law, there is a distinction between 'direct CPA' (unmittelbare Bundesverwaltung) comprising the Supreme Federal Authorities (chancellery, bundestag, ministries) and other higher, medium and lower federal authorities; and 'indirect CPA' (mittelbare Bundesverwaltung), comprising public bodies and structures fulfilling federal administrative functions as independent legal entities (federal agencies, foundations or financial

institutions such as the federal bank. However, the Federal Statistical Office (<u>Destatis</u>) has not used this concept of 'direct' and 'indirect' CPA since 2011, because of its shortcomings in distinguishing changes in legal status.

This distinction between direct and indirect state administration is also made in Portugal.

The situation in Italy is a good example of the diversity of the organisations that can be included within the CPA concept. They comprise:

- entities with constitutional relevance (constitutional court, presidency of the republic, National Council for Economy and Labour);
- presidency of the ministries' council and ministries;
- fiscal agencies;
- agencies regulating economic activities (such as air and train safety agencies);
- institutions providing economic services (such as the National Roads Corporation and the National Institution for Air Traffic Control);
- independent agencies (such as the Antitrust Authority);
- institutions associating non central public administrations (such as regions, provinces, municipalities, universities, chambers of commerce);
- cultural and assistance institutions (such as the Red Cross and National Olympic Committee);
- national research institutes, such as Istat, Isfol and CNR.

There are also many differences regarding the inclusion of public enterprises, or of the organisations providing certain public services (thus, going beyond administrative functions). For instance, in Spain, the state public administration (CPA in a wide sense) includes the state general administration, such as ministries, administrative autonomous bodies (a particular type of public entity and not to be confused with the autonomous communities) and state agencies, the army and police forces, the justice administration, as well as public enterprises and other public organisms.

However, in Hungary, central administration does not include public services' supplier companies (such as the post, energy and water suppliers, railways or public transport companies).

Furthermore, important differences exist with regard to the inclusion of social security administration. While in countries such as Italy, Germany, France, Luxembourg or the Netherlands the national interpretation of CPA does not include compulsory social security institutions, the opposite is true in others such as Greece, Spain, Czech Republic, Finland or Sweden.

Similar discrepancies occur in respect to other public services and institutions in areas such as justice, security (policy forces and the army), health and education. For instance, in Italy, ministry personnel (thus a part of CPA) also include armed forces and public education. However, in Cyprus, the CPA does not include any office in respect of which particular provisions are made by law (for example, the education service or the armed forces).

Reasons for reforms and their impact

Structural and cyclical reforms

Central public administrations (indeed, public administration and the public sector as a whole) are undergoing processes of profound reform and transformation in most European countries. While

some of these changes can be associated to the current economic and financial crisis (cyclical measures), during the last few decades national CPAs have already been subject to several structural reforms. These reforms were intended to modernise their organisation and functioning, searching for a clear citizen (customer) orientation in the provision of services, and greater efficiency in their delivery and quality.

According to the report, *Civil services in the EU of 27 – Reform Outcomes and the Future of the Civil service* (Demmke and Moilanen, 2010) these structural processes have been concerned with issues related to modernisation, greater efficiency, reorganisation and flexibility. Examples include:

- new performance-based management (as in Bulgaria and Germany);
- reorganisation of decision-taking (France and Malta);
- new management cultures with more performance-based assessment and greater responsibility for managers (Belgium, Luxembourg and Poland);
- the use of new human resource management techniques (Belgium, Bulgaria, Czech Republic, Germany, Italy and Portugal);
- the extension of on-line e-government facilities in most EU countries (with significant implications in terms of the new skills required);
- changes in the needs and organisation of personnel dealing with the general public).

In some Member States, the reforms have occurred in tandem with a process of devolution of competences and the decentralisation of some policy domains (as in Belgium and France), with the opposite happening in other Member States (Spain and Sweden).

These processes have often resulted in the privatisation and liberalisation of former public services, or the outsourcing of some of them (as in the UK). The alignment of working conditions with those of the private sector can be also noticed in some Member States (such as in the Netherlands or the UK). Indeed, the European Commission's report, Industrial Relations in Europe 2012 (3.84 MB PDF) says that even the notion of the public sector itself is evolving due to structural changes in the organisation and delivery of public services.

CPA experiences structural reform in nearly all Member States

Examples of these structural reforms can be identified in many Member States.

Designation Time Content summary Copernicus Reform 2000 onwards New organisational structures, a more performance-based management culture and BE new human resources management techniques. late 1990s Several structural Modernisation and increased effectiveness, reforms onwards including new classification of positions, new performance-related pay systems and more flexibility of working time and paid leave. BG Several structural mid-2000s Increased effectiveness and reform of human \mathbf{CZ} reforms onwards resource management. CY Several reforms 2005-2010 To try to correct rapid growth of the public

Table 1: Examples of structural reforms

	Designation	Time	Content summary	
			sector.	
FI	Several reforms	2003 onwards	Increased productivity, and effectiveness Measures including staff reduction to increase productivity and effectiveness.	
FR	General Revision of Public Policies	2007 onwards	Decentralisation to the regions and Departme to improve efficiency, cost-effectiveness and increase modernisation.	
DE	Several reforms	2006 onwards	Standardisation of processes and implementation of process management systems, e-government, reforms of career paths, pay and working time of civil servants.	
HU	Magyary Development Programme 11.0 and the Magyary Zoltán Public Administration Development Programme 12.0	2010 onwards	Modernisation and development of efficient, transparent, high-quality and competitive sevice.	
IT	Law 133/2008 and Riforma Brunetta	2008 onwards	Introduction of new human resource management techniques, including the introduction of performance-related pay schemes shifting from collective to the individual level.	
LU	Luxembourg Government Programme 2009– 2014	2009 onwards	Reform and modernisation of government and central public administration, increasing attention paid to recognition of experience, lifelong education of public workers and encouraging them to take on more responsibility.	
MT	Public Administration Act	2009 onwards	Improving flexibility in management; better definition of administrative levels.	
NL	'Vernieuwing Rijksdienst' project	2010 onwards	Development of a reduced set of job classifications; harmonisation of yearly performance appraisal system, parity of public and private employees (with some exceptions).	
PL	Act on civil service	2006 onwards	Reintroduction of the Civil Service system into the highest administrative positions, changes in working conditions in the Civil Service Corps	
PT	Several reforms	2005 onwards	Mobility of public employees, new procedures relating to staff recruitment and selection, particularly recruitment and selection of top management positions, new performance assessment and career system and pay scales, new social protection schemes designed to converge with those in the private sector, new legal employment system.	
ES	Spanish National	2012 onwards	Reorganisation and rationalisation of the public	

	Designation	Time	Content summary
	Reform Programme		administration size, better definition of the role of national, regional and local administrative levels (.
SE	Several reforms	Early 2000s onwards	Unification of regional authorities, establishment of the National Authority Service Centre to perform administrative work and create economies of scale.
UK	Gershon Review and Lyons Relocation Review	2004 onwards	Making public sector smaller; moving resources from back office services to those dealing with the general public; other efficiency savings, moving CPA services out of London

Source: CAR national contributions

In Belgium, the federal government has been involved, since 2000, in the Copernicus Reform, (Emerald, 2008) intended to redefine the Belgian administrative system in several ways, including:

- new organisational structures (both vertical and horizontal);
- a new, more performance-based management culture;
- new human resources management techniques (more market-related public wages and more emphasis on competency management).

In Bulgaria, several structural reforms have been implemented since the late 1990s (such as the. law on administration, the civil servants" law, the strategy for administrative reform), to try to modernise and increase the effectiveness of public administration. In mid-2012, a new classification of positions, new performance-related pay (comparable to that of the private sector) and new rules for the appraisal of results were introduced for CPA workers, as well as some changes related to the flexibilisation of working time and paid leave. The Czech Government has, from the mid-2000s, been trying to reform its Central Public Administration with the aim of increasing its effectiveness and reforming its human resource management. Measures have included job cuts, extending the rights of certain public employers to fix salaries and the introduction of compulsory training.

In Cyprus, despite cuts to the CPA budget, the Cypriot public sector grew by 13% from 2005 to 2011 which the government is hoping to curb.

In Finland, several programmes, intended to increase the productivity of the state sector, have been introduced since 2003. In 2005, the government made a decision to fill only half of the jobs that fell vacant, although this programme was replaced in 2011 by one which focused on effectiveness and results more than the size of the workforce (in Finnish).

In France, several reforms have been introduced in order to improve the efficiency and cost-effectiveness of French public services. The most important reform is the <u>General Review of Public Policies (in French)</u>, implemented between 2007 and 2012 and intended to modernise the State, decrease public spending and improve public services. This review resulted in a great deal of reorganisation, as well as in budget cuts and reductions in employment. In the last 10 years France has also experienced a decentralisation of public services to the regions and departments.

In Germany, since 2006, modernisation of public administration has ranked high on the agenda of the coalition government (in German). Measures have included:

• the standardisation of processes and implementation of process management systems;

- elements related to E-governance and electronic networking in public administration;
- reforms of career paths, payments and working time of civil servants.

Some reports suggest that the reforms are continuing; a study produced by the Federal Ministry of the Interior (in German, 3.87 MB PDF) revealed that, by 2012, process management systems had been introduced into 36% of federal structures and that implementation was at 'an early stage of maturity'.

In Hungary, the Magyary Development Programme 11.0 (in Hungarian, 2.3 MB PDF) and the Magyary Zoltán Public Administration Development Programme 12.0 (14.39 MB PDF) have been trying to modernise and develop an efficient, transparent, high-quality and competitive public administration, with special emphasis on central public administration. In Italy, several structural reforms underpinned by law in 2008 (in Italian) and in 2009 (in Italian, 955 KB PDF) have tried to introduce stricter regulations on absenteeism and also new human resource management techniques, including the introduction of pay schemes related to individual performance, not collective as before.

The Government of Luxembourg has tried, in the last few years, to <u>reform and modernise its own</u> structure, and that of the government and central public administration (in French), with an eye to quality, efficiency and transparency. For instance, the <u>Luxembourg Government Programme</u> 2009–2014 (in French) stresses the need to change the way the civil service works and how civil servants are paid, with increasing attention paid to recognition of experience, life-long education and the assumption of responsibility.

In Malta, the <u>Public Administration Act (202.86 KB PDF)</u>, implemented in 2009, is intended to improve flexibility in the management of the Maltese public administration, as well as a better definition of the powers between administrative levels. It also introduces several mechanisms intended to ensure fairness and meritocracy in appointments in government agencies.

In Poland, the most important recent structural reform refers to the 2009 civil service act (Majcherkiewicz, 2009), which reintroduced the highest administrative positions in the civil service, abolished by the previous government between 2006–2008 in order to make managerial positions within public administration more flexible and prone to political intervention. The 2009 Act also introduced several changes in working conditions in the civil service corps that will be explained in further sections of this report.

In Portugal, several structural reforms to the public employment regime were made between 2005–2009, to make it more efficient and citizen-oriented, as well as more cost-effective. Examples include changes related to the mobility of public employees, plus a new:

- performance assessment system;
- legal employment system;
- career system and new pay scales;
- employment contracts;
- disciplinary regulations for public employees and contract staff;
- social protection scheme.

There are also new procedures relating to the recruitment of staff, including those in top management positions.

In Spain, in addition to purely short-term measures intended to cope with the current economic crisis, the Spanish CPA is subject to several structural reforms intended to reorganise and

rationalise the size of the national, regional and local administrations, at the same time increasing public workers' productivity. Some reforms are also aimed at trying to reduce the amount of activities duplicated by national, regional and local entities. Examples of these reforms can be seen in the Spanish National Reform Programme, 2012 (in Spanish). In the Netherlands, several structural changes within the public sector, such as fewer job classifications to achieve a greater job mobility between public bodies and the harmonisation of the yearly performance appraisal systems have been introduced by the Yvernieuwing Rijksdienst' project (project for the renewal of Central Public Administration) (in Dutch, 650.58 KB PDF). The government wants to implement changes that will lead to total parity between public and private employees (with some exceptions for particular groups of public workers such as those in the police, defence, and judiciary).

In Sweden, the last 15 years have witnessed several reforms intended to increase efficiency and reduce CPA costs. The most important one refers towards a trend of unification of regional authorities, with previously independent parts now concentrated in one national authority. Examples of this include the Swedish Social Insurance Agency, the Swedish Tax Agency, the Swedish Forestry Agency and Swedish Customs. More details on these changes can be obtained in the 2010 report by Anna Pauloff and Johan Quist, Centralisering och specialisering inom svensk statsförvaltning (in Swedish, 174.19 KB PDF). In June 2012, the National Authority Service Centre was established, to perform administrative work (and standardise it) while creating economies of scale and allowing the different authorities to focus on their core business. More details on this can be found in the July edition of the Social Department (in Swedish, 93 KB PDF).

In the UK, changes within the public sector reflect political intent to reduce its size as part of structural changes in the economy. This trend stems from a belief that the private sector is better placed to provide cost effective services than the public sector and an underlying belief in the efficiency of the free market to offer tax-payers the best value for money. Two major reports were released in 2004 which have helped to shape the way in which public sector conditions of service have changed. The Gershon Review identified savings that were required to move resources from back office services to the front of house, and other efficiency savings. The Lyons Relocation Review identified how moving the work of some London-based departments to the regions could deliver cost savings. As a result, there has been an increasing trend of decentralisation, as well as increased reliance on private and voluntary sector organisations to provide state-funded services. Also, changes to terms and conditions for CPA workers relate to the government's recognition of the degradation of terms and conditions in the private sector, and the desire to replicate private sector best practice in the public sector.

It can be seen that many countries launched these processes well before the economic crisis of 2008; some in the late 90s and early 2000s (as in the case of Belgium, Bulgaria or Sweden) but most since the mid-2000s (such as the Czech Republic, Finland, Germany, Poland, Portugal or the UK).

CPA-related reforms also fostered by economic crisis (cyclical reforms)

The financial crisis has raised great concerns in most European public authorities about excessive public debt levels, which have prompted many Member States to implement austerity measures to try to reduce public expenditure and budgetary deficits. As a result, the recent public administration reforms (moving the emphasis from 'soft' approaches intended to increase efficiency and a long-term reduction of costs, to a strategy of cost-cutting and efficiency) have triggered both a downsizing/freezing of the numbers of public sector workers and a deterioration in working conditions. Examples of these measures include:

- reduction in employment levels, limiting the hiring of new personnel and the replacement of workers who retire and the substitution of civil servants' positions by public employees and temporary workers (see next section for clarification of these job titles);
- working time related measures, such as extending the date of retirement and limiting early retirement schemes, restrictive changes to leave entitlement or greater flexibility in working time elements;
- freezes and reductions in pay levels, including direct pay freezes as well as cuts in other areas, such as bonuses, changes in sickness leaves or in pensions.

Employment relationships

Typologies of CPA workers: similarities across Member States

In spite of the previous differences in the way CPA is defined and understood across Europe, in general, the types of employment relationships pertinent to the diverse administrative levels (central-federal-national or regional-local) largely coincide, even if disparities can then be found in the specific collective agreements or working conditions which apply to each administrative body. In most countries, CPA workers (and public workers in general) can have one of two types of status:

- civil servants for whom the employment relationship is governed by public law;
- public employees for whom the employment relationship is governed by private labour law.

Apart from those two basic types, in some countries special conditions apply to certain bodies (such as the administration of justice, defence and police) and to certain professional categories, in particular those at managerial or director level (as is the case in Belgium and Spain). In fact, in all countries, special legislation regulates regulates those who are:

- elected as members of Parliament;
- politically appointed as ministers, state secretaries, heads of government agencies and of central public authorities and institutions;
- appointed to public administration positions based on political criteria.

Civil servants are usually regulated by a specific law or statute that establishes their particular rights, duties, working conditions and disciplinary measures. The distinctive characteristics of the employment status of civil servants generally relate to certain criteria.

- Specific recruitment procedures: where open competition and regulated exam systems apply, within certain entry requirements that can refer to issues such as nationality, absence of criminal records, level of education.
- Degree of job security: until recently, permanent employment and dismissal protection was generally recognised by law (except in very extreme disciplinary situations) but this is now under scrutiny in several countries.
- Career development: within the civil service this tends to be strongly regulated and subject to a systems of merit, length of service, and additional examinations.
- Specific obligations and disciplinary measures: particular codes of conduct, establish ethical principles and rules of behaviour.
- Regulated working conditions: including remuneration systems, working time and leave.

- Special social security schemes: these include personal social security contributions paid by the State plus early retirement and special retirement benefits.
- Internal mobility: between administrations and territorial mobility.
- Industrial action: in some countries (Bulgaria, Germany, Estonia or Poland) some civil servants rights to strike are limited, with this being extended to the righto associate (in Poland or Malta) or to collective bargaining (as in Bulgaria, where the role of trade unions is limited to consultation).

However, as has already been mentioned, employment relations and working conditions of public employees are subject to general labour law and particular collective agreements.

In most countries, it is possible to distinguish between permanent employees with open-ended contracts and temporary employees with fixed-term contracts. Sometimes, the former are restricted to certain categories or jobs (scientific and technical positions in Greece, for instance), while the latter are intended to cover emergency or seasonal needs. In fact, in several countries, the origin of contractual public employment was precisely that of satisfying a temporary need. In fact, in Cyprus, some categories of public employees are referred to as 'casual workers', even if some of them have indefinite contracts. Nevertheless, this type of employment has become more widespread due to its flexibility. As a result, employees in this category often seek judicial modification of their temporary contracts to open-ended contracts claiming that, in reality, they cover permanent positions. Nowadays, access to contractual public employment is also much regulated.

These different types of status mean that, in most countries, the working conditions of public employees are often much worse than those of civil servants. This, however, is not the case in Austria where, in recent years, there has been a process of harmonisation in terms of advancement of pay grades, pension schemes and other aspects. The only difference now concerns employment status which, in the case of civil servants, still grants tenure of office. Also, in the UK, there is no difference in statute between civil servants and other public employees even if, in common law, there is an historic distinction.

In several countries, a process of 'progressive assimilation' of employment relationships can be identified between public administration and the private sector, as the Netherlands and UK illustrate.

In the last 25 years, the employment relationship of the Dutch 'public employee' has been 'normalised' with the employment terms and conditions of private employees.

The following changes have been introduced:

- introduction of labour condition negotiations, the sector model (1989; 1993);
- public employees brought under the jurisdiction of the social security regulations which cover private employees (sickness law, unemployment law, work disability law) (mid 1990s);
- public services brought under the jurisdiction of works council law (1995) and working time law (1996);
- privatisation of the public pension fund ABP (1996);
- health insurance law applied to public employees (2006).

The objective of this 'normalisation process' has been to develop a more flexible system of negotiating labour conditions, with private contracts as reference point. A secondary idea was to achieve more mobility between public and private employment. However, these changes have not always had the intended consequences.

In the UK, in practice, modern employment legislation applies equally to all employees whether in the public or private sector. Within central public administration there has been an expectation of a lifetime career with promotion based on service and high levels of job security. Such expectations were established by practice rather than by statute or common law. While full time permanent employment remains the norm, there are employees on temporary contracts, casual workers and agency workers within this sector. There is also increasing reliance on outsourced services where private sector employees carry out CPA work.

Variations in number of CPA workers across Europe

According to data provided by national contributions to this CAR, it can be estimated that, in the EU 27 and Norway, there are approximately 9.7 million CPA workers. France, Italy and the UK have the most CPA workers (2.4 million; 1.9 million and 1.8 million, respectively), followed by Romania, the Netherlands and Portugal (466,000; 434,000; and 432,000 respectively). It must be noted, though, that not all countries conform to the NACE 84 definition; this difference can explain the discrepancy with the Eurostat figures; as, according to Eurostat's 2012 Labour Force Survey, employment in public administration (NACE 84) reached almost 15 million in EU 27 + Croatia in 2012.

It is nevertheless important to acknowledge that these figures have to be interpreted in context. As several studies show, the share of public sector workers, and therefore those in CPA, in total employment, varies significantly across countries.

Table 2: EU countries according to public sector share of total employment

Public sector share on total employment	Countries
Over 29%	Norway, Denmark, Sweden, Belgium, France, Luxembourg, UK, Netherlands.
25%–27%	Finland, Germany, Malta, Ireland.
20%–23%	Lithuania, Hungary, Austria, Estonia, Latvia, Slovakia, Greece, Italy, Spain.
Below 20%	Portugal, Poland, Slovenia, Czech Republic, Cyprus, Bulgaria, Romania.

Source: LFS Eurostat. NACE Rev.2. Sections O, P, Q;

Bordogna and Pedersini, 2012

In most countries, CPA employment has experienced a remarkable downward trend in the last five to seven years, and this has become particularly noticeable since the 2008 economic crisis (see below). Trends have to be carefully read, however, as according to the available data, the number of CPA workers has increased in nine Member States since 2005, and fallen in 14.

Available data also show that the importance of workers in CPA workers, in relation to those in public administration as a whole, varies considerably from country to country, and is obviously related to whether the government has a federal, semi-decentralised, or centralised structure. Thus, whereas in Belgium, Germany and Spain CPA workers represent fewer than 10% of the total public employment, in other, smaller, countries with more centralised structures, CPA employment represents more than 70% of the total national public employment (as in Latvia, Hungary, the Netherlands, Portugal, Slovakia and Finland).

The available information shows that, in all countries except Cyprus, Germany, Latvia, Hungary and Slovenia, civil servants represent more than 60% of total CPA employment. However, a trend to reduce their numbers can be identified at least in nine out of the 15 countries with information available. Finally, the available data indicate a relatively well balanced presence of women employed in CPA in nearly all countries, except Denmark, Germany, the Netherlands or Romania (where female CPA employment represents less than 40% of total employment) and Bulgaria, Poland or Slovakia (where women represent more than 65% of total CPA employment). In 11 out of the 21 countries where information is available, female CPA employment has increased in the last five to seven years, although it has decreased in the remaining countries.

Table 3: National evolution in the number of CPA workers

	No of CPA workers	Evolution (+/- % over year indicated)	% over total PA workers	% of civil servants	Evolution (+/- % over year indicated)	% of women	Evolution (+/- % over year indicated)
BE	76,197 (2012)	-5.2% (2006)	7.2% (2010)	76.5% (2012)	-2.1% (2006)	52.8% (2012)	-2.7% (2006)
BG	43,095 (2010)	-35.4% (2005)	55.8% (2010)	66.7% (2010)	-20.9% (2005)	65.7% (2010)	-32.6% (2005)
CZ (1)	316,900 (2011)	-4.9% (2005)				47.8% (2011)	-2.1% (2005)
DK	77,894 (2011)	+3.8% (2008)	53.4% (2011)			38.2% (2011)	+2.9% (2008)
DE (2)	267,706 (2012)	-9.4% (2005)	5.8% (2012)	49.1% (2012)	+0.1% (2005)	35.6% (2012)	
EE	22,286 (2011)	-5.7% (2005)	55.3% (2011)	88.9% (2007)	-2.1% (2005)	53.0% (2011)	
IE	39,200 (2012)	-8.8% (2008)					
EL							
ES (3)	237,394 (2011)	+2.1% (2007)	8.8% (2011)	69.1% (2011)	+3.0% (2009)	51.9% (2011)	0.0% (2009)
FR (4)	2,390,000 (2009)	-7.0% (2005)	45.2% (2009)	83.0% (2009)	-10.0% (2005)	52.0% (2009)	-4.6% (2005)
IT(5)	1,898,500 (2011)	-7.4% (2005)	55.3% (2011)	87.1% (2011)	+2.7% (2005)	52.8% (2011)	-5.7% (2005)
CY (6)	48,128 (2011)	+13.3% (2005)		40.0% (2011)	+23.2% (2005)	54.1% (2011)	+27.1% (2005)
LV(7)	50,223 (2012)	-28.5% (2008)	87.0% (2012)	23.3% (2012)	-23.2% (2008)		
LT (8)	82,200 (2011)	+0.6% (2008)		65.6% (2011)	-1.8% (2010)	51.1% (2011)	+5.2% (2008)
LU(9)	19,100 (2011)	+11.7% (2005)					
HU(10)	246,400 (2011)	-6.2% (2008)	79.6% (2011)	18.8% (2011)	-54.9% (2008)	50.1% (2011)	+2.4% (2005)

	No of CPA workers	Evolution (+/- % over year indicated)	% over total PA workers	% of civil servants	Evolution (+/- % over year indicated)	% of women	Evolution (+/- % over year indicated)
MT(11)	8,270 (2011)	+7.4% (2005)	20.1% (2011)			42.1% (2011)	+67.6% (2005)
NL	464,000 (2011)	+1.5% (2005)	87.5% (2011)			33.0% (2011)	+9.3% (2005)
AT	45,987 (2011)	-7.3% (2005)		60.0% (2011)		53.0% (2011)	-17.0% (2005)
PL	182,166 (2011)	+10.6% (2005)	42.0% (2011)	67.4% (2011)	+1.6% (2009)	69.2% (2011)	+1.6% (2009)
PT	432,053 (2012)	-23.7% (2005)	74.0% (2012)			62.0% (2012)	-22.5% (2005)
RO (12)	466,000 (2011)	-10.4% (2005)				38.6% (2011)	+5.8% (2005)
SL	32,616 (2012)	-5.9% (2005)	64.4% (2012)	30.0% (2011)	-26.0% (2005)	42.6% (2011)	+2.2% (2005)
SK (13)	96,717 (2012)	-3.0% (2008)	82.3% (2012)	83.8% (2012)	+35.7% (2008)	68.9% (2012)	-8.1% (2008)
FI	83,300 (2012)	-9.8% (2005)	73.0% (2011)				
SE	136,500 (2012)	3.5% (2005)				49.2% (2012)	+6.0% (2005)
UK (14)	1,760,100 (2012)	-11.8% (2005)	20.2% (2012)	96.2% (2012)	-10.2% (2005)	50.4% (2012)	-11.4% (2005)
NO (15)	163,000 (2012)	+17.3% (2005)				47.2% (2012)	+24.2% (2005)

- 1. Total public administration workers.
- 2. Federal core employees (military personnel substracted).
- 3. General State Administration (not including police services, armed force, justice administration, public enterprises).
- 4. Data for civil servants refer to 'tenured personnel (titulaires)', and these are estimates (both for % and evolution).
- 5. Data for civil servants refer to 'permanent workers'.
- 6. Total public administration workers.
- 'CPA workers' includes ministries and institutions subordinated to ministries; 'Total Public Administration' includes organisations financed by the state budget (CPA, independent institutions, courts, prosecutors' office, parliament, etc) and National Armed forces.
- 8. Total employed in NACE 84 (Public administration and defence; compulsory social security)
- 9. Total Public Administration workers.
- 10. Central Public Administration for NACE 84. Gender data over Total Public Administration (NACE 84)
- 11. CPA workers refers to NACE Rev.2 code 84.1 (public administration). Total public administration workers data are based on the public administration act definition thus including, ministries and departments, and the agencies, government entities, commissions and boards.
- 12. Total Public Administration workers.
- 13. Employment related to civil servants refers to workers with permanent employment status.
- 14. Employment related to civil servants refers to permanent employment.
- 15. Data referred to total public administration workers

Source: National contributions

Falling trends in CPA employment during the economic crisis

The general downward trend in CPA employment, discussed above, has been exacerbated by the economic crisis, which began in 2008, in many Member States, namely Austria, Belgium, Denmark, Estonia, France, Germany, Greece, Italy, Latvia, The Netherlands, Poland, Portugal, Romania, Spain, and the UK.

Table 4: Cuts and freezes in public administration employment

	Date	Measures	How implemented
AT	2008- 2011	5.1% reduction in the number of federal public workers	Restrictive recruitment policy of civil- servant status workers, especially in administrative posts for which employment on the basis of private-law contracts is a possible alternative
BE	2011	Federal coalition agreement to reduce total central public employment by 4,000 full time equivalents in the next two years (Belgian Government, 2011)	Several staff cost-saving measures in the CPA, including that of replacing only one in three public workers who leave

	Date	Measures	How implemented
DK	recovery plan May 2010	Initiatives to save costs in the CPA, including downsizing in several ministries, boards and agencies (Finansministeriet, 2010).	Temporary employment freeze in several ministries, with 956 CPA employees dismissed in 2012
DE	2009- 2012	Introduction of the constitutional debt brake ('Schuldenbremse') in 2009 (Bundesfinanzministerium, 2012)	Planned job cuts for 2010, 2011 and 2012 by 1.0%, 1.5% and 1.5% per year, respectively.
EE		2009 State Budget Act (<u>EE09020049I</u>).	Public sector expenditure cuts, including redundancies
EL	Since 2008	Restructuring, with more than 80,000 public jobs eliminated	'1 appointment to 5 departures' ratio. Transfer of personnel across the whole public sector has been facilitated in order to cover the changing needs of services
FR	2009- 2012	Steady decline in the number of people working in national public administration	Reduction from 2,484,000 people in 2009 to 2,392,000 people in 2011.
IT	2007- 2011	The number of CPA workers has declined by over 150,000 (-7%) from 2007 to 2011. The decline since 2009 is about by 2% per year due to existing restrictions.	Only one worker can be hired for every five resigning or retiring
LV	2009	Memorandum of Understanding between the European Community and the Republic of Latvia signed on 28 January 2009	Reduction by 10% in the number of people employed in central government by the end of June 2009
NL	2008- 2011	'Vernieuwing Rijksdienst' project (project for the renewal of Central Public Administration) (Rekenkamer, 2010).	The number of Dutch Ministries and the number of public employees both reduced by approximately 10%
PT	2009	Law 59/2008	Freezing of external recruitment in the public sector; most civil servants have become public workers with open-ended contracts.
PL *		Process of reduction of number of those in public employment	Limiting the number of appointments in the Civil Service Corps
RO	from 2009	Job cuts	From 490,000 people in 2009 to 466,000 people two years later (<u>Insse</u> , 2012).
ES	2011- 2012	Reduction 2% of salaried personnel working for CPA	Freezing in the public offer of working posts for the Central Administration
UK	2008- 2012	CPA employment has shrunk by 330,000 posts	Increasing reliance on models of service delivery by private sector employees working within CPA (outsourcing) and employed on fixed term contracts

Source: EIRO correspondents 2013

Although this downward trend is similar the EU, there are some features specific to individual countries.

For example, in Poland, the Government appointed after the 2007 elections tried to reduce the level of employment in state administration. This resulted in the 2010 Act on the rationalisation of employment in state budgetary agencies and selected units of the public finance sector in years

2011–2013 (in Polish). This Act provided for a 10% reduction in public employment between 2011–2013. However, the Constitutional Court ruled, in 2011, that parts of the Act were unconstitutional, and it was suspended. The number of employees in state administration increased by 14,795 in 2008–2011, although the government is trying to manage this process by limiting the number of civil service appointments.

In the UK, CPA employment has shrunk by 330,000 posts between 2008 and 2012. The UK central public administration is characterised by an increasing reliance on outsourcing and the employment of low-grade staff on fixed-term contracts. Although the number of directly employed civil servants has fallen, the total managed expenditure per civil servant has increased considerably in the last few years.

In Greece, on top of employment cuts and restructuring, many public employees with fixed-term agreements are trapped in repeated annual or eight-month contract renewals, with this situation being referred to by the media and unions as 'employment captivity'.

In addition to widespread employment cuts, the available data shows that there are several Member States (Denmark, Poland, Portugal, Spain) where some specific groups of public workers (such as those on fixed-term or temporary contracts, and older workers) have experienced a remarkable downward trend in employment. For instance, in Denmark, the fact that lay-offs amongst CPA workers in the last few years have particularly affected older workers aged 55 and more has been highlighted by Henning Jørgensen's 2011 article 'The state fires older people first' in *Politiken online* (in Danish); and by commercial and clerical union HK (in Danish). The reports show that approximately one third of the dismissed workers were in this age group, which constitutes only one sixth of CPA workers.

In Poland, atypical forms of employment in CPA have become noticeably more common in the last four years, with an increase in 'civil-law' contracts, which do not offer employment-related entitlements as are usually provided for under the Labour Code (such as rights to holiday leave, minimum wages and remuneration for overtime) (Centrum Analiz Fundacji Republikanskiej, 2012).

In Portugal, the freezing of external recruitment in the public sector has moved in tandem with a reduction in precarious forms of public employment, since budget cuts have led to a dismissal of employees with fixed-term contracts. Also, since 2009, only workers performing sovereign functions (namely in the military, police, foreign affairs or justice) continue to enjoy civil servant status with permanent appointment. The majority of Portuguese civil servants have become public workers in public functions with open-ended contracts, although those engaged before January 2006 enjoy higher employment security than those engaged after that date. In September 2012, only 17% of total CPA public employees could be called civil servants, whereas until 2008 about 80% of public workers had civil servant status with permanent appointments (about 80%).

In Spain, available data show that the reduction in employment levels is particularly affecting temporary salaried public workers, whereas the number of people in permanent employment has remained much more stable. It is therefore to be expected that the average satisfaction level with job stability has decreased recently among the public workers in Spain, according to figures from the Spanish Ministry of Employment and Social Security (in Spanish).

Evolution of working conditions

It is important to mention that the analysis of CPA working conditions and how they have changed is subject to a limited availability of information, which generally does not distinguish between the working conditions of different sub groups of public workers.

Working conditions compared with other groups of workers

Better working conditions in public administration than in the private sector

It is important to stress that in most of the EU28, working in public administration as a whole is seen as more secure and attractive than working in the private sector. If we look at the <u>Eurofound's Fifth European Working Conditions Survey</u> workers in public administration (NACE Rev 2 - O) enjoy:

- the highest levels of job and employment security;
- relatively low levels of work intensity;
- high levels of job autonomy;
- regular working hours;
- few problems in take time off for family emergencies;
- very high levels of employee representation;
- good relationships with work colleagues;
- a good deal of employer-funded training;
- less exposure to physical risks.

This contributes to less stress and more time to 'get the job done'. On the other hand, public administration workers seem to:

- be particularly exposed to organisational changes;
- exhibit high levels of absenteeism for health reasons;
- have more difficulty than those in the private sector in finding a similarly paid job when they leave.

National sources also confirm that public sector workers in several areas have better working conditions.

Available information from several countries (such as Belgium, Norway, Netherlands, Spain or Sweden) confirms that public administration workers enjoy greater general job satisfaction than their private counterparts. This can be seen in reports by research foundation Stichting Innovatie and Arbeid, 2010 (in Dutch); Statistics Norway, 2010; the 2011 Dutch Working Conditions Survey (in Dutch); the Spanish Ministry of Employment and Social Security, 2010 (in Spanish); and by the Swedish state employers' organisation Arbetsgivarverket in 2012 (in Swedish, 636 KB PDF). There are also instances in some countries (such as Belgium, Bulgaria, Greece or Lithuania) of higher levels of career and employment security. Also, information from Statistics Norway, 2010; the Swedish state employers' organisation Arbetsgivarverket, 2012 (in Swedish, 636 KB PDF) and the 2011 Dutch Working Conditions Survey (in Dutch) shows that these workers are more likely than those in private companies to be able to plan and organise their work or decide their working pace.

In Bulgaria, Germany, Spain and Sweden, public administration workers exhibit high levels of satisfaction with their working hours and greater autonomy to decide their working hours according to reports by Eurofound (BG0901029I); the German federal workers' accident insurance association, (in German, 1.4 MB PDF); the Spanish Ministry of Employment and Social Security, (in Spanish); and the Swedish state employers' organisation Arbetsgivarverket (in Swedish, 636 KB PDF). In Cyprus, public administration workers enjoy flexible starting times

for work (although with limits); something rarely used in the private sector. In Lithuania and Poland, public administration workers enjoy better defined and more regular working times in comparison with the whole economy, according to Statistics Lithuania and the Polish Central Statistical Office (in Polish). In the Netherlands, the the 2011 Dutch Working Conditions Survey (in Dutch) shows that public workers have shorter working hours per week than their private counterparts. Public administration workers also report having the opportunity for working time flexibility allowing for a better work-life balance, which therefore increases their job satisfaction. For instance, in Poland, public administration workers seem to have more opportunity to change their working hours and take a day off without taking a holiday leave because of family emergencies, according to the Polish Central Statistical Office (in Polish). In Spain, Germany, the Netherlands and Norway, public administration workers also have fewer problems in adapting working times due to family/personal reasons, according to Statistics Norway; the German federal workers' accident insurance association, (in German, 1.4 MB PDF); the 2011 Dutch Working Conditions Survey (in Dutch); and the Spanish Ministry of Employment and Social Security (in Spanish). In Belgium, public administration workers have more opportunities than those in the private sector for a career break or to do part time work, as can be seen from the federal government's website for its employees (in French).

Information from several countries such as Belgium, Czech Republic, Greece, Lithuania, Spain and the UK also shows that public administration workers enjoy better pay than those in the private sector. For instance, in the Czech Republic, in 2012, the average gross monthly salary of a worker in public administration was €1,084 compared with €967 for that of a worker in the total economy. This is due not only to higher fixed wages, but also to a considerably higher amount paid in terms of bonuses, social and other benefits, according to the Czech Statistical Office. In Lithuania, the 2011 average public administration gross wage was €776 compared with the average of €593 for the whole Lithuanian economy, according to Statistics Lithuania. In Spain, the average annual wage per worker in the public administration sector as a whole was approximately 18% higher than the national average, according to Spain's National Institute of Statistics (in Spanish). Finally, in the UK, evidence from the Annual Survey of Hours and Earnings (ASHE) shows that public sector workers earn on average not only 2.2% more than their private sector counterparts (see Office for National Statistics News Release, 22 November 2012 (51 KB PDF), but they also enjoy higher benefit packages (including more annual leave and paid sick leave) than the private sector on average. Interestingly, a report by the National Bank of Belgium (in French, 478 KB PDF) suggests that public administration workers not only have higher starting salaries, but a 2011 report by CSC Seminar on public administration (in Dutch, 8.98 MB PDF) shows that there also are lower wage gaps between men and women, with this also being the case in the Czech Republic (see the survey by TREXIMA, Average Earning Information System, 2012).

National information from Belgium, Romania, the Netherlands and Sweden shows that public administration workers get more opportunities for employer-paid training than their private counterparts. This is seen in figures from the Belgian Departement Werk en Sociale Economie, 2009 (in Dutch); from Romanian trade union Blocul National Sindical, 2012 (in Romanian); and the Swedish state employers' organisation Arbetsgivarverket (in Swedish, 636 KB PDF). Also, the 2011 Dutch Working Conditions Survey (in Dutch) shows that the percentage of public workers receiving internal and external training (77.3% and 55.1%, respectively) is higher than that of those in the private sector (56.7% and 42.2%, respectively).

Information from Latvia, Lithuania and Spain suggests that there is a very low prevalence of occupational diseases and accidents at work among public service workers in comparison with national averages. This can be seen in reports by the Latvian state labour inspectorate (412 KB PDF); Spain's Ministry of Employment and Social Security (in Spanish). Data from Statistics

<u>Lithuania</u> also show that public workers have better occupational health and safety conditions than their private counterparts.

On a more general note, Greek data stresses that public workers enjoy greater opportunities to exercise the right to strike than those in the private sector.

Negative aspects also identified

Notwithstanding the global 'positive' assessment, public service workers seem to have problems with workload, remuneration, violence and aggression.

There is a perception among public administration workers (especially women in Sweden) that they have larger workloads than people in the private sector. This can be seen in reports from Bulgaria (BG0901029I), the Latvian state labour inspectorate (412 KB PDF) and the Swedish state employers' organisation Arbetsgivarverket (in Swedish, 636 KB PDF). In Denmark, the Danish Working Environment Authority (*Arbejdstilsynet*) inspected six Ministries and governmental agencies, and found five failed to meet the requirements for acceptable psychosocial working environments due to high workloads and time pressures, according to a report on the website of the commercial and clerical union HK (in Danish).

In Bulgaria, satisfaction with remuneration levels, training and career development opportunities is also very low (BG1204011I), and in Hungary wages in the private sector seem to be higher than in the public sector (E815 as opposed to E751 in 2011).

In Belgium, Spain, and the Netherlands, public employees seem to be particularly exposed to aggression and violence from third parties. This is underlined in the reports by research foundation Stichting Innovatie and Arbeid (in Dutch), the Spanish Ministry for Employment and Social Security (in Spanish) and the 2011 Dutch Working Conditions Survey (in Dutch). In the Netherlands, for example, in 2011, 27% of public workers reported being exposed to risks and hazards (including violence and harassment) in comparison with a national average of 20.3%.

These elements could partly explain some attitudes of CPA workers. In Estonia, public servants' have less commitment to work than private sector employees, as is seen in a 2010 report by the Estonian Public Service (in Estonian, 5 MB PDF). Also, in Belgium and in Germany, absenteeism among public workers is particularly high in comparison with other sectors. However, in Germany this is more prevalent among lower grade workers than among high-ranking employees, according to a 2011 report by the German Ministry of the Interior (in German). Norwegian Public Administration workers seem to be particularly affected by organisational changes and have higher absenteeism rates than their private sector counterparts due to health reasons, according to Statistics Norway, 2010.

Specific data rare on CPA working conditions

As already mentioned, there are very few specific data at national level on the working conditions of Central Public Administration workers. The data that do exist tend to address different topics. However, they confirm the existence of a positive global differential for CPA workers.

In Austria, available data for 2011 allows one to compare the working conditions of 'administrative service' workers (*Allgemeiner Verwaltungsdienst oder Vertragsbedienstete* (which accords approximately with the given definition of CPA workers) and other federal public service groups such as judges and public prosecutors, craftsmen/skilled workers in federal public service or military employees. This data show that Austrian administrative service (CPA) employees are particularly satisfied with their:

• job security;

- pay levels;
- level of work autonomy;
- workplace facilities/conditions;
- working time;
- opportunities to reconcile working and non-working life, especially with regard to family matters.

Also, they seem to be less affected by stress at work than other public occupational groups. In Finland, state employees show higher satisfaction levels related to job security and training opportunities in comparison with the national average according to 2011 data from the Finnish Ministry of Employment and the Economy (in Finnish). In Latvia, information from the central statistical bureau shows that CPA workers have higher pay levels than other public and private workers. A similar result can be seen in Poland, where CPA workers have better average gross wages than the public sector as a whole, or indeed private sector workers. Figures from Poland's central statistical office (in Polish) for 2011 show CPA workers were paid an approximate monthly average of PLN 4,696.38 (€1,140) with the public sector as a whole earning on average PLN 3,961.03, (€914), and private sector workers earning an average of PLN 3,217.95(€781).

However, according to the <u>Austrian federal chancellery</u> CPA workers seem less satisfied in terms of:

- their opportunities for career advancement;
- their involvement in skills development and vocational training;
- recognition of their work.

Also, evidence from the German federal workers' accident insurance association, (in German, 1.4 MB PDF) in 2010 Germany suggests that lower grade, blue and white collar workers (*Niedrige Laufbahngruppen*) have poorer working conditions (in terms of work atmosphere, lack of communication, information and participation, monotony and lack of career options) in comparison with high ranking CPA employees.

Bodies controlling working conditions in CPA

Limited number of specific bodies

In most European countries it seems that there are no specific bodies with responsibility for inspection and enforcement of compliance with regulations/legislation on working conditions in the national public administration in general or CPA in particular.

As the table below shows, in a majority of countries the Labour Inspectorates (or equivalent entities) are the responsible bodies for both the public and private sectors.

Table 5: National authorities responsible for working conditions

AT	Austrian Labour Inspectorate
BG	General Labour Inspectorate–Executive Agency
CZ	National Labour Inspectorate (SÚIP)
DK	Danish Working Environment Authority (<u>Arbejdstilsynet</u>)

FI	Department for Occupational Safety and Health
IT	Labour Inspectorate
LV	State Labour Inspectorate (VDI)
LU	<u>Inspection du Travail et des Mines</u>
NL	Inspectie SZW
NO	Arbeidstilsynet
PL	National Labour Inspectorate
PT	Working Conditions Authority, Autoridade para as Condições de Trabalho(ACT)
RO	Inspecția Muncii (<u>IM</u>)
SK	National Labour Inspectorate (NIP)
ES	Inspección de Trabajo y Seguridad Social (ITSS)
SE	<u>Arbetsmiljöverke</u>
SI	<u>Labour Inspectorate of the Republic of S</u> lovenia

Source: EWCO national contributions

In some countries there are specific organisations in charge of the inspection and enforcement of regulations on working conditions in Central Public Administration.

Table 6: Authorities controlling working conditions in central public administration

FR	ISS (Health and safety at work inspectorate)	In 2011, legislation on health and safety committees (CHSCT) was extended to the public sector
DE	OSH administrations of the Bundeslaender and the independent public accident insurance institutions	1996 OSH Act creating the Central OSH Office (in German)
LT	Civil Service Department under the Ministry of Interior (VTD) (in Lithuanian)	VTD: compliance with regulations/legislation on working conditions of civil servants
	State Labour Inspectorate (<u>VDI</u>) (in Lithuanian)	VID: employees working under employment contracts (according to the Labour Code).

In France, the role of the labour inspector does not extend to the public sector. His or her functional equivalent in central public administration is the Occupational Health and Safety Inspector (*ISST*). There were 122 Occupational Health and Safety Inspectors responsible for central public administration at the end of 2009, according to the government report L'inspection du travail en France en 2010 (in French, 21.5 MB PDF) In 2011, legislation on workplace health and safety committees (CHSCT) was extended to the public sector, including central public administration.

In Germany inspection of working conditions in CPA differs from the dual occupational safety and health (OSH) system in the private sector. It consists of the OSH administrations of the

Bundeslaender and the independent public accident insurance institutions holding joint responsibility for inspection of working conditions and prevention of accidents. Under the 1996 OSH Act, the Central OSH Office (in German) was installed at the Federal Ministry of the Interior that supervises the public accident insurer Uk-Bund. The office does not employ inspectors, but delegates inspection to accident insurers or liability associations

In Lithuania, the Civil Service Department under the Ministry of Interior (VTD) is responsible for the inspection of civil servants' working conditions and the enforcement of compliance with relevant regulations and legislation. The State Labour Inspectorate (VDI) is responsible for overseeing the working conditions of workers with employment contracts (according to the Labour Code).

Inspectors' responsibilities

In addition to what could be classed as their normal responsibilities, as stated above, these bodies often assume other functions such as technical assistance, mediation and conciliation. Some interesting initiatives and programmes have also been identified. In Cyprus, the Labour department is, at the time of writing, implementing a project on reducing the gender pay gap between workers, including groups of civil servants and public employees.

In Finland, during the last few years inspectors focused on specific issues in central public administration, such as:

- possible violence from clients;
- harassment and inappropriate behaviour;
- psychosocial load;
- working hours.

In Italy, the Department of Public Administration launched a project about <u>wellbeing at work (in Italian, 1KB PDF)</u> in 2003–2004. This comprised seminars and a survey of public sector employees. In 2009, law 150/2009 set out organisational wellbeing surveys as being compulsory for every public unit. On December 2012, the Independent Commission for the Evaluation, Transparency and Integrity of Public Administration (<u>CIVIT</u>) established minimum standards for such surveys. However, as yet, most administrations have either not carried out any of these surveys, or published any result.

In the Netherlands, the latest Work and Health Catalogue for the CPA was produced in 2011 and the following areas were covered:

- aggression and violence;
- health at work;
- work-life balance;
- senior programme;
- diverse workforce;
- promotion lines;
- new secretarial jobs;
- mediation;
- managers' HR skills;

- social re-integration;
- professional space.

Most of the expertise of the central government on work and health for CPA is organised by the Work Society Agency, which in turn oversees the Expertise Centre for Organisation and Personnel. The 'Work and Health Catalogue' is used by employers and employee organisations as an agreement on how to implement the regulations affecting their working conditions.

Other institutions involved

However, even in countries where the Labour Inspectorate has responsibility for both private and public sectors, other institutions specifically dealing with public administration are also involved. For instance, in Slovenia, the role of the <u>Labour Inspectorate of the RS</u> is limited in the public sector by the authority of the <u>Public Administration Inspectorate</u>. In Italy, CIVIT (see above) monitors performance, transparency and corruption risks in public administration, and also wellbeing at work.

In Luxembourg, the <u>Commissariat du Gouvernement chargé de l'instruction disciplinaire</u> is in charge of regulations governing disciplinary procedures for public servants and the Chamber of civil servants and employees (<u>Chambre des fonctionnaires et employés publics</u>) includes among its responsibilities the duty to preserve and defend their material and moral interests and to monitor the compliance with the relevant legislation (in French).

In the Netherlands, apart from inspection, the Work and Health Catalogues allow many different sectors to exercise a certain amount of autonomy over their working conditions. The social partners need to make an agreement, which need to be approved by the overarching safety body, the <u>SZW Inspectorate</u>. For the CPA, there are six such catalogues. They cover the following risks:

- dangerous substances;
- physical demands;
- psychosocial demands;
- workplaces
- other instruments.

In Poland, some specific areas of working conditions are the responsibility of authorities other than the Labour Inspectorate. In the Civil Service Corps, some responsibilities are shared by the Chief of Civil Service, the Council of Civil Service and the Minister of Finance. In Romania, for public servants, the National Agency for Public Servants(<u>ANFP</u>) ensures compliance with regulations in matters such as:

- appointments;
- reinstatements;
- pay;
- vacancies;
- recruitment and promotion;
- professional performance assessment.

It is interesting to mention that, in some countries, there is a role for regional bodies as in the Czech Republic which has eight regional labour inspectorates; Finland whose regional state

administrative agencies form the <u>Occupational Safety and Health Administration</u>; and Spain where the regional autonomous administrations of Catalonia and the Basque Country took responsibility for their own labour inspections in 2010 and 2011 respectively.

Specific entities with specific roles

The division of supervision among several entities, depending on the working conditions under consideration, can be observed in several countries:

Countries with specific CPA control bodies

In Belgium, the legal protection of the statutory rules on career aspects like evaluation, promotion, nomination or sanction is ensured by the <u>Council of State</u>, but the <u>social inspection</u> is part of the Department of Social Security and the <u>labour inspection</u> is part of the Department of Work, which act both in the public and private sector.

In Cyprus, the Department of Labour Inspection is responsible for the improvement of occupational health and safety standards and compliance, while the Department of Labour Relations is responsible for the prevention and settlement of industrial disputes, the safeguarding of the right of workers to associate. The Social Insurance Services also play a role and the Office of the Commissioner for Administration (Ombudsman) has an inspecting role in cases of discrimination in employment. In all cases, the action of these bodies applies both in the private and the public sector.

In Ireland, the <u>Civil Service Conciliation and Arbitration Scheme (251 KB PDF)</u> provides for dealing with claims and proposals relating to the conditions of service of civil servants and to secure the fullest co-operation between the State, as employer, and civil servants, as employees. Also, the <u>implementation body</u> for the public service agreement is made up of public sector management and unions and an independent chair.

In Malta, public service employees are governed by the Public Service Management Code (PSMC) in terms of the Public Administration Act. Implementation of this code is monitored by the Department of Employee Relations under the Office of the Prime Minister. However, disciplinary procedures in the public service must be applied according to the Public Service Commission (PSC) regulations. Also, the employment commission provides safeguards against unjustifiable distinctions, exclusions and preferences. The Ombudsman can provide other remedies for public officers who feel they have been treated unfairly at work.

Countries without specific CPA control bodies

Within the UK there are no specific bodies with responsibility for inspection, enforcement and compliance with regulations or legislation for public sector workers. The Health and Safety Executive, Equality and Human Rights Commission (EHRC) and other national institutions have responsibilities across the economy rather than specifically for public sector workers. In terms of ensuring compliance with employment legislation the UK has a system requiring, for the most part, individual enforcement action through the Employment Tribunal system.

In the Greek public sector there is no single body, equivalent to the private sector's Labour Inspectorate that controls the application of labour law or sanctions imposed in the public sector. Issues related to service status or compliance with health and safety specifications, for example, are controlled by the supervising bodies of each service.

In Hungary, the Government Accountability Office (<u>Kormányzati Ellenőrzési Hivatal</u>) is responsible for the compliance with regulations on the services provided by the public

administration, and is thus only indirectly responsible for working conditions. However, it seems that there is no tradition in Hungary of inspecting working conditions.

As can be seen, there is a wide variety of national situations and approaches to the inspection and enforcement of compliance of regulations on working conditions in CPA, but in all cases, except Hungary, there are systems in place for this purpose. However, according to the national contributions, it can be said that labour inspectorates and other bodies (CPA-specific or not) mainly focus on OSH, with other areas (such as remuneration, equality, career and promotion and working time) being somewhat neglected.

Maybe this is due to the much regulated character of employment in the public sector and that, as trade unions in some countries point out, inspectors give priority to the private sector where the risk of non-compliance is higher. Generally it seems that inspectorates do not focus extensively on working conditions in the CPA sector since this sector is seen as one of the least likely to have unfavourable working conditions and thus the sector is not monitored on the basis of complaints. In fact, according to the available national figures on inspectorates' activity, the number of procedures related to the public administration seems small relative to its weight in total employment.

Worsening working conditions in CPA, since 2008

Available information shows that working conditions amongst public administration workers in general, and CPA workers in particular, have registered a negative trend in the last few years, especially since the economic crisis started in mid-2008. Table 7 synthesises the main developments reported, according to the information available.

Table 7: Reported negative trends in CPA employment and working conditions

	Employment Cuts	Increased working time	Increased workloads and stress	Wages and other income related freezes/cuts	Reduction in training and skill development activities
AT	Х				
BE	Х		Х		х
BG					х
CY				х	
CZ				Х	
DK	X			X	х
EE	Х		Х		х
FR	Х		Х		
DE	х	Х	Х	х	
GR	х	Х		х	
HU				Х	
EE				Х	
IT	Х			Х	Х

	Employment Cuts	Increased working time	Increased workloads and stress	Wages and other income related freezes/cuts	Reduction in training and skill development activities
LV	x			х	х
LT				х	
NL	x				
PL	X				
PT	x			х	х
RO	X			X	
SK				х	
SL				Х	
ES	x	Х		Х	
SE					
UK	Х		Х	Х	х

Source: National CAR contributions

NB: This table, for reasons of concision, may not be a totally thorough representation of the situation for each CPA. It also mixes some 'subjective' areas, such as workloads and stress, with issues of a more objective nature

Deterioration of employment and/or of some features of working conditions have been reported in most Member States, with the notable exceptions of Luxembourg, Malta and Finland. Cuts and freezes in employment and wages are the most reported developments and the measures most commonly used to respond to the impact of the crisis. Other features which have contributed to the deterioration of working conditions in CPA, are:

- longer working times;
- the perception of greater workloads;
- a reduction in training and skills development.

Increased working time

The available evidence from countries such as Germany, Greece or Spain shows an increase in working hours. Weekly working time in the German public sector has been extended from 38.5 hours to 41 hours since 2009. In Greece, article 41 of Law 3979/2011 has resulted in an increase of the weekly working time in the public sector from 37.5 to 40 hours since 2011. InSpain, reforms introduced in 2012 increased working hours for public workers from 35 to 37.5 hours per week. After July 2012, 'free' days of leave (in addition to normal holiday time) for personal reasons have been reduced from six to three days. The Public Service Agreement 2010—2014 (324 KB PDF) a four-year framework agreement between unions and Government struck in 2010 also introduced changes in office opening hours, with a view to delivering public services outside traditional business times. In Sweden, the share of state employees that are satisfied with their working hours has decreased from 85% in 2007 to 72% in 2011, according to a report by the Swedish Agency for Government Employers (in Swedish, 635.6 KB PDF).

Increased workloads and job-related stress levels

Also, public workers in several EU Member States (Belgium, Estonia, France, Germany, and the UK) report increasing workloads and job-related stress levels. For instance, in Estonia, public workers report greater workloads as well as decreasing cooperation and feedback levels from supervisors in 2010 in comparison with 2008, according to a 2010 report by the Estonian Public Service (in Estonian, 5 MB PDF). In France, public workers in services such as public employment agencies, the police and education services are also experiencing an increasing workload, which can be partially explained by the growing use of some of these public services. This can be seen from reports in French newspapers Le Monde, in June 2010 (in French), and in February 2012 (in French); and Midilibre, in April 2012 (in French). In the UK, the introduction of 'lean' working methods in CPA has demonstrated that workers experience an increase in work intensity as well as reduced access to flexible working, job rotation and task variety (Carter et al, 2010).

Not surprisingly, stress levels are also growing amongst public workers. Thus, the share of Belgian public workers affected by higher levels of stress has increased in the last few years, affecting up to 25.4% in 2010 according to data from the research foundation Stichting Innovatie and Arbeid (in Dutch). In Germany, the 2011 health reports produced by the Ministry of the Interior (in German) argues that CPA employees have faced an above-average amount of mental stress since 2006.

Negative evolution of wages and earnings

There are many Member States (Cyprus, the Czech Republic, Denmark, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Portugal, Romania, Slovakia, Slovenia, Spain and the UK) where CPA workers have experienced direct pay freezes or pay cuts (for one or more years) to cuts in other income related aspects, such as bonuses, changes in sickness leaves (reduction in compensation) or in pensions (special levy on workers salary).

However there are some differences in how they are applied with some countries applying both measures.

Direct cuts have been implemented in the Czech Republic, where the average gross monthly salary of the central government employees has been reduced since 2009 from €1,145 to €1,085 in 2012 due to:

- the abolition of the 13th and/or 14th salaries;
- the extension of flexibility in salary-scales framing;
- or the possibility of negotiated salaries in case of specific groups of employees (Tomší, 2011).

In Greece, public workers have been affected by basic salary cuts, as well as by the introduction of a single pay scale. This means that employees in equivalent positions and with equivalent qualifications receive the same pay irrespective of the ministry in which they operate (in practice, this single pay scale has meant further wage cuts for many public employees. In Ireland, in February 2009, the Government introduced an average 7% 'pension levy' on the after-tax pay of all public service workers (IE0901039I). Also, from January 1, 2010, pay cuts of between 5% and 15% were introduced for public sector workers and implemented through the Financial Emergency Measures in the Public Interest (No 2) Bill 2009 (352.6 KB PDF). This bill was introduced in the context of the priority being given to the stabilisation of public finances, including the need to achieve an adjustment of over €1 billion in the public service pay and pensions bill in 2010. In Romania, following the Act No 118/2010 on the necessary measures to balance the budget, public sector salaries were reduced by 25%. Although the act stipulated that

this measure would be temporary and would apply only until 1 January 2011, the reduced salaries were only partially recovered in 2011.

In Slovakia, in 2010, the Government reduced the budget of all public Departments by 20%, which led to wage cuts, and in Slovenia, Ministry of Finance figures (in Slovenian) show that public workers' pay was reduced in 2011 and 2012 by 4% each year. In Italy, Legislative Decree 78/2010 (in Italian, 14 MB PDF) established a three-year wage freeze for all workers in the public sector in May 2010. In Lithuania, in 2008 and 2009, Parliament approved amendments to legislation introducing reductions of the basic amount used for the calculation of public servants' basic salaries. Although these reductions were planned to stay in effect only until the end of 2010, they were renewed until the end of 2012. Not surprisingly, average gross wages of Lithuanian civil servants have fallen between 2009–2011 on a scale varying from 2.8% to 17.7%, depending on different job categories. In the UK, central government employees have been affected by a three-year pay freeze since 2009.

Several countries applied pay freezes and cuts. In Hungary, a pay freeze was introduced in 2008, as well as the cut of the 13th month wage. In Cyprus, workers in the broader public sector (including CPA workers and workers in public or semi-governmental companies) had their earnings frozen in 2011 and 2012, while entrants to the broader public sector experience an average reduction in their starter salaries of 10%.

In Portugal, performance-related wage increases have been been frozen in public administration, as well as any other wage increases. Moreover, in 2011, there were pay cuts those earning more than €1,500 per month. In 2012, holiday and Christmas bonuses, which correspond to two months' pay, were suspended for public employees whose monthly wages were above €1,100, which represents an average net loss of over 14%. There were also cuts in family allowances for public workers. The Spanish government cut the wages of public servants by an average of 5% in 2010, and then froze pay levels in 2011. In 2012, the Government eliminated one of the extra monthly pays (in Spain, there are 14 monthly pays, the two additional ones paid in July and December), which in practice has meant a reduction, in one go, of nearly 9% in public workers' wages. As already mentioned, in addition to direct pay freezes or pay cuts, some Member States (Cyprus, Denmark, Greece, Hungary, Ireland, Portugal, Spain and the UK) have, since 2008, introduced several cuts in other types of income, such as bonuses, changes in sickness leave entitlement and pensions). For instance, Cypriot workers in the broader public sector have had their Cost of Living Allowance (COLA) frozen in 2011 and 2012. In Denmark, data from the finance ministry (in Danish) show that CPA workers were not paid for overtime or for any surplus on their flexible working hours scheme throughout 2010. Greek public workers have lost their allowances and benefits, and in Hungary, since 2008, workers' allowances have been cut (for example, for meals, holiday vouchers, or reimbursement of travel costs). In Ireland, the Government has been reviewing, since 2012, the allowances paid to public service workers and has decided not to give them to those who were not in receipt of these allowance before February 1, 2012. Furthermore, the Public Service Agreement 2010–2014 (324 KB PDF) tightened the limits to employers' pay during sick leave. In Portugal, since 2011, the possibility of combining public salaries with public pensions has been banned. In Spain, since July 2012, public servants have been getting only 50% of their wages during the first three days of temporary sickness leave and 75% between the fourth and the twentieth day (after the 21st day, they get their whole salary). Previously they got 100% of their salary from the very first day of sickness. In the UK, in addition to pay freezes, there have been major changes to public sector pension schemes, which have meant increased employee contributions and reduced payments in retirement. Not surprisingly, in 2011, just 34% of civil service employees said they were satisfied with their benefits package (10% lower than in 2009), and only 27% felt that their pay was reasonable

compared with similar roles in other organisations (6% fewer than in 2009), according to <u>a 2011</u> survey by the Civil Service.

Moreover, even when there are no direct cuts or freezes, as in Germany, data from the <u>WSI</u> <u>collective agreement archive (in German)</u> suggest that wages in the federal administration have grown more slowly than those in the private sector (on the basis of averaging out private sector agreements since 2010)

Reduction in training and skill development

Training and skills development declining in some Member States (Belgium, Bulgaria, Denmark, Estonia, Italy, Latvia, Portugal, UK), negatively impacting working conditions in public administration in general and even more specifically in CPA. The reduction is clearly identifiable in the number of beneficiaries (Bulgaria, Estonia, Latvia, Portugal), levels of training opportunities (Belgium, Denmark, UK) and/or the number of hours /days dedicated to training (Italy).

In Bulgaria, official statistics show that the provision of training for public workers has been reduced in the last years, with only 7.4% of civil servants receiving training in 2011 in comparison with10% and 34% in 2010 and 2009, respectively. Moreover, about half of the Bulgarian administration units had not set aside funds for training in their 2011 budgets (BG1204011I). In Estonia, public sector expenditure cuts due to the economic crisis have resulted in reduced training opportunities for public workers (EE0902049I). In Latvia, since 2009, there has been a dramatic fall in the number of public sector workers participating in training organised by the Latvian School of Public Administration from 11,000 taking part in 2009, to about 3,000 ever since. In Portugal, budgetary restrictions led to a 38% fall, in 2011, in the attendance at the National Institute for Administration's training courses, which are state funded for CPA public employees.

Public administration workers in general and CPA workers in particular in several Member States have also seen their access to training activities squeezed. In Belgium, for example, public workers have complained of decreasing levels of coaching from supervisors between 2008–2010, according to Belgian data from the research foundation Stichting Innovatie and Arbeid (in Dutch). According to Danish magazine Djøfbladet (in Danish) 29% of Danish public workers were denied access to training activities in 2012, compared with 16% in 2008, and, according to the Finance Ministry (in Danish) the type of approved training activities was strictly controlled by management. In 2010 Estonian CPA workers also reported fewer opportunities for training opportunities since 2008, according to a report by the Estonian Public Service (in Estonian, 5 MB PDF). In the UK, available data shows that, whereas in 2009 up to 60% of civil service staff felt that they were able to access the right training when they needed it, in 2011 this figure had dropped to 51%. In fact, according to the Civil Service People Survey in 2011, compared with 2009, fewer staff in 2011 felt they had been able to take opportunities to help them develop their careers or improve their performance

In Italy, according to information from the General Accounting Office (in Italian), the number of total hours devoted to training activities in the public sector in 2010 fell from 2,600.4 thousand hours in 2008 to 1,603.1 thousand hours in 2010.

Rare positive developments

However, the evolution of working conditions for CPA workers has not been uniformly gloomy. In fact, there are some rare examples of improvement and even of targeted measures that, in recent years, have been implemented to try to improve CPA workers' working conditions.

In Luxembourg, according to the newspaper Wort, the 2011 agreement signed between the government and the Confédération Générale de la Fonction Publique (CGFP) has led to improvements in several areas, such as career structure and training, but also those issues which might be subject to appraisal, such as:

- management by objectives;
- skills assessment;
- dismissals and mediation.

Also, the wage agreement signed between the government and unions for 2011–2013 included a bonus for all state workers equivalent to 0.9 % of their wage, paid in July 2012, as well as a 2.2% increase in basic salary from 1 January, 2013 (<u>LU1203021Q</u>). Also, in Malta, a collective agreement was signed in October 2012 setting out improvements in:

- wages;
- family-friendly measures such reduced hours and flexi-time.

In Poland, various legal changes have been introduced during 2008–2012 including the 2008 Civil Service Act), some of which have improved career and employment security. Although there is, for example, now additional holiday leave for civil servants, there are also more controversial changes, such as the extension of job assessments to all employees of Civil Service Corps, and or the shortening of the period for which temporary employment contracts are to given to people entering the civil service. In 2009, the Slovenian government introduced a decree on measures for protecting the state administration worker's dignity in Slovenian). This decree included measures to weed out harassment and mobbing. Flexible working times were introduced in 2007.

In contrast with the general European trend, in Nordic countries, especially in Finland, Norway and Sweden, CPA employees seem to enjoy a more stable working environment. In Finland, the Office for the Government as Employer considers that work wellbeing among state workers has been high and is expected to get even better despite the structural changes and actions taken to increase productivity. In Norway, workers report high job satisfaction and low job insecurity.

In other countries, the trend is more about avoiding further deterioration (Lithuania) or more general issues (France and UK). In Lithuania, the amount of public resources devoted to training activities was maintained in the crisis, due to the use of EU structural funds. Whereas funds allocated for this purpose in the state budget decreased from €2.2 million in 2009 to €1.1 million in 2011, resources allocated from EU structural funds increased from 0.6 million to €2.4 million in the same period (data from the Lithuanian national report). In France and the UK, diversity has improved among public sector workers with an increased presence of women, minority ethnic employees and disabled employees. The share of female employment in the French National Public Administration grew from 51% in 2008 to 60% in 2011, and the share of women occupying a managerial position increased from 16% in 2008 to 21% in 2011. However, this 2012 data from the ministry of public service has to be read carefully as it could be the result of a smaller reduction in female employment compare to their male counterparts.

In Austria, the overall job satisfaction of federal public service workers has increased from an average of 58% to 73% in 2007 and 2011, respectively, according to a 2011 report from the Austrian Federal Civil Service (667 KB PDF). This report also identified positive developments in issues such as satisfaction with:

- work content and aims;
- prospects and career development;

- work climate;
- organisation of work processes;
- availability of information and openness of communication;
- support by colleagues and managers.

Again, these developments should be interpreted with caution as expression of satisfaction is subjective, and an increase could merely reflect the security felt in comparison with growing unemployment elsewhere.

Debate on working conditions of CPA workers

Status and working conditions

In some countries, public debate on working conditions in public administration centres on the supposedly privileged status of public workers compared with private sector workers. In Austria, there is continuing debate about the justification for these 'privileges' and their possible removal. In the UK, public debate traditionally characterises public sector workers as being relatively secure with good benefits such as pensions, sick pay and annual leave. Similarly, in Poland, the popular media in particular reinforce the common belief that public officers are overpaid and not enough work. There are also such stereotypes in Italy and Slovakia. However, there is also general awareness of the negative effects of the crisis, as illustrated by discussions on mass dismissals of public employees in countries such as Hungary and Estonia.

Discussions are even more vociferous in the so-called 'programme countries'. In Portugal, for example, the debate focuses on workforce compensations and pension cuts. In Greece, government and international organisations believe that private sector employees are suffering more greatly than other workers from the consequences of the crisis, but that restrictions in the public sector are necessary in order not to overburden the private sector and taxpayers with unnecessary costs. Nevertheless, unions and left-wing parties believe that reducing the number of public sector workers and cutting the wages of those who are left, will also drag down the private sector, leading to lay-offs in all Greek businesses. ADEDY, the Greek Confederation of Civil Servants, says that recent cut backs in the CPA are unfair, anti-growth, and ineffective, and are aimed at cutting operational costs without taking into account the social cost. Likewise, in Spain, working conditions of all public workers, including those in CPA, are a hot topic, especially in the context of the economic crisis. In particular, there is a wide debate on the organisation of the State, mainly concerning the number of workers in the Autonomous Communities and local administration. Debate centres mainly on the need for workers whose competences might be duplicated at different levels, and the need to rationalise and avoid inefficiencies.

In Ireland, there is huge public debate in the media about the pay rates and job security of workers in the civil service. Many media commentators have called for the Public Service Agreement 2010–2014 (324 KB PDF) to be abandoned, given that it commits the government to no further pay cuts and no compulsory redundancies in the Public Service. The Department of Public Expenditure and Reform says the agreement will not deliver the scale of savings required, whereas the Public Services Executive Union (PSEU) says that, in any talks on modifications to the agreement, its top priority would be to protect members from compulsory redundancies and to maintain pay rates.

However, in the Netherlands, public debate has mainly been about how to reduce public employment costs and how to align regulations governing public employees more closely with those governing private employees.

Social partners' points of view

The worsening working conditions in many European CPA during the economic crisis, have helped lead to a widening split between social partners over the applied reforms and tools.

On the one hand, trade unions in several Member States such as Bulgaria, Denmark, France, Germany, Latvia, Lithuania, Romania, Slovakia, Spain and the UK criticise the way that the civil service has been targeted by austerity measures, resulting in dismissals and job cuts. The German Confederation of Trade Unions (<u>DGB</u>) for example, is critical of deteriorating working conditions due to job cuts, restructuring and work overload, as well as of the federal employer's overall cost-cutting rationale.

Unions in the Czech Republic, Greece, Italy, Latvia, Spain, Lithuania, Poland, Portugal, Romania and Slovenia are also concerned about the reforms and austerity measures affecting wages in public administration. Portuguese unions are unhappy that public employees are now expected to work more for less pay, on top of an increase in taxes, saying that it will lead to a drop in purchasing power, lack of motivation and low morale. Unions in the Czech Republic, worried about the consequences of measures taken there say it will be impossible to ensure the correct functioning public administration due to a high labour turnover, understaffing and low motivation among civil servants

More generally, unions argue that the overall reduction of the CPA workforce, mainly through rules on staff replacement has a significant impact on working conditions, with unions in Belgium, Lithuania and Slovakia pointing out that this will lead to increased work pressure, as the same workload is dealt with by fewer personnel.

The French union, Force Ouvrière(FO) is unhappy about the cut in funds allocated to training for public employees and, also their reduction in purchasing power. In Denmark, the main trade union, DJOEF, recognises that work at public workplaces has become more stressful, as a 'zero error culture' has been developed. Similarly, in Italy there has been an increasing disciplinary control over the workforce, whereas in France the Confédération Générale du Travail (CGT), criticises the introduction of performance and cost-effectiveness indicators. In Hungary, the Forum for the Cooperation of Trade Unions (SZEF), the biggest trade union in the CPA, says that CPA workers' conditions are very bad, and getting worse.

As has been mentioned, however, it seems that it is not the economic crisis which is to blame for the significant changes, but rather the attempts by governments to restructure. In Italy, both trade unions and employers' associations blame low workforce morale on both structural and 'cyclical' reforms. Unions say that the reforms of 2009 shifted the regulatory model from consultative to unilateral. The employers' associations, while welcoming the fact that the reform introduced some potentially positive changes, especially in terms of quality, feel these are jeopardised by a lack of decentralisation and also by mistrust about employees' availability to work. In the UK, as has been mentioned, unions are concerned that there is an increasing reliance on outsourcing work to the private sector, and that workers remaining in public sector face declining employment security and worsening conditions. Conversely, Spanish Confederation of Business Organisations (CEOE) suggests that a greater participation of the private sector in public services is needed to increase efficiency in public administration.

It is not surprising therefore, that many unions are highly critical of cuts in national budgets. In Slovenia, as reported in online newspaper Dnevik (in Slovenian) on 3 November, 2012, the Confederation of Trade Unions of Slovenia (KSS PERGAM) is clearly against budget cuts set out for 2013 and 2014 in the Fiscal Balance Act. In Poland, in 2012, the All-Poland Alliance of Trade Unions (OPZZ) and the union 'Solidarity' (NSZZ "Solidarność") were highly critical of the 2013 draft national budget. However, in many countries, government ministers state that these reforms

are needed to balance public finances, and that there is no other option. Such is certainly the case in the Czech Republic, where the right-wing government considers the reforms and pay cuts to be necessary; and also in Greece where the government, in enacting Law 4024/2011, said that it was imperative to change the organisational structure of the national administration, due to the country's financial burden (GR1203029Q).

In many cases, while trade unions recognise the need for policies to tackle the financial crisis, they argue the case for alternative measures. For instance, unions in Cyprus state that policies implemented during 2011–2012 are neither fair nor balanced, and that public workers are charged with the responsibility for the crisis. They suggest instead initiatives to tackle tax evasion and the taxation of the wealthy. In the UK, public sector trade unions, who also recognise the need for efficiency savings, have put forward alternatives to the government's austerity agenda. In Germany, the German Confederation of Trade Unions (DGB) rejects the idea of any further job cuts, instead calling for job levels to be adjusted according to a systematic needs assessment of the administrative tasks.

Communication between unions and governments also seems to be increasingly complicated in most countries. In the UK, unions representing CPA workers have said the coalition government is increasingly unwilling to negotiate with them over changes in working conditions for workers, and unions are having similar difficulties in Belgium. In Bulgaria trade unions complain about the lack of consensus; in Cyprus they criticise the fact that the government has made decisions about working conditions without consulting the social partners. In Romania, unions protested against the amendment of the Labour Code and the 2011Social Dialogue Act, passed by the Government without parliamentary debate (RO1112019I).

The restrictive economic situation and increasingly difficult relations among social partners are also blocking negotiations. In Belgium, it is not clear if new agreements will be easily negotiated, as complications have arisen because of state reforms that are still not complete. In Italy, trade unions claim that social dialogue on psychosocial risks are merely cosmetic, whereas the employers' association accuses unions of paying more attention to economic aspects rather than to long-term issues such as organisational change and training. In the Netherlands, negotiations stopped at the beginning of 2012, given that, in a time of budgetary restraints employers are not prepared to sign any agreement which would lead to wage rises for public employees.

There have been strikes and demonstrations in some countries, especially those where CPA workers have been most affected by austerity measures and where social dialogue is strained and complex. In 2010, public sector trade unions in Slovenia participated in their biggest ever strike so far, and took action again in April 2012, protesting against the announcement of cuts in wages, benefits and expenses payments. In the Czech Republic, public administration unions demonstrated in September 2010 against austerity measures, and there have been numerous demonstrations and strikes in Portugal and in Greece, as unions protest about the job instability of public employees.

Social dialogue and other initiatives

However, despite all the difficulties, in some countries, public sector social partners still work towards agreements, even though negotiations on wage increases are the exception. In Luxembourg, the government and the General Confederation of Public Service Workers (CGFP), the most representative public sector trade union, signed an agreement in March 2012 which increased wages. Similarly, in Malta, a new collective agreement, signed in October 2012it marked an improvement in the overall working conditions, including salary increases. Nonetheless, in both countries, employers' representatives in the private sector criticised the deals, saying that the pay rises were not compatible with cost reduction. In most countries,

however, negotiations have taken place under economic pressure. In Ireland, for example, talks which resulted in the already mentioned Public Service Agreement 2010–2014 (known as the Croke Park agreement) took place under budgetary constraints and formal injunctions from the Troika.

It is worth mentioning the issue of demography and active ageing. In Germany, the Federal Government launched its demography strategy in 2012, for which trade unions were consulted (DE1211019I). Age management (and related workplace health) is also a challenge in Austria, with trade unions in Belgium asking for active ageing measures (BE1210011Q), and in Sweden there is an open debate about the generation shift.

In France, the 2012-13 social agenda (in French) for public service, presented by Moralise Lebranchu, the new Minister of State Reform, Decentralisation and the Public Service, stressed the importance of social dialogue, professional career paths and remuneration. In the UK, there has been national-level social dialogue about pension reforms, given that coalition government proposed reducing the amount the state has to pay towards public sector pensions by transferring more of the cost to employees. In Norway, the government has decided to strengthen efforts against involuntary part-time work, after suggestions from the Norwegian Confederation of Trade Unions (LO).

Apart from collective agreements, there are also other interesting developments in CPA. In Spain, in 2009, the Social Dialogue Forums For Public Administration signed an Agreement of the Public Function 2010–2012, which established 50 measures intended to increase the quality and efficiency of public services, modernise the administration and improve working conditions. Although its implementation was hindered by the crisis, a joint initiative was agreed in 2009, between the German Confederation of Trade Unions (DGB), the German Civil Servants Federation (DBB), and the German Federal Government to promote workplace health management in the federal administration in response to the trend towards increasing sick leaves and health risks.

Other interesting initiatives in CPA social dialogue include new committees and platforms to deal with administrative reforms and working conditions. In Lithuania, a bilateral commission of Civil Servants was set up in 2010, dealing with the interests of both civil servants and the State, and with current and ad hoc issues in connection with the civil service. In France, in 2011, workplace health and safety committees (CHSCT) were extended to the public sector, to help contribute to the improvement of working conditions and support workers' physical and mental health. In Austria and Sweden, social partners are jointly working on new legislation or multiparty projects.

Perspectives on future developments

Based on the expected continuation of fiscal consolidation policies, several national public authorities have presented plans related to public workers in general and CPA workers in particular for the coming years that are likely to have a negative impact on both the number of public workers and their working conditions.

Negative evolution in employment predicted

One of the gloomiest expectations is on how public employment will evolve. Examples of this pessimism are present in Belgium, Bulgaria, Cyprus, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Poland, Portugal, Slovakia, Slovenia, Spain, The Netherlands and The UK. However it is the 'Programme' countries which foresee the toughest future developments.

In Greece, the <u>Second Programme of Economic Adjustment</u>, agreed between the Commission, the ECB and IMF and the Greek government in March 2012, stipulated that public administration

would sheds 150,000 jobs (from the 2010 level) by the end of 2015, and do this by using, the one appointment for every five departures ratio already implemented. Some commentators feel that up to 180,000 jobs will be lost under this scheme. In Ireland, the government intends to cut about 34,600 public service jobs to reach its overall target of 282,500 public service workers by 2014. A report in the Irish Times, on 14 July, 2012, stated that the cuts were part of a plan to reduce the public sector pay bill by a further €1 billion between 2013 and 2015 (on top of the €3.3 billion reduction already implemented) in order to reach public deficit targets. The decision contradicts the Public Service Agreement 2010–2014 agreed between unions and Government in 2010 which committed the Government to no further pay cuts and no compulsory redundancies for public sector workers in return for reform, efficiency and work practice change (IE1007039I). In Cyprus, policies announced in December 2012 to tackle public debt, and confirmed by the Cyprus Memorandum of Understanding on Specific Economic Policy Conditionality reaffirm the reduction of both civil servants and public employees by 5,000 over the next five years (by recruiting one person for every four that retire), and abolishing 1,880 permanent posts in the public sector (and other companies controlled by the State). In addition, the most recent decisions of the Eurogroup on the haircut on deposits and the recapitalisation of Cyprus's biggest bank are adding pressure to cut public employment levels even further.

The Italian government launched, in July 2012, a <u>spending review</u> intended to reduce existing public expenditure in 2012–2016. Some of the measures suggested include plans to reduce the number of employees by a further 10%, and managers by 20% (equivalent to a loss of 100,000 jobs in the Italian central public administration. Employment forecasts in Spain (<u>AGETT-AFI</u>, <u>December 2012</u>) suggest a 3.1% decrease in employment for the next year, with a significant part of this occurring in the public sector. The recent Labour reform introduced by the Royal Decree 3/2012 and passed on 10 February 2012 (<u>ES1202021I</u>) has meant that public employees (not career civil servants) can be dismissed, with a maximum compensation of 20 days' pay per year worked (up to 12 months pay in total) for 'objective' reasons. These include public bodies which have a deficit or those whose budget has been reduced at least a 5% in comparison to the previous year or by 7% in the last two years.

But the trend of job cuts is widespread and applies to countries belonging to different social welfare models.

The Belgian public budget for 2013 will limit the replacement of public employees who leave to one for each three. In France, according to a report by newspaper Le Figaro in August, 2012 (in French) available estimates suggest a 2.5% reduction in civil servants in the next few years (excluding the major ministries of education, justice and police) due to the non-replacement of civil servants taking retirement. In Germany, the introduction of the Constitutional debt brake (Schuldenbremse) in 2010 may result in up to 10,000 federal jobs being lost by 2014, according to estimates in 2013 by the finance ministry (in German). In Denmark, the need for the government to cut costs by 2.5% in the central public administration in 2012 and by a further 2.5% in 2013 will result in downsizings of 1,000 to 1,500 full-time equivalents in several ministries and public agencies and boards, according to the Government's legislation programme for 2012–2013 (in Danish, 466 KB PDF). In Estonia, a public service act to be implemented from 2013 will result in a change in the definition of 'public servant', leading to a 25% cut in the number of civil servants. In Finland, plans were announced by the Commander of the Finnish Defence Forces (403 KB PDF) to reduce the number of civilian personnel in the Finnish Defence Forces during 2013–2014. Also, tentative plans to bring Finnish Ministries under a more unified structure have been announced by the Finnish Ministry of Finance (in Finnish) with the suggestion including the merger of several ministries into a single body (although no decisions have been taken yet).

In Bulgaria, the *Strategy for the development of the administration 2013–2020* presented by the national government in December 2012 and at time of writing under public discussion underlines the need to further reduce public staffing levels.

In The Netherlands, estimates for 2011–2016 have suggested a 2% cut in the number of public employees per year, as a result of budget cuts to meet public deficit requirements, according to a report by Maastricht University's School of Business and Economics (in Dutch, 1.16 MB PDF). The government has appointed a minister to take care of the further reduction of public employees, although it is interesting to note that the General Accounting Office of the Dutch Government has recently complained about the lack of strategic planning concerning public employment in its report *Staffing government:strategy and planning* (in Dutch, 4.5 MB PDF).

In *Bulgaria*, the 'Strategy for the development of the administration 2013–2020' presented by the National government in December 2012 and at time of writing under public discussion underlines the need to further reduce public staffing levels.

In *Poland*, a three-year plan to limit civil service appointments between 2013–2015 (in Polish, 101 KB PDF) states that no more than 200 people can be appointed to the Civil Service can be appointed per year, whereas the limits for previous years varied between 400 and 3,000. In Portugal, the Government is aiming to reduce public employment levels by 2% annually in the coming, and hopes to extend the scheme to central, regional and local administrations.

In Slovakia, in April 2012, the government passed the ESO programme Efficient, Reliable and Open state administration, intended as the most extensive reform of the state since 1989. It is aimed to make public administration as efficient as possible, for example by merging offices until they are up to one fourth of their current number. It also expects to close several state offices, moving their work to other state institutions.

In Slovenia, the restriction on the state budget expenditures enforced by the <u>act of intervention</u> step because of economic crises in 2010 or the <u>act of intervention step because of economic crises</u> for 2012 are having an effect on public employment levels, with a reduction of 1,700 public employees is expected by the end of 2014, according to the newspaper Reporter, in October 2012 (in Slovenian).

In the UK, the Civil Service Reform Plan launched by the coalition government in June 2012 is expected to have a major impact on employment terms and conditions of CPA workers. In particular, it will reduce the size of the civil service over the next three years by 23%, through increasing outsourcing and centralising shared services. An increasing reliance on outsourcing services provided by private sector employees employed on fixed-term contracts is foreseen, particularly amongst staff at the lowest grades.

Expected negative developments in some working conditions

As well as the dramatic growth in job cuts, wages and salaries, working hours and training also are expected to be hit badly in some Member States.

In Cyprus, in terms of wages, salaries and other income related aspects, the already mentioned Memorandum of Understanding on Specific Economic Policy Conditionality includes, for the public sector, a continuing freeze in earnings until 2016 and a 10% reduction in entry-level salaries, as well as the suspension of the Cost of Living Allowance (COLA) by the end of 2015. In Germany, the introduction of the Constitutional debt brake (Schuldenbremse) in 2010 is also leading to a reduction of the percentage share the federal employees' salaries take from the general federal budget from 4.2% in 2013 to 3.9% by 2016, according to 2013 data from the ministry of finance, (in German).

In Ireland, from January 2013 onwards, the Irish Government has introduced a new Single Public Service Pension Scheme for those entering the public service which, among other provisions, raises the minimum pension age to 66 and establishes the calculation of pensions based on average earnings over a worker's whole career rather than their final salary. In Portugal, the budgetary law for 2013 (1 MB PDF) has introduced restrictive changes with regard to performance assessment system for CPA workers. In *Spain*, the Central Government has decided last September 2012 to continue the freezing of the wages of the Spanish central government workers in 2013, already initiated in 2010. In *Slovakia*, the so-called ESO Programme plans the unification of conditions and wages in the Slovak State Administration. Finally, in the *UK*, the pay freeze for public workers will be extended in 2013.

Concerning working time issues, the already mentioned *Cypriot* memorandum includes an extension of the flexibility period from a half to one hour (as well as the introduction of mobility of public service workers within and across ministries and other governmental entities), whereas in *Portugal*, the <u>budgetary law for 2013</u> has introduced an increase in the work time duration from 35h to 37,5h per week amongst public employees. Referring to training issues, and as far as *Belgium* is concerned, the system of certified training (allowing the employees to get a premium for development of competences) will not be prolonged.

In the UK, the Cabinet Office, in September 2012, asked all central government departments to review existing conditions for central government workers, including annual leave, privilege leave, occupational sick pay, hours of work, mobility and probation, flexitime practices, travel and mileage rates, grievance and disciplinary measures, home working, parental leave, part time work, compressed hours and, finally, performance management. These reviews of conditions and policies are likely to reduce the non-pay benefits available to UK CPA workers.

Positive outcomes

In some rare cases, and notwithstanding these negative prospects, some improvements in working conditions are expected for public workers.

For instance, in Bulgaria, the recent introduction of flexible working time practices in late 2012 is expected to provide more opportunities for a better work-life balance. In Malta, the new Public Service collective agreement in October 2012 includes, among other elements, a 2.5% wage increase for 2013, as well as a further improvement on family friendly measures in terms of telework and flexi-time measures. As reported in Times of Malta, in October, 2012, these positive developments are intended to:

- reduce brain drain levels in the public sector;
- compensate for increased duties and responsibilities since Malta joined the EU;
- increase the participation rates of women in the public sector.

In the Netherlands, the government intends to stimulate telework and other 'new ways of work' as a way to improve public workers' work-life balance.

In Estonia, the new <u>Public Service Act</u>, to be implemented from 2013, introduces several improvements for public workers. These include:

- Public servants' wages to be made public and the use of variable pay limited;
- Estonian public workers who are not civil servants will have the right to strike;
- family-friendly initiatives such as consideration being given to a worker's family situation before deciding atypical working or in the case of dismissals and redundancies.

In Sweden, a 2011 survey of HR State sector managers suggested that approximately 129,000 people would be hired in the next five years, partially due to a generation shift as well as the creation of new jobs as a result of new demands. It would also mean more employment opportunities for women and people with different cultural backgrounds, according to the report, by Swedish Civil Service Union ST (in Swedish, 250 KB PDF). In Norway, there are also expectations that there there will be a moderate growth in the number of CPA workers in the coming years.

Conclusions

The concept of Central Public Administration (CPA) is not clear-cut, as it has many facets and different meanings depending on individual countries and their historical and cultural traditions, and their political landscape.. Generally speaking, the concept refers to those administrative organisms, bodies and institutions that operate at central and national level that have a hierarchical dependence on central decision-making and political subjects (usually, the Ministries). Consequently, regional or local public authorities are excluded from this concept although de-concentrated CPA bodies (such as ministries, that operate at regional or local level, are not. In most countries, CPA workers (and public workers in general) can have two different types of status, that is to say, they can be either civil servants (for whom the employment relationship is governed by public law) or public employees (for whom the employment relationship is governed by private labour law). Furthermore, in several countries special conditions apply to certain bodies (for instance in the cases of the justice, defence and police) or to certain professional categories.

Given all these differences, it is very difficult to provide very accurate data on CPA workers at EU level. According to this study, in the EU27 and Norway there are approximately 9.7 million CPA workers, with significant differences among Member States (France, Italy and UK have the most CPA workers). In any case, it seems clear that CPA employment has experienced a remarkable downward trend in the last five to seven years, which has intensified since the 2008 economic crisis in many Member States.

The available evidence suggests that public workers in general, and CPA workers in particular, enjoy better working conditions than their private counterparts in a wide number of domains such as:

- higher levels of job and employment security and autonomy;
- relatively low levels of work intensity;
- better defined working times;
- higher involvement in training practices;
- less exposure to physical risks.

However, a clear deterioration of the CPA workers' working conditions has been seen in recent years, particularly in the:

- lessening of job security;
- cuts or freezes in wages and earnings;
- increased working times and associated workloads;
- reduction of training and skill development activities.

This negative evolution is affecting nearly all EU Member States, particularly those under scrutiny of the so-called Troika. Related to this, a vivid public debate has developed on working conditions in public administration in general and CPA in particular, especially regarding the:

- supposedly 'privileged' status of public workers compared with private sector workers;
- the need to make further 'sacrifices' in the current economic crisis;
- the drive to bring working conditions of public workers more in line with their private counterparts.

Some of these changes are clearly associated to the current economic and financial crisis and the drive to reduce public expenditures and budgetary deficits via cost-cutting and cost-efficiency measures (cyclical measures). However, a number of structural reforms begun before the crisis and aimed at modernisation and efficiency deeply affect CPA workers and their working conditions. Reforms which have been implemented include:

- introduction of new more streamlined organisational structures;
- development of new management cultures with more performance-based/result-oriented systems;
- extension of on-line e-government instruments;
- introduction of new human resource management techniques;
- outsourcing strategies.

Moreover, the general deterioration in working conditions in CPA negatively affects social dialogue practices. Thus, government ministers in some countries, with support from private business associations, say reforms are needed to modernise, streamline and reduce national budget deficits. However, trade unions, although recognising the need for modernisation and tackling budget imbalances, are highly critical of the measures which have been adopted and their consequences on employment levels and working conditions of CPA workers. This has led, in many Member States to strikes and increasing difficulty for parties in reaching compromises and agreements.

National public authorities in many Member States have presented plans related to their workers (both in general and CPA functions) for the next two to three years that are likely to have further negative impacts on both the employment levels of public workers and their working conditions.

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Annex 1: Country codes

Country code	Country name
AT	Austria
BE	Belgium
BG	Bulgaria
CY	Cyprus
CZ	Czech Republic
DE	Germany
DK	Denmark
EE	Estonia
EL	Greece
ES	Spain
FI	Finland
FR	France
HU	Hungary
IE	Ireland
IT	Italy
LT	Lithuania
LU	Luxembourg
LV	Latvia
MT	Malta
NL	Netherlands
NO	Norway
PL	Poland
PT	Portugal
RO	Romania

SE Sweden
SI Slovenia
SK Slovakia

UK United Kingdom

EF/13/56