

EXPLANATORY STATEMENT

Issued by the authority of the Minister for Finance and Deregulation

Financial Management and Accountability Act 1997

Determination 2009/06 – Special Accounts Abolition 2009

Purposes of Determination 2009/06

The attached instrument makes a determination under section 20 of the *Financial Management and Accountability Act 1997* (FMA Act) to abolish three Special Accounts.

Special Accounts generally

In accordance with the Constitution, all revenues or moneys raised or received by the Government of the Commonwealth form one Consolidated Revenue Fund (CRF) and may not be spent unless under an appropriation by the Parliament for the purposes of the Commonwealth. A Special Account may be established by a determination that sets out the amounts that may be credited and the purposes for which it may be debited. Special Accounts established by determination are supported by an appropriation under section 20 of the FMA Act. In effect, Special Accounts allow amounts from the CRF to be spent on a purpose specified in the determination.

Determinations that establish Special Accounts, or vary determinations that establish Special Accounts, are subject to section 22 of the FMA Act. Section 22 of the FMA Act requires the Finance Minister to table a copy of the establishing or varying determination in each House of the Parliament. Either House may disallow a determination within five sitting days of tabling. If the determination is not disallowed, it comes into effect on the calendar day after the last day on which it could have been disallowed.

Regulation 10 of the *Legislative Instruments Regulations 2004* preserves the disallowance provisions under section 22 of the FMA Act by exempting Special Account determinations from subsections 57(2) and 57(5) of the *Legislative Instruments Act 2003*.

Special Accounts can be abolished by a determination of the Finance Minister. However, such a determination is not subject to parliamentary disallowance.

Operation of the Determination 2009/06

Reasons for abolishing the Special Accounts

The Special Accounts being abolished are administered by the Australian Bureau of Statistics (ABS), the Department of Infrastructure, Transport, Regional Development and Local Government (Infrastructure), and the Professional Services Review Scheme (PSR).

After reviewing their Special Accounts, ABS and PSR have advised that their respective *Services for other Governments and Non-agency Bodies (SOG) Account* is no longer required.

Infrastructure has advised that no further projects are required to be funded through the *Federation Fund – Department of Transport and Regional Services Special Account*. Therefore, no further calls are to be made on the residual balance which will be returned to the Budget.

Effect of this determination

The SOG Special Accounts managed by ABS and PSR, and the Federation Fund – Department of Transport and Regional Services Special Account managed by Infrastructure, are abolished by this determination (Determination 2009/06).

Consultation

ABS, PSR and Infrastructure are the agencies affected by this instrument. The agencies were provided with drafts of the instrument and agree with the form of the instrument. As the instrument is for internal machinery of government purposes only, no consultation was considered necessary with other persons (see sections 17 and 18 of the *Legislative Instruments Act 2003*).

Estimates of transactions in the Special Account

	Opening Balance 2008-09 \$'000	Credits 2008-09 \$'000	Debits 2008-09 \$'000	Closing Balance 2008-09 \$'000
<i>Australian Bureau of Statistics - Services for other Governments and Non-agency Bodies Account</i>	0	0	0	0
<i>Professional Services Review Scheme - Services for other Governments and Non-agency Bodies Account</i>	0	0	0	0
<i>Federation Fund – Department of Transport and Regional Services Special Account</i>	15,000	0	15,000	00