

Senator the Hon Simon Birmingham Minister for Finance Parliament House CANBERRA ACT 2600

Via email: financeminister@finance.gov.au

CC: DLO-Finance@finance.gov.au; plc@finance.gov.au; Steven.Mammarella@finance.gov.au; Jonathan.Sharman@finance.gov.au

Dear Minister,

## Financial Framework (Supplementary Powers) Amendment (Infrastructure, Transport, Regional Development and Communications Measures No. 2) Regulations 2021 [F2021L00409]

The Senate Standing Committee for the Scrutiny of Delegated Legislation (the committee) assesses all disallowable legislative instruments against scrutiny principles outlined in Senate standing order 23. The committee has identified scrutiny concerns in relation to the above instrument, and the committee seeks your advice in relation to this matter.

### Parliamentary oversight

The instrument inserts new table item 475 in the table in Part 4 of Schedule 1AB to the Financial Framework (Supplementary Powers) Regulations 1997 to establish legislative authority for government spending on the Tourism Aviation Network Support Program (the TANS program).

The explanatory statement to the instrument explains that the TANS program will provide grant funding to Australian airline operators to enable them to offer discounted fares for flights to and from identified regions affected by the downturn in international and domestic tourism resulting from the COVID-19 pandemic. The explanatory statement also states that the TANS program is part of the government's \$1.2 billion *Tourism and Aviation's Flight Path to Recovery* package. However, the explanatory statement does not specify how much of this funding is allocated to the TANS program.

Further, although the explanatory statement states that funding for the TANS program will be included in the 2021-22 Infrastructure, Transport, Regional Development and Communications Portfolio Budget Statements, in those statements the program funding is listed as "not for publication".<sup>1</sup> The explanatory statement also states that "due to ongoing contract negotiations"

<sup>1</sup> Infrastructure, Transport, Regional Development and Communications Portfolio, *Portfolio Budget Statements 2021–22*, p. 45.

with airlines, it is not appropriate to make the final funding amount for the TANS program publicly available at this stage".

The committee notes that the scrutiny of instruments made under the *Financial Framework* (*Supplementary Powers*) Act 1997 is a key aspect of parliamentary scrutiny and control of Commonwealth expenditure. In this regard, the committee is concerned that the non-disclosure of the funding amount may inhibit Parliament's capacity to effectively scrutinise such instruments.

#### The committee therefore requests your advice as to:

- whether it is intended at any point in the future to inform the Parliament as to the amount of funding that is expected to be expended on the TANS program; and
- if not, a more detailed justification as to why the amount of funding should not be published and not disclosed to the Parliament, noting the importance of effective parliamentary oversight of executive expenditure.

The committee's expectation is to receive a response in time for it to consider and report on the instrument while it is still subject to disallowance. If the committee has not concluded its consideration of an instrument before the expiry of the 15th sitting day after the instrument has been tabled in the Senate, the committee may give notice of a motion to disallow the instrument as a precautionary measure to allow additional time for the committee to consider information received.

Noting this, and to facilitate the committee's consideration of the matters above, the committee would appreciate your response by **8 July 2021**.

Finally, please note that, in the interests of transparency, this correspondence and your response will be published on the committee's website.

If you have any questions or concerns, please contact the committee's secretariat on (02) 6277 3066, or by email to <u>sdlc.sen@aph.gov.au</u>.

Thank you for your assistance with this matter.

Yours sincerely,



Senate Standing Committee for the Scrutiny of Delegated Legislation Parliament House, Canberra ACT 2600 02 6277 3066 | sdlc.sen@aph.gov.au www.aph.gov.au/senate\_sdlc

24 June 2021

Senator the Hon Anne Ruston Minister for Families and Social Services Parliament House CANBERRA ACT 2600

Via email: dlos@dss.gov.au

Dear Minister,

#### Paid Parental Leave Rules 2021 [F2021L00384]

The Senate Standing Committee for the Scrutiny of Delegated Legislation (the committee) assesses all disallowable legislative instruments against scrutiny principles outlined in Senate standing order 23. The committee has identified scrutiny concerns in relation to the above instrument, and the committee seeks your advice in relation to this matter.

#### Privacy

Senate standing order 23(3)(h) requires the committee to scrutinise each legislative instrument as to whether it trespasses unduly on personal rights and liberties, including the right to privacy.

Part 9 of the instrument provides for matters relating to the disclosure of information and prescribes guidelines for the exercise of the Secretary's power to give a certificate in relation to a disclosure that is necessary in the public interest.

In accordance with subparagraph 55(1)(d)(i), the Secretary, may certify the disclosure of information is necessary in the public interest if they are satisfied, among other things, "the person to whom the information will be disclosed ... has a genuine and legitimate intertest in the information."

Subdivision B of Division 2 of Part 9 of the instrument sets out the covered disclosures for public interest certificates. For each covered disclosure, the explanatory statement does not provide detail on who might be a person with "a genuine and legitimate interest in the information".

Where an instrument contains provisions which may trespass on the right to privacy, the committee expects that the explanatory statement should explain the nature and scope of the provisions. The explanatory statement should also address the nature and extent of the information that may be disclosed and the persons or entities to whom disclosure is permitted.

The committee also expects the explanatory statement to justify why the provisions are necessary and appropriate, and what safeguards are in place to protect this personal information, and whether these safeguards are in law or policy. Explanatory statements should also indicate whether the safeguards in the *Privacy Act 1988* apply.

In light of the above, the committee requests your advice as to what factors will be considered in determining whether a person has "a genuine and legitimate interest in the information" for each covered disclosure set out in Subdivision B of Division 2 of Part 9 of the instrument.

### Adequacy of explanatory materials

Senate standing order 23(3)(g) requires the committee to scrutinise each instrument as to whether the accompanying explanatory material provides sufficient information to gain a clear understanding of the instrument.

The committee notes that while a statement of compatibility has been included in the explanatory statement to the instrument, the statement of compatibility does not provide detail about how the instrument engages the right to privacy, despite Part 9 of the instrument setting out guidelines for disclosure of personal information.

In light of the above, the committee requests your advice as to whether the statement of compatibility can be amended to include detail on how the instrument engages the right to privacy.

#### Modifications to primary legislation

#### Parliamentary oversight

Senate standing order 23(3)(j) requires the committee to consider whether an instrument contains matters more appropriate for parliamentary enactment. This may include instruments which provide modifications to primary legislation. In addition, Senate standing order 23(3)(k) requires the committee to scrutinise each legislative instrument as to whether it complies with any ground relating to the technical scrutiny of delegated legislation. This includes whether an instrument limits parliamentary oversight.

Part 3-5 of the *Paid Parental Leave Act 2010* (the Act) provides for employer determinations to be made for an employer and an employee. If an employer determination is in force, the employer is required to pay instalments of Parental Leave Pay to the employee. Subsection 299(1) of the Act allows for rules or regulations to provide for employer determinations to be made for persons in a relationship similar to that of an employer and employee. Subsection 299(2) allows rules or regulations to modify any provision of the Act in relation to those persons.

Part 11 of the instrument makes modifications to the Act to empower the Secretary to make employer determinations in relation to the Police Commissioner and law enforcement officers of states other than Queensland or the Australian Capital Territory, the Crown in right of Queensland and Queensland law enforcement officers, the AFP Commissioner and an AFP officer, and the Chief of the Defence Force and a person who is a defence force member.

The committee has long been concerned with provisions in delegated legislation which modify primary legislation. The committee therefore expects the explanatory statement to any modification instrument to comprehensively justify the nature and scope of the relevant modifications.

In this regard, while the explanatory statement explains that the Act permits the modifications it remains unclear why it was considered necessary and appropriate to address the extension of the Act to persons who are not employees and employers in delegated legislation, rather than primary legislation.

The instrument appears to be subject to the standard sunsetting period of 10 years.

The committee's longstanding view is that provisions that modify the operation of primary legislation should cease to operate no more than three years after they commence. This is to ensure a minimum degree of regular parliamentary oversight.

In addition, as per the committee's guidelines, the committee considers that the explanatory statement should indicate whether there is any intention to conduct a review of the relevant provisions to determine if they remain necessary and appropriate, including whether it is appropriate to include the provisions in delegated legislation.

In light of this, from a scrutiny perspective, the committee considers that the instrument should be amended to specify that Part 11 ceases to operate three years after commencement. If it becomes

necessary to extend the operation of these provisions, the committee considers that this should be done by amending the primary legislation or via a subsequent legislative instrument that is subject to disallowance and parliamentary scrutiny.

The committee therefore requests your advice as to:

- why it is considered necessary and appropriate to use delegated legislation, rather than primary legislation, to extend the operation of the Act to law enforcement officers and defence force members;
- whether the instrument can be amended to provide that Part 11 ceases within three years after commencement; and
- whether there is any intention to conduct a review of the relevant provisions to determine if they remain necessary and appropriate, including whether it is appropriate to include the provisions in delegated legislation.

### Clarity of drafting

Senate standing order 23(3)(e) requires the committee to scrutinise each instrument as to whether its drafting is defective or unclear.

Section 11 of the instrument sets out the eligibility criteria for secondary claimants who may claim Parental Leave Pay in exceptional circumstances. Subsection 11(6) appears to be missing "or" after paragraph (a) and paragraph (b), as seen in comparable subsections 9(6) and 10(6).

#### The committee therefore requests your advice as to:

- whether subsection 11(6) is correctly drafted; and
- if not, whether subsection 11(6) of the instrument can be redrafted to provide greater clarity as to its intended operation.

The committee's expectation is to receive a response in time for it to consider and report on the instrument while it is still subject to disallowance. If the committee has not concluded its consideration of an instrument before the expiry of the 15th sitting day after the instrument has been tabled in the Senate, the committee may give notice of a motion to disallow the instrument as a precautionary measure to allow additional time for the committee to consider information received.

Noting this, and to facilitate the committee's consideration of the matters above, the committee would appreciate your response by **8 July 2021**.

Finally, please note that, in the interests of transparency, this correspondence and your response will be published on the committee's website.

If you have any questions or concerns, please contact the committee's secretariat on (02) 6277 3066, or by email to <u>sdlc.sen@aph.gov.au</u>.

Thank you for your assistance with this matter.

Yours sincerely,



Senator the Hon Sarah Henderson Chair Senate Legal and Constitutional Affairs Legislation Committee Parliament House CANBERRA ACT 2600

via email: legcon.sen@aph.gov.au

cc: amo.dlo@homeaffairs.gov.au

Dear Chair,

## Matters of interest to the Senate—product specific rules of origin

I write on behalf of the Senate Standing Committee for the Scrutiny of Delegated Legislation which assesses all legislative instruments subject to disallowance, disapproval or affirmative resolution by the Senate against the scrutiny principles outlined in Senate standing order 23.

Standing order 23(4) requires the committee to scrutinise each instrument to determine whether the attention of the Senate should be drawn to the instrument on the ground that it raises significant issues or otherwise gives rise to issues that are likely to be of interest to the Senate. These may include instruments which contain significant policy matters or significant elements of a regulatory scheme, instruments which amend primary legislation, and instruments which have a significant impact on personal rights and liberties.

Noting that the following instrument appears to contain significant matters relation to the prescription of product specific rules of origin, the committee has determined that the instrument engages standing order 23(4) and accordingly has resolved to draw it to the attention of your committee:

Instrument	Purpose	Last day to lodge disallowance notice
Customs Amendment (Product Specific Rule Modernisation) Regulations 2021 [F2021L00418]	Following the passage of the <i>Customs Amendment</i> ( <i>Product Specific Rule Modernisation</i> ) <i>Act 2021</i> , these regulations repeal the relevant parts of various regulations that prescribe product specific rules of origin for the Australia-United States Free Trade Agreement, Thailand-Australia Free Trade Agreement, Australia-New Zealand Closer Economic Relations Agreement, Australia-Chile Free Trade Agreement, Malaysia- Australia Free Trade Agreement and Korea-Australia Free Trade Agreement.	11 August 2021

I note that under standing order 25(2)(a) your committee is empowered to conduct own-motion inquiries into legislative instruments which relate to the portfolios allocated to your committee, although there is no requirement to do so. Should your committee decide to further examine the above instrument, I note that the table above identifies the last day (based on the current sitting pattern) for lodging a disallowance notice in the Senate.

Further details about the instrument are published on the Federal Register of Legislation at <u>https://www.legislation.gov.au/</u>.

Please note that in the interests of transparency this correspondence will be published on the Scrutiny of Delegated Legislation Committee's website.

Should you have any questions, please contact the committee's secretariat on (02) 6277 3066, or by email to <u>sdlc.sen@aph.gov.au</u>.

Yours sincerely,



Senator Katy Gallagher Chair Senate Select Committee on COVID-19 Parliament House CANBERRA ACT 2600

via email: covid.sen@aph.gov.au

cc: Senator the Hon Simon Birmingham, Minister for Finance DLO-Finance@finance.gov.au

The Hon Barnaby Joyce MP, Minister for Infrastructure, Transport and Regional Development, Barnaby.Joyce.MP@aph.gov.au

Department of Finance, FFSPRegs@finance.gov.au

Dear Chair,

# Legislative instruments specifying Commonwealth expenditure—Tourism Aviation Network Support Program

I write on behalf of the Senate Standing Committee for the Scrutiny of Delegated Legislation which assesses all legislative instruments subject to disallowance, disapproval or affirmative resolution by the Senate against the scrutiny principles outlined in Senate standing order 23.

Standing order 23(4) requires the committee to scrutinise each instrument to determine whether the attention of the Senate should be drawn to the instrument on the ground that it raises significant issues or otherwise gives rise to issues that are likely to be of interest to the Senate.

The instrument listed in the table below, in combination with its enabling Act, authorises the Commonwealth to spend public money on the Tourism Aviation Network Support Program. The committee considers that the scrutiny of such instruments is an essential aspect of parliamentary scrutiny and control of Commonwealth expenditure. Noting this, the committee has determined that the instrument listed below engages standing order 23(4), and accordingly has resolved to draw it to the attention of your committee:

Instrument	Grant/Program	Amount	Description
Financial Framework (Supplementary Powers) Amendment (Infrastructure, Transport, Regional Development and Communications Measures No. 2) Regulations 2021 [F2021L00409]	Tourism Aviation Network Support Program (TANS Program)	The TANS Program is part of the Government's \$1.2 billion Tourism and Aviation's Flight Path to Recovery package	To provide grant funding to Australian airline operators to enable them to offer discounted fares for flights to and from identified regions affected by the downturn in international and domestic tourism resulting from the COVID-19 pandemic.

Should your committee decide to further examine the above instrument, I note that (based on the current sitting pattern) the time for lodging a disallowance notice in the Senate expires on 11 August 2021.

The committee has also drawn this instrument to the attention of Senate Rural and Regional Affairs and Transport Legislation Committee.

Further details about the instrument are published on the Federal Register of Legislation at <u>https://www.legislation.gov.au/</u>.

Please note that in the interests of transparency this correspondence will be published on the Scrutiny of Delegated Legislation Committee's website.

Should you have any questions, please contact the committee's secretariat on (02) 6277 3066, or by email to <u>sdlc.sen@aph.gov.au</u>.

Yours sincerely,



Senator Susan McDonald Chair Senate Rural and Regional Affairs and Transport Legislation Committee Parliament House CANBERRA ACT 2600

via email: covid.sen@aph.gov.au

cc: Senator the Hon Simon Birmingham, Minister for Finance DLO-Finance@finance.gov.au

The Hon Barnaby Joyce MP, Minister for Infrastructure, Transport and Regional Development, Barnaby.Joyce.MP@aph.gov.au

Department of Finance, FFSPRegs@finance.gov.au

Dear Chair,

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Yours sincerely,