

EXPLANATORY STATEMENT

Issued by the authority of the Minister for Finance
Public Governance, Performance and Accountability Act 2013
PGPA Act Determination (ABCB Special Account 2019)

Purpose of this determination

This determination is made under subsections 78(1) and 78(3) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) to establish the *ABCB Special Account 2019* (the special account) for the Department of Industry, Innovation and Science (the Department).

The special account is being established to enable the Department to continue to ensure that funds contributed by nine governments are properly managed and used for the purposes of the Australian Building Codes Board (ABCB), as agreed by the Building Ministers' Forum.

The Department is responsible for managing these moneys for the ABCB in relation to national building codes, standards, regulatory requirements and regulatory systems in the design, construction and use of buildings, in accordance with the participating governments' agreements.

The purposes include:

- developing a nationally-consistent building code;
- education and training schemes, including continuing professional development requirements;
- health and safety standards for building practitioners;
- consistent registration of building practitioners;
- fostering collaborative and effective partnerships between governments and building practitioners;
- inspections, compliance and enforcement;
- audit strategy for regulatory oversight, and annual reporting obligations;
- engagement with fire authorities; and
- developing codes of conduct.

This special account replaces the *Australian Building Codes Boards Special Account 2017* (ABCB Account).

Once the special account is established, the legislative instrument establishing the ABCB Account will be repealed and an amount equivalent to the amount standing to the credit of the ABCB Account immediately before its repeal will be credited to the special account as its opening balance.

The operating context of special accounts

A special account may be established, varied or revoked under the PGPA Act: by a determination made by the Minister for Finance (under section 78) or by an Act (see section 80).

A special account is an appropriation mechanism that sets aside amounts within the Consolidated Revenue Fund (CRF) for spending on specified purposes. The purposes of a special account are set out in the establishing determination or Act.

In accordance with section 81 of the Constitution, all revenues or moneys raised or received by the Commonwealth Executive Government form one CRF. Section 83 of the Constitution provides that such money may not be drawn from the Treasury except under an appropriation made by law.

- A special account enables revenues or moneys raised or received to be set aside for the purposes of that special account.
- Payments made for the purposes of a special account are supported by an appropriation in the PGPA Act; subsection 78(4) for a special account established by a determination or subsection 80(1) for a special account established by an Act.

Special account determinations

Special account determinations are legislative instruments under the *Legislation Act 2003*. Special account determinations may be varied or revoked by a subsequent determination being made in accordance with subsection 78(3) of the PGPA Act.

In accordance with subsection 79(3) of the PGPA Act, the Finance Minister must table a copy of such determinations in each House of the Parliament. Subsection 79(4) of the PGPA Act provides that special account determinations are subject to disallowance by either House of the Parliament. The disallowance period starts on the day a special account determination is tabled in the House and ends on the fifth sitting day after the determination was tabled in that House.

If neither House passes a resolution to disallow a special account determination, under subsection 79(5) it comes into effect on the day immediately after the last day on which it could have been disallowed, or on a later day if specified in the determination.

Human Rights

A Statement of Compatibility with Human Rights is not required for this determination. Subsection 9(1) of the *Human Rights (Parliamentary Scrutiny) Act 2011* requires a Statement of Compatibility with Human Rights for all legislative instruments subject to disallowance under section 42 of the *Legislation Act 2003*. While determinations made or varied under subsections 78(1) or 78(3) of the PGPA Act are subject to disallowance under section 79 of the PGPA Act, subsection 79(2) provides that they are not subject to disallowance under section 42 of the *Legislation Act 2003*. As such, a Statement of Compatibility with Human Rights is not required.

Consultation

The Department was consulted in the preparation of this determination.