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 11 February 2005 and numbered 30 of 2004-2005.

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.

As noted in 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 30 November 2004, the Chief Executive of the Department of Finance and Administration has, in turn, delegated the power to the Division Manager, Financial Reporting and Cash Management Division, Financial Management Group.

Purpose of the instrument

The instrument directs that departmental appropriation totalling $9,497,861, provided to the Department of Agriculture, Fisheries and Forestry in Appropriation Act (No. 1) 2004-05 and prior years, be transferred to Biosecurity Australia.

Background

Financial Management and Accountability Amendment Regulations 2004 (No. 3), notified in Gazette No. S 486 of 1 December 2004, made Biosecurity Australia a prescribed agency for the purposes of the FMA Act from the date of gazettal. Biosecurity Australia assumed responsibility for functions, including import risk assessment, that were previously undertaken by the Department of Agriculture, Fisheries and Forestry.

An appropriation adjustment, pursuant to section 32 of the FMA Act, is required to ensure that appropriation provided to the Department of Agriculture, Fisheries and Forestry for performance of these functions is transferred to Biosecurity Australia.

Notes on the instrument

The instrument provides that the moneys listed in column 4 of the schedule for the Department of Agriculture, Fisheries and Forestry items be transferred to the Biosecurity Australia items listed in column 1.