

## **EXPLANATORY STATEMENT**

Issued by the authority of the Minister for Industry, Science and Technology

*Industry Research and Development Act 1986*

*Industry Research and Development (Digital Skills Finder Platform Program) Instrument  
2020*

### **Purpose and Operation**

Section 33 of the *Industry Research and Development Act 1986* (the IR&D Act) provides a mechanism for the Minister to prescribe programs, by disallowable legislative instrument, in relation to industry, innovation, science or research, including in relation to the expenditure of Commonwealth money under such programs.

The statutory framework provided by section 33 of the IR&D Act enables a level of flexibility to provide authority for Commonwealth spending activities in relation to industry, innovation, science and research programs. This allows the Government to respond quickly and appropriately to the need to implement innovative ideas and pilot programs on an ongoing basis and as opportunities arise. Prescribing programs in legislative instruments provides transparency and parliamentary oversight of Government programs and spending activities, whilst reducing administrative burden on the Commonwealth.

Once a program is prescribed by the Minister under section 33, subsection 34(1) allows the Commonwealth to make, vary or administer arrangements in relation to activities under the prescribed program. Arrangements may include contracts, funding agreements or other arrangements, and may provide for money to be payable by the Commonwealth to one or more third parties. The power conferred on the Commonwealth by subsection 34(1) may be exercised on behalf of the Commonwealth by a Minister or an accountable authority of a non-corporate entity, or by their delegate (under section 36).

The purpose of the *Industry Research and Development (Digital Skills Finder Platform Program) Instrument 2020* (the Legislative Instrument) is to prescribe the Digital Skills Finder Platform Program (the Program). Funding for the Program has been secured through the Department of Industry, Science, Energy and Resources 2020-21 Budget.

The Program provides up to \$2.5 million in funding over one financial year to Balance Internet Pty Ltd (ABN 95 130 025 393) (Balance Internet) in order to enable Balance Internet to further develop and operate, the Digital Skills Finder Platform (the Platform). Balance Internet has independently performed early development work on the Platform, and funding provided under the Program will allow Balance Internet to complete development work on, and expand the scope of, the Platform.

Once fully developed, the Platform will be an easy-to-use online portal that aggregates links to free and paid private sector digital skills training for individuals and SMEs seeking to learn how to use world leading software and digital tools. The Platform will identify non-accredited training offerings developed and provided by international and domestic technology companies.

The types of activities expected to be funded include:

- further development and expansion of the Platform including recruitment of further Australian training providers onto the Platform
- development and introduction of quality assurance of training offerings on the Platform
- development of a sustainable, ongoing funding model for the Platform.

Funding authorised by this Legislative Instrument comes from Program 1.2: Growing innovative and competitive businesses, industries and regions, Outcome 1, as set out in the *Portfolio Budget Statements 2020-21, Budget Related Paper No. 1.9, Industry, Science, Energy and Resources Portfolio* (<https://www.industry.gov.au/about-us/finance-reporting/budget-statements> at page 31).

The Program will be administered by the Business Grants Hub within the Department of Industry, Science, Energy and Resources (the Department). The Business Grants Hub is a specialised design, management and delivery body with extensive expertise and capability in delivering similar programs. The Program will be administered in accordance with the *Commonwealth Grant Rules and Guidelines 2017* (<http://www.finance.gov.au/sites/default/files/commonwealth-grants-rules-and-guidelines.pdf>).

The Program will provide an ad hoc grant to Balance Internet. An ad hoc grant is appropriate as the nature of the Program is specifically dependent on Balance Internet's existing development work on and ownership of the Platform. Balance Internet's existing development work will allow the Platform to be launched quickly in order to achieve the Australian Government's objectives. Accordingly, external merits review does not apply to a decision about the provision of the grant under the Program.

Balance Internet will be required to provide a project proposal and supporting information that clearly demonstrates:

- value for money
- achievable timeframes and budget (as identified in supporting documents)
- appropriate and realistic costings (the level and detail of the costing should be commensurate with the value of the project).

A senior executive in the Department will make the final decision to approve grant funding. Persons who are otherwise affected by decisions or who have complaints about the Program will have recourse to the Department. The Department investigates any complaints about the Program in accordance with its complaints policy and procedures. If a person is not satisfied

with the way the Department handles the complaint, they may lodge a complaint with the Commonwealth Ombudsman.

### **Communications power**

The Legislative Instrument specifies that the legislative power in respect of which it is made is the communications power (section 51(v) of the Constitution). Section 51(v) of the Constitution empowers the Parliament to make laws with respect to ‘postal, telegraphic, telephonic and other like services’.

In that regard, funding provided under the Legislative Instrument will be used to further develop and operate a platform which is hosted on and accessed via an online communications service.

### **Background**

The Program is part of the Australian Government’s \$800 million Digital Business Plan policy package, which is part of the Australian Government’s response to the COVID-19 pandemic. The COVID-19 pandemic has accelerated the adoption of digital technologies by Australian businesses and consumers, which has enabled many to transform their operations and continue to trade through the crisis. The Program will enable Australian workers and small businesses impacted by the COVID-19 pandemic to up-skill and re-skill throughout Australia’s recovery period.

### **Authority**

Section 33 of the *Industry Research and Development Act 1986* provides authority for the Legislative Instrument.

### **Consultation**

In accordance with section 17 of the *Legislation Act 2003* the Attorney-General’s Department has been consulted on this Legislative Instrument.

Balance Internet and multinational and Australian technology companies were consulted in the development of the Program.

### **Regulatory Impact**

It is estimated that the regulatory burden is likely to be minor (OBPR reference number 42660).

## **Details of the *Industry Research and Development (Digital Skills Finder Platform Program) Instrument 2020***

### **Section 1 – Name of Instrument**

This section specifies the name of the Legislative Instrument as the *Industry Research and Development (Digital Skills Finder Platform Program) Instrument 2020*.

### **Section 2 – Commencement**

This section provides that the Legislative Instrument commences on the day after registration on the Federal Register of Legislation.

### **Section 3 – Authority**

This section specifies the provision of the *Industry, Research and Development Act 1986* (the Act) under which the Legislative Instrument is made.

### **Section 4 – Definitions**

This item provides for definitions of terms used in the Legislative Instrument.

### **Section 5 – Digital Skill Finder Platform Program**

This section prescribes the Digital Skill Finder Platform Program (the Program) for the purposes of section 33 of the Act.

The Program provides grant funding to Balance Internet Pty Ltd (ABN 95 130 025 393) in order to enable Balance Internet to further develop and operate the Digital Skills Finder Platform (the Platform). The Platform will be an online portal which aggregates links to free and paid private sector digital skills training for people seeking to learn world leading software and digital tools.

### **Section 6 – Specified Legislative Power**

This section specifies that the legislative power in respect of which the Legislative Instrument is made is the power of the Parliament to make laws with respect to ‘postal, telegraphic, telephonic, and other like services’ (section 51(v) of the Constitution).

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

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

### *Industry Research and Development (Digital Skills Finder Platform Program) Instrument 2020*

This Legislative Instrument 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**

The purpose of the *Industry Research and Development (Digital Skills Finder Platform Program) Instrument 2020* (the Legislative Instrument) is to prescribe the Digital Skills Finder Platform Program (the Program).

The Program provides grant funding to Balance Internet Pty Ltd (ABN 95 130 025 393) to enable Balance Internet to further develop and operate the Digital Skills Finder Platform (the Platform). The Platform will be an online portal which aggregates links to free and paid private sector digital skills training for people seeking to learn world leading software and digital tools.

#### **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.

**The Hon Karen Andrews MP**

**Minister for Industry, Science and Technology**