

## **EXPLANATORY STATEMENT**

### **Select Legislative Instrument 2016 No.**

Issued by the authority of the Minister for Finance

*Parliamentary Entitlements Act 1990*

*Parliamentary Entitlements Amendment Regulation 2016 (No. 1)*

The *Parliamentary Entitlements Act 1990* (the Act) provides members of each House of the Parliament (members) with a range of benefits. These benefits are set out in Schedule 1 to the Act (section 4), and additional benefits may be prescribed by regulations made by the Governor-General (paragraph 5(1)(b)). Section 12 of the Act provides that the Governor-General may make regulations for the purposes of paragraph 5(1)(b) of the Act. The *Parliamentary Entitlements Regulations 1997* (the Principal Regulations) currently prescribe a range of additional benefits (Parts 1 to 3).

This Regulation amends the Principal Regulations to ensure that each member's office budget reflects the increase in the standard postage rate that took effect on 4 January 2016. The increase is calculated on a pro-rata basis, so that the communications component of members' office budgets is increased by an equivalent percentage to the increase in the standard rate of postage for the period from 4 January 2016 to 30 June 2016.

A Statement of Compatibility with Human Rights is included in Attachment A. Details of the Regulation are included in Attachment B.

The Act does not impose any conditions that need to be satisfied before the power to make the Regulation may be exercised.

This Regulation is a legislative instrument for the purposes of the *Legislation Act 2003*.

### **Commencement**

Schedule 1, Part 1 of the Regulation operates retrospectively (commences 1 July 2015). This retrospective operation is in accordance with subsection 12(2) of the *Legislation Act 2003*, as this part of the Regulation does not affect the rights of a person (other than the Commonwealth or an authority of the Commonwealth) to that person's disadvantage, nor does it impose any liability on such a person. Schedule 1, Part 2 of the regulation commences on 1 July 2016, and the remaining provisions commence the day after the Regulation is registered on the Federal Register of Legislation.

### **Consultation and Regulatory Impact**

In relation to section 17 of the *Legislation Act 2003*, consultation was not considered necessary or appropriate as the amendments are machinery in nature and do not substantially alter existing arrangements under the Principal Regulations.

The Office of Best Practice Regulation (OBPR) has agreed that proposals such as these have no regulatory impact on businesses, individuals or organisations and therefore the regulatory costs are nil. OBPR ID Number: 19957.

Authority: Section 12 of the  
*Parliamentary Entitlements Act 1990*

## **Statement of Compatibility with Human Rights**

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

### ***Parliamentary Entitlements Amendment Regulation 2016 (No.1)***

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**

This Legislative Instrument amends the *Parliamentary Entitlements Regulations 1997* to increase the communications component of the office budgets of members of each House of Parliament for the 2015-16 financial year. This increase corresponds to the increase in the standard rate of postage that occurred on 4 January 2016.

#### **Human rights implications**

This Legislative Instrument does not engage any of the applicable rights or freedoms.

#### **Conclusion**

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

**Mathias Cormann**  
**Minister for Finance**

**Details of the *Parliamentary Entitlements Amendment Regulation 2015 (No. 1)***

**Section 1- Name**

This section provides that the title of the Regulation is the *Parliamentary Entitlements Amendment Regulation 2016 (No. 1)* (the Regulation).

**Section 2 – Commencement**

This section provides that the Regulation commences in accordance with column 2 of the table in subsection 2(1).

Item 1 of the table provides that sections 1 to 4 of the Regulation commence on the day after the Regulation is registered on the Federal Register of Legislation.

Item 2 of the table provides that Schedule 1, Part 1 of the Regulation commences on 1 July 2015.

Item 3 of the table provides that Schedule 1, Part 2 of the Regulation commences on 1 July 2016.

**Section 3 – Authority**

This section states that the Regulation is made under the *Parliamentary Entitlements Act 1990* (the Act).

**Section 4 – Schedules**

This section provides that each instrument specified in a Schedule to the Regulation is amended or repealed as set out in the Schedule, and that any other item in a Schedule has effect according to its terms.

**Schedule 1 – Amendments**

**Part 1 – Amendments commencing 1 July 2015**

**Item [1]** omits and substitutes a new amount for the purposes of calculating a Senator’s office budget under paragraph 3ED(1)(b). The new amount provides for an increase in the budget to account for additional costs relating to the increase in the standard rate of postage from 4 January 2016. The increase in the cost of postage was not factored in to the office budget for the financial year commencing on 1 July 2015 as the increase in the standard rate of postage occurred part way through the financial year.

**Item [2]** repeals and replaces paragraph 3ED(2)(b) from 1 July 2015 so that the reference to subsection 3ED(4) is removed (see further at item 3).

**Item [3]** repeals subregulations 3ED(3) and (4) and substitutes new subregulation 3ED(3) from 1 July 2015. New subregulation 3ED(3) provides for the calculation of the voter-related component of the office budget for members of the House of Representatives to include in the increase in the standard rate of postage from \$0.70 to \$1.00, which took effect on 4 January 2015.

The new formula provides that for the first 187 days of the year (1 July 2015 – 3 January 2016) the amount in the calculation relating to the standard rate of postage is \$0.70 (the standard rate of postage for that part of the financial year); and for the remaining 179 days in the year (4 January 2016 – 30 June 2016) the amount in the calculation relating to the standard rate of postage is \$1.00 (the new standard rate of postage). These amounts are divided by 366 to provide for each postage rate to apply for the relevant proportion of the financial year. This is then multiplied by the number of enrolled voters to determine the voter-related component of the office budget for the financial year starting on 1 July 2015.

## Part 2 – Amendments commencing 1 July 2016

**Item [4]** repeals and replaces paragraph 3ED(2)(b) from 1 July 2016 to make reference to new subregulation 3ED(4) (see further at item 5).

**Item [5]** repeals subregulation 3ED(3) and substitutes new subregulations 3ED(3) and 3ED(4) from 1 July 2016 which provide that the voter-related component of the office budget for Members of the House of Representatives is to be calculated by multiplying the number of enrolled voters, by the standard rate of postage. This restores the previous calculation of the voter-related component of the office budget from the financial year commencing 1 July 2016.