



Les États canadiens comparés

Canadian Governments Compared

Comparison interprovinciale et
analyse de l'administration publique au Canada

Interprovincial comparative analysis
and the study of public administration in Canada

Fiscal Governance in Canada: A Comparison of the Budget Practices and Processes of the Federal Government and the Governments of the Provinces and Territories

By: Paul-Émile Arsenault and Benoît Rigaud
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Introduction

In Canada, the authorities of the two main levels of government¹ are largely autonomous in terms of the adoption and implementation of public management practices and processes. However, these practices and processes must be congruous not only with generally accepted principles of good governance (including, in particular, transparency and integrity) but also with specific rules that apply to both the public and private sectors.² As a result, the Canadian federation may be considered a significant case of reconciliation between two potentially contradictory objectives – namely, the promotion of diversity and the preservation of a common system of public management. The promotion of diversity would ensue from the perpetuation of traditions of governance (Bevir, Rhodes and Weller, 2003) specific to each government in Canada. The preservation of a common system would refer to the convergence of public management approaches in Canada (Bennett, 1991). In that connection, it is worth referring to the existence of a “Canadian model of public administration” (Gow, 2004). In this context, it is worth raising two questions:

- 1) What are the differences and similarities between the federal, provincial and territorial governments in a specific area of public management – namely, fiscal management?
- 2) How are these differences and similarities to be explained?

Part 1: The comparative data stemming from the administration of a questionnaire

During summer 2009, in collaboration with the OECD (Organisation for Economic Co-operation and Development) and the delegates of the Annual Intergovernmental Budget Conference³ (bringing together senior public servants from the Treasury Boards and Ministries of Finance of the federal, provincial and territorial governments), data pertaining to the budget practices and processes of Canada were compiled by L’Observatoire de l’administration publique de l’ENAP (hereafter referred to as L’Observatoire) following the administration of a survey questionnaire. This questionnaire was itself a modified version of the questionnaire that was developed by the OECD and administered in 97 countries.⁴ For the purpose of the survey, L’Observatoire received authorization from the OECD to use this data collection tool. It is also worth mentioning that it was the first time that the OECD questionnaire was applied to sub-national entities. A number of minor changes were made to this questionnaire by ENAP researchers so as to secure a better fit between its contents and the Canadian context. Additional changes were made upon the recommendation of OECD analysts. In its current form, the questionnaire is quite exhaustive and provides a vehicle for

¹ This formulation refers to the federal government level and the provincial government level. Under the Constitution, territorial governments do not have the status of government. The implication is that they enjoy a lesser degree of autonomy in the area of public management, particularly on account of federal prerogatives regarding the supervision of their management practices.

² As an example of this type of rule, in the field of human resource management, the application of the Rand formula concerns public and private organizations alike. This rule, whereby employers are required to make payroll deductions for union dues, tends to make the handling of union relations homogeneous across Canada.

³ All the governments represented at this Conference, with the exception of Alberta, responded to this questionnaire. The responses contained in this document reflect the information that ENAP researchers compiled from Alberta government Websites in summer 2010.

⁴ The OECD database pools the results of three surveys: the 2007 OECD survey of budget practices and procedures in OECD countries, the 2008 World Bank/OECD survey of budget practices and procedures in Asia and other regions, and the 2008 CABRI/OECD survey of budget practices and procedures in Africa. For further details, see: http://www.oecd.org/document/3/0,3746,en_2649_34119_2494461_1_1_1_1,00.html

gathering a considerable quantity of data. The questionnaire, which numbers 80 questions structured according to a “multiple-choice” approach, offers several advantages:

- it is simple to fill out despite the considerable number of questions;
- the data thus obtained can be processed and presented quickly;
- comparisons between the governments of Canada are easy to produce;
- a parallel can be made between the results of the pan-Canadian comparison and the data for the 97 countries contained in the OECD database.

Data collection was performed under the terms of a research program concerning public management in Canada conducted by L’Observatoire. The objective of this program, which was funded in part by the Social Sciences and Humanities Research Council (SSHRC – Management, Business, Finance) between 2008 and 2011, was to compare the federal, provincial and territorial governments with respect to their modes of public management. In winter 2011, in addition to the fiscal management component, reports on two other components of public management had been completed or were in the process of being completed: 1) governance processes⁵; and 2) human resources management.⁶

Part 2: A high degree of homogeneity characterizing the rules framing the relations between the main organizations involved in fiscal governance in Canada

In this part, the following data have been selected for the purpose of accounting for the impact of common rules pertaining to the relations between the main organizations involved in fiscal governance – namely, the Executive, the Legislature and the legislative auditor. The implication would be strong overall homogeneity regarding fiscal governance and would constitute clear evidence of the existence of a Canadian model of public administration in the area of budget management. Such rules could only be changed as the result of comprehensive reforms that modified the very mode of operation of the system of government.

To begin with, 5 questions from the questionnaire (40, 4, 62, 55 and 14) were highlighted for the purpose of comparing the 14 administrations in institutional terms. These questions concern:

- the capacity of the legislature to amend the budget that is submitted to it;
- the legal basis of the requirement for legislative authorization of spending;
- the terms governing compliance with the budgets approved by the legislature;
- the existence of pre-established rules for framing the government’s fiscal policy;
- the accounting approach used to prepare government financial statements.

⁵ The results concerning this component are available for viewing on this Website at: <http://etatscanadiens-canadiangovernments.enap.ca/en/nav.aspx?sortcode=2.0.4.0>

⁶ The analysis relating to this component will be performed by the end of year 2011, with the results to be published online at: <http://etatscanadiens-canadiangovernments.enap.ca/en/nav.aspx?sortcode=2.0.4.2>

1. THE CAPACITY OF THE LEGISLATURE TO AMEND THE BUDGET THAT IS SUBMITTED TO IT

Generally speaking, on account of the division of roles between the executive and legislative branches characterizing Westminster parliamentary systems, the legislature has very few powers at its disposal for amending the budget submitted by the Executive for its approval. In three territories, four provinces and the federal government of Canada, the Legislature may amend the budget, but only to decrease expenditures. Also, it is important to note that even though this power exists for the above-mentioned governments, the Legislature rarely exercises this power.

Question 40: Does the Legislature have the power to amend the budget proposed by the Executive?	Provinces	Federal and territories	Total for Canada	OECD countries
Yes, the Legislature has unrestricted powers to amend the budget	NL		1/14	4/30
Yes, with the exception of the total deficit/surplus				6/30
Yes, but only to decrease expenditures	PEI; QC; MB; SK	FED; NWT YK; NU	8/14	5/30
No amendments may be made whatsoever	NS; NB; ON; AB; BC		5/14	3/30

Abbreviations: see Appendix I.

2. THE LEGAL BASIS OF THE REQUIREMENT FOR LEGISLATIVE AUTHORIZATION OF SPENDING

In Canada, adoption of the budget rests on principles and customs originating in British parliamentary law. Thus the legal and constitutional framework governing fiscal matters tends to be the same for all governments in the country. Such principles and conventions having constitutional value include:

- obligatory legislative consent in order to raise taxes and make expenditures;
- the exclusive power of the executive to initiate actions having an impact on public finances;
- the obligation of accountability before the Legislature.

Under these principles or conventions having constitutional value, all expenditures must be authorized by the elected representatives of the people. Thus in all governments in Canada, spending authority can have no basis on internal rules that can be easily amended by the Executive in the absence of the Legislature's control, nor can it be accorded on a discretionary basis by the Executive.

Question 4: What is the legal basis of the requirement for legislative authorization of spending? (several possible responses)	Provinces	Federal and territories	Total for Canada	OECD countries
Constitution	BC	FED	2/14	20/30
Legislation	NL; PEI; NS; NB; QC; ON; MB; SK; AB; BC	FED; YK; NWT; NU	14/14	23/30
Internal rules				2/30
No formal basis				0/30

3. THE TERMS GOVERNING COMPLIANCE WITH THE BUDGETS APPROVED BY THE LEGISLATURE

In accordance with the requirement of obtaining the Legislature’s authorization of spending, in 3 governments out of 14, ministries may not increase total expenditures once the budget has been approved by the Legislature. However, following an agreement with the Central Budget Authority, the other governments have the option of generating expenditures that were not prescribed in the budget at the time of its adoption. In the latter case, it is thus up to the Central Budget Authority to ensure compliance with the medium-term financial commitments of governments.

Question 55: Do ministries have the authority to increase total spending once the budget has been approved by the Legislature?	Provinces	Federal and territories	Total for Canada	OECD countries
No	SK	NWT; NU	3/14	21/30
Yes, with Central Budget Authority approval	NL; PEI; NS; NB; QC; ON; MB; AB; BC	YK	10/14	5/30
Yes, without Central Budget Authority approval			0/14	1/30
Yes, with restrictions*		FED	1/14	1/30

* The government can only increase spending on existing statutory authorities.

4. THE EXISTENCE OF PRE-ESTABLISHED RULES FOR FRAMING THE GOVERNMENT’S FISCAL POLICY

It is true that in Canada fiscal policy is not constrained by any common legislative provisions and that the autonomy of the country’s constituent entities in such matters predominates. Nevertheless, a majority of these entities have adopted rules to achieve or maintain a balanced budget, in keeping with a very widespread trend among OECD countries. Self-imposed spending limits, enacted with a

view to putting public finances on a sound footing, are viewed as a way of demonstrating the political commitment to guarantee that public expenditures will, over the long term, be kept at levels compatible with the financial capacity of governments.

Question 14: In developing the budget, are there any fiscal rules that place limits on fiscal policy? (several possible reponses)	Provinces	Federal and territories	Total for Canada	OECD countries
No	PEI		1/14	6/30
Yes, in relation to revenues	NS		1/14	4/30
Yes, in relation to expenditures	NL	FED; YK	3/14	16/30
Yes, in relation to the budget balance	NS; NB; QC; ON; MB; SK; AB; BC	FED; NWT	10/14	21/30
Yes, in relation to debt	NS; QC; AB; BC	FED; NWT; NU	7/14	17/30

5. THE ACCOUNTING APPROACH USED TO PREPARE GOVERNMENT FINANCIAL STATEMENTS

Canada is characterized by a very high degree of uniformity regarding the use of accrual accounting⁷ as opposed to an explicit cash transaction. This uniformity is due primarily to the role played by the Canadian Institute of Chartered Accountants (CICA) in the area of public accounting. However, where the public sector is concerned, this accounting standards institute goes no further than to issue recommendations; as a result, the legislative auditors of the federal government and each of the provincial governments use these recommendations as a basis for assessing the quality of financial reporting by public administrations. In addition, the holding of intergovernmental conferences to coordinate fiscal policies, coupled with the existence of numerous instruments or forums for sharing information, helps to facilitate the harmonization of rules pertaining to the accounting approach applied to financial flows.

Question 62: On what basis are the financial statements presented to the legislature?	Provinces	Federal and territories	Total for Canada
Only on the accrual basis	NL; PEI; NB; NS; QC; ON; MB; SK; AB; BC	FED; YK; NWT; NU	14/14

⁷ An approach that is based on the recognition of an expense or a revenue in relation to an accounting event, frequently the passage of time. Definition based on Termium: <http://www.termiumplus.gc.ca>

Part 3: The importance of public expenditure control practices and results-based budgeting

In this third part, the following data have been selected in order to highlight the varying importance, within each government, of practices to facilitate the monitoring of public expenditures and to implement results-based budgeting systems. Changes to these rules can occur incrementally, in keeping with a logic of adaptation as opposed to a change in the system of government. Although interpretations of what an effective (or “good”) government is varies considerably from one society to another (Andrews, 2010), Blöndal’s (2003) analytical grid relating to effective budgeting practices provides a basis for selecting certain significant data that highlight differences and similarities between the budget practices of Canadian governments.

According to the OECD (Blöndal, 2003), though economic growth and political commitment play primary roles in effectively controlling public expenditures, they alone are not enough. A further requirement is to endow the budget process with characteristics that promote decision-making based on objective data. To this end, the OECD has inventoried seven institutional features that are essential for “achieving sustained fiscal consolidation”:

- medium-term budget frameworks;
- prudent economic assumptions;
- top-down budgeting techniques;
- relaxing central input controls;
- a focus on results;
- budget transparency;
- effective financial management practices.⁸

Although these seven features have been differentiated in the above list, they in fact build on each other and should be considered as forming a package and as complementing one another. The data obtained following administration of the questionnaire in summer 2009 help to shed light on the best practices currently being used in Canadian administrations.

1. A MEDIUM-TERM BUDGET FRAMEWORK

According to Blöndal (2003), implementing a medium-term budget framework (MTBF) constitutes one of the key conditions for achieving sustained fiscal consolidation. The MTBF is essentially a process in which annual fiscal decisions are made in light of budget constraints extending over several years. Indeed, this tool is designed to prevent the short term from constituting the only time horizon serving to frame the allocation of resources. It requires the government to adopt a fiscal framework that limits spending levels in the coming years. As a rule, this framework covers the current fiscal year plus the three years beyond it. In short, it is a “rolling” multi-year plan that is prepared each year on the basis of economic assumptions and a forecast of the cost of carrying over existing programs.

⁸ Blöndal instead speaks of “modern” financial management practices. As this reference to “modernity” can be a source of ambiguity, we have reformulated this feature in terms of “effectiveness.”

Question 16: Does the annual budget documentation submitted to the Legislature contain multi-year expenditure estimates?	Provinces	Federal and territories	Total for Canada⁹	OECD countries
No		NWT	1/14	6/30
Yes, at the aggregate level	NL; NS; NB; QC; ON; MB ¹⁰ ; SK	NU	7/14	10/30
Yes, at the ministry level	PEI; AB; BC	FED;YK	5/14	14/30

In Canada, all governments, with the exception of the Northwest Territories, prepare a MTBF. Among those 12 administrations that prepare a MTBF, 8 do so only at the aggregate level. In order for the MTBF approach to achieve its full impact in respect of fiscal discipline, it has to be broadened and lead to the establishment of sectoral or ministerial envelopes, as is the case in Yukon and the provinces of Alberta, British Columbia and Prince Edward Island.

2. PRUDENT ECONOMIC ASSUMPTIONS

Considering the size of government budgets, seemingly small errors in forecasts can result in significant variations in the budget balance. Thus one of the major risks confronting the public authorities when developing the government's fiscal stance consists in basing their spending and revenue projections on faulty economic assumptions. As a way of managing this risk, governments have adopted methods to guarantee the credibility of the assumptions that they rely on. In particular, these methods consist in comparing the assumptions used in the budget with those developed by independent experts (i.e., private sector economists). According to another approach, considered as being even more prudent, governments request an independent opinion concerning the assumptions that they use in the budget, or simply use the economic assumptions produced by the private sector.

On the basis of questions 5 and 6: Who develops the economic assumptions used in the budget?	Provinces	Federal and territories	Total for Canada	OECD countries
Central Budget Authority only	NL ¹¹ ; PEI; NB; MB; SK; AB; BC	NWT; NU	9/14	18/30
Central Budget Authority, following consultation of independent of experts	NS; QC; ON	FED	4/14	3/30
Independent government body				5/30
Other		YK ¹²	1/14	4/30

⁹ In Ontario, expenditures estimates are not submitted to parliament. Ministry total expense is provided for the previous two fiscal years and current fiscal year.

¹⁰ In Manitoba, this aggregate covers all central administrations and the other public entities coming under their responsibility.

¹¹ But with independent advise to support price of oil and the exchange rate assumptions.

In Canada, the very great majority of governments (9 out of 14) make do with presenting the fiscal assumptions developed by the Ministry of Finance or another government body. This approach is not likely to promote fiscal discipline, as it does not serve to demonstrate the government’s commitment to adopting prudent hypotheses as a means of reducing the risks of error. A more rigorous approach consists in comparing the assumptions used in the budget with those of the private sector, as is the case with Quebec and the federal government, or to request an independent opinion, as is the case in Ontario, Nova Scotia and Newfoundland and Labrador.

3. TOP-DOWN BUDGETING TECHNIQUES

Expenditure budgets (“estimates”) have traditionally tended to be prepared according to a bottom-up approach – that is, by leaving it up to spending ministries (Wildavsky, 1964) to submit requests for allocations to the Central Budget Authority. This bottom-up approach makes for a very time-consuming budgetary process that starts off with requests that, in most cases, are impossible to satisfy. This is followed by negotiations between the spending ministry and the central authority that are an intrinsic source of frustration and that, quite often, generate mutual suspicion between the parties. This bargaining-style dynamic is conducive to the “layering” (*sédimentation*) of programs rather than the redeployment of resources.

Many countries have, by now, managed to replace the traditional budgeting approach with a top-down approach, whereby the Central Budget Authority begins by establishing the total level of expenditures and thereafter divides them up according to sector or ministry. According to the terms of the most rigorous version of the top-down approach, each ministry is assigned, from the beginning of the annual budgeting cycle, a spending ceiling that it is responsible for complying with.

Question 23: Does the Central Budget Authority impose ceilings on each ministry’s initial spending request?	Provinces	Federal and territories	Total for Canada	OECD countries
No			0/14	11/30
Yes, but only by way of indication	NS; BC	YK; NU	4/14	1/30
Yes, but only for some types of expenditure	NL; QC; PEI	NWT	4/14	8/30
Yes, for all types of expenditure	NB; ON; MB; SK; AB	FED ¹³	6/14	10/30

In Canada, 10 of the 14 governments have adopted the principle of top-down budgeting and have imposed ceilings on ministries’ initial spending requests. Four of the remaining governments also rely on the top-down approach, but only by way of indication.

4. RELAXING CENTRAL INPUT CONTROLS

Relaxing central input controls is another budget practice that contributes to efforts to put public finances on sound footing. Granting ministry managers greater managerial flexibility enables them to optimize the organization of their resources. Being closer to the day-to-day reality of their field,

¹² Here, an economic forecast unit coming under the authority of the government of Yukon.

¹³ A ceiling established for the entire government.

these managers are thus in the best position to choose the most appropriate means for producing public services (specifically, under direct government supervision, under outside contract, and through various forms of financial assistance). The relaxation of central input controls can assume a range of forms affecting, in particular, the area of human resource management or real property management (i.e., accommodations or buildings). Relaxing can also occur in the form of consolidating various budget lines into a single, lump-sum appropriation for all the operating expenditures of a given ministry or agency. Then, the receiving entity is, at the start of the fiscal year, given full authority to apportion the allocation as it sees fit.

Question 49: Do your agencies/executive bodies receive lump sum appropriations?	Provinces	Federal and territories	Total for Canada	OECD countries
No	NL; PEI; QC; ON; MB; SK; BC	NU; NWT	9/14	16/30
Yes, for operating expenditures only	NS; NB	YK	3/14	6/30
Yes, for operating and capital expenditures	AB	FED ¹⁴	2/14	8/30

The responses to question 49 serve to show that central controls are still very present in Canadian administrations. Only 5 out of 14 governments have adopted the lump-sum appropriation approach – i.e., only for operating expenditures (Nova Scotia, New Brunswick and Yukon) or for operating and capital expenditures both (Alberta, federal government).

5. A FOCUS ON RESULTS

A common thread linking budget reforms carried out in the OECD countries over the last 20 years consists in the shift from a means-centred logic to a results-centred logic. Managers are now held accountable for *what* they do and not *how* they do it. Fiscal management is now focused on results rather than on compliance with rules and procedures. Implementing this new paradigm has nevertheless been accompanied by a number of difficulties, including the definition of results, the identification of targets and the quality of data used to measure results. Despite its limitations, performance information can shed valuable light on decisions to be made in respect of resource allocation and program management.

Question 70: What proportion of ministries and agencies use performance targets?	Provinces	Federal and territories	Total for Canada	OECD countries
0% (or no response)	NB	YK; NU	3/14	13/30
1% - 40%	PEI; SK		2/14	8/30
41% - 60%	MB		1/14	1/30
61% - 80%			0/14	0/30
81% - 100%	NL; NS; QC; ON; AB; BC	FED; NWT	8/14	8/30

¹⁴ For amounts under \$5 M.

In Canada, 8 out of 14 governments use performance targets and, among these administrations, the proportion of ministries and agencies that rely on the practice varies between 81% and 100%. Conversely, the other six governments use performance targets little if at all. In Saskatchewan and Prince Edward Island, the proportion of ministries and agencies that have set performance targets is under 40%. The governments of New Brunswick, Manitoba, Yukon and Nunavut have stated that they do not establish performance targets.

6. BUDGET TRANSPARENCY

Budget transparency has become one of the essential vectors of good governance. Full, public fiscal information is considered to be conducive to achieving a better understanding of a government's policies and priorities; as well, it offers a basis for well-reasoned discussions and debates between political decision-makers and citizens over budget choices. Transparency also favours greater fiscal discipline as it increases the accountability of governments with respect to formulating realistic, sustainable budgets whose intentions have been clearly stated. Transparency also requires the systematic, timely release of all relevant fiscal information, including fiscal objectives, economic assumptions, the government's budget plan, and non-financial performance data.

Question 35: In the presentation of government budget documents to the Legislature, which of the following elements are included? (several possible responses)	Provinces	Federal and territories	Total for Canada	OECD countries
Fiscal policy objectives for the medium-term	NL; PEI; NS; NB; QC; ON; MB; AB; BC	FED; NWT	11/14	26/30
Macroeconomic assumptions	NL; PEI; NS; NB; QC; ON; MB; SK; AB; BC	FED; NWT	12/14	30/30
Comprehensive annual financial plan	PEI; QC; ON; MB; AB; BC	FED; NU	8/14	21/30
Performance targets	NL; NS; ON; AB; BC	FED; YK	7/14	16/30

The table presenting the responses to question 35 of the questionnaire examines the transparency characterizing governments in Canada, working from four elements that should appear in budget documents. On this basis, it appears that only four governments include all four elements in their budget – namely, the federal government and the governments of Ontario, Alberta and British Columbia. Four other governments (Newfoundland and Labrador, Quebec, Nova Scotia and Prince Edward Island) incorporate three of the four elements into their budget.

7. EFFECTIVE FINANCIAL MANAGEMENT PRACTICES

Traditionally, budget management has been framed by rules and principles that have evolved only minimally. Nevertheless, efforts to modernize budget management practices have produced a “shift in certain principles of budgetary law,” to borrow from Mede (2004). In particular, progress has been achieved in terms of the possibility of carrying over unused funds so as to counter the tendency to unduly initiate expenditures at the end of the fiscal year so as to avoid losing these funds this year and in following years. This new practice, which constitutes a first breach in the

principle of an annual budget, is nevertheless subject to a number of constraints that very often significantly limit the impact of this measure.

Question 53: Without going to the Legislature, can ministers carry over unused funds or appropriations from one year to another?	Provinces	Federal and territories	Total for Canada	OECD countries
No	NL; PEI; NS; NB; ON; MB; SK; AB; BC	NWT; NU	11/14	11/30
Yes, with Central Budget Authority (CBA) approval		YK	1/14	10/30
Yes, without CBA approval but in compliance with certain rules	QC	FED	2/14	22/30
Yes, without restriction				3/30

In Canada, the technique of carry-overs is still relatively uncommon, with 11 of the 14 governments surveyed in this study having no experience of it. Among the three governments having the capacity to carry over allocations from one year to the next, Yukon may not do so without the approval of the Central Budget Authority. Only the federal government and the government of Quebec are allowed to carry over unused funds without prior approval, but they must do so within a certain previously established threshold.

Conclusion

As might well be expected, there is a strong tendency toward the homogeneity of institutional factors underlying fiscal governance in Canada. This homogeneity stems from the fiscal powers vested in the Legislature in Westminster systems. In addition, in Canada, as in other OECD countries, a central department (the Central Budget Authority) enjoys significant prerogatives in respect of allocating and limiting fiscal expenditures. Finally, in all governments in Canada, auditors play a decisive role in monitoring generally accepted accounting standards. From an institutional perspective, these three elements constitute clear evidence of the existence of a Canadian model of fiscal governance.

An examination of public expenditure control practices and results-based budgeting brings to light greater disparities between Canadian governments, particularly in relation to the preparation of the assumptions used in budget formulation, the type of budgeting approach (top-down), the relaxation of the central input controls, the focus on results, and budget transparency. At this stage of research, there are grounds for advancing the following explanatory hypotheses for these disparities relating to budget management practices:

- 1) The larger governments (i.e., the federal government and the governments of the four largest provinces) would appear to be more inclined to adopt results-based management systems owing, on the one hand, to the complexity of coordinating public services over huge territories and delivering them to a relatively sizeable population and, on the other hand, to the enhanced opportunities for these governments to achieve economies of scale;

- 2) The provinces and territories that depend most on federal transfer payments would appear to be those that are least inclined to adopt new expenditure control practices and results-based management systems;
- 3) Governments with the highest debt levels would appear to be more inclined to implement such practices in order to bring debt more in line with their ability to pay;
- 4) The sharing of information and views between the senior officials responsible for budget management at or outside of intergovernmental meetings would appear to have the effect of enhancing emulation between governments. Such emulation would appear to be all the stronger as governments perceive themselves as being in competition with one another;
- 5) The political culture specific to a region or a province of Canada would appear to play a role in explaining these differences, as is particularly illustrated by the case of Alberta, the province with the lowest debt level in Canada. There, the adoption of expenditure control practices and results-based management would not appear to have been driven by the desire to improve an already enviable financial situation. It would instead appear to be driven by a current of “liberal populism” in Alberta (Wiseman, 2007) that testifies to heightened sensitivity to the question of public deficits and the question of an interventionist role for government in society.

Over the next several months, these comparative data will be used to pursue two objectives:

- 1) To test the five above-mentioned hypotheses with a view to explaining differences between the governments in Canada respecting budget management practices. This work will serve to better gauge the diversity and importance of traditions of public governance in Canada;
- 2) To support the officials in charge of budget management in identifying certain changes that it would be worthwhile making to management practices so as to achieve more effective public management and greater accountability. On this point, the database accompanying this report stands out as being particularly useful.

Appendix I: Abbreviations of the names of provinces, territories and the Government of Canada

AB	Alberta
BC	British Columbia
FED	Government of Canada
MB	Manitoba
NB	New Brunswick
NL	Newfoundland and Labrador
NS	Nova Scotia
NU	Nunavut
NWT	Northwest Territories
ON	Ontario
PEI	Prince Edward Island
QC	Quebec
SK	Saskatchewan
YK	Yukon

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