

Govt accounts pile up as parliament missing

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Amid such a situation, the office of the CAG came up with the proposal for constitution of an ad hoc PAC comprising representatives of different sections in the society, such as, retired justices, former government officials, business-

men, educationalists and politicians, sourcesaid.  
Insisting on the formation of an ad hoc PAC with the authority that a regular ad hoc committee of Jatiya Sangsad has, the CAG's proposal said resolving serious audit objections depends on the

activities of the PAC. The executive branch of the government takes actions in line with the recommendations of the PAC.  
"The number of unresolved audit reports is increasing due to non-functioning of the Public Accounts

Committee now. It will be very difficult for the public accounts committee, which will be formed in future, to function with the tremendous backlog of works," said the proposal.

Besides, objections to the accounts regarding the government officials' dues raised in the audit reports are supposed to be resolved in the PAC. In absence of the PAC now it is not being possible to clear pensions of many retired government officials, whose number is on the rise, it added.

The proposal said formation of ad hoc PAC is not a new concept. The then chief martial law administrator on October 19, 1983 formed an ad hoc PAC with the then law minister, KA Bakar as its head. On March 9 in 1985, the then administration issued a notification replacing Bakar by Justice AKM Nurul Islam. In Pakistan also, ad hoc PAC placed its report in 2001 and 2002.

"Opinion of the law ministry may be sought as the proposal has link with the constitutional law," said the office of the CAG, which is authorised to audit all the income and expenditure of the government and reports it to parliament through the president.

According to the Constitution, parliament is authorised to appoint all standing committees including the PAC.

STATE OF AUDIT REPORTS

Since 1972, a total of 837 audit reports involving thousands of crore taka were placed before parliament. But only 206 reports were discussed till the tenure of eighth parliament. In last eighth parliament, only 64 audit reports on 19 ministries were discussed.

In March this year, the office of the CAG placed to the president another 16 audit reports with 85 sections involving Tk 385 crore.

About the state of unresolved audit objections, the World Bank in its letter said the PAC in immediate past parliament had 46 hearings and a report was issued only for 25 hearings covering 15 ministries while the other 21 hearings

have remained in draft form. A total of 159 audit objections till Fiscal Year 2005 were discussed. Based on the PAC decision, US\$ 9.1m was recovered and \$17.9 was recommended to recover from various individuals/agencies and \$81.8m was adjusted.

The CAG has submitted its reports for FY 2004-05 to the president. The reports for FY 05-06 will be due in FY 07-08 and for FY 06-07 in FY 08-09, which means these reports may not be acted upon for at least three years unless alternative arrangements are made for dealing with these reports, said the World Bank.

WB ON AD HOC PAC

The World Bank (WB) Country Director Zian Zhu on June 21 sent a letter to the secretary of Parliament Secretariat, ATM Ataur Rahman, for continuity of the work of the PAC.

Copy of the letter was simultaneously sent to Speaker Jamiruddin Sircar, CAG Asif Ali, Law Secretary Ali Ashraf Khan Lodi, Economic Relations Division's Secretary Aminul Islam Bhuiyan and Finance Division's Secretary in charge Mohammed Tareque.

"The C&AG has indicated an interest in the establishment of an Ad-hoc Public Accounts Committee while the PAC is in abeyance, as an interim mechanism to allow his [CAG] pending reports to be pursued without delay and at the same time help avoid adding to the backlog of unresolved audit observations from prior years," said the WB country director in his letter.

"We would agree that an Ad-hoc PAC would be a suitable way to proceed. The Ad-hoc PAC could undertake the responsibilities outlined in Article 76 of the Constitution and thus act as a bridge to a future PAC that would be set up by an incoming Parliament," Zian Zhu asserted.

The WB local chief said the ad hoc PAC could be comprised of distinguished citizens appointed by the president in consultation with the caretaker government and the Speaker.  
"A range of important matters would

benefit from the attention of an Ad-hoc PAC; for example: decision relating to the recovery of money due to the exchequer -- money that may have been improperly withheld by persons outside the consolidated fund. We understand that some US\$ 30 million were identified for recovery through PAC discussion and decisions during the previous two years

alone; prompt settlement of other financial irregularities pointed out by audit; "—audit recommendations aimed at improving the performance of public officials and formulating concrete steps that could be taken by the government for prevention of waste, abuse and fraudulent transactions; these could have a very favourable impact in ongoing public expenditure management," said the WB

local chief.  
"In addition, future recommendations emanating from the proposed Ad-hoc PAC would provide an additional opportunity of the caretaker government to further strengthen the arrangements for good governance and effectiveness of government programmes and activities," he said.