

**ACT Government**

**FINANCIAL MANAGEMENT ACT 1996**

**AMENDMENT UNDER SECTION 19C**

**Statement of Reasons**

# Financial Management Amendment to Conditions of Capital Injection 2003

Notifiable instrument NI2003—512

made under the

***Financial Management Act 1996, s19C Amendment of Conditions of Capital Injection***

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This statement outlines the reasons for the change in purpose of \$5.7m of \$8m capital injection, originally appropriated to the Department of Urban Services and to be provided to ACTION Authority as a loan, under Section 19C of the *Financial Management Act 1996*.

Section 19C of the FMA allows for the amendment of conditions attached to capital injections.

A loan facility was provided to the ACTION Authority for the proposed purchase of 25 new buses to replace 25 Dart buses whose operating lease was to expire in June 2003. ACTION Authority, however, has been able to renew its existing lease of DART Buses (under a finance lease).

The Government has now decided to utilise \$5.7m of this loan facility to fund the purchase 20 additional new buses.

This instrument authorises the amendment of the purpose for which the capital injection was first provided and will provide \$5.7m of the \$8m as equity capital injection to ACTION Authority. The remaining \$2.3m will remain available to ACTION Authority as a loan facility under the original terms and conditions stated in 2003-2004 Budget Paper no. 4, page 484.