

## **EXPLANATORY STATEMENT**

### *Public Governance, Performance and Accountability Act 2013*

#### *Public Governance, Performance and Accountability (Section 75 Transfers) Determination 2014-2015 (the determination)*

#### **Purpose of the determination**

The determination is made under section 75 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), to adjust amounts appropriated to non-corporate Commonwealth entities, in response to the Administrative Arrangements Order (AAO) made on 23 December 2014.

The determination adjusts appropriations to support functions transferring from the former Department of Education to the Department of Social Services, in relation to early childhood and childcare; the former Department of Industry to the Department of Education and Training, in relation to vocational education and training; and the former Department of Industry to the Department of the Treasury, in relation to small business programmes.

In addition, it adjusts appropriations to support functions relating to the development of a Northern Queensland insurance comparison website transferring from the Department of the Treasury to the Australian Securities and Investments Commission, which was separately approved.

#### **Commencement**

The determination commences on 1 February 2015.

#### **Authority for the determination**

Section 75 of the PGPA Act enables the Finance Minister to determine that one or more Schedules to one or more Appropriation Acts are amended in a specified way in relation to the transfer of a function from one non-corporate Commonwealth entity to another.

Under section 107 of the PGPA Act, the Finance Minister has delegated the power to make determinations under section 75 to the Secretary of the Department of Finance. Under section 109 of the PGPA Act, the Secretary has, in turn, sub-delegated this power to certain officials within the Department of Finance, including the official who made this determination.

The determination is a legislative instrument for the purposes of section 5 of the *Legislative Instruments Act 2003*.

#### **Statement of Compatibility with Human Rights**

A Statement of Compatibility with Human Rights is not required for the 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*. A determination under section 75 of the PGPA Act is exempt from disallowance under subsection 75(7) of the PGPA Act. As such, a Statement of Compatibility with Human Rights is not required.

#### **Consultation**

Consistent with Part 3 of the *Legislative Instruments Act 2003*, the affected entities were consulted in the preparation of the determination.

#### **Summary of Amendments**

1. In accordance with the AAO made on 23 December 2014, references and Department names in *Appropriation Act (No. 1) 2014-2015* and *Appropriation Act (No. 2) 2014-2015* have effect as if:
  - (a) the Department of Education is referred to as the Department of Education and Training; and
  - (b) the Department of Industry is referred to as the Department of Industry and Science.

2. The table of amendments of appropriation items at subsection 5(4) in the determination provides an aggregation of appropriation items for each affected agency, rather than the individual items. The table below sets out the individual appropriation transfers.

The determination affects relevant appropriation items in Schedule 1 to the *Appropriation Act (No. 1) 2014-2015* in the following way, which results in no change to the total amount appropriated by Parliament. A positive amount reflects an increase in an appropriation item, and a negative amount reflects a decrease in an appropriation item.

<b>Agency affected</b>	<b>Item affected</b>	<b>Transfer to (\$ '000)</b>	<b>Transfer from (\$ '000)</b>
Department of Social Services	Administered item, Outcome 2	+167,189	
Department of Education and Training	Administered item, Outcome 1		-167,189
Department of Education and Training	Administered item, Outcome 3	+415,761	
Department of Industry and Science	Administered item, Outcome 1		-415,761
Department of the Treasury	Administered item, Outcome 1	+6,856	
Department of Industry and Science	Administered item, Outcome 1		-6,856
Australian Securities and Investments Commission	Departmental item	+634	
Department of the Treasury	Departmental item		-634
Department of Social Services	Departmental item	+13,352	
Department of Education and Training	Departmental item		-13,352
Department of Education and Training	Departmental item	+22,473	
Department of Industry and Science	Departmental item		-22,473
		<b>+626,265</b>	<b>-626,265</b>

In subsection 5(4) in the determination, item 5 (Department of Industry and Science) can be calculated as the offsetting amount for both items 3 (Department of Education and Training) and 4 (Department of Treasury) as follows:

<b>Agency affected</b>	<b>Item affected</b>	<b>Transfer to (\$ '000)</b>	<b>Transfer from (\$ '000)</b>
Department of Education and Training	Administered item, Outcome 3	+415,761	
Department of Industry and Science	Administered item, Outcome 1		-415,761
Department of the Treasury	Administered item, Outcome 1	+6,856	
Department of Industry and Science	Administered item, Outcome 1		-6,856
		<b>+422,617</b>	<b>-422,617</b>

In subsection 5(4) in the determination, item 8 (Department of Education and Training) can be calculated as the offsetting amount for both items 9 (Department of Social Services) and 10 (Department of Industry and Science) as follows:

<b>Agency affected</b>	<b>Item affected</b>	<b>Item 8 (\$ '000)</b>	<b>Items 9 and 10 (\$ '000)</b>
Department of Social Services	Departmental item		+13,352
Department of Education and Training	Departmental item	-13,352	
Department of Education and Training	Departmental item	+22,473	
Department of Industry and Science	Departmental item		-22,473
		<b>+9,121</b>	<b>-9,121</b>

3. The determination affects relevant appropriation items in Schedule 2 to the *Appropriation Act (No. 2) 2014-2015* in the following way, which results in no change to the total amount appropriated by Parliament. A positive amount reflects an increase in an appropriation item, and a negative amount reflects a decrease in an appropriation item.

<b>Agency affected</b>	<b>Item affected</b>	<b>Transfer to (\$ '000)</b>	<b>Transfer from (\$ '000)</b>
Australian Securities and Investments Commission	Other departmental item (Equity Injections)	+2,613	
Department of the Treasury	Other departmental item (Equity Injections)		-2,613
	<b>Total</b>	<b>+2,613</b>	<b>-2,613</b>