THE LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

Financial Management (Transfer of Funds from Capital Injection Appropriation to Other Appropriations) Approval 2018 (No 1)

DI2018-82

FINANCIAL MANAGEMENT ACT 1996
SECTION 14A

EXPLANATORY STATEMENT

Presented by
Mr Andrew Barr MLA
Treasurer

FINANCIAL MANAGEMENT ACT 1996 SECTION 14A(2)(b)

The *Financial Management Act 1996* Section 14A(2)(b) is the mechanism for the transfer of funds from capital injection to other appropriations.

Under Section 14A(2)(b) transfers from Capital Injection in any financial year that exceed the threshold of five per cent or $500,000 (whichever is larger) can only be made through an authorisation in the form of a disallowable instrument.

The disallowable instrument must be presented in the Legislative Assembly no later than six sitting days after its notification day.

This allows the Assembly power to pass a resolution to disallow the transfer, if required.

Financial Management Act Section 14A (2)(b)

This Instrument transfers $12.5 million of Chief Minister, Treasury and Economic Development Directorate Capital Injection (Territorial) appropriation to Payments on Behalf of the Territory appropriation.

The transfer relates to the capital funding originally appropriated for the Land Rent Scheme to be reallocated to the First Home Owners' Grant (FHOG) Scheme ($10 million) and $2.5 million for the ACT Concessions Program. This transfer is required due to a higher than anticipated number of applicants for both the FHOG and the ACT Concessions Program.

The remaining funding in the Land Rent Scheme for 2017-18 is sufficient to cover the anticipated demand for the program for the remainder of the financial year.