

EXPLANATORY STATEMENT

STATUTORY RULES NO. 432 OF 1984

ISSUED BY THE AUTHORITY OF THE MINISTER FOR FINANCE

The attached Statutory Rules amend the Finance (Overseas) Regulations made under sections 63 and 71 of the Audit Act 1901.

These amendments raise the prescribed threshold amounts for the calling of quotations and tenders; the changes correspond with those made at the same time to the Finance Regulations.

Details of the amendments are as follows:

REGULATION 24 - QUOTATIONS

Regulation 24 required that, for supplies obtained by or through an overseas office, at least three representative quotations should, if practicable, be obtained where the supplies were estimated to cost more than \$200. The quotations could be oral where the estimated cost did not exceed \$500 but above that amount the quotations had to be in writing. The amendments increase the prescribed amounts to \$500 and \$1000 respectively, in line with similar amendments made to the Finance Regulations.

REGULATION 25 - TENDERS TO BE INVITED FOR CERTAIN SUPPLIES

Regulation 25 provided that contracts should not be entered into, or orders placed, for supplies estimated to cost more than \$10,000, unless competitive tenders had first been invited for those supplies. The threshold amount of \$10,000 has been increased to \$20,000 in line with a similar amendment made to the Finance Regulations.