



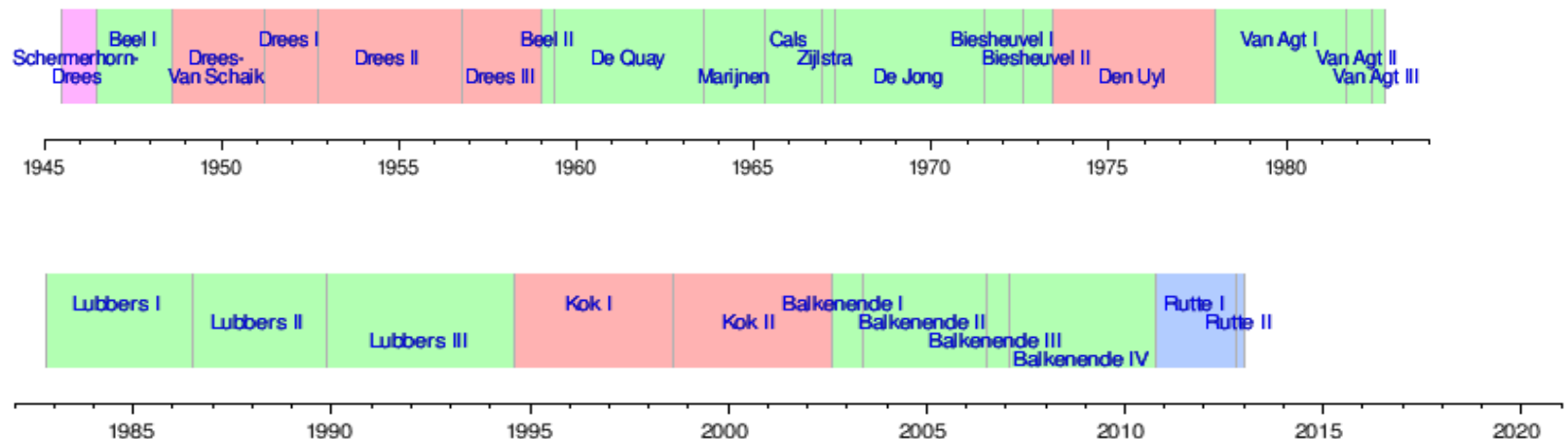
Tweede Kamer
DER STATEN-GENERAAL

Budget Oversight under Minority government in the Netherlands 2010-2012

E.A.J. Groen / Presentation 22 February 2013 / OECD - PBO
Clerk of the Public Expenditure Committee (PEC)
The Dutch House of Representatives



28 governments in the Netherlands since 1945



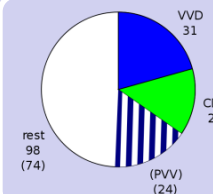
Only 1 minority government: Rutte/Verhagen (Rutte I)
14 October 2010 - 23 April 2012



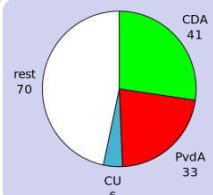
Minority government Rutte/Verhagen (Rutte I) (14 October 2010 – 23 April 2012)



Rutte II (Rutte+Asscher)
5 November 2012 - present
(VVD + PvdA)



Rutte I (Rutte+Verhagen / support Wilders)
14 October 2010 – 23 April 2012
VVD + CDA / support by PVV

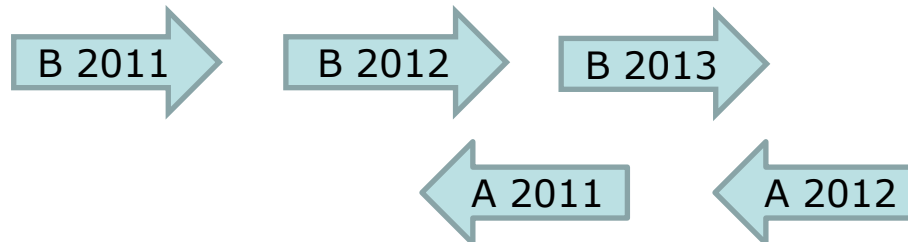


Balkenende IV (Balkenende+Bos+Rouvoet)
22 February 2007 – 20 February 2010
(CDA + PvdA + CU)



Budget cycles 2011-2012-2013

Majority government CDA+PvdA+CU		Minority government VVD+CDA / PVV		Majority government VVD+PvdA
HoR: 80/150 (demissionary 47 26/150) Senat 39/75 (demissionary 25/75)		HoR: minority: 52/150 (+24) Senate 35 27/75 (+10 +1)		HoR: 79/150 Senate 30/75
Balkenende IV	-3,2 Bln	Rutte I -18 Bln	-12,4 Bln	Rutte II -16 Bln
2009	2010	2011	2012	2013



B → Budget drafting and budget execution

A → Audit and evaluation



Budget drafting and execution 2011

Majority government CDA+PvdA+CU		Minority government VVD+CDA /PVV		Majority government VVD+PvdA
HoR: 80/150 (demissionary 47 26/150) Senate 39/75 (demissionary 25/75)		HoR: minority: 52/150 (+24) Senate 35 27/75 (+10 +1)		HoR: 79/150 Senate 30/75
Balkenende IV	-3,2 Bln	Rutte I	-18 Bln	Rutte II
			-12,4 Bln	-16 Bln
2009	2010	2011	2012	2013

B 2011

Drafting the budget 2011 by minority cabinet: Budget Day (September 2010) demissionary (since 20-2-2010) cabinet Balkenende IV cuts € 3,2 billion.

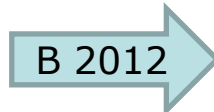
Changing the budget 2011 by new cabinet (Rutte I): coalition agreement (October 2010) → extra budget cuts € 18 billion.

Amendments on budget 2011 by legislative (House of Representatives: elected 9-6-2010): 17 amendments, reallocating € 0,139 billion.



Budget drafting and execution 2012

Majority government CDA+PvdA+CU		Minority government VVD+CDA / PVV		Majority government VVD+PvdA
HoR: 80/150 (demissionary 47 26/150) Senate 39/150 (demissionary 25/75)		HoR: minority: 52/150 (+24) Senate 35 27/75 (+10 +1)		HoR: 79/150 Senate 30/75
Balkenende IV	-3,2 Bln	Rutte I	-18 Bln	Rutte II
2009	2010	2011	2012	2013
			-12,4 Bln	-16 Bln



Drafting the budget 2012 by minority cabinet (Rutte I): Budget Day (September 2011): implementation of the coalition agreement (October 2010)

Amending the initial budget by legislative: 25 amendments, reallocating € 0,079 billion.



Budget drafting 2013

Majority government CDA+PvdA+CU		Minority government VVD+CDA / PVV		Majority government VVD+PvdA
HoR: 80/150 (demissionary 47 26/150) Senate 39/75 (demissionary 25/75)		HoR: minority: 52/150 (+24) Senate 35 27/75 (+10 +1)		HoR: 79/150 Senate 30/75
Balkenende IV	-3,2 Bln	Rutte I	-18 Bln	Rutte II
2009	2010	2011	2012	2013

B 2013

Drafting the budget 2013 by minority cabinet Rutte I : including "Spring Deal" in June 2012 by legislative → Budget Day (September 2012) package of reforms and budget cuts of € 12,4 billion.

Changing the budget by new cabinet (Rutte II): coalition agreement (November 2011) → changing the budget FY 2013: cuts € 16 billion.

Amendments by legislative (elected 12-9-2012): 25 amendments, reallocating € 0,356 billion.



Type government and packages budget cuts / reforms



Packages budget cuts / reforms	Budget deal (2010)	Coalition agreement (2010)	Budget deal (2012)	Coalition agreement (2012)
Dimension	€ 3,2 Bln	€ 18 Bln	€ 12,4 Bln	€ 16 Bln
Fiscal year	2012	2013-2015	2013	2016-2017
Type government	Demissionary	Minority government	Demissionary	Majority government



Amending the budget by legislative (€ bln) (Dutch House of Representatives)

FY	2010	2011	2012	2013
Total number amendments	69	76	96	109
Accepted	25	17	25	16
Reallocation	€ 0,136	€ 0,139	€ 0,079	€ 0,356
% of total state budget	0,07%	0.07	0,005%	0,18%



Audit and evaluation

Majority government CDA+PvdA+CU		Minority government VVD+CDA / PVV		Majority government VVD-PvdA
HoR: 78/150 (demissionary 47 26/150) Senate 39/75 (demissionary 25/75)		HoR: minority: 52/150 (+24) Senate 35 27/75 (+10 +1)		HoR: 79/150 Senate 30/75
Balkenende IV	-3,2 Bln	Rutte I -18 Bln	-12,4 Bln	Rutte II -16 Bln
2009	2010	2011	2012	2013



Accountability Day in May 2012 (Audit FY 2011): debate influenced by cabinet crisis (23-4-2012) and new elections (12-9-2012).

Accountability Day in May 2013 (Audit FY 2012): a-typical year because of cabinet crisis and new elections (like in 2010): focus in the debate in May 2013 probably on monitoring effects of the successive severe budget cuts.



Conclusions

- Major reallocations of the state budget are realized by political fractions in the House of Representatives after elections in the phase of creating a new coalition agreement.
- Amending the budget reallocates annually relatively small portions of the budget. The legislative has the power, but doesn't execute the power of the purse in the phase of annually amending the budgeting.
- The quality of audit and evaluation is not influenced by the signature of the cabinet. The quality of the debate on audit and evaluation is influenced by the status of the cabinet (missionair or demissionary).
- The legislative, especially opposition parties, gain influence when a cabinet is demissionair. This influence was substantial because the demissionary cabinets not only had a minority in the House, but also a minority in the Senate.



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