

## **Explanatory Statement**

### ***Financial Management and Accountability Act 1997, Section 32 - Adjustments of appropriations on change of Agency functions***

#### **The instrument to which this explanatory statement relates**

This explanatory statement relates to an instrument (the instrument) entitled “Direction under Section 32, Financial Management and Accountability Act 1997”, dated 29 June 2006 and numbered of 21 of 2005-2006.

#### **The legislative authority under which the instrument is made**

Section 32 of the *Financial Management and Accountability Act 1997* (the FMA Act) applies if a function of an Agency (the old Agency) becomes a function of another Agency (the new Agency), either because the old Agency is abolished or for any other reason.

Subsection 32(2)(a) of the FMA Act enables the Finance Minister to, amongst other things, issue one or more directions to transfer from the old Agency to the new Agency some or all of an amount that has been appropriated for the performance of that function by the old Agency.

By way of an instrument dated 19 February 2003 made under s.62 of the FMA Act, the Finance Minister has delegated his power under section 32 to the Chief Executive of the Department of Finance and Administration. By way of an instrument dated 3 April 2006 made under s.53 of the FMA Act, the Chief Executive of the Department of Finance and Administration has, in turn, delegated the power to the General Manager, Financial Management Group, and the Division Manager, Financial Reporting and Cash Management Division. The direction is issued by the Division Manager, Financial Reporting and Cash Management Division.

#### **Purpose of the instrument**

The instrument directs that administered expenses appropriation totalling \$1,510,460, provided to the Department of Immigration and Multicultural Affairs (formerly the Department of Immigration and Multicultural and Indigenous Affairs) in *Appropriation Act (No.1) 2005-06*, be transferred to the Department of Families, Community Services and Indigenous Affairs (formerly the Department of Family and Community Services).

#### **Background**

On 27 January 2006 the Indigenous Affairs functions held by the Department of Immigration and Multicultural Affairs (formerly the Department of Immigration and Multicultural and Indigenous Affairs) were transferred to the Department of Families, Community Services and Indigenous Affairs (formerly the Department of Family and Community Services). An appropriation adjustment, pursuant to section 32 of the FMA Act, is required to ensure that appropriation provided to the Department of Immigration and Multicultural Affairs is transferred to the Department of Families, Community Services and Indigenous Affairs.

#### **Notes on the instrument**

The instrument provides that the amount set out in column 4 of the table in the instrument for the administered item in *Appropriation Act No.1 2005-2006* – Outcome 3 for the Department of Immigration and Multicultural Affairs (formerly the Department of Immigration and Multicultural

and Indigenous Affairs) be transferred to the Department of Families, Community Services and Indigenous Affairs (formerly the Department of Family and Community Services).