

## **Explanatory Statement**

### ***Financial Management and Accountability Act 1997, Section 32 - Adjustment 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 9 August 2007 and numbered 4 of 2007-2008.

#### **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 effective from 1 July 2007 made under section 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 effective from 1 July 2007 made under section 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 Acting Division Manager, Financial Reporting and Cash Management Division.

#### **Purpose of the instrument**

The instrument directs that departmental items totalling \$1,219,315 provided to the Department of Employment and Workplace Relations (DEWR) in *Appropriation Act (No. 1) 2007-2008* be transferred to the Office of the Workplace Ombudsman (OWO).

#### **Background**

OWO was established on 1 July 2007, following the passing of the *Workplace Relations Amendment (A Stronger Safety Net) Act 2007*. Subsequently, the compliance functions relating to the *Workplace Relations Act 1996* that were being undertaken by DEWR were transferred to OWO.

#### **Notes on the instrument**

The instrument provides that the amounts set out in column 4 of the table for the appropriation items in column 1 for DEWR be transferred to OWO.

In accordance with the *Legislative Instruments Act 2003*, DEWR and OWO were consulted in the preparation of this instrument.