

EXPLANATORY STATEMENT

Select Legislative Instrument 2007 No. 238

Issued by the Authority of the Minister for Veterans' Affairs

Australian War Memorial Act 1980

Australian War Memorial Amendment Regulations 2007 (No. 1)

Section 42 of the *Australian War Memorial Act 1980* (the Act) provides, in part, that the Governor-General may make regulations, not inconsistent with the Act, prescribing all matters required or permitted to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to the Act.

Section 35 of the Act sets out the circumstances under which the Australian War Memorial (the Memorial) may enter into contracts.

Paragraph 35(1)(a) of the Act covers contracts for the acquisition of historical material. It provides that where the Memorial wishes to enter into a contract under which it intends to purchase any historical material for a sum exceeding \$250,000 (or if a higher amount is prescribed, then that amount) then the Memorial has to obtain the approval of the Minister for Veterans' Affairs before entering that contract.

Paragraph 35(1)(b) of the Act provides that if the Memorial intends to enter into a contract under which the Memorial is to pay or receive in any other case an amount exceeding \$150,000 (or if a higher amount is prescribed, then that amount) then the Memorial has to obtain the approval of the Minister for Veterans' Affairs before entering into that contract.

The purpose of the Regulations is to provide that the Memorial be able to enter into all contracts under section 35 of the Act up to an amount of \$1 million without the need of the approval of the Minister for Veterans' Affairs. At present the current thresholds result in a large number of contracts needing to be approved by the Minister which can be operationally disruptive and inefficient. The Regulations would reduce the number of contracts requiring the Minister's approval.

Further, the amendment would be in line with the threshold for other similar agencies including the National Library, National Gallery and National Museum. The increase in the threshold would also bring the limits up to more intended levels as they have not been amended since 1989 and therefore do not reflect current day values.

This new prescribed amount would apply to a contract relating to acquisition of historical and non historical property, a contract relating to the disposal of non historical property or a contract relating to the disposal of historical property (after the Minister has approved the disposal if required under subsection 8(4) of the Act which states that in order for the Memorial to dispose of historical property valued at more than \$5000, it must first obtain the approval of the Minister).

Further details of the Regulations are contained in the Attachment.

The Regulations are a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

The Regulations commenced on the day after they were registered on the Federal Register of Legislative Instruments.

Consultation on this proposal has taken place. The Minister for Finance and Administration has been consulted and has no concerns with the proposed amendments.

0706769A-070705Z

ATTACHMENT

Details of the Australian War Memorial Amendment Regulations 2007

- Regulation 1 sets out the name of the Regulations – *Australian War Memorial Amendment Regulations 2007* .
- Regulation 2 specifies that the regulations are taken to have commenced on The day after they are registered.
- Regulation 3 provides that Schedule 1 amends the Principal Regulations – namely the *Australian War Memorial Regulations 1983*.

Schedule 1 - Amendment

- Item [1] inserts a new regulation 6A into the *Australian War Memorial Regulations 1983*. Regulation 6A prescribes an amount of \$1 million for the purposes of paragraphs 35(1)(a) and (b) of the Act.