

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 7 July 2006 and numbered 4 of 2006-2007.

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 departmental appropriation totalling \$869,407 provided to the Office of Film and Literature Classification (OFLC) in *Appropriation Act (No.1) 2006-2007* be transferred to the Attorney-General's Department.

Background

On 1 July 2006, the policy development and advice function in relation to the national classification scheme, the secretariat support function for the Standing Committee of Attorneys General (Censorship) and staff associated with the Information Communication Technology and Information Management function of the Office of Film and Literature Classification (OFLC) were transferred to the Attorney-General's Department. An appropriation adjustment, pursuant to section 32 of the FMA Act, is required to ensure that appropriation provided to the OFLC for these functions is transferred to the Attorney-General's Department.

Notes on the instrument

The instrument provides that the amount set out in column 4 of the table for the appropriation item in column 1 for the OFLC be transferred to the Attorney-General's Department.