

Glossary¹

Agency: unit of a ministry with a separate financial administration.

Administrative employee: every employee of general government (in the sense of the national accounts) except employees tasked with service delivery in kind*.

Administrative expenditure: operational expenditure* of administrative unit* (and administrative investment²).

Administrative investment: gross capital formation for accommodation and equipment of administrative unit*.

Administrative unit: government unit consisting of administrative employees*.

Administrative regulation: Economic regulation*, financial regulation* or social regulation* by authorities other than the formal legislature.

Administrative services: application of administrative regulations* in individual cases.

Administrative supervision: Monitoring of compliance with laws and administrative regulations* other than through the regular police, in particular through inspectorates.

Arm's length agency: agency* for which the minister is responsible as far as (executive) policy is concerned (not necessarily for the handling of individual cases). The minister remains also responsible for operational management.

Base line estimates: multi-annual estimates of expenditures on the basis of current policy at the level of line items*.

Central ministry: Prime Minister's Office, Ministry of Finance and ministry where the most important tasks in the area of standard setting* for operational management* are located.

Civil service: all employees of central government whose labour conditions are ruled by public law.

Common process unit: government unit that carries out tasks that belong to the primary process of more than a single ministry of central government or more than a single government (for instance a ministry and a municipality).

Core ministry: the part of the ministry that is not organised in agencies*.

Division of a ministry: unit of a core ministry led by an official who reports directly to the minister or deputy minister or to the permanent secretary*. National titles of officials leading ministerial divisions may be: Director-General, Director, Assistant-Secretary.

Economic (or "market") regulation: regulation of entry to or exit from a market, the prices at which goods and services can be sold or the quantities of goods that can be sold. Economic regulation also includes regulation requiring the provision of access to infrastructure owned by other parties.

Executive policy: policy concerning policy execution.

Financial instrument: tax, grant, subsidy, social benefit.

Financial regulation: regulation concerning financial instruments*.

Horizontal integration: process sharing among agencies* and merging of agencies*; sharing of support services* or merging of support service* units.

Independent agency: agency* for which the minister is not responsible, nor for executive policy*, nor for the handling of individual cases (the minister remains responsible for policy and operational management*).

In-kind service delivery employee: every employee in the military, the police, the penitentiary institutions, units providing other collective services in kind (for instance construction or maintenance of transport infrastructure: roads, tunnels, bridges, waterways, harbours, rail networks, airports, pipelines, etc., or ICT infrastructure), non-profit institutions classified inside general government in the national accounts, educational institutions, health providers and units providing other individual services in kind (cultural institutions, institutions providing social services, etc.).

In-kind service delivery unit: government unit consisting of in-kind service delivery employees*.

Input: human resources, procured goods, financial resources, non-financial assets.

Line item: authorised expenditure at the most detailed level of the classification used in the annual budget law.

Line minister: minister who is not responsible for standard setting for operational management (or acting in other capacity than that).

Market structure: conditions of the market that determine its competitiveness. A market can be imperfect because of small numbers of buyers or sellers (monopoly, oligopoly), information asymmetry, or external effects. Monopoly or oligopoly can be legal (legal entry barriers) or natural (decreasing marginal costs for instance in network services).

Operational management: decision-making on the use of operational means*. For instance: financial management, human resource management, procurement management.

Operational (or technical) efficiency: relative productivity of a production process compared to the optimal production process with the same output.

Operational expenditures: expenditures for compensation of employees and intermediate production (in the sense of the national accounts).

Operational means: communication, human resources and organisation, internal audit, procurement, information and ICT, finance (budgeting, accounting and cash and debt operations), accommodation, real estate and facilities (office equipment, reproduction, cars, catering, security, cleaning, internal post).

Output: Services in kind* and administrative services*.

Out-year: each year of the multi-annual estimates after the (upcoming) budget year.

Permanent Secretary: highest civil servant of a ministry. National title is often: Secretary General or permanent secretary.

Planning bureau: unit of the government that provides forecasts on economic, social, financial and environmental developments and scenario studies on impacts of government

policies on those developments. A planning bureau may in addition provide other forms of policy analysis.

Policy evaluation: assessment of the effectiveness and efficiency of a policy (in terms of targets and instruments).

Private corporation: institutional unit belonging to the corporate sector of the economy (in the sense of the national accounts) which is not controlled by the government.

Programme expenditure: all expenditure except administrative expenditure*.

Programme investment: gross capital formation other than administrative investment*.

Public corporation: institutional unit belonging to the corporate sector of the economy (in the sense of the national accounts) which is controlled by the government.

Public non-profit institution: Non-profit institution with legal personality, controlled by government.

Senior Civil Service: top layer of the civil service*.

Services in kind: individual and collective goods provided to citizens and legal persons.

Social regulation: regulation of the quality of goods and services that are sold on markets or that are provided by government outside markets (against “insignificant prices” in the sense of the national accounts). This includes, for example, regulation of environmental quality, food safety, labour conditions and regulation of the quality of health care and of education.

Standard setting: adopting rules on operational management*.

Shared service centre: government unit that provides support services* to more than a single ministry of central government or to more than a single government (for instance a ministry and a municipality).

State: legal person headed by the government.

State government: sub-sector of general government between central and local government that characterises federal states.

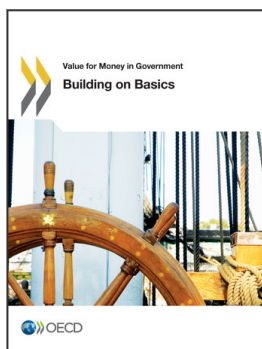
Sub-central government: sub-sectors of general government other than social security and central government (State government* and local government).

Support services: services to support operational management*.

Vertical integration: a better use of executive and professional expertise in policy development.

Notes

1. Terms provided with a * are defined elsewhere in the glossary.
2. In practice administrative investment is often not counted as administrative but as programme expenditure.



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