

EXPLANATORY STATEMENT

ISSUED WITH THE AUTHORITY OF THE MINISTER FOR FINANCE

Subject - Audit Act 1901

Finance (Overseas) Regulations (Amendment)

Subsection 71(1) of the Audit Act 1901 (the Act) provides that the Governor-General may make regulations for carrying out the provisions of the Act. Also, section 63 of the Act provides that the regulations may make provision for and in relation to financial transactions outside the Commonwealth. The attached Statutory Rules amend the Finance (Overseas) Regulations which were made under section 71, in accordance with section 63.

The Australian Federal Police Legislation Amendment Act (No 2) 1989 included an amendment to the Australian Federal Police Act 1979 (the AFP Act) whereby staff members of the Australian Federal Police (the AFP), who were previously employed under the Public Service Act 1922, became employed under the AFP Act. As a consequence, the definition of "Department" in the Finance (Overseas) Regulations no longer covered the AFP, nor did the definition of "Secretary" in those regulations provide for the Commissioner of Police to be "Secretary" of the AFP for the purposes of the Finance (Overseas) Regulations and thus have the authority to give directions to persons in the AFP, as was the case previously. To ensure that the Regulations apply to the AFP in the same manner as they did before these changes, the following amendments have been made to the Finance (Overseas) Regulations:-

Regulation 2

The definition of "Department" has been amended to specifically include the AFP, thus ensuring that the AFP is a Department for the purposes of the Regulations.

In addition, an amendment has been made to the definition of "Secretary" to provide that where the Department is the AFP the Secretary shall be the person who holds, or is performing the duties of, the office of Commissioner of Police.

Regulation 35

Regulation 35 empowers Departmental Secretaries to give directions in respect of their Departments which are to apply overseas.

An amendment has been made to this regulation which provides for the Commissioner of Police to give directions to members, staff members and special members of the AFP for or in relation to any of the matters referred to in paragraphs 63(1)(a) to (f) of the Act (which set out those matters which may be included in regulations dealing with financial transactions overseas). Certain minor amendments of a drafting nature have also been made.