



# BRITISH COLUMBIA

## THE BUDGET PROCESS

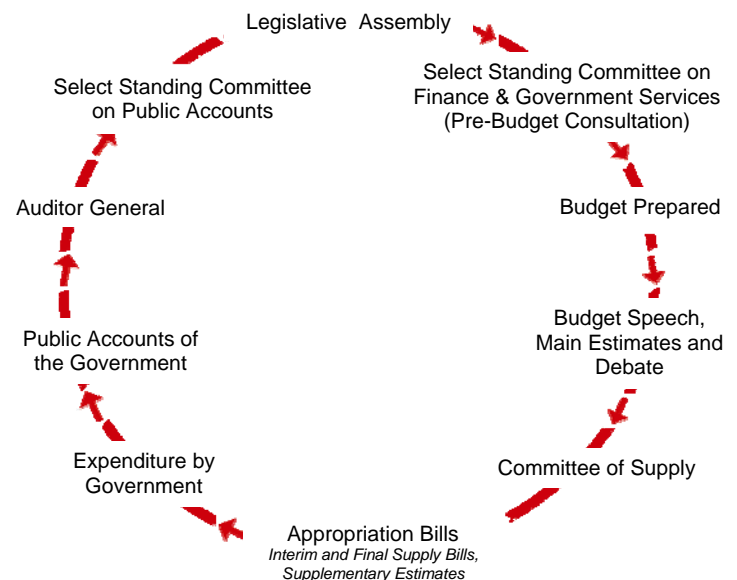
Every year, the Minister of Finance presents the government's budget, which is essentially its financial plan for the province. The budget preparation process is governed by legislation such as the *Budget Transparency and Accountability Act* and the *Balanced Budget and Ministerial Accountability Act*.

### Pre-Budget Consultations

By mid-September, the Ministry of Finance prepares a budget consultation paper which is presented to the Select Standing Committee on Finance and Government Services, an all-party parliamentary committee made up of Members of the Legislative Assembly (MLAs). The committee is responsible for conducting "broad consultation across British Columbia regarding the provincial budget and fiscal policy for the coming fiscal year, including but not limited to public meetings, telephone and electronic means."<sup>1</sup> The committee must prepare a report based on public testimony and table it in the House.

### Budget Speech and Debate

Budget day in British Columbia – legislated as the third Tuesday in February – is anticipated with much excitement by MLAs, lobbyists and media. The Minister of Finance often wears a new or special pair of shoes, a tradition in Canada dating back at least to the 1960s. Reporters gather early that morning for a "lockup" in Victoria to preview the budget before the documents are tabled in the House. The media is not allowed to report on the budget before the Minister of Finance introduces the documents in the House. The Minister delivers the budget speech in the House highlighting key elements of the plan. This is one of the few speeches in the House that can be read verbatim as usually MLAs are expected to speak from notes. By tradition, a vote on the budget is treated as a vote of confidence. MLAs then debate the budget estimates through Committee of Supply, a much more informal process.



### Public Accounts

The budget is an estimate of how much the provincial government expects to spend in a fiscal year (April 1 – March 31). The "public accounts," which are released by the Ministry of Finance before August 31st, are a detailed record of what was actually spent during the previous fiscal year. The accounts also include the financial balances and results of operations of school districts, universities, colleges, institutes and health organizations. The preparation of the public accounts is governed by the *Financial Administration Act* and the *Budget Transparency and Accountability Act*.