

Check against delivery

Statement by:

**Israeli Representative Shmuel Hollander  
Civil Service Commissioner**

**Commission for Social Development**

**42<sup>nd</sup> Session  
4 February 2004  
United Nations**

---

I would like to express my deep appreciation for the work that was done in preparing this excellent report of the Secretary-General on "Improving Public Sector Effectiveness."

I am sure that the report and the discussions here will contribute to this issue that is so important to the quality of life everywhere. My government would like to emphasize the following principles with regard to this issue:

1) **Civil service:** The basic principle in improving public sector effectiveness is the understanding that the duty of the public employee is to service to the community – to serve, not to rule. Therefore, this sector of employees is most appropriately called civil servants.

2) **Good governance:** Following this essential principle is good governance. Public servants are subject to a code of behavior and ethics. This code should encompass the topics of conflict of interest, restrictions on political activities, restrictions on fundraising, restrictions on private work and limitations after retirement. In Israel these topics are raised in our Civil Service Discipline Law.

3) **Appointments:** The mode of screening of tender with regard to the appointment of civil servants is crucial. In Israel, most civil service positions are filled by competition based on merit.

4) **Budget:** Our Budget Law is strict, comprehensible, transparent and strictly supervised by several departments within the Ministry of Finance, the State Comptroller's Office and other divisions.

5) **Quality and Excellence:** Since 1993, activities have been carried out for strengthening awareness of advancement of quality management among managers and workers in the Civil Service. Beginning in 1994, infrastructures for quality management at the inter-Ministerial level were established and pioneering applications towards assimilating the approach began to be implemented. These applications included activities for improving public service, making procedures more efficient and simplifying them, cost saving and increasing productivity – all with special attention being paid to customer satisfaction.

6) **Transparency and Accessibility:** In Israel, many government services such as the submission of forms and participation in government tenders are provided via telephone, internet, mail or Email. Technology plays an important role in this regard.

7) **Decentralization:** We aim to form a new system that will delegate more power and authority to ministries and agencies.

8) **Connective preference:** In Israel we espouse the values of equal opportunity in our Civil Service and seek to designate positions for women, minorities and the disabled. Legislation to this end is supervised by the Parliament and government committees.

9) **Netanyahu's Reform:** Our Finance Minister Benjamin Netanyahu's recent reforms call for shrinking the public sector and expanding the private industry. Over time these reforms will seek to cut government expenditure and reduce public sector wages.

10) **Privatization, outsourcing and the break-up of monopolies:** In Israel such issues are being addressed with regards to institutions ranging from El-Al airlines, Bezek telecommunication and Zim shipping, to our porting authority and water services.

11) **Joint ventures or BOT: partnership with the private sector:** In Israel these crucial partnerships are helping us to build fast roadways, rapid rail systems and desalinization plants.

12) **Pension reform:** We succeeded in accomplishing a comprehensive reform to save pension funds that have suffered a heavy actuarial deficit. We achieved this by removing and replacing management, enacting new regulations and raising the retirement age that now stands at 67 for men and 64 for women.

13) **Consequences:** The end result of these changes will soon be a better and more efficient civil service. The trend in our economy has changed dramatically. After 2 years of recession, we are in a process of economic growth.