

EXPLANATORY STATEMENT

Issued by the authority of the Minister for Finance and Deregulation

The instrument to which this explanatory statement relates	<i>Determination to Reduce Appropriations Upon Request (No. 14 of 2010-2011)</i>
Date instrument was made	19 April 2011
The legislative authority under which the instrument is made	<p>Subsection 11(1) of:</p> <ul style="list-style-type: none"> • <i>Appropriation Act (No. 2) 2004-2005</i>; and • <i>Appropriation Act (No. 2) 2007-2008</i> <p>and, Subsection 13(2) of:</p> <ul style="list-style-type: none"> • <i>Appropriation Act (No. 2) 2009-2010</i> <p>enable the Minister for Finance and Deregulation to make a determination reducing an administered assets and liabilities item or an other departmental item for an agency by the amount specified in the Determination, upon receipt of a written request from the Minister responsible for that agency.</p> <p>Subsection 9(1) of:</p> <ul style="list-style-type: none"> • <i>Appropriation Act (No. 3) 2005-2006</i>; and • <i>Appropriation Act (No. 3) 2007-2008</i>; <p>and, Subsection 10(2) of:</p> <ul style="list-style-type: none"> • <i>Appropriation Act (No. 3) 2008-2009</i>; • <i>Appropriation Act (No. 1) 2009-2010</i>; and • <i>Appropriation Act (No. 3) 2009-2010</i> <p>enable the Minister for Finance and Deregulation to make a determination reducing a departmental item for an agency by the amount specified in the Determination, upon receipt of a written request from the Minister responsible for that agency.</p> <p>Determinations made under these subsections are legislative instruments and are disallowable.</p>
Purpose and effect of the instrument	<p>The purpose of the instrument is to reduce appropriation items that the Minister for Defence has advised the Minister for Finance and Deregulation are surplus to the requirements of the Department of Defence.</p> <p>Schedule 1 of the Instrument determines that the other departmental item (Equity Injections) for the Department of Defence in <i>Appropriation Act (No. 2) 2004-2005</i> be reduced by \$28,828,000.</p> <p>Schedule 2 of the Instrument determines that the departmental item for the Department of Defence in <i>Appropriation Act (No. 3) 2005-2006</i> be reduced by \$55,800,000.</p> <p>Schedule 3 of the Instrument determines that the other departmental item (Previous Years' Outputs) for the</p>

	<p>Department of Defence in <i>Appropriation Act (No. 2) 2007-2008</i> be reduced by \$24,607,000.</p> <p>Schedule 4 of the Instrument determines that the departmental item for the Department of Defence in <i>Appropriation Act (No. 3) 2007-2008</i> be reduced by \$20,163,000.</p> <p>Schedule 5 of the Instrument determines that the departmental item for the Department of Defence in <i>Appropriation Act (No. 3) 2008-2009</i> be reduced by \$78,115,000.</p> <p>Schedule 6 of the Instrument determines that the departmental item for the Department of Defence in <i>Appropriation Act (No. 1) 2009-2010</i> be reduced by \$762,631.51.</p> <p>Schedule 7 of the Instrument determines that the other departmental item (Previous Years' Outputs) for the Department of Defence in <i>Appropriation Act (No. 2) 2009-2010</i> be reduced by \$141, 401,000.</p> <p>Schedule 8 of the Instrument determines that the departmental item for the Department of Defence in <i>Appropriation Act (No. 3) 2009-2010</i> be reduced by \$99,187,368.49.</p>
Background	<p>The Minister for Defence wrote to the Minister for Defence on 16 March 2011 requesting a determination to reduce Defence's departmental appropriation in:</p> <ul style="list-style-type: none"> • <i>Appropriation Act (No. 2) 2004-2005</i> by \$28,828,000; • <i>Appropriation Act (No. 3) 2005-2006</i> by \$55,800,000; • <i>Appropriation Act (No. 2) 2007-2008</i> by \$24,607,000; • <i>Appropriation Act (No. 3) 2007-2008</i> by \$20,163,000; • <i>Appropriation Act (No. 3) 2008-2009</i> by \$78,115,000; • <i>Appropriation Act (No. 1) 2009-2010</i> by \$762,631.51; • <i>Appropriation Act (No. 2) 2009-2010</i> by \$141,401,000; and • <i>Appropriation Act (No. 3) 2009-2010</i> by \$99,187,368.49. <p>The reduction in the departmental appropriation represents excess funds identified due to savings from the movement of foreign exchange rates funded under no win/no loss arrangements; and savings under the no win/no loss funding of Operations.</p>

<p>Notes on the Instrument</p>	<p>The Schedules to the Instrument contain a table listing the affected agency in column 1, the appropriation Act and appropriation item in column 2, which through the request by the responsible Minister in column 3, is reduced by the amount in column 4.</p> <p>In accordance with the <i>Legislative Instruments Act 2003</i>, the Department of Defence was consulted in the preparation of this Instrument.</p>
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