

EXPLANATORY STATEMENT

Issued by the authority of the Minister for Finance and Administration

Financial Management and Accountability Act 1997

Determination 2007/18 to vary and abolish a Special Account

Purposes of Determination 2007/18

The attached instrument makes a determination under section 20 of the *Financial Management and Accountability Act 1997* (FMA Act) to vary and subsequently abolish the *Other Trust Moneys – Office of Workplace Services Special Account*. This instrument varies the determination entitled *Determination by the Minister for Finance and Administration under section 20 of the Financial Management and Accountability Act 1997* made on 12 July 2006 that established the *Other Trust Moneys – Office of Workplace Services Special Account*.

Special Accounts generally

In accordance with the Constitution, all revenues or moneys raised or received by the Government of the Commonwealth form one Consolidated Revenue Fund (CRF) and may not be spent unless under an appropriation by the Parliament for the purposes of the Commonwealth. A Special Account is established by a Determination that sets out the amounts that may be credited and the purposes for which it may be debited. Special Accounts established by Determination are supported by an appropriation under section 20 of the FMA Act. In effect, Special Accounts allow amounts from the CRF to be spent on a purpose specified in the Determination.

Determinations that establish Special Accounts, or vary Determinations that establish Special Accounts, are subject to section 22 of the FMA Act. Section 22 of the FMA Act requires the Finance Minister to table a copy of the establishing or varying Determination in each House of Parliament. Either House may disallow a Determination within five sitting days of tabling. If the Determination is not disallowed, it comes into effect on the calendar day after the last day on which it could have been disallowed.

Regulation 10 of the *Legislative Instruments Regulations 2004* preserves the disallowance provisions under section 22 of the FMA Act by exempting Special Account Determinations from subsections 57(2) and 57(5) of the *Legislative Instruments Act 2003*.

Special Accounts can be abolished by a Determination of the Finance Minister. However, there is no requirement to table such a Determination.

Operation of the Determination 2007/18

Reasons for varying the Special Account

The *Other Trust Moneys – Office of Workplace Services Special Account* enabled the Office of Workplace Services to temporarily hold amounts on behalf of persons or entities other than the Commonwealth.

The Office of Workplace Services was abolished on 1 July 2007 and the functions of the former Office of Workplace Services were incorporated into the Office of the Workplace Ombudsman with effect from 1 July 2007.

Subsequently, the Office of Workplace Services no longer exists as a separate entity. Accordingly, this variation removes the crediting clauses from the *Other Trust Moneys – Office of Workplace Services Special Account*. Once the balance of the *Other Trust Moneys – Office of Workplace Services Special Account* reaches zero, the Special Account will automatically be abolished.

Changes required

The crediting clauses of the *Other Trust Moneys – Office of Workplace Services Special Account* have been omitted from the Determination.

The purpose clauses of the *Other Trust Moneys – Office of Workplace Services Special Account* have been amended to allow for amounts to be credited to the *Other Trust Moneys – Office of the Workplace Ombudsman Special Account*.

Effect of this determination

The *Other Trust Moneys – Office of Workplace Services Special Account* is being varied and abolished by this determination (Determination 2007/18) to prevent further amounts being credited to the Special Account. Once the balance of the *Other Trust Moneys – Office of Workplace Services Special Account* reaches zero, clause 4 of the determination will abolish the *Other Trust Moneys – Office of Workplace Services Special Account*.

Consultation

The Office of the Workplace Ombudsman is the agency affected by this instrument. The agency was provided with drafts of the instrument and agrees with the form of the instrument. As the instrument is for internal machinery of government purposes only, no consultation was considered necessary with other persons (see sections 17 and 18 of the *Legislative Instruments Act 2003*).

Estimates of transactions on the *Other Trust Moneys – Office of Workplace Services Special Account*

	Opening Balance 2007-08 \$'000	Credits 2007-08 \$'000	Debits 2007-08 \$'000	Closing Balance 2007-08 \$'000
<i>Other Trust Moneys – Office of Workplace Services Special Account</i>	325		325	0