Statutory Boards

ie, any organisation created by local/state/federal legislation to perform a function for the public as described in the enabling legislation.

They are semi independent agencies that specialise in the carrying out of specific plans and policies of the ministry. A government appointed body set up to give advice and be consulted for comment upon development plans and planning applications affecting matters of public interest.

Advantages of Statutory Boards

- creates employment
- assists in the growth of the economy
- helps to expand trade
- helps to develop industries
- provides advice on policies
- delivers services
- fosters pro enterprise environments
- regulates prices
DISADVANTAGES OF STATUTORY BODIES

Although statutory bodies (which are a type of state-owned corporation) usually provide a single, vital service to the country there is also a lack of competition and therefore they assume monopolistic tendencies and do not always provide a high quality of service.

Since statutory bodies are not profit-motivated this causes losses due to tax management. Governments often have to inject large amounts of money into these organisations to keep them operational and this is borne by tax payers through charges or fees instigated to help defray expenses.

Another disadvantage is that they are not run efficiently due to political interference with their overall management and the government's inputs have to be taken into consideration when decisions are being made, causing unnecessary delays.