

EXPLANATORY STATEMENT

Issued by the authority of the Minister for Finance

Public Governance, Performance and Accountability Act 2013

PGPA Act (Reef Trust Special Account 2014) Determination 01 (the Determination)

Purpose of the Determination

The Determination is made under subsection 78(1) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and establishes the *Reef Trust Special Account 2014*.

Special account determinations

In accordance with section 81 of the Constitution, all revenues or moneys raised or received by the Commonwealth Executive Government form one Consolidated Revenue Fund (CRF). Section 83 of the Constitution provides that such money may not be spent except under an appropriation made by law.

A special account is an appropriation mechanism that sets aside amounts within the CRF for spending on the purposes specified in the determination that established the special account. Such determinations are made by the Minister for Finance under section 78(1) of the PGPA Act. A special account determination sets out the types of amounts that may be credited to the special account and the purposes for which amounts may be debited from the account. Payments made with amounts debited from special accounts (established by a determination) are supported by an appropriation contained in section 78(4) of the PGPA Act.

Subsection 79(2) of the PGPA Act provides that special account determinations are legislative instruments under the *Legislative Instruments Act 2003*. Subsection 79(4) of the PGPA Act provides that special account determinations are disallowable instruments under the PGPA Act.

In accordance with subsection 79(3) of the PGPA Act, the Finance Minister must table a copy of such determinations in each House of the Parliament. Within five sitting days of tabling, either House may pass a resolution to disallow the determination. 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, or on a later day if specified in the determination.

Special account determinations are subject to Part 6 (sunsetting) of the *Legislative Instruments Act 2003*. A special account determination will, therefore, be repealed on the earlier of 1 April or 1 October falling on or after the tenth anniversary of registration of the determination.

Special account determinations may be varied or revoked by a subsequent determination being made in accordance with subsection 78(3) of the PGPA Act.

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 78(1) or 78(3) of the PGPA Act are subject to disallowance under section 79 of the PGPA Act, they are not subject to disallowance under section 42 of the *Legislative Instruments Act 2003*. As such, a Statement of Compatibility with Human Rights is not required.

Operation of the Determination

The determination establishes a special account to make payments for projects related to the Great Barrier Reef World Heritage Area. The special account is intended to assist in implementing a Reef 2050 Plan, as announced in the 2014-15 Budget expense measure *Reef 2050 Plan — establishment*.

The special account may be credited with amounts in annual Appropriation Acts for the Reef 2050 Plan, with amounts collected as environmental offsets under the *Environment Protection and Biodiversity Conservation Act 1999* and with amounts received from other governments or persons that are not Commonwealth entities for the purposes of the special account.

The balance of the *Reef Trust Special Account 2014* is intended to be held on account of the Commonwealth only and not on trust for any other party.

Consultation

The Department of the Environment was consulted in the preparation of the determination. As the determination is for internal machinery of government purposes only, no consultation was necessary with other persons (see sections 17 and 18 of the *Legislative Instruments Act 2003*).