

EXPLANATORY STATEMENT

<p>The instrument to which this explanatory statement relates</p>	<p><i>Financial Management and Accountability Act 1997 Determination 2010/14 – Section 32 (Transfer of Functions from OWO to OFWO)</i></p>
<p>Date instrument was made</p>	<p>5 August 2010</p>
<p>The legislative authority under which the instrument is made</p>	<p>Subsection 32(2) of the <i>Financial Management and Accountability Act 1997</i> (FMA Act) enables the Minister for Finance and Deregulation (Finance Minister) to determine that one or more Schedules to one or more Appropriation Acts are amended in relation to the transfer of a function from one agency to another.</p> <p>Under section 62 of the FMA Act the Finance Minister has delegated this power to the Secretary of the Department of Finance and Deregulation (Finance). Under section 53 of the FMA Act, the Secretary of Finance has delegated this power to certain officials within Finance.</p>
<p>Purpose and effect of the instrument</p>	<p>Schedule 1 of this Instrument amends the <i>Appropriation Act (No. 1) 2008-2009</i> to transfer an amount of \$385,361.65 of the departmental item for the Office of the Workplace Ombudsman (OWO) to the departmental item for the Office of the Fair Work Ombudsman (OFWO).</p> <p>The effect of this schedule is to reduce the departmental item in <i>Appropriation Act (No. 1) 2008-2009</i> for OWO and insert a departmental item in <i>Appropriation Act (No. 1) 2008-2009</i> for OFWO.</p>
	<p>Schedule 2 of this Instrument amends the <i>Appropriation Act (No. 3) 2008-2009</i> to transfer an amount of \$529,000 of the departmental item for the OWO to the departmental item for the OFWO.</p> <p>The effect of this schedule is to reduce the departmental item in <i>Appropriation Act (No. 3) 2008-2009</i> for OWO and insert a departmental item in <i>Appropriation Act (No. 3) 2008-2009</i> for OFWO.</p> <p>Schedule 3 of this Instrument amends the <i>Appropriation Act (No. 4) 2006-2007</i> to reduce “Equity Injections” (an <i>other departmental item</i> defined in section 3 of that Act) by an amount of \$2,000,708.20 for the Office of Workplace Services (OWS) in order to increase the amount of Equity Injections in <i>Appropriation Act (No. 2) 2009-2010</i> for the OFWO.</p>

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<p>Purpose and effect of the instrument (continued)</p>	<p>The effect of this schedule is to reduce the other departmental item (Equity Injections) in <i>Appropriation Act (No. 4) 2006-2007</i> for OWS.</p>
	<p>Schedule 4 of this Instrument amends the <i>Appropriation Act (No. 2) 2007-2008</i> to reduce “Equity Injections” (an <i>other departmental item</i> defined in section 3 of that Act) by an amount of \$167,000 for OWS in order to increase the amount to Equity Injections in <i>Appropriation Act (No. 2) 2009-2010</i> for the OFWO.</p> <p>The effect of this schedule is to reduce the other departmental item (Equity Injections) in <i>Appropriation Act (No. 2) 2007-2008</i> for OWS.</p>
	<p>Schedule 5 of this Instrument amends the <i>Appropriation Act (No. 4) 2007-2008</i> to reduce “Equity Injections” (an <i>other departmental item</i> defined in section 3 of that Act) by an amount of \$2,002,714 for OWO in order to increase the amount to Equity Injections in <i>Appropriation Act (No. 2) 2009-2010</i> for the OFWO.</p> <p>The effect of this schedule is to reduce the other departmental item (Equity Injections) in <i>Appropriation Act (No. 4) 2007-2008</i> for OWO.</p>
	<p>Schedule 6 of this Instrument amends the <i>Appropriation Act (No. 2) 2008-2009</i> to reduce “Equity Injections” (an <i>other departmental item</i> defined in section 3 of that Act) by an amount of \$350,000 for OWO in order to increase the amount to Equity Injections in <i>Appropriation Act (No. 2) 2009-2010</i> for the OFWO.</p> <p>The effect of this schedule is to reduce the other departmental item (Equity Injections) in <i>Appropriation Act (No. 2) 2008-2009</i> for OWO.</p>
	<p>Schedule 7 of this Instrument amends the <i>Appropriation Act (No. 2) 2009-2010</i> to increase “Equity Injections” (an <i>other departmental item</i> defined in section 3 of that Act) by an amount of \$4,520,422.20 for OFWO.</p> <p>Schedule 7 is the sum total of the amounts reduced in Schedules 3, 4, 5 and 6 of this Determination.</p> <p>The effect of this schedule is to increase the other departmental item (Equity Injections) in <i>Appropriation Act (No. 2) 2009-2010</i> for OFWO.</p>

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Background	<p>On 1 July 2009 the <i>Fair Work (Transitional Provisions and Consequential Amendments) Act 2009</i> (FW Act) repealed the <i>Workplace Relations Act 1996</i> and transferred the operations of the OWO to the OFWO. Schedule 18 of the FW Act required the assets and liabilities of the OWO to be transferred to the OFWO.</p> <p>Schedules 1 and 2 of this Determination give effect to these portfolio changes by transferring existing departmental appropriations from the OWO to the subsequently created OFWO.</p> <p>Prior to the commencement of Schedule 1 of the <i>Financial Framework Legislation Amendment Act 2007</i> on 25 September 2007, section 32 of the FMA Act provided access to appropriations to the gaining agency rather than transferring appropriations from the losing agency.</p> <p>The OWO gained access to Equity Injections, which were originally appropriated to the OWS in <i>Appropriation Act (No. 4) 2006-2007</i> and <i>Appropriation Act (No. 2) 2007-2008</i>, by means of <i>Direction under Section 32, Financial Management and Accountability Act 1997 – Adjustments of Appropriations on Change of Agency Functions (No. 6 of 2007-2008)</i> and <i>Direction under Section 32, Financial Management and Accountability Act 1997 – Adjustments of Appropriations on Change of Agency Functions (No. 1 of 2007-2008)</i>.</p> <p>Schedules 3 and 4 reduce Equity Injection appropriations made to the OWS in 2006-07 (Act 4) and 2007-08 (Act 2).</p> <p>Schedules 5 and 6 reduce Equity injection appropriations made to the OWO in 2007-08 (Act 4) and 2008-09 (Act 2).</p> <p>Schedule 7 increases the Equity Injection appropriation made to the OFWO in 2009-10 (Act 2) by the sum of the amounts reduced in Schedule 3 to Schedule 6.</p>
Notes on the Instrument	<p>In accordance with Part 3 of the <i>Legislative Instruments Act 2003</i>, the OFWO was consulted in the preparation of this instrument.</p> <p>This Determination is a legislative instrument for the purposes of section 5 of the <i>Legislative Instruments Act 2003</i>.</p>