

Explanatory Statements

The *Legislative Instruments Act 2003* requires explanatory statements to be registered on the Federal Register of Legislative Instruments (section 26) and tabled in both Houses of the Parliament (section 39) together with their legislative instruments. Section 4 of the Act lists the information that is required to be included in explanatory statements.

The Committee places considerable reliance on explanatory statements to understand legislative instruments and to assess their purpose. All regulations and disallowable instruments should therefore be accompanied by an explanatory statement that:

- provides a plain English explanation;
- states the authority for making the instrument;
- states the reasons for making the instrument;
- summarises the likely impact and effect;
- discusses any unusual aspects or matters that call for special comment;
- gives reasons for and the basis upon which charges or fees have been increased or decreased;
- describes the nature of any consultation undertaken or explains why no such consultation was undertaken;
- describes any documents incorporated by reference and indicates how they may be obtained;
- provides a detailed provision-by-provision description of the instrument; and
- is precise and informative.