EXPLANATORY STATEMENT

Select Legislative Instrument 2008 No. 89

Issued by the Authority of the Minister for the Environment, Heritage and the Arts

Screen Australia Act 2008

Screen Australia Regulations 2008

The Screen Australia Act 2008 (the Act) establishes Screen Australia as a body corporate. The Act received Royal Assent on 20 March 2008. Screen Australia will replace the Australian Film Commission (with the exception of the National Film and Sound Archive (NFSA) function), Film Finance Corporation Australia Limited and Film Australia Limited. It will be the Australian Government's primary agency for providing direct support to the film and television industry.

Section 45 of the Act provides that the Governor-General may make regulations prescribing matters required or permitted by that Act to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to that Act.

Subsection 41(3) of the Act provides that regulations may prescribe limits on the total amounts of money that may be committed by Screen Australia in performing their functions. Such a prescription allows for appropriate controls to be set on overall commitments to particular broad categories of funding.

The purpose of the proposed Regulations is to set \$1 million as the prescribed limit above which SA will require the approval of the Minister to:

- acquire any property, right or privilege exceeding in amount or value the prescribed amount;
- dispose of any property, right or privilege exceeding in amount or value the prescribed amount; and
- to enter into a contract for the construction of a building or to pay an amount exceeding the prescribed limit.

Details of the Regulations appear in the Attachment.

The Act does not specify any conditions that need to be satisfied before the power to make the proposed Regulations may be exercised.

The Regulations are a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

The Regulations will commence on the commencement of section 41 of the Act.

Section 2 of the Act provides for sections 3 to 45 of the Act to commence on a day to be fixed by Proclamation. It has been proposed that a proclamation be made setting the commencement of those provisions of the Act as 1 July 2008. Section 4 of the *Acts Interpretation Act 1901* allows the Regulations to be made (but not to commence) before sections 3 to 45 of the Act come into operation.

In the Explanatory Statement the following abbreviations are used:

Act Screen Australia Act 2008

SA Screen Australia

ATTACHMENT

DETAILS OF THE SCREEN AUSTRALIA REGULATIONS 2008

Part 1 – Introductory

Regulation 1 – Name of Regulations

Regulation 1 provides that the name of the Regulations is the *Screen Australia Regulations* 2008.

Regulation 2 - Commencement

Regulation 2 provides that the Regulations commence on the commencement of section 41 of the *Screen Australia Act 2008*.

Regulation 3 – Definition

Regulation 3 provides that in the Regulations 'Act' means the Screen Australia Act 2008.

<u>Regulation 4 – Restrictions on financial transactions</u>

Regulation 4 sets the prescribed amount for paragraphs 41(1)(a) to (c) of the Act as \$1 million.

The prescribed limit will not apply to the investment of money under section 18 of the *Commonwealth Authorities and Companies Act 1997*, nor will it affect SA's ability to make individual funding decisions on an arm's length basis in relation to the development, production, promotion and distribution of Australian film, television and multimedia programs.

The proposed amount of \$1 million reflects the current prescribed amount set for similar agencies, such as the Australian Film, Television and Radio School and the Australian Film Commission.

Consultation

A draft of the Screen Australia Bill 2008 was released for public comment prior to introduction into the Parliament. Consultation was unnecessary for this instrument as it is of a minor nature and is in relation to the internal processes of SA only.