

Bangladesh: Country Financial Accountability Assessment

Parliamentary Control Over Public Expenditure in Bangladesh: The Role of Committees

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Executive Summary

One of the important problems confronting the modern state is to identify the way(s) to make the best use of scarce public resources. This problem is, however, more evident in developing countries where cases of widespread corruption and misappropriation of public funds abound. In Bangladesh, for example, independent research and government's 'watchdog' agencies have confirmed large-scale embezzlement of funds and wastage of public resources by those formally responsible for their 'proper' management. Perhaps the most important factor accounting for the huge number of irregularities and incidence of malfeasance in public expenditure is the failure to comply with a well-structured internal control system. There is apparently a complete breakdown of the internal control mechanism within the administrative system as a whole. This, in turn, necessitates the introduction and strengthening of external control over the activities of government. Despite certain shortcomings, parliamentary surveillance provides one of the best external means of guarding against the abuse of administrative/financial power in Bangladesh where other avenues of control are extremely weak, if not non-existent. The normative justification for legislative control over public expenditure rests on the assumption that as the premier representative body, a parliament has a responsibility to assure (the electorate) that the public money is not wasted; rather it is used economically and effectively. Finance is at the core of most if not all government activity. By having the authority to sanction the raising and spending of money for certain designated purposes, a parliament can hope to have a mutually influential relationship with the executive. The principal value of justifying legislative monitoring of the executive is to ensure the triumph of representative government by lines of accountability running through the organ that embodies popular sovereignty.

Formally, the parliament in Bangladesh can exercise control before the money is appropriated; provisions also exist for legislative monitoring of public expenditure after it has been approved. In practice, the role of the parliament remains mostly limited to the latter functions; whatever scope exists for pre-voting scrutiny of public expenditure does not have much impact. For example, the outcome of the discussion and vote on the budget- the annual financial statement, which records government's financial transactions in the previous financial year and represents a statement of the government's financial plans- can be predicted beforehand. Although most of the members have an opportunity to discuss the budget, rarely is it amended in any form. In particular, there is relatively little scope for sustained scrutiny of the budget. The Rules of Procedures of parliament (hereafter *Rules*) do not allow any committee-stage scrutiny of the budget, the appropriation bill and the finance bill. The constitutional restriction on floor-crossing ensures the dominance of the government -financial or otherwise.

There is, however, relatively better scope for parliamentary scrutiny of expenditure after it has been approved and incurred. Such surveillance is mostly exercised through a set of financial committees- the Estimates Committee (PEC), the Public Accounts Committee (PAC) and the Public Undertakings Committee (PUC). Among the three financial committees, the PEC has a broader remit; it can *suo moto* examine any expenditure; its main task is to suggest ways of achieving economy and efficiency in administration. The PAC exercises what can be called *ex post facto* control. It examines the expenditure after it has been actually incurred. Its main task is to see whether expenditure has been incurred in accordance with the authority parliament. The main responsibility of the PUC is to examine the reports and accounts of the public undertakings and to check if affairs of the public undertakings are being managed in accordance with sound business principles and prudent commercial practices.

Besides the financial committees, the standing committees on different ministries, referred to here as oversight committees, have also some role in the review of public expenditure. Since

allocations are made to different government organizations for some specific purposes and programmes, the oversight committees can seek to ensure prudence in public spending by overseeing the ways these programmes are implemented. By having the power to review the enforcement of policy (and programmes) and in particular, the right to conduct inquiry into irregularities in the administration of public programmes, oversight committees can help check the misuse of funds, at least, formally.

The successive parliaments have set up both financial committees and oversight committees; their scope of functions have also undergone important changes. Both sets of committees now enjoy greater deterrent power- the power to inquire into irregularities and mismanagement in different public organizations and to suggest means to rectify them. This, in fact, gives them their greatest strength. However, the extent to which the different committees have exercised their permissive power in a balanced way is not known. In fact, our understanding about the scope and limits of the parliamentary control of government activities in general, and public expenditure in particular, is extremely limited. This report seeks to redress this imbalance. It explores the committee-level scrutiny of expenditure, identifying specifically the role of three financial committees (PEC, PAC and PUC) and a sample of four oversight committees- the Finance Committee (FC), the Education Committee (EC), the Health and Family Welfare Committee (HC), and the Committee on Posts and Telecommunication (P&TC). The report seeks to compile the specific outputs of these committees for the last few years, find out the implementation status of their decisions and suggest mechanisms which allow for better monitoring of such decisions as well as propose new areas of work for the committees which could improve accountability and transparency of public expenditures.

Comparatively speaking, both sets of committees set up by the seventh parliament appear to be more active than their predecessors, meeting more regularly and exploring alternative ways of strengthening their surveillance over the administration of public programmes and expenditure. Among the financial committees, the PAC has outdistanced the others both in holding meetings and reporting to the House. Unlike its predecessors, which mostly examined the CAG reports that were more than a decade old, the present PAC has scrutinised both current and old audit reports. In fact, it has already examined some of the reports for 1996-7. In particular, a large number of special audit reports submitted to the parliament until 1998 have already been scrutinised by the committee. It has also suggested the introduction of performance audit and value for money audit on a selective basis in various government organizations and projects. As a first step, it has suggested that it may be introduced in 1% of the (nearly 22,000) organizations annually audited by the CAG. Some organizations have already adopted these new types of auditing.

The PEC, which traditionally remained mostly inactive, has had a new beginning since the election of the seventh parliament. It has detected large-scale corruption and misappropriation of funds in different government organizations. It has already set up seven sub-committees to investigate into various financial irregularities, including the dominant tendency of most of the organizations to spend more than actually necessary in the implementation of development projects. It has, in fact, focused more on development expenditure, identifying the (willful) ways those responsible for ensuring economy in expenditure actually inflates it, and thereby causing serious loss to the treasury. The PEC, however, has not made any major review of the budget proposals or details of estimates (of revenue expenditure) of different departments. The Chairman of the Committee has argued that no tangible achievement can be made through scrutinising the budget (including supplementary budget), but a lot of anomalies can be detected through examining the procedures involved in the implementation of development projects. In particular, a huge sum of public money can be saved if micro-level estimates of expenditure rather than macro-level estimates are scrutinised.

The PUC, however, has remained less active than its counterpart in the fifth parliament (1991-95). Not only has it met less regularly but it has also not reported to the parliament even once. On the other hand, the PUC of the fifth parliament reported twice and its activity received greater public and political attention. One of the important reasons is that the PUC did not have a chairman for a long time after its first chairman was made a state minister. It has, however, been meeting more frequently over the last few months, and made some significant progress in assessing the activities of a number of organizations. But the members have a more generic interest in examining policy and administrative issues; the financial issues *per se* have not received any major attention.

Like the financial committees, the scale of activism of the oversight committees has also varied, with some meeting more regularly and probing more deeply into the activities of different executive agencies, than the others. Among the four sample oversight committees, the FC has held the maximum number of meetings, averaging 18 (meetings) per year. But the HC has exercised its deterrent power more frequently than the others. It has already undertaken two major inquiries into the irregularities in the administration of various health-related programmes and identified those responsible for financial mismatch. The P&TC has also been comparatively more active than before; it has set up a number of sub-committees to inquire into many serious lapses-financial and administrative. None of the sub-committee, however, has yet submitted its report. The EC remains the least-active among the oversight committees. Although it has held more meetings than the P&TC, the nature of oversight activity it has exercised, in a sense, lacked both depth and focus. Although it has routinely examined the working of different executive agencies under the Ministry of Education, the nature of issues raised and discussed do not appear to have much policy or financial significance.

In general, however, although the various committees appear to be more active than before, the actual impact of committee scrutiny remains less than significant. When the committees are evaluated by “preordained objectives”, they cannot be considered as a major success. One exception is the PAC, which has had greater success in influencing the behavior of different officials and agencies. The committee has succeeded in recovering more than TK. 2000 million to the exchequer; its recommendations for adjusting millions of TK. and for taking departmental actions against the recalcitrant officials are apparently more honored now than before. However, although the effectiveness of the PAC, to some extent, can be measured in quantitative terms, the task of identifying the achievements and influence of other committees is difficult. One of the most important objectives underlying the parliamentary scrutiny is to influence the behaviour of officials, i.e. to make them behave according to legislative intent, which is difficult to measure. One way to do so is to see the extent to which the ministries/agencies look upon the recommendations/suggestions of different committees with respect. Available evidence shows that the ministries do not voluntarily agree to implement them. Generally the recommendations made by different committees remain unimplemented. Most of the committees have expressed dismay at the slow implementation/non-implementation of decisions by different ministries. However, those that have sought to follow up decisions made earlier have had more impact than those trailing behind in this respect. Officials/Ministries also have a tendency to defy the directives of committees; they often remain reluctant to supply important documents needed for proper inquiry. Whenever supplied, many of these documents remain incomplete. Lack of inter-committee consultation often reduces the influence of committees.

This is, however, not to argue that the committees have miserably failed; to the contrary, both sets of committees have fared better than those elected in the past in almost every respect: holding meetings, scrutinizing bills, overviewing the activities of ministries and conducting inquiries.

Among the financial committees, the PAC and the PEC have received more attention. The latter (PEC) has, to some extent, become a 'feared' institution. Even the opposition members in the committee have lauded its role. Many organizations, as the chairmen and members of the committee have observed, have become aware of the fact that they cannot easily engage in wrong-doing without the risk of being made accountable to it. In other words, the existence of this committee can provide a counterweight, influencing many defaulting officials to become careful while planning the future course of action.

There is, however, no 'one best way' to increasing the influence of committees. In fact, until the bureaucracy and the party system are reformed, committees are unlikely to have any lasting impact. Both provide serious constraints to the efficient functioning of parliament, in particular, committees. This is not to argue that committee reforms be suspended until progress can be made in reforming the party and the bureaucracy. No committee has yet succeeded in utilising its full potential or exercising its permissive powers in an optimum way. One of the important ways to strengthen the committees is to provide them with adequate staff support and services. Most of the committees remain seriously disadvantaged in these respects. The parliament, at present, is not much aware of the activities of committees. In the absence of any provision (mandatory or otherwise) for regular reporting to parliament, much of what the committees do remain unnoticed. Also whatever contacts take place between the committees and the government departments remain outside the public purview. There is thus the need for making the activities of committees transparent by allowing them to meet in public and/or requiring them to report on their activities to parliament at regular intervals. The government should also be required to respond to the recommendations of the committees in public. There should be scope for more 'informed' scrutiny of the budget and the appropriation and finance bills; this can easily be done by withdrawing the existing legal bar on referring them to committees. The CAG, who provides the lynch-pin of financial management, be given more freedom of action; this can be done by making him an officer of the parliament, as have many other countries done. The parliament in Bangladesh has more committees than many other similar legislatures. Periodic review by a liaison committee may help prevent duplication of efforts by different committees and may also discourage them to work at cross- purposes.

Parliamentary Control Over Public Expenditure in Bangladesh: The Role of Committees

Introduction

State of the Use of Public Expenditure

1. One of the important problems confronting Bangladesh is to identify the way(s) to ensure 'responsible' government (and administrative) behavior. In particular, it has long been recognized that the task of making the government accountable for 'proper' use of public funds appears to be extremely difficult. Thus, notwithstanding a general call for restraint, the size of public expenditure has grown over time. The average expenditure-output ratio hovered around 15 per cent of the GDP during 1973-89; while the revenue-output ratio was 8 per cent. This caused a major fiscal disequilibrium. Although the extent of this disequilibrium has been reduced to 6 per cent in subsequent years, the growth of public expenditure has continued unabated, reaching as high as 18 per cent of the GDP in 1997-98 (Appendix 1). This appears to be paradoxical given the public commitments of the successive governments to reduce the size of the public sector spending. There have also been some changes in the structure of government expenditure over time (Appendix 2). The extent to which the allocation of resources between different competing sectors follows any rational principle or is made according to the 'rule of thumb' method is not easy to identify.
2. Nor is it argued that the growth in public expenditure *per se* is inherently bad. In fact, in the context of widespread poverty and inequality that characterize the Bangladesh society as a whole, the government cannot easily abandon the responsibility for providing different services to the people; hence the need for greater public outlay. What, however, concerns the 'thinking' public is the extent of public resources that is being wasted. It is now conventional wisdom that a certain percentage of public resources are not used efficiently and effectively. Reports of widespread corruption and inefficiency in the administration of public expenditure almost routinely appear in national dailies and weeklies. Independent research and government's so-called 'watchdog' agencies have also confirmed misappropriation of public funds and wastage of resources. Those responsible for planning and administration of public expenditure do not appear to have any success in ensuring that the public resources are not wasted.

Lack of Internal Control

3. The existing mechanisms used for ensuring financial control and accountability within the government appear to be defective. A recent World Bank document observes that there is apparently a complete breakdown of the internal control mechanism within the administrative system as a whole. The huge number of irregularities and incidence of malfeasance in public expenditure and investment can be directly attributable to the failure to comply with a well-structured internal control system. There is a serious decline in hierarchical control within the public service and an absence of an 'inward sense of personal obligation', thus causing serious shortfall in administrative performance. The rise of trade unionism, both at the higher and lower echelons of the bureaucracy, has exacerbated the problem of hierarchy and control. This, in turn, necessitates the introduction and strengthening of external control over the

activities of government. Despite certain shortcomings, parliamentary surveillance provides one of the best external means of guarding against the abuse of administrative/financial power in Bangladesh where other avenues of control are extremely weak, if not non-existent.

Need for External Control:

4. There is, however, no 'one best (legislative) way' of ensuring the accountability of the government. But it is now generally recognized that one of the important ways of making the government behave is to oversee in a regular and effective manner the ways it (government) raises and spends public money. Formally a parliament can exercise control before the money is appropriated; provisions also exist for legislative monitoring of public expenditure after it has been approved (by parliament). The normative justification for legislative control over public expenditure rests on the assumption that as the premier representative body, a parliament has a responsibility to assure (the electorate) that the public money is not wasted; rather it is used economically and effectively. Finance is at the core of most if not all government activity. By having the authority to sanction the raising and spending of money for certain designated purposes, a parliament can hope to have a mutually influential relationship with the executive. Without it, there would be no reason at all for the executive to take parliament seriously. The principal value of justifying legislative monitoring of the executive is to ensure the triumph of representative government by lines of accountability running through the organ that embodies popular sovereignty. The specific objectives to be achieved through legislative oversight are many, but the following demand mention: to check against dishonesty and wastage, to guard against harsh and callous (i.e. arbitrary and unresponsive) administration, to evaluate implementation in accordance with legislative objectives, and to ensure administrative compliance with statutory intent.

Mechanisms of Parliamentary Control

5. Most of the parliaments patterned after the Westminster model utilize almost similar techniques to require the government to account for its actions in respect of financial management. These can broadly be grouped into two categories: *individual* and *collective*. The best example of the collective method is a system of (financial) committees. The widespread use of committees can provide an effective means of underpinning the authority of the legislature against the executive. Two parliamentary committees that are said to have an 'unequal' influence in controlling public expenditure are the Committee on Public Estimates (PEC) and the Public Accounts Committee (PAC). The former is concerned with conducting *ex ante* scrutiny of estimates; while the PAC exercises what can be called *ex post facto* control. The Public Undertakings Committee (PUC) can also be an important source of financial control and accountability. The *individual* category includes a number of techniques such as questions and adjournment motions. The most important (individual) technique, however, is the scope for discussion and voting on the budget- the annual financial statement- which records government's financial transactions in the previous financial year and represents a statement of the government's financial plans.

Parliamentary Committee and Accountability:

6. The individual and the collective techniques of control differ with each other in several respects. The most important difference, however, relates to the *breadth* and *depth* of scrutiny. Compared with other techniques such as questions and debates, committees have a better scope to go much deeper into a particular issue, examining it in greater detail and exploring possible remedies. Committees also enjoy a legitimate right to call for persons,

papers and documents. This can thus have an immediate effect. Those responsible for governing have to account for their actions to a small body; this enables members to keep them (officials) on their toes more effectively. To be more precise, while in the case of individual devices *depth* is often lost to *breadth*, committees can help achieve both.

7. An important deterrent power enjoyed by committees, specially financial and investigative committees, is to conduct inquiries. Unlike individual devices, which can at most prompt the conduct of inquiries, committees can do them on their own. This, in effect, gives them their most strength. By having the power to conduct an inquiry, the committees are as important for what they can do as much as for what they actually do. Civil servants are aware that their work may be subject to inquiry, an awareness that encourages more rigor in working practices as well as greater sensitivity to possible parliamentary reaction.
8. Another difference between committee and other individual techniques, for example, questions, relates to the objectives they are intended to serve. For example, research shows that debates and questions are often asked for partisan purposes. In contrast, committees generally operate along non-partisan lines. Thus although composed of what can be called 'party (wo)men', they are not 'partisans' or interested parties in the sense we use the term. They mostly work on a cross-party basis. Committees provide an important setting for inter-party bargaining and compromise. In general, decisions made by committees are often seen as consensual measures.
9. The above arguments are not intended to overstress the importance of committees. Nor is it to argue that the traditional means of parliamentary accountability are unimportant; they in fact serve several important purposes such as exposing secrecy, puncturing arrogance, and providing a platform for the expression of alternative views and a public forum in which to challenge the government. What is, however, observed here is that the traditional means of parliamentary accountability and committees are not mutually exclusive. They can reinforce each other in a number of ways. In fact, committees, especially oversight committees, have been adopted deliberately as a means to supplementing the more traditional accountability/control mechanisms, although they have now acquired more importance.

Factors Affecting Committee Influence

10. However, much of what committees can do depends upon a number of factors. These can be grouped into two categories: *structural* and *behavioral*. Structure provides the scope and limits of committee influence and work specifying, for example, its formal-legal status, nature of composition and permissive powers. It also sets the parameter for guiding the behavior of members. The actual behavior of members may, however, differ significantly from what is statutorily prescribed. Notwithstanding their broad remit to oversee the (administrative/financial) operation of government departments, an oversight committee/financial committee may still remain handicapped because of the behavioral orientation of members. Two aspects of the behavioral orientations of members- *willingness* and *ability*- are especially important. *Willingness* is referred to here as the motivation of members to do what is expected of them; while *ability* is referred mostly to their level of competence. Both are influenced by a number of *internal* and *external* variables. The internal variables include, among others, the personal characteristics of committee members such as education and occupation, their orientation to role, influenced mostly by their age in parliament, their nature of job, i.e part-time or full-time, and their ability to assume responsibility as trustees. *External* variables include the nature of government departments/bureaucracy, constituency characteristics of members and political culture. Committees are likely to have greater effects in those cases where the willingness and the

ability of members converge. On the other hand, they are unlikely to have many significant effects if the two conflict with each other. Appendix 3 summarizes the factors that influence the committee behavior.

The problem

11. The Constitution of Bangladesh and the Rules of Procedure of the Parliament (hereafter *Rules*) provide for elaborate mechanisms for ensuring the financial accountability of the executive government in Bangladesh. The Constitution makes it mandatory for the parliament to set up a PAC; while the *Rules* specify the roles and responsibilities of different committees including PUC and PEC. Both the Constitution and *Rules* provide for detailed procedures to be followed by parliament while transacting financial business in the House. The successive parliaments in Bangladesh (with the exception of the third parliament) have set up these financial committees with a view to overseeing the financial operation of the government. All successive parliaments have also routinely passed budgets and allowed the members to express themselves.
12. However, the extent to which parliamentary scrutiny of public expenditure is more a formality than a reality has yet not been ascertained properly. In fact, our understanding about the types of activities the financial committees undertake, the nature of problems they face, and the strategies they adopt to cope with uncertainties is very limited. Nor do we know much about the way(s) members of different committees perceive their role or/and define inter-role relationships. Nor do we know much about the significance of the discussion of the budget. Is the passage of the budget simply a ritual? Does it serve any purposes other than empowering the government to raise and spend public money? How far is budget used as an instrument of economic and political control? The extant literature on budgeting in Bangladesh does not adequately answer these questions. Nor do the existing studies on the parliament in Bangladesh provide much information on the working of parliamentary committees in Bangladesh. Whatever studies are available on committees remain deficient in several respects; these are mostly descriptive in nature and none specifically focuses on either the oversight committee or the financial committee. Nor do the recommendations made to make the committee system effective have much empirical grounding.¹

Scope and Methods of the Study

13. This report explores the scope and limits of parliamentary control over public expenditure in Bangladesh. It focuses on the collective method, identifying the role of three financial committees and a sample of four ministerial committees, referred to here as oversight committees, in the scrutiny of public expenditure. The report seeks to compile the specific outputs of these committees for the last few years, find out the implementation status of their decisions and suggest mechanisms which allow for better monitoring of such decisions as well as propose new areas of work for the committees which could improve accountability and transparency of public expenditures. The three financial committees are PEC, PUC and PAC; while the four oversight committees are the Finance Committee (FC), the Education Committee (EC), the Health and Family Welfare Committee (HC), and the Committee on Posts and Telecommunication (P&TC). While the financial committees and the FC have a more 'direct' role in the scrutiny of public expenditure, the role of the oversight committees

¹One major exception is the comprehensive Advisory Opinion on the reform of the *Rules of Procedure* made recently by two international parliamentary experts, which is yet to be made public.

in the process is also no less prominent. Since allocations are made to different government organizations for some specific purposes and programs, the oversight committees can seek to ensure prudence in public spending by overseeing the ways these programs are implemented. By having the power to review the enforcement of policy (and programs) and in particular, the right to conduct inquiry into irregularities in the administration of public programs, oversight committees can help check the misuse of funds, at least, formally. Several methods such as review of existing studies on parliament, examination of the proceedings of parliaments and committees, and in-depth interviews with committee chairmen and members, and some other key actors have been used to collect information for this report.

Organization of Study

14. The report is organized into a number of sections. The following section identifies the ground rules for parliamentary surveillance of public expenditure in Bangladesh. The structure and organization of committees and their scope of work have been described in section three. Section four provides a detailed examination of the working of the (sampled) financial and oversight committees; while their actual impact is assessed in section five. The limits of committee influence in comparative context are described in section six. Proposals for reform are given in section seven.

Parliamentary Surveillance of Public Expenditure: Ground Rules

Scope for Parliamentary Surveillance

15. Legalistically, the parliament grants supply, authorizes expenditure and checks disbursement. Article 83 of the constitution provides that no tax can be levied or collected except by or under an authority of an Act of parliament. Nor can any expenditure be incurred without its approval. In practice, these powers can be seen as more formal than real. Proposals for raising revenue and spending money are generally made by the executive government. These are normally embodied in the annual financial statement, commonly known as the budget. Every year the government introduces in the parliament a budget showing the estimated receipts and expenditure for that given year. The document shows the sums required to meet both charged and voted expenditure. The charged expenditure can be discussed but cannot be subjected to vote; while the 'non-charged' expenditure can be both discussed and voted. The monies raised by the government are credited to two funds: *consolidated fund* and *public account*. All revenue received by the government, all loans received by it and all moneys received in repayment of any loan form part of the consolidated fund. All other public moneys received by or on behalf of the government are credited to the public account.
16. The expenditure that are charged upon the consolidated fund includes the remuneration payable to the President, the Speaker and the Deputy Speaker, the judges of the Supreme Court, the Comptroller and Auditor General (CAG), the Election Commission, the chairmen and members of the Public Service Commission (PSC), and the expenses related to these offices and the debt charges for which the government is liable. If for any reason the government spends more than authorized by parliament, it has to seek approval for additional spending before the commencement of the next financial year. Also, if for any reason, the parliament fails to authorize expenditure, the President, on the advice of the Prime Minister, can authorize the withdrawal from the consolidated fund, moneys necessary to meet expenditure for a period not exceeding sixty days in a particular year, pending the making of the grants and passing of the laws. This is thus intended as a safety-valve to ensure continuity in the governing process (discourage government shut down).

Parliamentary Stages of the Budget Process

17. The parliament, in general, does not have any significant role in the planning of public expenditure; it remains the responsibility of the executive government. It is only after the budget is presented in the House that the members have a formal scope to deliberate over the proposals embodied in it. The budget in parliament follows a three-step process. After the presentation of the budget (first stage), the second stage begins with a general discussion on it. It provides the most important opportunity for members to express their views on the whole of the budget; they are also entitled to raise and discuss any issue they consider important. Even issues that are not related to the budget can also be routinely discussed. The *Rules*, however, do not allow any motion to be moved at this stage. Nor can budget be submitted to the vote of the House. The Business Advisory Committee (BAC) decides in advance the time needed for discussing the budget at different stages. Usually more time is allotted for the general discussion of the budget. In 1999, nearly 35 hours were allotted for the general discussion; while in 1998, it was about 43 hours. Nearly all of the members of parliament have an opportunity to take part in the general discussion.
18. After the general debate on the budget is over, discussion on demands for grants and appropriations in respect of charged expenditure commences. This is merely a formality. As the constitution and the *Rules* bar voting on the charged expenditure, this stage of the budget process in parliament does not cause any major excitement. But the proposals for voting on demands for grants for different government departments/ministries always cause controversy and heated debates. Usually a separate demand for grants is proposed for each ministry; the Finance Minister, however, can include in one demand grants proposed for more than one ministry. The *Rules* require that each demand shall contain first a statement of the total grant proposed and then a statement of the detailed estimate under each grant divided into items. Discussion and vote on demands for grants always generate heat and controversy. It is, however, at this stage that the members can move motions to reduce expenditure; the *Rules* do not allow any motion aimed at increasing expenditure. Nor can any motion be proposed for altering the destination of a grant. Members can move three types of motions to reduce expenditure; these are commonly referred to as *policy cut*, *economy cut* and *token cut*. When a member proposes that the amount of the demand be reduced to Tk. 1, it is referred to as *policy cut*. This implies that the member expresses his/her no confidence in the policy underlying the demand. The member in his motion has to indicate in precise terms the particulars of the policy he proposes to discuss; (s)he may also propose an alternative policy. When a member proposes that the amount of demand be reduced by a specified amount, which can either be a lump sum reduction in the demand, or reduction of an item in the demand, it is referred to as *economy cut*. Members often find it difficult to move the economy cut, as it requires widespread knowledge and a thorough study of the budget document. Motions for *token cut* are moved more frequently than the other cuts. These are intended to ventilate specific grievances; the discussion remains confined to such grievance. When a member moves a motion proposing that the amount of the demand be reduced by Tk. 100, it is called a *token cut*. The number of cut motions moved over the last few years is given in Appendix-4. Conventionally, members of the treasury bench do not move cut motions, as it is considered tantamount to expressing no-confidence against their own party government. This may also reveal lack of control of the party leadership over the backbenchers.

19. The Speaker has the final authority to decide on the admissibility of a cut motion. The scope of subjects raised in the cut motion is very wide. For discussion on and passing of demands for grants, a time limit is prescribed. The Minister concerned is called upon to wind up debate before the demand is put to vote. Thereafter the motions for demands for grants of different departments are put to vote. As time constraints do not allow the discussion and vote on each demand, what most Speakers do is to use guillotine to dispose of the business. In general, only the demands for a few departments are discussed and made subject to vote; the other demands are straightaway put to vote. In 1999, only 4 of the 94 demands for grants made by the prime minister's office, home, defence and law and parliamentary affairs were actually discussed; the rest were guillotined by the chair. In 1998, cut motions relating to 7 of the 92 total demands were actually discussed.
20. After all the demands for grants have been passed, an appropriation bill, embodying both charged expenditure and voted expenditure, is moved in the parliament. The bill, in essence, is intended to give legal effect to demands for grants that have already been passed by the House. No amendment can be proposed to any such bill, which has the effect of varying the amount of any grant so made or altering the purpose to which is to be applied or varying the amount any expenditure charged on the consolidated fund. The debate on an appropriation bill generally remains restricted to matters of public importance or administrative policy implied in the grants covered by the bill, which have not already been raised. After the passage of the appropriation bill, the government moves the finance bill with a view to giving effect to its financial proposals for the following financial year. Procedures followed to pass a finance bill are similar to those applicable to ordinary bills. After the bill has been passed and the President assented to it, the government gains the legal right to raise money.

Limits of Parliamentary Control Over the Budget

21. One of the important characteristics of the parliamentary stage of the budget process is that it does not allow any committee-stage scrutiny of financial/expenditure proposals before these are actually passed. At no stage is the budget subject to any scrutiny by the committee. The *Rules* specifically bar referring the budget, the appropriation bill and the finance bill to any committee. Whatever scope exists for the committee scrutiny of expenditure commences only after the budget has been passed. Theoretically, parliament has control over the public purse; technically, it is in this area that the so-called parliamentary sovereignty can be noticed. No money bill passed by the parliament can be challenged in any court; nor can the President withhold assent to it. In practice, however, the sway of the executive government over public finance is more pervasive and more complete than on other areas of parliamentary activity.

Nature of Budget Debate- A Sample Account

22. Formally, there is some scope to discuss the budget in the parliament; in practice, however, rarely is it amended in any form. Nor does the budget debate generate much public enthusiasm and excitement; to the contrary, the repetitive nature of arguments made during the budget debate risks making the parliament a target of public attack and disapproval. In general, the debate on the budget lacks substance and focus. It has almost become a general pattern for members of the treasury bench to eulogize the budget; while the opposition rarely finds anything 'good' in it. However, although this type of behaviour characterises the budget debate every year, some issues can be considered to be budget-specific. During the last budget debate (1999), for example, members belonging to the two benches were seen as extremely active in trading accusations and counter-accusations against each other. In fact, they exchanged abusive languages and vulgar expressions to such an extent that the Speaker

even once threatened to switch-off the microphones of those using unparliamentary word. Although Article 270 of the *Rules* specifies that a member has to follow some norms while speaking in the House, rarely is the debate followed in an orderly manner. The business managers of the two benches, rather than discouraging the members to behave in a deviant way, allocated more time to them to engage in abusive exchanges. Notwithstanding the Speaker's warning, members from both sides were engaged in mud slinging at each other; even the front-benchers including the Prime Minister did not remain an exception.

23. This is, however, not to suggest that there was no discussion on the budget *per se* at all. The members, in fact, deliberated over a range of issues, of which two deserve mention. The ruling party backbenchers followed the lead of the ministers, defending the 5.2 per cent growth rate of the economy, which most doubted. On the other hand, the opposition claimed that the statistics was 'doctored'. The opposition law-makers blamed the government for destroying the national economy; some of them also alleged that the budget was prepared on the basis of Indian prescription to protect the interest of Indian businessmen. The ruling party members, on the other hand, termed the budget as development-oriented. The two benches also failed to reach consensus on any of the demands for grants. In general, the budget is mostly passed as a partisan document; it is rare for the finance and appropriation bills to be passed as consensual measures. The budget debate is intended more to score political points than to have a critical analysis of government's economic policy.

Comparing Parliamentary Financial Procedures

24. The procedures followed for transacting financial business in the Bangladesh parliament have both similarities as well as differences with other Westminster systems. In most of the Westminster-derived parliaments, budgets are not subject to serious parliamentary scrutiny. But nowhere do *Rules* or constitutions legally bar the committee scrutiny of any stage of the budget-making process. Thus, although the budget as a whole is not generally referred to committees in Westminster systems, some aspects of the budgetary process are nevertheless subject to some scrutiny by committees. In Britain, finance bills are referred to standing committees, while the oversight committees are entrusted with the task of examining the expenditure, administration and policy of the departments they shadow and the associated bodies under them. The oversight committees in Australia and Canada also now-a-days scrutinise the expenditure of different departments; in both countries, the minister responsible for each department appears before the committee to justify the estimates publicly, bringing along departmental officials so that the committee members can ask for clarification. The Senate estimate hearings in Australia is increasingly becoming popular with MPs and those interested in parliamentary studies. The Finance and Expenditure Committee of the New Zealand Parliament is charged with scrutinising the estimates before these are discussed on the floor of the House; other select committees can also examine estimates of concerned departments. Even the Parliament in India, which did not allow any major scrutiny of estimates until recently, now refers the demands for grants of different ministries for review and scrutiny after the general discussion on the budget is over. The need to innovate this device became imperative when it was apparent that the parliamentary scrutiny of expenditure was almost a 'misnomer'. In Nepal also, oversight committees are specifically charged with scrutinising the estimates of revenue and expenditure. These committees are required to report to the parliament before budgets are passed.
25. But Bangladesh remains a deviant case. The *Rules* do not allow any sustained scrutiny of expenditure, at least until the budget is passed. Bangladesh, however, has adopted almost a similar system for *ex post facto* scrutiny of the expenditure as have other countries. In almost

every country that has patterned its government after the Westminster model, there exists a PAC to check if the money has been spent properly; its role is, however, limited to being able to ‘bolt the door after the horse has fled’. The lynch-pin in the system of financial control in every country is the Comptroller and Auditor General (CAG); he provides expert advice and support to the PAC. The actual relationship between the CAG and PAC, however, varies from country to country; so also does the effectiveness of the mechanisms intended for controlling the public expenditure. We shall refer to the factors accounting for the differential performance of different mechanisms in a subsequent section.

Parliamentary Committees: Structure, Membership and Scope of Work

26. *Formal Framework of Committees:* Parliamentary committees in Bangladesh owe their origin to, and gain legitimacy from, two sources: the *Constitution of the Republic* and the *Rules of Procedure of Parliament* (hereafter *Rules*). The Constitution makes it mandatory for the Parliament to set up a Public Accounts Committee (PAC) and a Privilege Committee, and empowers it to constitute as many standing committees as it considers necessary. The *Rules*, on the other hand, specify the actual number of committees to be set up and delineate their formal scope of operation. These also specify the composition of different committees and prescribe some other important matters such as the way(s) decisions are to be taken, the procedures to be followed to convene meetings of a committee and the methods used for examining witness.
27. Parliamentary committees in Bangladesh formally enjoy important status and extensive powers. A committee can regulate its sittings and the way it conducts its business. It can obtain co-operation and advice from any expert in its field, if deemed necessary. A committee may appoint as many subcommittees as it considers necessary. Each subcommittee has the power of the main committee. The *Rules*, however, require that the order of reference to a sub-committee must clearly state the point(s) for investigation. A committee has the power to send for persons, papers and records. No document submitted to a committee can be withdrawn or altered without its knowledge. The constitution also authorises the parliament to confer on committees’ powers for enforcing the attendance of witness, and examining them on oath and also for compelling the production of documents. Paradoxically the parliament, rather than taking measures to give effect to these provisions, has empowered the government to decline to produce a document on the grounds that its disclosure would be prejudicial to the safety or interest of the state.ⁱ Committee members enjoy immunity for whatever they say and/or the way they vote. Committees, however, meet in private; their proceedings are kept confidential.

Structure of Parliamentary Committees:

28. The JS has traditionally set up three types of committees: *standing committees*, *select committees* and *special committees*. The main difference between different committees centres on their nature of appointment. Standing committees are relatively permanent; they are normally constituted for the duration of the parliament. Special and select committees are ad hoc bodies; they cease to exist when their job is completed. Standing committees are generally classified into a number of categories, the most important of which are departmentally-related committees, referred to here as oversight committees. The other categories are scrutinising committees, financial committees and house committees. Appendix 5 shows the nature and number of committees set up by different parliaments in independent Bangladesh.

Composition of Committees

29. The nature of composition of different committees, a natural rule, varies. However, while the number of members of different standing committees are fixed by the *Rules*, the House decides on the number of members to be appointed to a select committee or a special committee. Most standing committees (87%) have ten members. The PAC, however, remains an exception; it has fifteen members. Among the committees only a few can be regarded as backbench committees. There is no legal restriction, as is the case in Britain and other western democracies, on ministers and other front-benchers such as whips, becoming members of different committees. Until recently, ministers even headed the oversight committees. The seventh parliament has changed the *Rules*, replacing the Minister as the chairman of the DPC by a backbencher. Each of the (35) standing committees on Ministries is now headed by a ruling party MP excepting one chaired by an opposition member. But ministers are not totally excluded from the committees. They have been made their members. Technocrat ministers- those who are not MPs- can participate in committee meetings but cannot vote. This change has been made mainly to give effect to an electoral commitment made by the present Prime Minister on the eve of the seventh parliamentary elections in 1996. Since the Bangladesh liberation in 1971, ministers cannot claim *ex-officio* membership of several committees such as the PAC, the PEC, the PUC and the Petition Committee. The *Rules* state that a Minister shall not be appointed a member of any of these committees; if a member, after his appointment to the committee is made a Minister, (s)he shall cease to be a member of the committee from the date of such appointment.

Characteristics of Committee Members:

30. The membership of different committees in the seventh JS apparently has been distributed on a more 'rational' basis than in the past. Committees appear to be more 'compact' in composition now than before. Those having expertise or professional experience in a certain field have been appointed to the relevant committee(s). To be specific, doctors now constitute half of the members in the Health Committee; while nearly forty per cent of the members of the PAC have long experience of government services/professional jobs. One-third of the members of the PAC, who can claim more expertise than their colleagues in financial management, has also been simultaneously made members of the FC. A comparative account of the socio-economic background of the members of the (seven) sample committees is given in Appendix-6. It reveals that a solid one-third of members are newcomers to parliamentary politics; most of them joined politics in the 1990s. Interestingly, those who have a previous background in government job or professional service are beginners in parliamentary politics. The majority of members are, however, businessmen/ industrialists.

Committee Staff:

31. The Parliament Secretariat provides secretarial support to different committees. Each committee chairman has a personal assistant; (s)he has been recruited from outside the Secretariat. Senior officials who work for committees do not belong to the Parliament Secretariat; most of them are on deputation from government. Almost all of them are generalists belonging to BCS (Administration) cadre. The existing committee staff in parliament is quite small and inadequate; only a few can claim any specialisation. Whatever attempts has been made so far to enlarge the operational capacity of the of the Parliament Secretariat, it has remained largely limited. Lack of continuity in the recruitment process is likely to increase the dependence of the secretariat on staff support from outside. If the staff support is considered to be limited, the nature of facilities available to committees is

extremely insignificant. In many cases, these do not virtually exist. Some committee chairs, on their own, have arranged photocopiers; most committees lack any staff support. Although most chairmen have been provided with offices, they, however, lack other services. In the absence of the availability of staff and other resources, most committees remain virtually handicapped. Although the *Rules* allowed committees to obtain cooperation and advice from any expert outside; rarely do they do so. In fact, many of them do not appear to be much aware of the provision in the *Rules*. Parliamentary committees in Bangladesh compare unfavourably with their counterparts in other parliaments, especially in this respect.

Scope of Committee Work:

32. Parliamentary committees in Bangladesh formally enjoy equal status; some committees are, however, 'more equal' than others. In particular, as observed earlier, the financial committees and the oversight committees appear to have a better potential than others, especially in making the government behave. The PAC, which predates the other committees, has to check a number of things: that the moneys shown in the accounts as having been disbursed are legally available for, and applicable to the service or purpose to which they have been applied or charged; that the expenditure conforms to the authority which conforms it; and that every re-appropriation has been made in accordance with the provisions made in this behalf under rules framed by competent authority. The *Rules*, framed by the first parliament in 1974, empowered it to examine also the statement of accounts showing the income and expenditure of autonomous and semi-autonomous bodies, the audit of which may be conducted by the CAG either under the directions of the President or by a statute of Parliament. No change were made in the terms of reference of the PAC for nearly two decades, especially until the election of the fifth JS which empowered it to report on the irregularities and lapses of different institutions of government and to suggest measures for rectification.
33. The nature of functions (to be) performed by the PUC, originally defined by the *Rules* in 1974, also remained the same until 1992, when some important modifications were made. The PUC is now required to report to parliament on remedy of irregularities and lapses of public undertakings and to recommend measures to free the institutions from corruption. The *Rules* originally provided that the functions of the PUC would be to examine the reports and accounts of the public undertakings and to check if affairs of the public undertakings are being managed in accordance with sound business principles and prudent commercial practices. The Committee, however, cannot examine and investigate matters of government policy as distinct from business or commercial functions of public undertakings or matters of day-to-day administration. Nor can it scrutinise the activities of banks, although they are categorised as public undertakings.
34. The scope of operation of the PEC has remained the same since it was first set up in 1974. Article 235 of the *Rules* provides that the functions of the PEC shall be: to report what economies, improvements in organization, efficiency or administrative reform, consistent with the policy underlying the estimate, may be effected; to suggest alternative policies in order to bring about efficiency and economy in administration; to examine whether the money is well laid out within the limits of policy implied in the estimates; and to suggest the form in which estimates shall be presented to the House. The Committee can also continue the examination of the estimates from time to time throughout the financial year and report to the House as its examination proceeds. The demands for grants, however, may be voted notwithstanding the fact that the Committee has made no report.

35. Comparatively speaking, more (significant) changes have been made in the (formal) nature of power and authority of the oversight committees. The *Rules*, first framed in 1974, empowered them to examine draft bills and other legislative proposals, review the enforcement of laws and propose measures for such enforcement and examine such other matters referred to them by the JS. These, however, did not require committees to meet at any specific interval. The Chairman, who was also the Minister, took the decision on committee meetings. He was not under any obligation to regularly convene meetings of the committee. The fifth parliament amended the *Rules* in 1992, requiring each oversight committee to meet at least once in a month, failing which the Speaker could convene meetings of the defaulting committees. Committees can also now seek and obtain expert advice from outside. More importantly, the various oversight committees have been granted some deterrent powers- the power to review the works relating to a ministry which fall within its jurisdiction and in particular, to inquire into any activity or irregularity and serious complaints in respect of the ministry and examine, if it deems fit, any matters that fall within its jurisdiction and to make recommendations. This could be seen as an important departure from the past and might set apart the Bangladesh parliament from other parliaments in the region. The financial committees in Bangladesh also have more investigative powers than similar bodies in the region.

The Working of Committees

36. There are several ways of measuring the nature of activism of a parliamentary committee. Some of the important measures are the frequency at which committee meetings are held, the regularity of members' attendance, the number of reports prepared over a particular time, the number of hours spent on deliberation, the scope for agenda setting by members, the nature of issues raised and discussed and the quality of decisions reached. The list is not obviously exhaustive but the measures referred to here are generally considered as important. The following tables provide a summary account of the nature of activism of different committees. They show that substantial differences can be noticed not only in the nature of working of different committees (Table 1); variations can also be found in the working pattern of the same (sets of) committees over time (Table 2).

Table 1 Nature of Committee Activism

Nature of Activism	PAC	PEC	PUC	FC	EC	HC	P&TC
% of Members							
Government	60.0	60.0	60.0	60.0	60.0	50.0	60.0
Opposition	40.0	40.0	40.0	40.0	40.0	50.0	40.0
Nature of Member Attendance	46.3	54.0	76.0		71.2	63.5	72.0
Number of Meetings Held	89	23	20	18	22	42	15
Number of Bills Scrutinised	NA	NA	NA	5	9	3	-
Number of Inquiries Made/ Underway	-	7	3	1	1	3	3
Number of Reports Prepared*	3	-	-	-	-	-	-

NA: Not Applicable

*Exclude reports on bills

Table 2 Nature of Committee Activism (Financial Committees Only)

Nature of Activism	Comm- ittee			Parlia- ment			
		First	Second	Third	Fourth	Fifth	Seventh
Number of Meetings Held	PAC	3	9	-	6	52	89
	PEC	9	7	-	NA	26	23
	PUC	-	63	-	36	48	20
Number of Subcommittees Formed	PAC	-	3	-	4	4	1
	PEC	-	-	-	NA	-	7
	PUC	-	-	-	3	4	3
Number of Reports Prepared	PAC	-	1	-	2	4	3
	PEC	-	-	-	-	-	-
	PUC	-	1	-	3	2	-

Financial Committees

Public Accounts Committee:

37. Comparatively speaking, the PAC of the seventh parliament, headed by S. M. Akram (hereafter referred to as Akram Committee), appears to be more active than most of its predecessors. It has devised some different, albeit important, ways of working. For example, unlike its predecessors, which mostly examined the CAG reports that were more than a decade old, the Akram Committee is examining both current and old audit reports. In its first policy planning meeting, the Committee decided to examine the audit reports for 1987-88, as the earlier committees scrutinised the reports until 1986-87. It was also decided at that meeting that the Committee would start reviewing the reports for 1994-95 after six months. In fact, it has already examined some of the reports for 1996-7. In particular, a large number of special audit reports submitted to the parliament until 1998 have already been scrutinised by the committee. It has also suggested the introduction of performance audit and value for money audit on a selective basis in various government organizations and projects. As a first step, it has suggested that it may be introduced in 1% of the (nearly 22,000) organizations annually audited by the CAG. Some organizations have already adopted these new types of auditing. This can be seen a significant improvement over the past and is expected to set in motion a new trend in financial accountability of government departments. The dominant practice has been to undertake 'compliance' auditing. The Akram Committee also decided to set up an action taken committee to monitor the implementation of decisions taken by it; it also initially decided to set up task forces consisting of 4-5 members to scrutinise the audit reports for 1983-84 and before. Both these decisions are yet to be implemented because of several reasons, especially because of lack of staff support and the time constraint faced by members.

38. The Akram Committee disposed of 497 audit objections and comments involving a total amount of Tk 17,630 million until November 1998. The objections disposed of represent 0.88% of the total. It is probably relevant to mention here that the total number of objections and comments made in different CAG reports were 56,412. Only a small percentage of total objections has been discussed and disposed of. These compare unfavourably with the PAC of the fifth parliament, which disposed of a total of 1159 audit objections. This comparison is, however, intended to serve heuristic purposes; these may not be seen as a valid comparison.

What is especially important to note is the extent to which the difference is significant, especially from the standpoint of influencing the behaviour of the defaulting organizations. We shall discuss it in a subsequent section.

Public Undertakings Committee:

39. The PUC can be seen as comparatively less active than the other financial committees, especially PAC. A part of the reason is that the Committee has had more turn over of members than the other committees. Moreover, following the appointment of its first Chairman Professor Rafiqul Islam as a State Minister, the Committee did not have a chairman for a substantial period of time. In fact, the PUC did not meet for fifteen months. Until now it has scrutinised some aspects of the working of nine organizations: DESA, PDB, Titas Gas, NCTB, BTB, Petrobangla, BWDB, RAJUK and Steel and Engineering Corporation. Among them, DESA and PDB have received the most attention of members. In fact, problems confronting these two organizations have routinely come up for discussion in most of the meetings of the committee. The issue that has received special prominence is 'system loss' in both organizations. Reasons accounting for the loss and the measures needed to overcome the problem have been explored. Two special reasons- corruption and trade unionism- have been identified as the main stumbling block to the efficient management of these organizations.
40. The nature of other issues discussed has varied considerably. The PUC has apparently given more stress on administrative (occasionally policy) issues. But financial issues *per se* have not received any important attention. The members of the PUC have not shown any interest in checking the annual reports or books of accounts or other financial records of different enterprises. Even the large number of audit objections raised in CAG reports have not yet been settled. To be specific, there are 10, 906 and 23,250 unsettled audit objections in the DESA and PDB respectively. None is keen to settle these objections. Nor has the PUC ever asked the defaulting organizations to clarify on their inability to respond to audit inquiries. Most of the members apparently did not find the discussion of audit objections rewarding; only one member was seen as very critical of the inability of different organizations to follow government rules in this respect, suggesting that the problem be resolved as soon as possible.
41. The PUC, until now, has undertaken what may appropriately be called 'information gathering' function more than exercising oversight; It is, however, not argued that 'information-seeking' is unimportant; in fact, information is crucially important in evolving a general strategy for exercising oversight. The nature of questions asked of officials do not necessarily lack depth; to the contrary, many of the questions asked or the information sought directly focus on accountability, requiring the officials to defend their actions. What is, however, observed here is that the measures that have been taken to strengthen/exercise oversight remains far from satisfactory. For example, the PUC set up a sub-committee to inquire into the irregularities in awarding contracts to a particular organization named Russel and Co. to supply papers for printing text books for free distribution to school children. Initial information collected by the committee showed that there was a clear breach of rule in taking decisions on this issue. In fact, although the majority of members of the tender committee were opposed to the proposal for awarding of contract to Russel and Co., the Chairman of National Curriculum and Training Board (NCTB) gave a casting vote, when there was not any tie at all, and illegally allowed the company to supply the paper. The sub-committee, which was given the responsibility to frame its terms of reference, has not yet submitted any report. What is interesting to note is that while the inquiry against it was underway, it was given another work order to supply additional paper for which it has already been given full payment. But the company has failed to supply the required paper within the deadline set by

the authority. Two other sub-committees formed to inquire into specific problems are also yet to report to the committee. Some changes in the style of working of the PUC can also be noticed.

Estimates Committee:

42. Among the financial committees, the PEC has traditionally remained very inactive. Although different parliaments have routinely set up the EC, none has yet produced any report. Nor does its activity receive any special recognition. But, theoretically speaking, it has a better potential than the other committees to ensure fiscal discipline and economy in expenditure. The PEC can *suo moto* examine any estimate; herein lies its main strength. Until recently, this potential remained mostly untapped. The PEC has had a new beginning since the election of the present parliament. What separates most the PEC from other committees, for example, the PAC, is that it can check the estimates throughout the financial year and, in particular, before the expenditure is incurred; it also can suggest the economic use of resources. On the other hand, the PAC, as observed earlier, inquires into lapses after monies have been spent. As a strategy to check the misuse of resources and embezzlement of public fund, the present PEC has stressed on scrutinising the estimates (and use) of development expenditure. The committee has identified two important areas- appointment of consultants/contractors and awarding of contracts- where lapses in financial transactions are likely to be most evident. There is relatively greater scope for hiatus between the estimated expenditure and the actual expenditure in these two areas. As a first step towards strengthening its surveillance over the process of evaluating tenders and appointing consultants/contractors, the PEC issued a circular in June 1997, requiring different organizations to supply it copies of:

- a) Terms of Reference (TOR) before consultants are appointed;
- b) Comparative statements of evaluation of tenders and resolutions before consultants are appointed.

- a) Schedules of tenders before advertisements are made for appointment of transport contractors (transport expenses involving more than TK. 1 million);
- b) Comparative statement of evaluation of tenders and resolution after tenders have been accepted for the appointment of transport contractors (transport expenses involving more than TK. 1 million).

- a) Schedules of tenders before advertisements are made for the appointment of purchase & sale contractors (more than TK. 10 million);
- b) Comparative statement of evaluation of tenders and resolution after tenders have been accepted for the appointment of purchase and sale contractors (more than TK. 10 million).

- a) Schedules of tenders before advertisements are made for the appointment of contractors for undertaking civil works (more than TK. 50 million);
- b) Comparative statement of evaluation of tenders and resolution after tenders have been accepted for the appointment of contractors for undertaking civil works (more than Tk. 50 million)

43. Most of the organizations, which initially received the letter, did not look upon it with favour; many even did not take notice of it. The letter also created some confusion, with some even questioning the intention of the committee. Some ministers have even gone to the extent of writing to the Speaker, challenging the authority of the chairman to ask for such information. In more than one instance, the Speaker has asked for clarification. But the PEC has remained steadfast, compiling cases of corruption and misappropriation in different organizations and

conducting preliminary inquiries into the irregularities in the spending patterns of various organizations. Among the various inquiries it has made, three deserve special mention. First, the pEC detected massive corruption in accepting tender bids worth TK. 100 crores for purchase of medical equipment for government hospitals, medical colleges and training institutions. The PEC identified the project Management Unit as responsible for irregularities in accepting tenders at a much higher rate than the original estimate. In one case it was found that the lowest bid price was about 50 per cent higher than the estimated cost; while in another case, the bid prices was 100 per cent higher than the estimated cost. It also found that some of the bids failed to fulfil specifications set by the management, but those came out to be responsive (successful). After the preliminary probe, the PEC submitted the report to the State Minister for Health, recommending measures for rectifying the problem.

44. The PEC has also detected large-scale corruption and misappropriation of funds in the implementation of the TK. 123 crore Environmental Development Project (EDP) undertaken by Dhaka City Corporation (DCC). The Director of the project not only refuted the charges labelled against him; he even termed the inquiry as politically motivated. What is especially important to note is that the officials even requested the government for a review and enhancement of the cost to TK. 270 crores. The project officials even managed a petition from some local people to enhance their claim for more money. The PEC formed a sub-committee, with A.S.M. Firoz as its chairman, in September 1999 to further probe into the allegations of corruption and misappropriation of funds in the EDP. The sub-committee held five meetings and submitted a report, based on the review of original files and documents in February 2000, confirming the findings of the preliminary inquiry made by the EC Chairman. Appendix 7 provides some details of the nature of corruption found in the implementation of the EDP.
45. The PEC has also identified various irregularities including embezzlement of TK 20 crore in the procurement of paper by the NCTB for printing primary school text books. A local company- Russel and Co. Ltd. (RCL)- was initially awarded a contract by the NCTB to supply 8630 tonnes of paper within 180 days. The RCL was paid \$985.52 per tonne, although the rate initially set was \$ 635 per tonne. More importantly, the company was paid for the whole order (8630 tonnes), although it did not supply 232.58 tonnes at all. Worse even, rather than penalising the RCL, the NCTB gave a work order to it in February 1999 for supplying 3000 tonnes of paper. But the company failed this time too, supplying only 1558 tonnes of paper one month after the deadline, although the entire price of the paper was paid.
46. The above cases are illustrative; not exhaustive. The PEC has compiled a list of irregularities for each ministry; in monetary terms, the loss incurred appears to be staggering. Appendix 8 provides details of information on the nature and scale of financial embezzlement in several projects undertaken by the Directorate of Secondary and Higher Secondary Education under the Ministry of Education. The PEC has already set up six more sub-committees to probe into corruption and irregularities in several other organizations. Appendix 9 provides details of different sub-committees. Most of them have been set up only very recently; only a few have started working. But their constitution itself reveals the extent of seriousness with which the PEC has started its work. The actual impact of the EC scrutiny as well as other committees will be explored in the next section.
47. The PEC has not made any major review of the budget proposals or details of estimates (of revenue expenditure) of different departments. The Chairman of the Committee, however, has argued that no tangible achievement can be made through scrutinising the budget (including supplementary budget), but a lot of anomalies can be detected through examining

the procedures involved in the implementation of development projects. In particular, a huge sum of public money can be saved if micro-level estimates of expenditure rather than macro-level estimates are scrutinised. The Chairman has further argued that since a Public Administration Reform Commission (PARC) is at present reviewing the administrative system as a whole, it would be a duplication of effort to stress on this function.

48. Comparatively speaking, the three financial committees in the seventh parliament appear to be more active than their predecessors, meeting more frequently and exploring alternative ways of strengthening their surveillance. In particular, they are seen to be more willing to use their deterrent power- the power to inquire. Comparative experience shows that the dominant method used by committees in the West is to frequently conduct inquiries into the irregularities in different departments. Rarely did the financial committees in Bangladesh use this power in the past. They, however, trail behind their counterparts in reporting to the House. One chairman has observed that political factors often discourage committees submitting reports to the House on a regular basis; while the main reason identified by all is the lack of staff and resources. However, as observed latter, unless the government is willing to respond to the recommendations of committees, rarely can the committee scrutiny have any real impact. One of the important factors accounting for a surge in the activism of financial committees is the readiness of their chairmen to spend more time in committee-related activity. Some of them can be considered as full-timers, attending their offices regularly.

Oversight Committees:

49. Like the financial committees, the scale of activism of the oversight committees has also varied, with some meeting more regularly and probing more deeply into the activities of different executive agencies, than the others. Among the four sample oversight committees, the FC has held the maximum number of meetings, averaging 18 (meetings) per year. Until now, the FC has scrutinised the activities of several organizations, especially different banks and other financial institutions, the National Board of Revenue (NBR), the External Relations Division (ERD) and the Stock Exchange Commission (SEC). It has explored a number of issues such as the nature of functions performed by different organizations, the nature of problems they face, the measures taken so far to overcome them. However, while the committee has discussed the difficulty of raising revenue in more than one meeting, there has not been any specific reference to the importance of exercising control over public expenditure. In fact, expenditure control, as the *Rules of Business* of GOB show, is one of the important functions of the Ministry of Finance. But the FC, which parallels the Ministry and is charged with checking the way it performs this function, has apparently overlooked it. Although the issues of corruption and mismanagement of resources by different organizations have been discussed in different meetings, no concrete step has yet been taken to probe into these lapses. Nor do the officials appear to be receptive to the idea of setting up inspection teams/inquiries to check irregularities.
50. The FC, however, has very often discussed the scope and limits of the alternative ways of recovering loans from the defaulters. Yet, paradoxically speaking, it itself has now become involved in a row with the Ministry of Finance (MF) over the issue of accepting application for fresh loans from a bank loan defaulter. The conflict between the MF and the FC started immediately after the FC, on a petition from Fazlur Rahman, one big loan defaulter, directed the Sonali Bank and the Bangladesh Bank to reschedule his loan and to grant him fresh loans. This decision infuriated the Finance Minister who sent a letter to the FC Chairman, stating that it did not have the power to address the businessman's case without a parliamentary

referral. The Minister also consulted the Attorney General (AG), who observed that the FC did not have the power to consult the applicant's case. What the AG suggested was that the committee could investigate the case/issue if the matter was referred to it by parliament. The FC considered the reaction of the Minister as derogatory; it adopted a resolution in one of its meetings, condemning the Minister for making adverse comment against it. The members of the FC also termed the Minister's remarks as a 'direct threat' to the democratic practice. What the FC subsequently argued was that it did not take any decision about the loan rescheduling of the Rahman group; rather it discussed the decision taken by the Board of Directors of the Sonali Bank regarding the Rahman group's loans.

51. It is, however, to be mentioned here that the FC has apparently had more problems with the Minister than the other committees. Although the latter also do not find ministers always helpful, rarely do they engage in any open conflict with them. But the FC appears to be an exception. It expressed serious dismay more than once at the absence of the Minister from committee meetings despite being invited to attend them. In one of its meetings held in early 1998, the FC refused to accept an unsigned paper submitted by the Secretary. The observations of the Secretary were also expunged from the proceedings of the FC.
52. The HC and P&TC, which have trailed behind the FC in holding meetings, can be seen as actively using their deterrent power more often, probing into the irregularities in different executive agencies. The HC, for example, has so far set up three inquiry committees to identify lapses in the planning and administration of different health (related) programmes. Perhaps the best known and widely publicised is the inquiry into the irregularities in purchasing medical equipment earlier detected by the PEC. The HC, on 20 January 1998, set up a sub-committee with Professor Amanullah MP, the State Minister for Health as Chairman, to check the irregularities in the implementation of the Second Health and Family Planning Services (SHFPS) project. The other two members were the ruling party MP Dr Iqbal and the opposition JP MP Tajul Islam. The sub-committee asked the Project Management Unit (PMU) to explain the irregularities labelled against it, but it failed to give replies to at least 37 queries. The sub-committee had also several difficulties in collecting many relevant information from the PMU; it even threatened once to sue the officials of the PMU in the Bureau of Anti Corruption (BAC) if they (PMU) failed to provide the necessary information/document. The sub-committee confirmed the findings of the preliminary inquiry conducted by the PEC Chairman. In its report submitted to the HC in April 1998, the sub-committee recommended retendering for packages 1 and 2, and for awarding packages 3 and 4 to the lowest bidder. Although the HC accepted the recommendations, they were nevertheless honoured in the breach for reasons to be explored subsequently.
53. Suffice it to note that the HC also detected massive corruption in the procurement of medical and surgical equipment by civil surgeons (CSs), who were alleged to have misappropriated Tk. 20 crore. The CSs were in charge of procuring medical accessories, furniture and fittings for hospitals. The HC set up a three-member sub-committee with JP M.P Tajul Islam as its chairman. It found that the CSs misappropriated the money over a five-year period. There were many cases of gross irregularities. For example, tube lights were bought at Tk. 650 a piece, whereas its maximum retail price was Tk. 100; a 25-watt bulb was bought for Tk. 650; while 100-watt bulbs had been purchased at Tk. 1400 each; a Tk. 5000 centrifugal machine was bought for Tk. 27000, and a three-inch microphone cost Tk. 11500 against its market price of Tk. 450. There were numerous examples of overspending and misappropriation by the civil surgeons. Following the detection of such corruption and misappropriation, the HC recommended that the concerned civil surgeons along with one deputy secretary and senior assistant secretary and other persons including concerned officials of the finance ministry be

suspended and departmental action be taken. The meeting also decided that anti-corruption cases be initiated against these officials and actions against contractors who supplied goods should also be taken. But the task of punishing the recalcitrant officials remains difficult for reasons to be explored in a subsequent section.

54. Besides probing into some of the cases of irregularities/lapses that have important financial implications, the HC has also deliberated over a number of other issues. Those that have received important attention of members include the unauthorised absence of doctors from local hospitals, the reluctance of doctors to work in rural hospitals, the problem of absorbing a large number of project officials/employees on a permanent basis, allegations of corruption against the project director of 300-bed (health) project in Suhrawardy Hospital, purchase of a huge number of birth control pills for four years at a time, and allegations of corruption in distributing medicine. Many of these issues deserved further inquiry and attention, in fact, had there been a serious probe, many irregularities could certainly have been unearthed. But these did not receive any serious consideration. These were routinely discussed; while the Ministry was asked to look into the issues. No attempt has so far been made to check the extent to which corrective actions have been taken.
55. The P&TC has remained comparatively less active; it has met far less regularly than the other committees, especially the FC. The committee, however, has discussed a number of issues such as corruption and irregularities in the T&T Board, award of contracts without tender, and signing of contract with private companies for providing telephone facilities and services in a nontransparent manner. Many members expressed dismay at the ways contracts were signed with Grameen Phone, Seba, Alkatel- all now providing telephone services. Some also asked for the contract documents and accordingly it was decided that all papers relating to the signing of contract with the above-named companies would be made available in the next meeting. But only a few documents were actually made available, which the members found as incomplete. The Secretary of the Ministry was apparently reluctant to produce all the documents arguing that the members could not have unrestricted access to them. What he suggested was that if any member had any specific objection against any company or/and if he wanted to see any specific document, then those specific documents could be made available. The P&TC, however, subsequently set up an eight-member sub-committee to check the extent to which irregularities have taken place in this respect. The issue of corruption in the T&T Board has surfaced in more than one meeting. Accordingly, a five-member inquiry committee was formed to inquire into the allegations of corruption against the Board. The committee is headed by AL Whip Mizanur Rahman Manu and composed of two members each from the treasury and opposition benches. None of the committees, however, has yet produced any report; the time limit for submitting reports has been extended up to the end of April 2000.
56. Meanwhile, members have also alleged irregularities in awarding contracts for the installation of 189,000 digital telephone lines. It was decided in one of the meetings that all members would be supplied copies of all documents including tender documents related to the project within seven days. Some members even suggested that the project work should remain suspended until the committee had deliberated over this issue. But the Minister was not apparently ready to discuss it when the issue resurfaced in the next meeting held on 20 December 1999, arguing that since the work had already commenced, it would not be advisable to stop it, temporarily or otherwise. Nor could any discussion take place on the tender for 215000 telephone lines because of the absence of the Minister.

57. The EC remains the least-active among the oversight committees. Although it has held more meetings than the P&TC, the nature of oversight activity it has exercised, in a sense, lacked both depth and focus. Although it has routinely examined the working of different executive agencies under the Ministry of Education, the nature of issues raised and discussed do not appear to have much policy or financial significance. It has discussed, more as a matter of routine, the irregular appointment of teachers in primary schools, corruption and irregularities of officials in different education boards and the National University, and the problems facing the universities. One of the opposition members in the EC raised the issue of embezzlement and misappropriation of funds in NCTB but the committee did not apparently take into cognizance the likely implications of such irregularities. The Minister was seen to be critical of the member naming the company from whom the paper for printing primary school text books were procured. No major decisions have so far been taken by the EC that deserve special mention. Like the PUC, the EC has so far mostly performed 'information seeking' function.
58. The different oversight committees, as the discussion above shows, have differed from each other in several respects such as the number of meetings held and the nature of issues discussed. They, however, share some characteristics also. For example, none of the committees has exercised its permissive power in a balanced way. Each committee has stressed on overseeing the activities of some agencies more than others. For example, the FC has given more emphasis on banks than on other organizations; while the EC deliberated more often on the problems facing the primary and mass education sector than higher education. The HC has focused more on the activities of the Directorate of Health than the Directorate of family Planning; while the P&TC has spent less than ten per cent of its time examining the working of the postal department. None of the oversight committees has ever sought to examine the ways funds for different services or programmes have been allocated or spent. Although the *Rules* do not specifically require such committees to examine the expenditure of different ministries that they shadow, neither do they bar them from doing so. In general, this issue does not interest the members. But, like the financial committees, most of the oversight committees have also played a more pro-active role than their predecessors.

Limits of Committee Influence

59. This section provides a summary account of the significance of committees, specifying the extent to which they have had any impact on the dominant pattern of behaviour of different actors and agencies. One important measure is to see the extent to which various government departments/ organizations faithfully comply with the directives/suggestions of different committees. It is probably relevant to mention here that committees generally do not possess any executive power; what they can mostly do is to recommend actions for improvement. They lack any formal authority to enforce their recommendations/decisions. Much of what they can actually do depends upon the ways other important actors in the political arena, in particular, the government, and the chamber that appoint them, perceive their role. When the committees are evaluated by "pre-ordained objectives", they can not be considered a major success. One exception is probably the PAC, which has performed better than the other committees. It has, in fact, had greater success in influencing the behaviour of recalcitrant officials and agencies.
60. Following the recommendation of the PAC, an amount of TK. 2040 million has been recovered to the exchequer and TK. 9050 million has been adjusted. This seems to be an

extra-ordinary success. In the case of objections and comments relating to TK. 5804 million, the Ministries have been asked to take departmental actions and inform the PAC. The Committee has also decided to rediscuss audit objections and comments relating to TK. 300 million at an appropriate time; while a certain amount has been written off. Following the recommendations of the Committee, issue-based audit has been undertaken by the Audit department as a first step towards introducing performance audit and value for money audit. Besides, unlike the past, the present PAC has not ever made any complaints of non-compliance. In fact, it has noted with satisfaction that officials are now more careful not to sideline its recommendations. In one of its report, the PAC has observed that two secretaries of the government who, according to the *Rules of Business* are Principal Accounting Officers of their Ministries, apologised to it in writing for their inability to attend meetings of the committee. Never before in the past in Bangladesh's history did any senior official behave such ways.

61. One opposition parliamentarian has referred to the presence of skilled parliamentarians as Members of the PAC and the good understanding between themselves as one of the most important reasons for its success. There are also several other factors that have influenced the way it has worked; perhaps the most important is the leadership role of its Chairman to which reference has already been made in an earlier section. Another important factor accounting for the relative success of the PAC is its attempt to follow up decisions and to monitor them. As can be seen from Appendix 10, many ministries have been asked to appear more than once before the PAC to settle audit objections; this gives an opportunity to the Committee to check the implementation status of decisions taken in earlier meetings. The PAC has already formally held a number of meetings to assess the status of implementation of decisions taken until now. This has an important implication. Ministries now realise that they have to appear before the PAC on a regular basis. This works as a deterrent, influencing them to change, at least up to a certain extent, their traditional habit of not responding to the call to settle audit objections. Also the decision of the committee, taken in its second policy planning meetings, to refer the issue of non-compliance by ministries/individuals to higher bodies such as the Cabinet, and to the JS recommending discussion on it and for resolution condemning the defaulters, apparently work as an important deterrent. The Chairman of the PAC has observed that the old habit of Ministries is changing gradually, although slowly. He has, however, argued that without a strong staff support, the Committee cannot go much beyond a certain limit. Had there been a better staff support, the Committee could have moved much faster.
62. The above discussion is, however, not to idealise the role of the PAC. Nor is it to suggest that there is no scope for improvement. In fact, there is still a strong case for revamping the PAC to make it an effective 'watchdog'. The Committee has, however, noted with regret that many organizations did not take any preliminary step to settle audit objections even 12 years after these were first raised. Among the ministries that took more than ten years or more are the Ministries of Food, Foreign Affairs, Jute and Agriculture; while the Ministry of Local Government took the lowest time (20 months) to respond to audit objections. In its first report, the present PAC observed that the number of audit objections and comments that are not usually included in the C&AG report and those that remain unsettled appeared to be extremely high. Their number has increased over time and if proper measures were not taken to ensure that they did not happen on a regular basis, there would be a serious break down in the financial management of the country. In order to expedite the process of settling both types of audit objections the PAC has suggested the creation on an audit cell in each department/ministry. The PAC of the fifth parliament and a former CAG also recommended similar measures but no such steps have yet been taken.

63. However, although the effectiveness of the PAC, to some extent, can be measured in quantitative terms, the task of identifying the achievements and influence of other committees is difficult. One of the most important objectives underlying the parliamentary scrutiny is to influence the behaviour of officials, i.e. to make them behave according to legislative intent, which is difficult to measure. One way to do so is to see the extent to which the ministries/agencies look upon the recommendations/suggestions of different committees with respect. Available evidence shows that the ministries do not voluntarily agree to implement them. Generally the recommendations made by different committees remain unimplemented. Most of the committees have expressed dismay at the slow implementation/non-implementation of decisions by different ministries. The PUC, for example, once asked for reports from nine organizations (whose work it had reviewed), on the implementation of decisions taken by it. But only four organizations complied with its decision; while five other organizations failed to submit reports. Those who produced reports on time also made them in a casual manner. One of the members termed the report of one organization as "absolutely bogus". The PUC, like the PAC, have also learnt the ways of enforcing the implementation of its recommendations. In one of its meetings held recently, the committee assigned the responsibility of assessing the progress of implementation of decisions to four of its members, and asked them to submit their reports at the next meeting of the committee. This strategy proved somewhat successful. A number of organizations provided detailed reports on the implementation of decisions made by the PUC. What is, however, needed is to cross check or verify the measures that are said to have been taken by the defaulting organizations. But the committees remain seriously handicapped because of lack of staff and other support; this, in fact, discourages any major follow up study. Examples from other countries also confirm the usefulness of follow up inquiries in making recalcitrant departments/officials behave in accordance with the recommendations of parliamentary committees.
64. Secondly, officials/ministries not only often ignore the recommendations of committees; some of them also have a tendency to defy their directives. As an example, reference can be made to the decisions of the Ministry of Health to approve the signing of contract for TK. 22 crore package 1 of the ADB-aided health project defying the unanimous decisions of the HC for retendering, as observed earlier. What is surprising is that the State Minister for Health, who headed the inquiry into the lapses in the tender process and recommended retendering, subsequently approved the signing of contract with the bidder originally selected by the PMU. This issue (of defiance) was raised in one of the meetings of the HC, when the members expressed strong resentment against the decision of the Ministry of Health. Some of the members also accused the state minister of playing a 'double-role'; the latter, however, argued that he was apparently helpless in the face of the pressure by ADB. He observed that the ADB did not agree to the proposal for retendering; it even threatened to withdraw support to the project. This issue resurfaced in another meeting of the committee when there was an altercation between the minister and his secretary; at one stage the latter called his political 'boss' a 'liar'. The HC later decided that if the government, for any reason, could not implement its decisions, it must consult the chairman of the committee before taking a different decision. The committee would then consider it. The committee considered the decision of the state minister as "illogical", although it fell short of censoring him.
65. Thirdly, there are also other examples of defiance by different ministries. Despite repeated requests, many ministries do not always make available important documents. Whenever supplied, these may remain incomplete in many instances. Different committees have cautioned the officials to be careful while submitting documents but the situation has not apparently changed to any significant degree. Even many ministers are also seen to be hostile to the proposal for supplying documents and files to committees. The PEC has apparently

faced more resistance than the other committees in collecting important documents. Other committees (not included in the sample), for example, the Energy and Mineral Resources Committee and the Defence Committee, have also complained of the difficulties of having access to documents. The problem of forcing attendance and in particular, the production of documents, is not a peculiar Bangladeshi characteristic; committees in advanced democracies also face this type of problem.

66. Fourthly, an important factor limiting the effectiveness of committees is a lack of consistency between the issues discussed in committee meetings and the decisions actually taken. Discussion in committee meetings often does not proceed according to the agenda. Issues not originally included in the agenda often dominate discussion in committee meetings. Officials, who outnumber the members, very often overburden the latter with statistics and data in such a way that they may find them very difficult to digest. Members also have complained that they are very often supplied many papers that are unnecessary; while many important documents are being withheld. Some have also complained that officials send working papers to them very late, usually a day or two before a meeting is scheduled to be held; this does not allow the members to do any homework before attending committee meetings, which many find as a disadvantage.
67. Fifthly, lack of communication between different committees is an important factor, limiting the effectiveness of committees. It is thus not uncommon to find different committees working at cross purposes. As an example, reference can be made to the scrutiny of activities of the NCTB by the PEC, the PUC and the EC. All three have examined the issue of awarding contracts to Russell and Company for supplying paper for printing primary school text books. The PUC, as already observed, set up a committee to inquire into the (wrong) way decisions were taken to award the contract to the company; while the EC discussed the issue in one of its meetings but did not take any decision in this respect. The PEC first detected the misappropriation and embezzlement of funds by Russell and Company; its findings have recently been reported in the press. Had there been coordination between different committees, it would have been possible to save time, energy and resources. There is thus a clear case for inter-committee consultation, especially between different financial committees and between the PEC and the oversight committees. In particular, the PEC findings can provide staple diet to the oversight committees, if they are willing to inquire into the lapses of the ministries they parallel. The HC inquiry into the irregularities in the implementation of the TK. 100 crore Second Health Service Project made on the basis of the preliminary inquiry report by the PEC provides a major case example. As a first step towards such coordination, the PEC may make available its preliminary findings on irregularities and corruption in different ministries, requesting further probe.
68. It is, however, difficult to identify the extent to which the different committees will look upon each other's role as complementary; whatever limited evidence is available shows that they may consider each other as adversary. As an example, reference can be made to the (over) reaction of the HC on the scrutiny of several CMMU (Construction, Maintenance and Management Unit) files by the PEC, which apprehended serious irregularities in scrutinising applications for the appointment of contractors by the Unit. Some of the members of the HC criticised the PEC for refusing to return the files, which had allegedly been lying with it for a considerable period of time. The Health Ministry observed that despite repeated requests, the PEC refused to return the files. The chairman of the HC also complained that the chairman of the PEC misbehaved with him when he asked for the files. The HC directed the ministry officials not to make available any files in future to the PEC without its permission and that of the Ministry. It also proposed disciplinary actions against those sending papers and

documents to the PEC without the permission of the Ministry of Health. A letter subsequently addressed to the HC chairman (copy of which was also sent to the Prime Minister) clearly showed that the HC had probably overreacted to, what can be called a 'ploy' by health officials.

69. The HC also expressed strong resentment against the PEC for allegedly interfering with the process of purchasing medical equipment amounting TK. 35 million on a World Bank grant. The Director of the Central Medical and Storage Department (CMSD) observed that the PEC did not allow it to avail of the opportunity. The latter, however, observed that it did not object to the purchase of equipment; rather it asked for some clarification on certain issues and explanation on several lapses that the CMSD did not do. To the contrary, it remained silent, and as a consequence, the project probably lapsed. Documents supplied by the CMSD to the PEC clearly show several breaches of rules; there is a clear evidence of the intention of embezzlement and misappropriation. The PEC specifically identified several loopholes in the tender documents in the presence of CMSD officials and asked them to take corrective actions. Rather than doing that, they raised the issue in a meeting of the HC complaining against the PEC, thereby seeking to influence the members to adopt a critical view of the role of the PEC. Such bureaucratic 'ploys' are likely to discourage inter-committee collaboration and rapport. Had the two committees met and discussed the issue, a different picture would certainly have emerged. This also calls for a major change in the orientation and attitude of the bureaucracy.
70. Sixthly, an important problem that may discourage serious scrutiny is the problem with taking disciplinary actions against recalcitrant officials, or those found guilty of serious offence such as wastage and misappropriation of public resources. Following the inquiry into the misappropriation of public funds by the HC, a number of civil surgeons were removed. But the court, on application from some of them, issued a stay order, and asked the Ministry to explain the legality of its action. The court also observed that since the aggrieved persons were removed on the basis of a parliamentary committee report, which was not placed in the parliament and/or approved by the Speaker, this decision warranted legal interpretations. The HC, however, differed with this opinion and observed that a parliamentary committee, after inquiring into a particular issue/lapse, could recommend to the concerned Ministry for corrective actions. There is no need to refer the issue to the House at that stage; however, if a particular ministry does not implement the recommendations of a committee, it should then report to the House. This issue needs further exploration.
71. Seventhly, an important limitation of the committee scrutiny is that it very often lacks focus. Experience shows that the nature of activity undertaken by oversight committees remains limited to holding "explanatory dialogues", to borrow Johnson's terminology, between the committee members and officials. Officials generally do not appear before committees as witnesses; what they mostly do or are being asked to do is to clarify and explain, and not to account for their (in)action. The exceptions are few. A part of this defect stems from the methods of work followed by oversight committees. Unlike the PEC, which regularly conducts inquiries, the dominant practice followed by oversight committees is to convene meetings to have a general overview of the activities of the ministries they shadow. It is rare for such committees to investigate into the lapses in the working of ministries. In fact, lack of willingness of the oversight committees, and to some extent, the PUC, to use their power of investigation is one of their main sources of ineffectiveness/weakness.
72. The above discussion is not intended to argue that the committees have miserably failed; to the contrary, both sets of committees have fared better than those elected in the past in almost

every respect: holding meetings, scrutinising bills, overseeing the activities of ministries and conducting inquiries. Among the financial committees, the PAC and the PEC have received more attention. The latter (PEC) has, to some extent, become a 'feared' institution. Even the opposition members in the committee have lauded its role. Many organizations, as the chairmen and members of the committee observe, have become aware of the fact that they cannot easily engage in wrong-doing without the risk of being made accountable to it. In other words, the existence of this committee can provide a counterweight, influencing many defaulting officials to become careful while planning the future course of action.

73. It is, however, difficult to pin down the organizations that have become aware of the risk of being called to account by the PEC. Unless ministries take corrective actions against those responsible for wrong doing, committees are likely to remain handicapped. The role of the ministers is crucially important in this respect. There are some evidences that they have become somewhat attentive to some of its suggestions. For example, following the inquiry of the PEC into irregularities in purchasing computers under the Primary Education Development Project for Dhaka, Rajshahi and Khulna Divisions, the Ministry of Education has referred the issue to the Bangladesh Computer Council for opinion; it has recently sent a reminder, requesting the Council again to give its comment/opinion on the matter. The Primary and Mass Education Division of the Ministry of Education has also set up a committee to inquire into the irregularities in the Facilities Department detected by the PEC. Many organizations, however, still remain suspicious about the role of the PEC.

Committees in Comparative Perspective

74. Committees are ubiquitous; they exist in all parliaments- large or small, old or new. However, notwithstanding an increase in their nature of activism and perhaps impact, committees in the Bangladesh parliament compare unfavourably with their counterparts in other Westminster systems- India, Britain, Canada, Australia and New Zealand. As observed in an earlier section, in all of these countries, committees have formally some role in the scrutiny of expenditure. In particular, the PAC, which enjoys almost an exalted status in each of these countries, has had greater impact than the other committees. Its recommendations are conventionally honoured; rarely are they rejected. This gives it the most strength. The PAC is both feared and revered. In Britain and other established Westminster systems, the CAG who provides the main source of expert advice, is now an officer of parliament. His inquiries generate important information for the PAC inquiries. Similarly, the CAG also relies on the report of the PAC to generate some political pressure on recalcitrant departments.
75. However, the activity of oversight committees in Britain does not generally focus on expenditure. The examination of expenditure, in fact, has received far less attention than the other issues. One estimate shows that oversight committees spend only five per cent of their time on public spending. Still, only those expenditures, which generally have substantial policy content, attract the attention of the members. Comparatively speaking, the scrutiny of estimates by the Senate Legislative Committees in Australia appears to be more effective than in other countries. Estimates hearing are potentially of great importance as instruments of accountability because they provide regular opportunities for the Senate to take advantage of the availability of public servants who appear as witness to clarify and explain the quite extensive budget and management information prepared by each agency. The Canadian oversight committees also go through the departmental estimates with as much scrutiny as possible given the timetable. Although the forms in which estimates are prepared are so complex that it would take an expert to understand fully, the review by committees nevertheless enables parliament to perform one of its traditional functions, i.e. of keeping an

eye on public expenditure. It has the further benefit of forcing the departments to be more rigorous in preparing the estimates. Through its committees' review of departmental estimates, the House monitors public expenditure before they are incurred. The oversight committees in India have to be more active in the scrutiny of estimates, as they are given four weeks to do it and to report back to parliament. These committees routinely submit reports on the demands for grants of different ministries; the government generally accepts nearly sixty per cent of them. Kashyap, however, asserts that the recommendations that are really important or of some consequence are not accepted; those that tend to be accepted are those which are minor and create no difficulties for anyone or those which are in tune with the thinking of the government or the ruling party.

76. Compared with the PAC, the recommendations of the oversight committees in Britain are given less importance. Only one-third of the recommendations is accepted. The government is, however, now required to respond to the reports of committees at certain interval. In Britain, the maximum time set for the government to respond to the recommendations of oversight committees is two months. The House of Representatives in Australia also obliges the concerned minister to give a statement on the steps taken by the government within three months of the committee placing its report on the floor of the House. However, as observed earlier, members of oversight committees have a tendency to focus more on policy than on expenditure. They do not find the examination of estimates as interesting and attractive. Notwithstanding the provision for sending estimates to committees, serious deficiencies in parliament's financial control still remains. Referring to Canada, one critic has argued that the procedure of the House for approving expenditure and taxation play virtually no substantive part in the decision-making process. Yet, a lack of control by committees or sporadic interest of members to check expenditure issues may not cause a chaotic situation in financial management. The treasury, which is charged with exercising the main control over expenditure in Britain and Australia, has always been considered as very effective. In Britain the government also makes public its expenditure plans at different times of the year, thereby providing opportunities to have an 'informed' public debate over them.
77. In Bangladesh, not only can one notice serious deficiencies in the system of financial control; more importantly, those responsible for financial mis-match even remain defiant, refusing to reform themselves voluntarily and/or to accept the recommendations of different watchdog agencies such as parliamentary committees. Parliamentary committees in Bangladesh are, in one sense, not good 'watchdogs', nor, however, can they be considered to be 'poodles'. What is, however, clearly evident is that there is a lack of convergence between the willingness and the ability of the members to do what is expected of them. Why do they behave the way they do has yet been explored properly. Several factors- structural, procedural, and political-may be identified.
78. One of the structural drawbacks is the presence of the Minister as a member of the oversight committee. In fact, as long as ministers sit on committees as members and do not appear before them as witnesses, they will have a natural advantage over the backbench members. This will enable them to influence the setting of the agenda and manipulate the working of committees.ⁱⁱ As senior party leaders, ministers have the ability to help many government backbenchers achieve their career aspirations. Alternatively, they can block them. This may be seen as a deterrent against backbenchers taking a critical view of the working of a particular ministry, especially when the Minister remains present in committee meetings.
79. An important structural drawback to making the committee system effective is the (negative) attitude of the bureaucracy. Although the bureaucracy does not always openly defy the

authority of committees, neither can it be seen as much hospitable to their suggestions or demands for more transparency and accountability. One of the important reasons is the overdependence of the successive ruling parties over the bureaucracy mainly for regime maintenance. Comparative experience shows that committees fare better in those systems where the bureaucracy is under some kind of pressure on a continual basis to adapt to changing political demands and priorities. In Britain, Canada, Australia and New Zealand, substantive administrative reforms have preceded/followed reform of the parliamentary committee system. These have, to a large extent, reduced the capacity of the bureaucracy to short-circuit the implementation of decisions taken by committees; the activity of the bureaucracy is continually being monitored by committees and other agencies. In most of these democracies, top mandarins have even lost the previous guarantee of 'job for life'. The general consensus in established democracies that the bureaucracy be kept under check or constant surveillance is an important factor, discouraging any serious resistance to suggestions made by committees. In Bangladesh, on the other hand, the main parties do not apparently have any plan for administrative reform; whatever attempts have been made over the last twenty five years have turned out to be abortive. The bureaucracy has traditionally resisted any plan for its reform. Notwithstanding the restoration of the parliamentary system of government in the 1990s, the relations between the political leadership and the bureaucracy still remain seriously imbalanced, with the latter exercising much more policy influence than the former. This may be seen as a serious constraint to the evolution of a strong committee system.

80. One of the most important political factors is the role of the party. Parliamentary government is party government. Party is ubiquitous in a democratic system. In fact, one of the most important arguments in favour of strengthening committees is to lessening the influence of parties. Comparative experience shows that committees fare better in those countries where the party system is decentralised and party members have more freedom of action. Where parties exert limited or no control over committees, the latter are free to develop a life of their own and a strong contribution to the outputs of the legislature.ⁱⁱⁱ In many parliamentary democracies, especially Britain where the party system is strongly entrenched, measures have been taken to reduce the scope for party influence in the nomination of members to committees and the way they behave. The influence of constituency parties, which play an important role in nominating parliamentary candidates, is also an important factor, limiting strong party control over the behaviour of MPs/committee members. In Bangladesh, on the other hand, parties not only play an extremely important role in assigning members to different committees, but also seek to regulate their behaviour in many ways. In particular, party heads exercise widespread discretionary powers including the authority to nominate candidates to parliamentary seats. Most of the members have to toe the party line; to attempt to play an independent role *vis-à-vis* the party is to risk disciplinary actions including refusal of party nomination in the next election. The ubiquity of the party is thus an important factor, limiting the effectiveness of committees.

Proposals for Reform

81. That the parliament in Bangladesh remains deficient in exercising oversight over government in general, and expenditure in particular, has long been recognised. This study has further confirmed this general conclusion. Some of the reasons that account for the 'limited' role of the parliament have also been identified. There is, however, no 'one best way' of overcoming the deficiency and to strengthen the parliament to enable it to exercise oversight more effectively. It is, however, often argued that procedural reforms may partially compensate the 'deficit' in parliamentary influence in the scrutiny process. One British parliamentarian has

explained the need for and the rationale of procedural reforms in the following way: "Parliament dies if it does not update its procedures. Procedures are the muscle and sinew of parliament. If we do not exercise this muscle and keep it in good trim for contemporary challenge, then we shall have no real job to do". Another parliamentarian, however, has cautioned that there are limits to the speed with which modification of procedures can be done. He has observed: "There is a limit to parliament's power of assimilation. These powers depend greatly upon experience in working a machine, watching it work from year to year, trimming it here and there as necessary. There is a danger in the House (of Commons) innovating faster than the influence of experience can be brought to bear on its innovations".

82. In Bangladesh parliamentary reforms have proceeded at a much faster rate than changes in other sectors, especially the bureaucracy, the party and the electoral system. Within a span of less than a decade, the parliament has introduced many noteworthy reforms, the two most important of which are the restoration of the parliamentary system in 1991 and the establishment of an independent Parliament Secretariat in 1994. Among the procedural reforms, the democratisation of the committee system in 1997, the introduction of the Prime Minister's Question Time (PMQT) in 1997 and the so-called 'zero hour' in 1998 (which was terminated later) and the expansion of the power of the financial and oversight committees in 1992 deserve special mention. But the bureaucracy and the party system, have not undergone any change for a long period of time; both provide serious constraints to the efficient working of parliament, in particular, committees. Thus whatever further measures are taken to reform the parliamentary procedures are likely to have limited impact unless measures are taken to reform especially the bureaucracy and the party system.
83. This, however, is not to argue that parliamentary reforms be suspended until progress can be made in reforming the other 'political' sectors. Many of the parliamentary reforms undertaken so far are intended to increase the general oversight capacity of the parliament; only a few are specifically intended to strengthen its control over public finance. There is thus a clear case for reforming both financial procedures as well as strengthening the (financial) committees. One leading authority on the British government has remarked that in order to work effectively, committees must be wisely led and wisely fed. While there is a clear evidence that most of the chairmen are willing to spend more time than their predecessors in committee-related activity, their ability to work is largely constrained because the committees are 'unwisely' fed, to be appropriate, not fed at all. As observed in an earlier section, committees in Bangladesh are less-resourced and less-informed than their counterparts even in neighbouring countries. Without some kind of permanent, professional and expert assistance, it will be difficult for committees to do what is expected of them. It is not argued that the more the staff, the better will always be the performance of committees; to the contrary, committees may play a ceremonial role even when they have access to large staff and other resources. As an example, reference can be made to the well-resourced and well-staffed Japanese committees, which rank second only to the U.S committees in this respect. Yet they still remain mostly ineffective. Their authority, as one of the leading scholars on the Japanese Parliament observes, "is a chimera and their accomplishments are largely meaningless".
84. What is, however, argued is that the nature of staff and other support at present available to committees in Bangladesh is so insignificant that it may not encourage the chairmen and members to play any major pro-active role. But all committees do not need exactly the same level of support. While the provision for secretarial support is an absolute necessity for all committees, some others (committees), for example, the PAC and the PEC, may need substantial research support than others if they are to properly undertake the functions

assigned to them. Among the financial committees, the PEC may need more support than the PAC as the latter has an important source of expert advice and support- the CAG and his office. The PAC examines particular items of expenditure and the procedures associated therewith, taking as its starting point facts, which are already before it and beyond dispute. This means that the task of the PAC tends to be both exact in content and narrow in scope. In contrast, the inquiries of the PEC normally range more widely, have a more exploratory style and less exact in conclusion. It has thus to define for itself the issues which are important and has of necessity had to take a broad view of the kind of questions that it seeks to address. The need for staff and facilities is thus likely to vary.

85. *It is thus recommended that the Parliament/Institute of Parliamentary Studies immediately undertake a (staff) need assessment study, identifying the nature of staff and other support including research that different categories of committees need, and specifying the ways these can be provided to them. Meanwhile, urgent measures be taken to ensure that each committee receive at least a minimum level of facilities such as computer and photocopiers so that the output of whatever minimum staff support is now available can be maximised.*
86. The parliament, at present, is not much aware of the activities of committees. In the absence of any provision (mandatory or otherwise) for regular reporting to parliament, much of what the committees do remain unnoticed. Whatever contacts take place between the committees and the government departments remain outside the public purview. There is not much scope for 'informed' public scrutiny or debate on the activities of committees. Nor do the parliamentarians/people have any idea about the way(s) different ministries/departments respond to what the committees suggest. There is a need for making both the activities of committees and the relations between committees and the government more transparent.
87. This can be done in different ways: firstly, by making the meetings of committees open; secondly, by making their findings/decisions public; and thirdly by a combination of both. To make the committee meetings open is, however, to risk discouraging critical scrutiny of issues that come up for discussion in committee meetings. More importantly, it may increase partisanship and discourage inter-party compromise. On the other hand, a change in the existing *Rules* requiring committees to report on a regular basis can help make both the committee activity transparent and also may encourage the bureaucracy anticipate possible reaction to the policies they pursue and the actions they take. Opportunities for debates on the reports will further strengthen the cycle of accountability. The House should also pay some attention to the reports of its committees for several reasons. Firstly, it produces public discussion of significant problems arising out of the activities of government. Secondly, attention in the House, especially through debate does strengthen the authority of these committees. Thirdly, it is some discipline for the departments to know that a critical report may not vanish immediately without trace but may be pushed up and put before the Minister in debate.
88. *It is recommended that the Rules be amended requiring financial and oversight committees to report to the House at least once in a year on their activities, and/or findings of inquiries into the lapses of the ministries. The government should be required to respond to the recommendations of committees within four months of the submission of the report. Five sitting days be reserved, preferably during the autumn session and the spring session, which are summoned mostly to satisfy the constitutional requirement than to undertake any serious parliamentary business, for debating committee reports. A part of the private members' time may be allocated for the purpose. The existing Rule requiring committees to meet in private may be retained but they be allowed to hold public sessions, seek public submissions and*

invite the 'informed' public to give evidence as and when they deem fit, especially when conducting inquiries.

89. As observed earlier, there is relatively little scope for the parliament to exercise control over the planning of public expenditure; the only committee that can have some impact, the PEC, remains disadvantaged for a number of reasons. What is needed most is to devise mechanisms to ensure that the time allocated for deliberating over financial issues is spent in a productive and meaningful manner. This will call for a more rational allocation of time between different stages of the budget process, in particular, the general discussion and the discussion and vote on the demand for grants. Both stages are now characterised by intense partisan conflict; there is relatively little or no scope for partisan mutual adjustment in the whole process. One important way to compensate the deficiency is to carve out a certain portion of the time (allotted for budget discussion) for the committee-stage scrutiny of the budget, and the bills that are needed to give effect to government's financial proposals. There is also the need to allocate more time for scrutinising the budget. The tendency of the government to pass bills including the budget in an unnecessary haste has to change. Two options can be identified: first, the budget session can commence earlier, preferably in May, and continue up to the end of June, thereby giving more time for deliberation. Alternatively, the parliament may grant supply for two months in advance immediately after the budget is (to be) presented in late June and refer it as a whole to a committee to be called budget and finance committee, and the separate demands for grants of different ministries to oversight committees. The amount of money granted in advance is to be intended to defray expenses in the early months of the new financial year when the committees will be required to scrutinise the budget proposals. The Constitution of Bangladesh, as observed in section two, allows such withdrawal in advance on the condition that it is embodied in the appropriation bill subsequently passed by parliament. The finance bill, introduced on the same day as the national budget is presented to the parliament, can also be referred to the proposed budget and finance committee. Rules should be made to define in clear terms the roles of committees in the scrutiny of financial proposals.
90. In order to make the process effective and useful, committees may be given the power to call ministers and secretaries to defend their proposals before the committees. The time allocated for discussion of the budget and finance bill both in the House and in committees be distributed equally between the government and opposition benches. The House will, however, have comparatively less time to debate the budget if these proposals are implemented. But the now defunct 'zero hour', which allowed the members to have unscheduled debates on any topic of their own choice for half an hour every sitting day, can be reintroduced to compensate the loss. As the government has a majority in each committee, it does not have to be alarmed because of the proposal for referring the budget and the finance bill to committees. Committee scrutiny can certainly help improve, if not perfect, the proposals. If the government is not hospitable to any proposal made by committees, it can use its majority to defeat them in the House. But the gain that may accrue from the scrutiny of financial proposals in committees will certainly outweigh the cost.
91. *It is thus recommended that Rules be amended, requiring the referral of the budget and the finance bill to a new budget and finance committee, and the demands for grants of ministries to different oversight committees. These committees should be required to submit reports to the House within four weeks of referral, recommending amendments needed and specifying the logic underlying them. The House should be adjourned for a four-week period after the budget is presented to the House. The oversight committees should be allowed to suggest modification in the estimates of expenditure as embodied in the demands for grants; the*

variation in the reduction of expenditure, however, should not exceed more than five per cent of the total estimate. The existing practice of moving cut motions in the House be discontinued. The Rules be amended requiring the House to give due consideration to the reports while discussing the budget and the demands for grants of different ministries.

92. However, if there are alternative ways of strengthening the control of the parliament over the estimates of expenditure (and income) before they are being voted in the House, there is also a major need for improving the post-expenditure review undertaken by the CAG and the PAC. At present, the authority of the CAG is largely circumscribed. For all practical purposes including the approval of the budget, he is dependent on the Ministry of Finance. He lacks the power to hire the qualified and professional auditors, nor can he restructure the office, promote or reprimand staff or purchase equipment without the approval of the Ministry of Finance and the Ministry of Establishment. The proposal to strengthen the office of the CAG did not receive any favourable attention from the government in the past; the bureaucracy resisted the proposal for increase in staff and logistics.
93. The *Rules of Business*, revised after the AL assumed state power in 1996, now require that the annual reports of the CAG be routed to the President through the Prime Minister's Office (PMO). This is likely to have some negative consequences; in particular, this risks making the CAG vulnerable to the pressure and influence of the executive. Previously, the CAG submitted his reports directly to the President who, in turn, used to send them to the parliament. Until the middle of the 1990s, reports made by the CAG were usually a few years old, but some improvements took place during the tenure of the former CAG Hafizuddin Khan who somehow succeeded in clearing the backlog, to a considerable extent. Opportunities now exist for the CAG to report on the use of appropriations by the government in power. These may, however, cause some concern within the government and even make it sensitive to criticisms made in audit reports.
94. But the problem cannot be solved only by making the CAG an officer of the parliament or by appointing an opposition MP as chairman of the PAC- proposals that have been widely canvassed in recent years by donors and other stakeholders. Both proposals are attractive, yet they are not sufficient by themselves to ensure responsible government behaviour in financial management. There is an urgent need for separating audit from accounts, both functions now being performed by the CAG. As the same group of people performs the two functions of auditing and accounting, there remains a clear possibility of conflict of ethic. Lack of professionalism among auditors can also be seen as a handicap. As there is a risk that the quality of auditing may remain far from satisfactory, the effectiveness of the PAC is also likely to suffer. The quality of the scrutiny of expenditure by the PAC is largely facilitated/constrained by the nature of reports produced by the CAG. As observed before, the PAC bases its work on the report of the CAG. What is needed most is to strengthen the office of the CAG and to promote more direct relationship between the PAC and the CAG.
95. *It is recommended that an independent audit department on the model of the British National Audit Office (NAO) be set up with the CAG as its head. The CAG be made an officer of the parliament and appointed on the recommendation of the Prime Minister and chairman of the PAC. He should be given full control over personnel and finance of the proposed audit department and be made accountable to the PAC. The budget of the new department should be voted separately on the advice of the PAC to be headed by senior opposition MP. It is further recommended that the Rules be amended requiring the CAG to audit the accounts of the government in power on a priority basis and the PAC to scrutinise the current audit reports.*

96. The PUC has not outlived its importance; in fact, as observed earlier, it has devised a new way of making its presence felt, and influencing a recalcitrant bureaucracy to respond to its suggestions. However, the scope of operation of the committee is comparatively wider than most other committees. In particular, it has to oversee the activities of a huge number of organizations, a function that it finds almost impossible to perform. There is thus a case for transferring the responsibility of the PUC to oversight committees and the PAC. This will also call for a redefinition of the role of these committees.
97. *It is recommended that the tasks now assigned to the PUC be distributed between the oversight committees and the PAC, with the latter absorbing the function of examining the reports and accounts of public undertakings, while the oversight committees be allowed to undertake other functions. The functions of the oversight committee be redefined as.....oversee the expenditure, administration and policy of the ministries and the associated bodies under them.*
98. The above recommendations, if implemented, not only are likely to lead to an increase in the workload of financial and oversight committees; the members will probably be required to invest more time and energy in parliament/committee-related business. As observed in an earlier section, the majority of members are part-timers; they have other occupations to pursue. The demand on their time from their professions/vocations and the constituents has already resulted in poor attendance both in the sittings of the parliament and the committee. Thus the extent to which they will be willing to make 'more' use of their (new) permissive powers is difficult to ascertain. What is, however, clear is that the chairmen will especially be required to bear an 'unequal' burden; many of them may not be willing to do the extra-work unless some changes in the structure of incentives are made. The way these can be done be decided in consultation with the chairmen of committees.
99. *It is recommended that that the remit of (proposed) need assessment study be broadened, allowing it to seek the opinion of the chairmen of committees on the type(s) of measures needed to induce them to assume the responsibility for further work.*
100. The parliament in Bangladesh has more committees than many other similar legislatures; there are, in fact, more committees than necessary. There is thus a major need for the rationalisation of the committee structure, preferably by grouping committees undertaking similar types of functions into a single category. More important than this is the need for coordinating the work of different committees through an institutional device so that duplication and overlapping can be minimised as far as possible, if not eliminated. In particular, there is an important need for regular contact/cooperation between the financial committees and the oversight committees in view of the changes proposed in their functions.
101. *It is recommended that a committee of committees, to be called Liaison Committee, be set up with the Speaker as the Chairman, and the chairmen of all committees as members, to coordinate the activities of different committees. The functions of the committee inter alia will be to consider general matters relating to the work of committees, to arbitrate conflicts (of jurisdiction) between them and to arrange the order in which the reports of committees are to be debated in the House. The committee be required to meet at regular intervals, preferably once in three months.*

ⁱ BJS, *Rules*, p.63.

ⁱⁱ N. Ahmed, “Reforming”, p.84.

ⁱⁱⁱ Malcolm Shaw, “Committee Patterns in Parliaments”, in Longley and Agh (eds.), *The Changing Roles*, p.507.