

IN THE THIRD SESSION OF THE FOURTH PARLIAMENT OF THE
FOURTH REPUBLIC OF GHANA

**REPORT OF THE FINANCE COMMITTEE ON THE
FINANCIAL ADMINISTRATION (AMENDMENT) BILL**

1.0 INTRODUCTION

The Financial Administration (Amendment) Bill was laid in the House on Monday 3rd December 2007 by the Majority Leader and Minister for Parliamentary Affairs, Hon. Abraham Ossei Aidoo on behalf of the Minister for Finance and Economic Planning.

In accordance with article 106 (4) of the 1992 Constitution and Order number 169 of the Standing Orders of the House, Mr. Speaker referred the Bill to the Finance Committee for consideration and report

The Committee met with the Minister of Justice and Attorney-General, Hon. Joe Ghartey, Minister of State at the Ministry of Finance and Economic Planning, Hon. Dr. A. Akoto Osei and officials from the Ministry of Finance and Economic Planning to deliberate on the Bill.

The Committee submits this report in accordance with article 106(5) of the 1992 Constitution and Order No. 126 of the Standing Orders of the House.

2.0 REFERENCE DOCUMENTS

The Committee referred to the following documents in its deliberations on the Bill:

- (i) 1992 Constitution of the Republic of Ghana
- (ii) Financial Administration Act, 2003 (Act 654)
- (iv) Standing Orders of the House

3.0 BACKGROUND

Article 126(1)(b) of the 1992 Constitution empowers Parliament only to establish lower courts or tribunals. However, the Financial Administration Tribunal established under the Financial Administration Act, 2003 (Act 654), section 68 thereof, has the powers of a High Court.

In order to deal with this anomaly and to bring it in consonance with article 139 (3) of the Constitution, such a court should rather be established as a division of the High Court.

Article 139 (3) states as follows "There shall be in the High Court such divisions consisting of such number of Justices respectively as the Chief Justice may determine"

4.0 PURPOSE OF THE BILL

The purpose of the Bill therefore is to amend the Financial Administration Act, 2003 (Act 654) to provide for a Financial Administration Court as a division of the High Court.

4.1 CONTENTS OF THE BILL

The Bill contains a total of seven (7) clauses.

The Bill provides for the replacement of the Financial Administration Tribunal with a High Court.

The consequential effects of the changes are dealt with in the clauses of the Bill.

Sections of the Act to be amended are 66, 67, 68, 69, 70, and 74.

Section 68 of Act 654 is deleted as it will be redundant once the Financial Administration Court is established.

5.0 OBSERVATIONS

The Committee observed that article 139 (3) of the Constitution empowers the Chief Justice to establish such divisions of the High Court as she determines. Accordingly, this Bill replaces the Tribunal with a High Court specially established by the Chief Justice to deal with matters under the Financial Administration Act, 2003 (Act 654)

The Committee also noted that upon the passage of the Amendment Bill, a mention of "Court" in Act 654 would mean the "Financial Administration Court" and not "Tribunal"

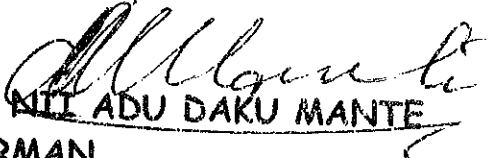
The Committee was informed by the Attorney-General and Minister of Justice, Hon. Joe Ghartey that the division of the High Court to be established for this purpose will sit with Chartered Accountants and/or Management Accountants as "assessors".

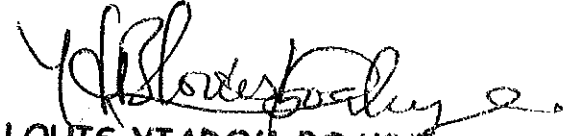
7.0 CONCLUSION

The Committee has carefully examined the Bill and is of the opinion that it would contribute to an enhanced adjudication of matters that come under the Financial Administration Act, 2003 (Act 654)

In view of the foregoing, the Committee recommends to the House to adopt this report and pass the Financial Administration (Amendment) Bill.

Respectfully submitted.


HON. NII ADU DAKU MANTE
CHAIRMAN


LOUIS YIADOM BOAKYE
FOR CLERK, FINANCE COMMITTEE

14th DECEMBER, 2007.