EXPLANATORY STATEMENT

Select Legislative Instrument No. 116, 2015

Issued by the Authority of the Minister for Finance

Financial Framework (Supplementary Powers) Act 1997

Financial Framework (Supplementary Powers) Amendment (2015 Measures No. 7) Regulation 2015

The *Financial Framework (Supplementary Powers) Act 1997* (the FF(SP) Act) confers on the Commonwealth, in certain circumstances, powers to: make arrangements under which money can be spent; or to make grants of financial assistance; and to form, or otherwise be involved in, companies. The arrangements, grants, programmes and companies (or classes of arrangements or grants in relation to which the powers are conferred) are specified in the *Financial Framework (Supplementary Powers) Regulations 1997* (the Principal Regulations). The FF(SP) Act applies to Ministers and the accountable authorities of non-corporate Commonwealth entities, as defined under section 12 of the *Public Governance, Performance and Accountability Act 2013*.

Section 65 of the FF(SP) Act provides that the Governor-General may make regulations prescribing matters required or permitted by that Act to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to that Act.

Section 32B of the FF(SP) Act authorises the Commonwealth to make, vary and administer arrangements and grants specified in the Principal Regulations. Section 32B also authorises the Commonwealth to make, vary and administer arrangements for the purposes of programmes specified in the Principal Regulations. Schedule 1AA and Schedule 1AB to the Principal Regulations specify the arrangements, grants and programmes.

Schedule 1 to the Regulation amends the Principal Regulations to establish legislative authority in Schedule 1AB for spending by the Government on the Parent Engagement Campaign, an advertising campaign that will aim to raise awareness of the importance of parent engagement to improve student outcomes and provide information to parents on simple things they can do to better support their children's learning. The campaign was announced in the 2015-16 Budget and will be administered by the Department of Education and Training.

Details of the Regulation are set out at <u>Attachment A</u>. A Statement of Compatibility with Human Rights is at <u>Attachment B</u>.

The Regulation is a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

The Regulation commences on the day after registration on the Federal Register of Legislative Instruments.

Consultation

In accordance with section 17 of the *Legislative Instruments Act 2003*, consultation has taken place with the Department of Education and Training.

A regulation impact statement is not required as the Regulation only applies to non-corporate Commonwealth entities and does not adversely affect the private sector.

Details of the *Financial Framework (Supplementary Powers) Amendment (2015 Measures* No. 7) Regulation 2015

Section 1 – Name

This section provides that the title of the Regulation is the *Financial Framework* (Supplementary Powers) Amendment (2015 Measures No. 7) Regulation 2015.

Section 2 – Commencement

This section provides that the Regulation commences on the day after it is registered on the Federal Register of Legislative Instruments.

Section 3 – Authority

This section provides that the Regulation is made under the *Financial Framework* (Supplementary Powers) Act 1997.

Section 4 – Schedules

This section provides that the *Financial Framework (Supplementary Powers) Regulations 1997* are amended as set out in the Schedules to the Regulation.

Schedule 1 – Amendments

Item 1 – Part 4 of Schedule 1AB (at the end of the table)

This item adds a new item to Part 4 of Schedule 1AB for a spending activity administered by the Department of Education and Training.

New **table item 106** establishes legislative authority for government spending on the Parent Engagement Campaign. The campaign will be administered by the Department of Education and Training.

The Parent Engagement Campaign is an advertising campaign that will aim to raise awareness of the importance of parent engagement to improve student outcomes and provide information to parents on simple things they can do to better support their children's learning.

Funding of \$5 million over two years from 2014-15 for the campaign was announced in the 2015-16 Budget. Details are set out in the measure, *Parental Awareness Campaign*, in the *Budget Measures, Budget Paper No. 2 2015-16* at page 78.

Procurement decisions will be made by the Department of Education and Training. All expenditure on the campaign will be undertaken in accordance with relevant legislation and policies, including the *Public Governance, Performance and Accountability Act 2013*, the *Commonwealth Procurement Rules*, the Department of Finance's *Guidelines on Information and Advertising Campaigns by non-corporate Commonwealth entities*, and the Department of Education and Training's Secretary Instructions and delegations on the expenditure of relevant monies.

Campaign procurement of communications suppliers (for example, advertising and market and social research) will utilise the Department of Finance's Whole-of-Government Communication Multi-Use List. Media placement for the campaign will be procured through the Commonwealth's appointed master media agency.

As expenditure for the campaign will be undertaken through ordinary competitive procurement processes under established whole-of-government arrangements for communications activities, external merits review is not applicable to expenditure decisions.

Funding for this item will come from the Quality Outcomes subprogramme in Programme 1.3: Early Learning and Schools Support, which is part of Outcome 1: Improved early learning, schooling, student educational outcomes and transitions to and from school through access to quality support, parent engagement, quality teaching and learning environments, as set out in the *Portfolio Budget Statements 2015-16*, *Budget Related Paper No. 1.10, Education and Training Portfolio* at page 30.

Noting that it is not a comprehensive statement of relevant constitutional considerations, the objective of the item references the following powers of the Constitution:

- the communications power (section 51(v));
- the census and statistics power (section 51(xi));
- the external affairs power (section 51(xxix)); and
- the Commonwealth executive power and express incidental power (sections 61 and 51(xxxix)).

Statement of Compatibility with Human Rights

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

Financial Framework (Supplementary Powers) Amendment (2015 Measures No. 7) Regulation 2015

This Regulation is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011.*

Overview of the Legislative Instrument

Section 32B of the *Financial Framework (Supplementary Powers) Act 1997* (the FF(SP) Act) authorises the Commonwealth to make, vary and administer arrangements and grants specified in the *Financial Framework (Supplementary Powers) Regulations 1997* (the FF(SP) Regulations) and to make, vary and administer arrangements and grants for the purposes of programmes specified in the Regulations. Schedule 1AA and Schedule 1AB to the FF(SP) Regulations specify the arrangements, grants and programmes.

The FF(SP) Act applies to Ministers and the accountable authorities of non-corporate Commonwealth entities, as defined under section 12 of the *Public Governance, Performance and Accountability Act 2013*.

The Regulation amends Schedule 1AB to the FF(SP) Regulations to establish legislative authority for spending by the Government on the Parent Engagement Campaign, an advertising campaign that will aim to raise awareness of the importance of parent engagement to improve student outcomes and provide information to parents on simple things they can do to better support their children's learning. The campaign was announced in the 2015-16 Budget and will be administered by the Department of Education and Training.

The item specified in Schedule 1AB is the responsibility of the relevant Minister who has portfolio responsibility for the matter.

Human rights implications

The Regulation does not engage any of the applicable rights or freedoms.

Conclusion

This Regulation is compatible with human rights as it does not raise any human rights issues.

Senator the Hon Mathias Cormann Minister for Finance