

EXPLANATORY STATEMENT

Issued by the authority of the Minister for Finance and Deregulation

Financial Management and Accountability Act 1997

Determination 2008/10 to vary and abolish the Campaign Advertising Special Account

The attached Determination is made under subsections 20 (2) and (3) of the *Financial Management and Accountability Act 1997* (FMA Act) to vary and subsequently abolish the *Campaign Advertising 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. The determination may prescribe a later date upon which the Special Account can be relied upon.

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 the standard disallowance provisions 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 2008/10

The Campaign Advertising Special Account currently enables the administration and management of the central advertising system.

A new Special Account, entitled the Coordinated Procurement Contracting Special Account, will give effect to the operational requirements for whole of government procurement and contracting. The new special account will cover all centralised procurement related activities undertaken by the Department of Finance and Deregulation, including whole of government advertising activities previously conducted under this Special Account. The changed arrangement will provide management efficiencies. The establishment of sub-ledger accounting and reporting will allow for transparency and accountability in this government initiative.

The current purposes of the Campaign Advertising Special Account are:

- (a) to administer the Central Advertising System including:
 - (i) engaging master media placement agencies; and
 - (ii) planning and placing campaign advertising; and
 - (iii) preparing and placing non-campaign advertising; and
 - (iv) providing government entities assistance to progress their advertising campaigns; and
 - (v) providing training programmes on advertising and media; and
- (b) to carry out activities that are incidental to a purpose mentioned in paragraph (a); and
- (c) to reduce the balance of the Campaign Advertising Special Account (and, therefore, the available appropriation) without making a real or notional payment; and
- (d) to repay amounts where an Act or other law requires or permits the repayment of an amount received.

Change required

A clause has been inserted to allow amounts to be debited from the Campaign Advertising Special Account and to be credited to the new Coordinated Procurement Contracting Special Account.

Effect of this determination

The Campaign Advertising Special Account is being varied by this determination to enable its balance to be credited to the new Coordinated Procurement Contracting Special Account. Once the balance of the Campaign Advertising Special Account reaches zero, clause 3 of the determination will abolish the Campaign Advertising Special Account.

Consultation

The Department of Finance and Deregulation is the agency affected by this instrument. As the instrument is for internal machinery of government purposes only, no consultation was considered necessary with other persons (in accordance with the provisions of section 18 of the *Legislative Instruments Act 2003*).

Estimates of transactions on the Campaign Advertising Special Account

	Opening Balance 2007-08 2006-07 \$'000	Credits 2007-08 2006-07 \$'000	Debits 2007-08 2006-07 \$'000	Closing Balance 2007-08 2006-07 \$'000
Campaign Advertising Special Account	4,652 3,524	* 2,078	* 950	* 4,652

* Estimates cannot be established at this time.