

EXPLANATORY STATEMENT

Issued by the authority of the Minister for Finance and Deregulation

Financial Management and Accountability Act 1997

Determination 2009/30 to vary and abolish a Special Account

Purposes of Determination 2009/30

The attached instrument makes a determination under subsections 20 (2) and (3) of the *Financial Management and Accountability Act 1997* (FMA Act) to vary and subsequently abolish the *Safe Work Australia Special Account*.

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 the purposes 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 Determination 2009/30

Reasons for varying the Special Account

The Determination entitled *Financial Management and Accountability Determination 2009/07 – Safe Work Australia Special Account Establishment 2009*, made by the Finance Minister on 2 March 2009, established the *Safe Work Australia Special Account*.

During November 2009, Safe Work Australia will change from an Executive Agency established under the *Public Service Act 1999* to a Statutory Agency under the *Public Service Act 1999*. Safe Work Australia will continue to be a prescribed Agency under the FMA Act.

The *Safe Work Australia Act 2008* establishes *The Safe Work Australia Special Account* under section 21 of the FMA Act and for this reason the original *Safe Work Australia Special Account* is no longer needed.

Effect of this Determination

This Determination varies the *Safe Work Australia Special Account* to allow its balance to be credited to the new *The Safe Work Australia Special Account*. There may therefore be two Special Accounts with the same purpose operating for a short period of time, until the balance is credited. Clause 4 of Determination 2009/30 provides that the *Safe Work Australia Special Account* will be abolished when its balance reaches zero.

Consultation

Safe Work Australia and the Department of Education, Employment and Workplace Relations are the agencies affected by this instrument. These 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 on the *Safe Work Australia Special Account*

| | 2009-10 (\$'000) | | | |
|--|------------------|---------|---------------------|-----------------|
| | Opening Balance | Credits | Debits | Closing Balance |
| <i>Safe Work Australia Special Account</i> | 1439 | 4692 | 6131 ⁽¹⁾ | 0 |

1. Includes balance debited from the *Safe Work Australia Special Account* and credited to the new Account.