

Serious challenges for Parliament in 2014/15

Inside Parliament

With Balford Henry
Sunday, March 23, 2014

Gordon House confirmed last week that the ceremonial opening of Parliament will take place on Thursday, April 3.

This event will mark the start of the 2014/15 session and will be highlighted by the Throne Speech and the tabling of the 2014/15 Estimates of Expenditure.



Minister of Finance and Planning, Dr Peter Phillips, is expected to open the Budget Debate on Thursday, April 17, and Opposition Spokesman, Audley Shaw, should respond on Tuesday, April 22.

Leader of the Opposition, Andrew Holness, is expected to speak on Thursday, April 24; Prime Minister Portia Simpson Miller on Tuesday, April 29; and the debate will be closed by Dr Phillips on Wednesday, April 30. However, there could be changes.

Fiscal rules

The passage of the two fiscal rules bills — the Public Bodies Management and Accountability (Amendment) Act and the Financial Administration and Audit (Amendment) Act — in both Houses last week, marked another important milestone in the development of a proper fiscal management and accountability process within government.

In fact, these rules are so crucial that Dr Phillips appeared to be appealing for understanding from the Opposition of the tremendous responsibility that is being entrusted to Parliament by their passage.

Dr Phillips, in the debate on the bills on Tuesday, expressed a desire for both sides of the House to work together to ensure that the rules are observed, because the international financial community is not convinced that Jamaica has the fiscal discipline to prevent a future run-up of the debt without them.

"We need to prove them wrong," the finance minister urged the House of Representatives, noting that the administration of the rules will test the capacity and maturity of the Parliament.

The Opposition expressed their concern that the bills do not include sanctions for non-performance. An issue which Phillips said will be addressed by the tabling of the regulations in the new financial year. However, there are other serious concerns that are likely to continue despite passage of the Bills, including the question of the Auditor General's Department being appointed to oversee use of the escape clause.

The new rules give the Auditor General the authority to have final say on when the escape clause, built into the legislation, can be triggered. The clause allows Jamaica to divert from its fiscal plan, in extraordinary circumstances such as natural disasters or a financial crisis: But, only if the impact on the economy amounts to at least 1.5 per cent of GDP, and it will be up to the Auditor General to validate when the trigger point has been reached.

However, there are concerns as to how independent the Auditor General can be in the circumstances, being a commission of Parliament and financed by the budget.

There is the view that the "exceptional circumstances", be interpreted by an independent monitoring body, and also require a two-thirds majority in Parliament, but on the recommendation of the independent monitors, since the Government already has a two-thirds parliamentary majority.

For example, according to independent think tank, Caribbean Policy Research Institute (CaPRI), "in the face of corruption and institutional inadequacies within the public sector, a fiscal rule won't work in Jamaica, without oversight by an independent body".

It is obvious that these issues will fuel some serious challenges to the system over the next 12 months. However, Parliament has not been idle in ensuring that it has the capacity to meet those challenges.

It has been taking steps to improve its capacity to handle the increased responsibilities, including: recruiting additional expertise to support the work of its Public Administration and Appropriations Committee (PAAC); handling proposals to provide external support for the Auditor General's Department; and looking at reforming the Public Accounts Committee (PAC).

The PAAC has acquired the services of a World Bank supported economist, Earl M Bartley, who has been of considerable help, not only to committee members, but also the press, in interpreting some of the issues arising from its deliberations.

The relationship between the PAC and Canada-based Global Organization of Parliamentarians Against Corruption (GOPAC) has resulted in the identification of several areas of cooperation, including: exposing best practices in other jurisdictions; research capability to enable the committee to identify areas of interest, outside of those included in the Auditor General's Department's reports; and in developing the capacity to carry out routine follow ups, to ensure that its recommendations are being implemented on a timely basis.

Auditor General, Pamela Monroe Ellis, has also identified the restructuring of her department as priority issue. This would involve upgrading positions, starting with abolishing existing low level posts and lifting the entry level requirement to a Bachelor's Degree status, in keeping with recommendations made by PriceWaterhouseCoopers, who had been engaged to review the department.

However, the bottom line is the lack of accommodation, not to mention the tight security introduced since last year, which has made it extremely difficult for the press, staff and the staff of the parliamentarians to function efficiently and work in a comfortable environment.

The decision recently not to go ahead with plans made by the previous government to expand Gordon House, by purchasing additional properties in the Duke Street area of downtown Kingston for expansion, is probably the most inexplicable move by Parliament during the year.

What it has done is to confine Parliament to limited space and resources that is hampering its work, and force stakeholders to accept the bad conditions until government builds up enough courage to go ahead and construct a new Parliament building.

THIS WEEK IN PARLIAMENT

Tuesday, March 25: 10:00 am - Public Accounts Committee (Chairman, Audley Shaw); 2:00 pm, Sitting of House of Representatives, (Speaker, Michael Peart).

Wednesday, March 26: 10:00 am, Public Administration and Appropriations Committee (PAAC) (Chairman, Edmund Bartlett); 2:00 pm, Human Resource and Social Development Committee (HRSDC) (Chairman, Rudyard Spencer).

Thursday, March 27: 10:00 am, Joint Select Committee, the Bankruptcy and Insolvency Act, (Chairman, Anthony Hylton).

Friday, March 28: 10:00 am, sitting of the Senate (President, Floyd Morris).