

# [Budget legislation](https://assignbuster.com/budget-legislation/)

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Budget Legislation on Crowns Corporations al Affiliation: Budget Legislation on Crowns Corporations Crowns Corporations are Canadianenterprises which are owned by the federal state and are established under a parliamentary act. However, these corporations are shielded from a constant government intervention and thus they enjoy greater freedom from any direct political control as compared to other departments of the government. In May 2013, the Canadian government moved to control Crowns’ budget on wages. This legislation allows the government to fully intervene in all the bargaining procedures and the entire salary scales. These changes were met with mixed reactions from various unions of workers, referring to it as unbelievable.
Politics had an impact in shaping the outcome of this legislation. A number of parties were against the previous wage budgeting by the board of these corporations. They claimed that organizations that are owned by the government but their managements are independent tend to be irresponsible with general budgeting and executive compensations, and yet taxpayers have to settle their bills. Thus, all compensations that are channeled from the federal government tend to outpace inflation.
The allotments and amendments did not affect legislation since the federal government has some percentage of ownership over these corporations. This legislation required any Crown Corporation subjected to this order to obtain their treasury approval from the federal government before getting into any collective agreement on the wages of their employees.
References
Lee, R. D., Joyce, P. G. & Johnson, R. W. (2008). Public Budgeting Systems. Subdury, MA:
Jones and Bartlett.