

EXPLANATORY STATEMENT

Issued by the authority of the Minister for Finance and Deregulation

Financial Management and Accountability Act 1997

FMA Act (Variation and abolition of Special Account) Determination 2013/03

This determination (the Determination) is made under subsections 20(2) and 20(3) of the *Financial Management and Accountability Act 1997* (FMA Act). The Determination varies and abolishes the *Minting and Coinage Special Account*. Section 48A of the *Legislative Instruments Act 2003* applies to the Determination.

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 under subsection 20(1) of the FMA Act or vary Special Accounts under subsection 20(2) of the FMA Act are subject to the tabling and disallowance procedures in section 22 of the FMA Act. Section 22 of the FMA Act requires the Finance Minister to table a copy of the determination in each House of the Parliament. Either House may pass a resolution disallowing a determination within five sitting days of tabling. If the determination is not disallowed, it comes into effect on the day immediately after the last day on which it could have been disallowed.

Subsection 20(6) of the FMA Act exempts determinations that establish Special Accounts under subsection 20(1) of the FMA Act or vary Special Accounts under subsection 20(2) of the FMA Act from the operation of Part 6 (sunsetting) of the *Legislative Instruments Act 2003*.

Subsection 20(7) of the FMA Act exempts determinations that abolish Special Accounts under subsection 20(3) of the FMA Act from the operation of section 42 (disallowance) and Part 6 (sunsetting) of the *Legislative Instruments Act 2003*.

Exemption from Statement of Compatibility with Human Rights

A Statement of Compatibility with Human Rights is not required for this determination. Subsection 9(1) of the *Human Rights (Parliamentary Scrutiny) Act 2011* requires a Statement of Compatibility with Human Rights for all legislative instruments subject to disallowance under section 42 of the *Legislative Instruments Act 2003*. While determinations made or varied under subsections 20(1) or 20(2) of the FMA Act are subject to disallowance under section 22 of the FMA Act they are not subject to disallowance under section 42 of the *Legislative Instruments Act 2003*. Determinations made under subsection 20(3) of the FMA Act are exempt from disallowance under subsection 20(7) of the FMA Act, as such a Statement of Compatibility with Human Rights is not required.

Purposes of the Determination

The Determination varies the *Minting and Coinage Special Account* (the Special Account) to allow the Royal Australian Mint to be able to pay amounts to another Special Account. Should the *Royal Australian Mint Special Account* determination (2013/04) not be disallowed by the Parliament, it is expected that the Mint would transfer to it the entire balance of the Special Account, and manage all future operations using the *Royal Australian Mint Special Account*.

Consequently, the Determination commences after both the following events have occurred: the Determination takes effect in accordance with subsection 22 (4) of the FMA Act, and the *Royal Australian Mint Special Account* commences.

The Determination provides that the Special Account is abolished either on the day its balance reaches zero, or 31 December 2013.

Consultation

The Department of the Treasury and the Royal Australian Mint were consulted. As the instrument is for internal machinery of government purposes only, no consultation was necessary with other persons outside the Commonwealth (see sections 17 and 18 of the *Legislative Instruments Act 2003*).

Table of Balances and Transactions

The table below outlines the financial implications of the Determination. There is no net change to the Commonwealth's fiscal and underlying cash balances.

Special Account	2013-2014 (\$'000)			
	Opening Balance	Credits	Debits	Closing Balance
<i>Minting and Coinage Special Account</i>	9,723	0	-9,723	0

Note: these figures are indicative only and may vary from the Agencies' actuals published in the Portfolio Budget Statements and Annual Reports.