
ARE QUEBEC GOVERNMENT AGENCIES EFFICIENT?

Montreal, April 12, 2012 – The new decentralizing measures adopted by the Quebec government in the early 2000s seem to be bearing fruit, according to a study on the performance of government agencies by the Centre for Productivity and Prosperity. “This shift resulted in an average productivity increase of 2.9% at government agencies over the past ten years,” says Claude Laurin, co-author of the study and Full Professor at HEC Montréal.

In 2000, the Quebec government introduced results-based management practices as a way of improving efficiency within some of its agencies. These measures, inspired by the private sector, now require agencies to draw up strategic plans and annual expenditure management plans, and to identify indicators designed to simplify reporting. Their directors are also required to present an annual report to the National Assembly, explaining the degree to which they have attained the objectives set in their strategic plans.

In return, these organizations have been granted greater autonomy; some are even allowed to manage their budgetary surpluses and human resources. At the time of the study, 23 organizations, responsible for everything from collecting unpaid fines and taxes to managing student loans and grants, had already been designated as decentralized government agencies. For the purposes of this study, the annual reports of 13 decentralized agencies were analyzed so as to put together the most comprehensive picture possible of their performance.

“The results of the reforms have been positive,” observes Claude Laurin. “A very large proportion of the agencies saw an increase in their revenue, output and productivity over the past decade. It’s proof that decentralization can have a positive impact on performance.”

Some more than others

Two agencies in particular stood out, showing considerable improvement in all performance aspects examined in the study. In addition to increasing their revenue and reducing their average cost, the Bureau des infractions et amendes and the Centre de perception fiscale saw their productivity rise by 3.39% and 2.82%, respectively, since 2000.

On the other hand, the productivity rate of Aide financière aux études plunged by nearly 5% since it was created. The number of applications for loans and grants processed was down by 0.3%, while its staff (full-time workers) was up by 6.62%. In addition, the decline in customer satisfaction was accompanied by longer response times and a sharp decrease in employee training.

“Although most of the agency directors were in agreement with our conclusions, they remain dissatisfied with the amount of independence they have been given to manage their organizations,” notes the researcher. “Some complain that they have less and less room to manoeuvre. In that respect it seems to us that it is difficult for them to make gains if they do not have a free hand in areas as vital as human resources management, for instance.”

Overall, these study findings are encouraging. “Consequently, we recommend that the Quebec government continue its efforts to implement results-based management and to extend the model from the agencies analyzed in this study to other public-sector organizations in Quebec,” concludes Professor Laurin.

For more information:

- Download the study, [Gestion axée sur les résultats et performance des agences gouvernementales québécoises](#), by Claude Laurin and Marie-Ève Quenneville;
- Consultez le [communiqué](#) en français.

About the Centre for Productivity and Prosperity

The HEC Montréal Centre for Productivity and Prosperity, created in 2009, has a twofold mission. First of all, it is devoted to research on productivity and prosperity, mainly in Quebec and in Canada as a whole. The Centre then shares its research findings, making them widely accessible and, in the end, educating people about productivity and prosperity. For more information on the Centre, visit www.hec.ca/cpp.

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Source:

Liette D'Amours
Media Relations Officer
Tel.: 514 649-2347
info.cpp@hec.ca