

Public Finances (Management)

PART X. - THE PUBLIC ACCOUNTS COMMITTEE.

72. INTERPRETATION OF PART X.

In this Part, unless the contrary intention appears -
“the Chairman” means the Chairman of the Committee;
“the Committee” means the Public Accounts Committee;
“the Deputy Chairman” means the Deputy Chairman of the Committee.

73. CONSTITUTION OF COMMITTEE.

(1) Subject to this section and to Subdivision VI.2.E of the *Constitution*, the Public Accounts Committee shall consist of 14 members.

(2) Members shall be appointed at the commencement of the first session of every Parliament, according to the practice of the Parliament, but subject to this Act, with reference to the appointment of members to serve on Permanent Parliamentary Committees.

(3) The Speaker and the Chairman of Committees of the Parliament may not be members of the Committee.

(4) The Committee and the members of the Committee have and may exercise such powers and authorities, may perform such duties and are liable to such obligations as are conferred or imposed on the Committee or the members of the Committee, as the case may be, by the *Constitution* and this Act.

(5) Subject to Sections 75, 76 and 77, each member of the Committee holds office during the pleasure of the Parliament.

74. DECLARATION TO BE MADE BY MEMBERS.

Before entering on the duties of his office or sitting at a meeting of the Committee, every member of the Committee shall make and subscribe a declaration in the prescribed form.

75. NORMAL TERM OF OFFICE.

Unless he earlier -

- (a) dies; or
- (b) resigns; or
- (c) ceases to be a member of the Parliament; or
- (d) is removed from the Committee by Parliament; or
- (e) ceases to be a member of the Committee under Section 76 or 77,

a member of the Committee holds office until his term of office expires when the Parliament is prorogued.

76. VACATION OF OFFICE.

(1) If a member or the deputy of a member of the Committee -
(a) dies; or
(b) ceases to be a member of the Parliament; or
(c) is removed by Parliament from the Committee; or
(d) resigns by written notice to the Speaker; or
(e) in the case of a member, fails to comply with Section 77(2),
his seat as a member, or the deputy of a member as the case may be, of the Committee, becomes vacant.

(2) Where a vacancy occurs under Subsection (1), it shall be filled as soon as practicable.

77. FAILURE TO ATTEND MEETINGS, ETC.,

(1) For the purposes of this section, “a meeting” means a meeting of the Committee for which at least seven days’ notice to members has been given, and which -
(a) commences when the Committee first sits following a general election, the prorogation of Parliament or an adjournment of the Committee otherwise than for a period of less than 14 days; and
(b) ends when the Parliament is prorogued or when the Committee adjourns otherwise than for a period of less than 14 days.

(2) Subject to Subsection (3), where a member fails to attend a meeting -
(a) without the prior leave of the Committee; or
(b) without informing the Chairman or, if it is not practically possible to communicate with the Chairman, the Secretary of the Committee of his inability to attend,
during the whole of three consecutive meetings, his office of member of the Committee is thereby vacated.

(3) The Committee may, in its discretion, permit the office of a member of the Committee to continue where a member has failed to obtain prior leave or inform the Chairman or the Secretary of the Committee under Subsection (2).

78. QUORUM.

Four members of the Committee are a quorum at a meeting of the Committee.

79. PRESIDING AT MEETINGS.

(1) Subject to Subsection (2), the Chairman, or in the case of his absence or other disability the Deputy Chairman, shall preside at all meetings of the Committee.

(2) At a meeting of the Committee, the members in attendance may, in the absence of the Chairman and the Deputy Chairman, appoint one of their number then present to be the temporary chairman, and the temporary chairman has, during the absence of the Chairman and Deputy Chairman, all the powers given by this Act to the Chairman or Deputy Chairman.

80. VOTING.

(1) All questions that arise in the Committee shall be decided by a majority of votes of the members present, and when the votes are equal the member presiding has a second or casting vote.

(2) In all cases of divisions, the names of the persons voting shall be stated on the minutes and in the report.

81. POWER TO SIT DURING RECESS.

The Committee may -

- (a) sit and transact business during any adjournment or recess, as well as during a meeting, of the Parliament; and
- (b) sit at such times and in such places, and conduct its proceedings in such manner, as it thinks proper.

82. REPORTS.

(1) The Committee shall, before the commencement of each meeting of the Parliament, make a report to the Speaker of its proceedings under this Act.

(2) The report referred to in Subsection (1) shall be laid before the Parliament within 14 days after it is made, if the Parliament is then sitting, and, if not, then within 14 days after the commencement of the next meeting.

83. MINUTES.

The Committee shall keep full minutes of its proceedings in such manner as the Speaker directs.

84. SECTIONAL COMMITTEES.

(1) Subject to Subsection (2), the Committee may appoint a Sectional Committee or Sectional Committees of three or more of its members to inquire into and report to the Committee on such matters with which the Committee is concerned as the Committee directs.

(2) Not more than two Sectional Committees may be in existence at the same time.

(3) There shall be a Chairman and a Vice-Chairman of each Sectional Committee, each of whom shall be appointed by the Committee.

(4) This Part (other than this section and Sections 73, 74, 85 and 86) applies in relation to a Sectional Committee in the same manner as it applies in relation to the Committee, and for the purposes of this Part as so applying a reference to the Chairman or Deputy Chairman (except the references in Section 100) shall be read as a reference to the Chairman or the Vice-Chairman of the Sectional Committee.

(5) A Sectional Committee shall report in writing to the Committee as soon as practicable on each matter referred to it by the Committee.

(6) A Sectional Committee may sit notwithstanding that the Committee is sitting at the same time.

85. CONTINUANCE OF EVIDENCE.

Where the Committee as constituted at any time, or a Sectional Committee of the Committee as constituted at any time, has taken evidence in relation to a matter, but the Committee or the Sectional Committee, as the case may be, has ceased to exist before reporting on the matter, the Committee as next constituted, or a Sectional Committee to which the matter is referred, may consider that evidence as if it had been given before it.

86. FUNCTIONS OF THE COMMITTEE.

(1) The functions of the Committee are -

- (a) to examine the accounts of the receipts and expenditure of the Public Account and each statement and report of the Auditor-General presented to the Parliament under Section 214 of the *Constitution* or Section 113(8)(a) of the *Organic Law on Provincial Governments and Local-level Governments*; and
- (b) in accordance with Section 87, to examine and report on the accounts of a public body; and
- (c) to report to the Parliament, with such comments as it thinks proper, any items or matters in those accounts, statements and reports, or any circumstances connected with them, to which the Committee is of the opinion that the attention of the Parliament should be directed; and
- (d) to report to the Parliament any alteration that the Committee thinks desirable -
 - (i) in the form of the public accounts; or
 - (ii) in the method of keeping them; or
 - (iii) in the method of collection, receipt, expenditure or issue of public moneys; or
 - (iv) for the receipt, custody, disposal, issue or use of stores and other property of the State; and
- (e) to inquire into any question in connection with the public accounts that is referred to it by the Parliament, and to report to the Parliament on the question, and include such other duties as are assigned to the Committee by the Standing Orders of the National Parliament.
- (f) to refer a matter in connection with the control and the transaction with an concerning the accounts of a public body, the public moneys and the property of Papua New Guinea, to the appropriate authorities referred to under Section 86A and to report to the

Parliament of such a referral.

(Paragraph (f) added by No. 65 of 2000)

(2) Any member of the Parliament may move for the reference to the Committee of any question in connection with the public accounts, for report to the Parliament.

86A. REFERRAL OF MATTER.

(1) Where the Committee is satisfied, after making an investigation under this Act, that there is a prima facie case that a person has not complied with the provisions of the Constitution and this Act in connection with the control and the transaction with and concerning the accounts of a public body, the public moneys and the property of Papua New Guinea, it shall refer the matter, together with its report on the matter, to -

- (a) in the case of a leader who is subject to the Leadership Code, the Ombudsman Commission; or
- (b) in the case of a person, other than a leader referred to under Paragraph (a), the Public Prosecutor,

for further investigation and prosecution as the case may be.

(2) The Committee shall make such recommendations as it thinks fit in relation to a referral under Subsection (1).

(Section 86A added by No. 65 of 2000)

87. ACCOUNTS OF CERTAIN PUBLIC BODIES.

(1) In addition to its other functions and duties under the *Constitution* or any other law, the Committee may, of its own motion, and shall, if the Parliament so resolves, examine and report on the accounts of a public body to which this section applies in the same way as it is required to examine and report on the public accounts under Section 86.

(2) In examining and reporting on the accounts of a public body to which this section applies, the Committee may examine and report on any statement or report of the Auditor-General relating to the public body that has been presented to or tabled in the Parliament.

(3) This section applies to any governmental body, authority or instrumentality (corporate or unincorporate) established by or under an Act and also to any subsidiary company of a public body as defined in Section 48 -

- (a) whose accounts are subject to examination or audit by the Auditor-General; or
- (b) for whose purposes a specified sum of money, or a sum not exceeding a specified sum, has been appropriated by the Parliament by way of grant, or to which a grant of a sum of money has been made out of the Public Account, at any time during the five full financial years -
 - (i) when the Committee acts of its own motion - immediately preceding the commencement of the examination; and

- (ii) when a resolution referred to in Subsection (1) is passed by the Parliament - immediately preceding the date of the resolution.

(4) Where -

- (a) this section applies to a public body only because of a particular appropriation or grant of money as specified in Subsection (3)(b); and

(b) the appropriation or grant is limited to a specific purpose, the provisions of this section relate to the examination of and report on the accounts of the public body only so far as they relate to the application of the money appropriated or granted for that purpose, and do not authorize an examination of those accounts beyond what is necessary to that end.

88. SITTINGS TO BE IN PUBLIC EXCEPT IN CERTAIN CASES.

(1) Subject to this section, the Committee shall take all evidence in public.

(2) The Committee may, and at the request of the witness giving the evidence must take in private, evidence, whether oral or documentary, that, in the opinion of the Committee, relates to a secret or confidential matter.

(3) Where, at the request of a witness, evidence is taken by the Committee in private -

- (a) the Committee or a member must not, without the written consent of the witness; and
- (b) a person other than a member must not, without the written consent of the witness and the authority of the Committee under Subsection (5),

disclose or publish the whole or a part of the evidence (other than evidence that has already been lawfully published).

(4) Where evidence is taken by the Committee in private otherwise than at the request of a witness, no person (including a member of the Committee) may, without the authority of the Committee under Subsection (5), disclose or publish the whole or a part of that evidence (other than evidence that has already been lawfully published).

(5) The Committee may, in its discretion, disclose or publish, or authorize the disclosure or publication of, evidence taken in private, but this subsection does not operate so as to affect the necessity for the consent of a witness under Subsection (3).

(6) This section has effect notwithstanding the *Parliamentary Powers and Privileges Act* (Chapter 24).

(7) A person who discloses or publishes evidence in contravention of this section is guilty of an offence.

Penalty: A fine not exceeding K400.00 or imprisonment for a term not exceeding one year.

89. POWER TO SUMMON WITNESSES.

(1) The Committee may summon witnesses to appear before it to give evidence and produce documents.

(2) A summons to a witness -

(a) shall be in the prescribed form; and

(b) shall be signed by the Chairman or Deputy Chairman; and

(c) may be served on the witness either personally or by being left at or sent by post to his usual place of business or of abode.

90. DISOBEDIENCE OF SUMMONS.

A person on whom a summons under Section 89 has been served who refuses or fails, without reasonable excuse (proof of which is on him), to appear or to continue in attendance in obedience to the summons is guilty of an offence.

Penalty: A fine not exceeding K400.00 or imprisonment for a term not exceeding one year.

91. PREVENTING WITNESSES FROM GIVING EVIDENCE.

A person who, by act or omission, knowingly dissuades or prevents a person from obeying a summons under Section 89 is guilty of an offence.

Penalty: A fine not exceeding K400.00 or imprisonment for a term not exceeding one year.

92. POWER TO TAKE EVIDENCE ON OATH OR AFFIRMATION.

(1) The Committee may take evidence on oath or affirmation, and the Chairman or Deputy Chairman may administer oaths or affirmations to witnesses appearing before the Committee.

(2) The oath or affirmation administered to a witness may be in the prescribed form.

(3) A witness who objects to taking an oath shall not be compelled to take an oath, but may be compelled to make an affirmation.

93. REFUSING TO BE SWORN, ETC.,

A person who, without reasonable excuse (proof of which is on him), refuses -

(a) to be sworn or make affirmation; or

(b) to answer a question put to him by the Committee or by a member of the Committee; or

(c) to produce a document that he is required by the Committee to produce, is guilty of an offence.

Penalty: A fine not exceeding K400.00 or imprisonment for a term not exceeding one year.

94. PRIVILEGES OF WITNESSES.

A witness summoned to appear or appearing before the Committee has the same protection and privileges as a witness in a case tried in the National Court.

95. PROTECTION TO WITNESSES.

A person who uses, causes, inflicts or procures any violence, punishment, damage, loss or disadvantage to or on any person for or on account of evidence lawfully given by him before the Committee, is guilty of an offence.

Penalty: A fine not exceeding K400.00 or imprisonment for a term not exceeding one year.

96. FALSE EVIDENCE.

A person who wilfully gives false evidence on oath or affirmation before the Committee is guilty of an offence.

Penalty: A fine not exceeding K1,000.00 or imprisonment for a term not exceeding five years.

97. WITNESSES' EXPENSES.

A witness appearing before the Committee to give evidence shall be paid such witness fees and travelling expenses as the Chairman or Deputy Chairman thinks fit to allow, in accordance with the prescribed scale.

98. PROCEEDINGS TO BE INSTITUTED BY PUBLIC PROSECUTOR.

Proceedings for offences against this Part shall be instituted only by the Public Prosecutor or by his direction.

99. ALLOWANCES.

(1) The Chairman and other members of the Committee shall be paid allowances in accordance with the scale provided for members of the Parliament, or with such other scale as is prescribed.

(2) The allowances of the members of the Committee are payable on the certificate of the Chairman or the Deputy Chairman.

100. ANNUAL REPORT BY CHAIRMAN ON EXPENDITURE.

As soon as practicable after the end of each financial year, the Chairman shall present to the Parliament a report setting out -

- (a) the total amount paid out of the Consolidated Revenue Fund during the immediately preceding fiscal year in accordance with Section 99; and
- (b) details of each amount so paid; and
- (c) details of the purposes for which the liability to pay each such amount was incurred.

101. GAZETTAL OF COMMITTEE.

The names of the members of the Committee and of the deputies shall be published in the National Gazette.