

A Study of the Budget Approval System in the Legislative Yuan, R.O.C.

Abstract

This paper is to study the current budget approval system and its possible reform in the Legislative Yuan, ROC. The budget approval system, process and outcomes were analyzed based on the 2003 Government Budgetary and related regulations. The assessments and enhancement suggestions to the budget approval system in the Legislative Yuan of ROC were based on the in depth study of public budgeting theories and literatures on the ROC's current budget approval system and practice , on the comparative analysis of the budget approval systems of USA , Japan and the United Kingdom and interview with the scholars and budget professions.

Some shortcomings of the budget approval system in the Legislative Yuan of ROC were found out. First , the committees don't build up the seniority professional system. Secondly , the negotiation among different parties has some defects : the low threshold of the negotiation results in unequal representatives of different parties ; the slow process of the negotiation delays the budget approval timetable ; it's hard to trace the purposes of legislation since it only includes conclusions with no records of discussion process ; the negotiation representatives do not avoid the interests conflicts ; and the conclusion of the negotiation can exceed the decisions made by the committees , damaging the professional function of the committee's budget approval. Thirdly , the interpellations of the legislators are not related to the issues of the budget approval. Fourthly , the legislators do not dominate the main points and the methods of the budget approval. Fifthly , the function of the Joint Session of All Committees doesn't perform well. Sixthly , the legislators of the Budget and Final Accounts

Committee engage in the budget approval votes of other committees , and it will influence the professional image of the legislators. Seventhly , the professional staff department of the budget approval need to be expanded and enhanced. Eighthly , the budget approval process can be more effective if the budget books are more detailed and the related information is more public. Finally , the delay of the budget approval timetable will impact the execution gradation of the budget.

Possible suggestions to overcome the shortcomings are presented as follows : The professional mechanism and the authority of the committees' budget approval need to be strengthened. The Legislative Yuan should be able to catch up the key points of the budget in the process of the budget approval. The Joint Session of All Committees should be cancelled so that the committees can have enough time to proceed the budget approval. The mechanism of the negotiation among different parties should be improved. The staff department of the professional budget approval should be expanded and its function should be enhanced. The contents of the budget books should be clear and detailed and the information of the budget should be public. Finally , the government should proclaim the real information of the government debts and handle it more aggressively.

Keywords: Budget Approval System, the Legislative Yuan, R.O.C.