

## EXPLANATORY STATEMENT

Issued by the authority of the Minister for Finance  
*Public Governance, Performance and Accountability Act 2013*  
*PGPA Act Determination (Reef Trust Special Account 2024)*

### ***Purpose of this determination***

This determination is made under subsections 78(1) and 78(3) of the *Public Governance, Performance and Accountability Act 2013* (**PGPA Act**) to establish the *Reef Trust Special Account 2024* (**the special account**) for the Department of Climate Change, Energy, the Environment and Water (**the Department**).

The special account is being established to enable the Commonwealth to make payments, and collect and hold amounts for a range of purposes, including to support the delivery of the *Reef 2050 Long-Term Sustainability Plan*. This is the Commonwealth and Queensland Government's long-term framework for protecting, sustaining and managing the Outstanding Universal Value of the Great Barrier Reef.

The special account will help facilitate delivery of the Reef Trust program in the Great Barrier Reef World Heritage Area through supporting projects with outcomes that include, but are not limited to, improving water quality entering the Great Barrier Reef from broad-scale land use, improving the health and resilience of coastal habitats, improving and protecting marine biodiversity, and protecting, repairing or mitigating damage to the Great Barrier Reef World Heritage Area.

The special account will also enable the Department to hold, collect and expend non-taxation revenue and receipts, including amounts collected as environmental offsets under the *Environment Protection and Biodiversity Conservation Act 1999*, as well as amounts received from other governments or persons and organisations that are not Commonwealth entities for the purposes of the special account.

The balance of the special account may be reduced without making a real or notional payment, which would have the effect of reducing the available appropriation for the purposes of the special account.

The special account will effectively replace the *Reef Trust Special Account 2014*, established by the *PGPA Act (Reef Trust Special Account 2014) Determination 01* which is due to sunset on 1 October 2024 under section 50 of the *Legislation Act 2003*.

Once the special account is established, the legislative instrument establishing the *Reef Trust Special Account 2014* will be repealed and an amount equal to the amount standing to the credit of the *Reef Trust Special Account 2014* immediately prior to the commencement of the instrument establishing the special account will be credited to the special account as its opening balance.

### ***The operating context of special accounts***

A special account may be established by a determination made by the Minister for Finance (under section 78 of the PGPA Act) or by an Act (see section 80 of the PGPA Act).

A special account is an appropriation mechanism that sets aside amounts within the Consolidated Revenue Fund (**CRF**) for spending on specified purposes. The purposes of a special account are set out in the establishing determination or Act.

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

- A special account enables revenues or moneys raised or received to be set aside for the purposes of that special account.
- Expenditure for the purposes of a special account is supported by an appropriation in the PGPA Act: subsection 78(4) for a special account established by a determination or subsection 80(1) for a special account established by an Act.

### ***Special account determinations***

Special account determinations are legislative instruments for the purposes of the *Legislation Act 2003*. Special account determinations may be varied or revoked by a subsequent determination being made in accordance with subsection 78(3) of 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. Subsection 79(4) of the PGPA Act provides that special account determinations are subject to disallowance by either House of the Parliament.

The disallowance period starts on the day a special account determination is tabled in the House and ends on the fifth sitting day of the House after the determination was tabled in that House.

If neither House passes a resolution to disallow a special account determination, under subsection 79(5) it commences 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. This determination specifies that it will commence on the day mentioned in paragraph 79(5)(a) of the PGPA Act (which is the day immediately after the last day on which it could have been disallowed). The Secretary of the Department will be the accountable authority responsible for the special account on commencement of this determination.

### ***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 *Legislation 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, subsection 79(2) provides that they are not subject to disallowance under section 42 of the *Legislation Act 2003*. As such, a Statement of Compatibility with Human Rights is not required.

### ***Consultation***

The Department was consulted in the preparation of this determination.