

EXPLANATORY MEMORANDUM

FINANCE REGULATIONS (AMENDMENT)

Section 125 of the Audit Act 1989 (the Principal Act) provides for the making of regulations for the purposes of the Principal Act.

In particular, subsection 125(2) of the Principal Act details various matters in respect of which the regulations may make provision and section 126 provides that the regulations may authorise the giving of directions in certain specified circumstances.

Regulation 81 of the Finance Regulations provides that the Treasurer or the administrative head (Under Treasurer) may give to officers or to other persons who are subject to the Act, directions in relation to matters specified in subparagraphs 125(2)(a)(i) to (vii) of the Principal Act.

The Finance Regulations (Amendment) extends the matters on which directions may be given by the Treasurer or the administrative head to include the issue, transmission and transfer of securities created under section 33B of the Principal Act, their registration and the payment of interest in respect of them and their redemption. This matter was added to paragraph 125(2)(a) of the Principal Act by section 6 of the Audit (Amendment) Act 1990 (No.10 of 1990).

The Finance Regulations (Amendment) also enables each head of administration and the Auditor-General to give directions to officers of their administrative unit on each of the matters referred to in paragraph 125(2)(a).

The amendments will enhance financial management.

The details of the Finance Regulations (Amendment) follow.

Paragraph (a) amends subregulation 81(1) of the Finance Regulations by extending the matters on which directions may be given to include subparagraph 125(2)(viii) which deals with securities.

Paragraph (b) inserts a new subregulation (1A) into regulation 81 of the Finance Regulations which authorises each head of administration and the Auditor-General, pursuant to paragraph 126(1)(b) of the Principal Act, to give officers of, or persons employed in, his or her administrative unit, directions in relation to any of the matters referred to in paragraph 125(2)(a) of the Principal Act.

Treasurer