

## **EXPLANATORY STATEMENT**

### *Financial Framework Legislation Amendment Act (No. 1) 2011 - Proclamation*

The *Financial Framework Legislation Amendment Act (No. 1) 2011* (FFLA Act) amends eight Acts to clarify aspects of the financial management of Commonwealth agencies, authorities and companies. The FFLA Act received the Royal Assent on 4 August 2011.

Subsection 2(1) of the FFLA Act provided that Schedules 1 and 2 to the FFLA Act will commence on a day (or days, for Schedule 2) to be fixed by Proclamation within 12 months from the date of the Royal Assent, or 12 months after the date of the Royal Assent. Subsection 2(1) also provided that Schedule 3 to the FFLA Act will commence immediately after the commencement of item 1 in Schedule 2.

Schedule 1 to the FFLA Act amended the *Commonwealth Authorities and Companies Act 1997* (CAC Act) to move the content requirements of a Government Business Enterprise's corporate plan from the CAC Act into the *Commonwealth Authorities and Companies Regulations 1997*.

Schedule 2 to the FFLA Act amended the *Financial Management and Accountability Act 1997* (FMA Act) to move the sunseting and disallowance provisions for Special Account determinations and guidelines from the *Legislative Instruments Act 2003* into the FMA Act. Schedule 2 also clarified that Chief Executive's instructions are not legislative instruments, and that the external auditor of an FMA Act agency is the Auditor-General.

Schedule 3 of the FFLA Act made consequential amendments to the *Legislative Instruments Act 2003* to remove the sunseting and disallowance exemptions in the *Legislative Instruments Act 2003* that were made redundant by Schedule 2 of the FFLA Act.

All Departments of State and FMA Act Agencies have been informed of the commencement date.

The Proclamation is a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

The Proclamation fixed 1 September 2011 as the day on which Schedules 1 and 2, and consequently Schedule 3, commence.

Authority: Subsection 2(1) of the *Financial Framework Legislation Amendment Act (No. 1) 2011*.