

## **EXPLANATORY STATEMENT**

### **Issued by the Authority of the Minister for Finance**

*Financial Framework (Supplementary Powers) Act 1997*

*Financial Framework (Supplementary Powers) Amendment  
(Agriculture, Fisheries and Forestry Measures No. 3) Regulations 2024*

The *Financial Framework (Supplementary Powers) Act 1997* (the FFSP 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, programs 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 powers in the FFSP Act to make, vary or administer arrangements or grants may be exercised on behalf of the Commonwealth by 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 Principal Regulations are exempt from sunseting under section 12 of the *Legislation (Exemptions and Other Matters) Regulation 2015* (item 28A). If the Principal Regulations were subject to the sunseting regime under the *Legislation Act 2003*, this would generate uncertainty about the continuing operation of existing contracts and funding agreements between the Commonwealth and third parties (particularly those extending beyond 10 years), as well as the Commonwealth's legislative authority to continue making, varying or administering arrangements, grants and programs.

Additionally, the Principal Regulations authorise a number of activities that form part of intergovernmental schemes. It would not be appropriate for the Commonwealth to unilaterally sunset an instrument that provides authority for Commonwealth funding for activities that are underpinned by an intergovernmental arrangement. To ensure that the Principal Regulations continue to reflect government priorities and remain up to date, the Principal Regulations are subject to periodic review to identify and repeal items that are redundant or no longer required.

Section 32B of the FFSP 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 programs specified in the Principal Regulations. Section 32D of the FFSP Act confers powers of delegation on Ministers and the accountable authorities of non-corporate Commonwealth entities, including subsection 32B(1) of the FFSP Act. Schedule 1AA and Schedule 1AB to the Principal Regulations specify the arrangements, grants and programs.

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

The *Financial Framework (Supplementary Powers) Amendment (Agriculture, Fisheries and Forestry Measures No. 3) Regulations 2024* (the Regulations) amend Schedule 1AB to the Principal Regulations to establish legislative authority for government spending on the Agricultural workforce initiatives program (the program), which is administered by the Department of Agriculture, Fisheries and Forestry.

The program comprises three initiatives under the *Foundations for the Agricultural Workforce Package* announced in the 2024-25 Budget:

- AgCAREERSTART pilot program extension;
- AgConnections – Skilled Agricultural Work Liaison pilot program; and
- National Farm Safety Education Fund (Farm Safety Week).

The objectives of the program are to support workforce initiatives that underpin ongoing productivity in the agriculture sector, facilitate internship and work based learning opportunities for students with the aim of increasing the number of highly skilled graduates entering the agricultural sector, and deliver a national campaign, known as National Farm Safety Week, to highlight the key risks in the agricultural industry and promote farm safety awareness, with the aim of reducing the number of injuries and fatalities in the agricultural sector.

Total funding of \$1.9 million over three years from 2024-25 will be available for the three initiatives.

Details of the Regulations are set out at [Attachment A](#). A Statement of Compatibility with Human Rights is at [Attachment B](#).

The Regulations are a legislative instrument for the purposes of the *Legislation Act 2003*.

The Regulations commence on the day after registration on the Federal Register of Legislation.

## **Consultation**

In accordance with section 17 of the *Legislation Act 2003*, consultation has taken place with the Department of Agriculture, Fisheries and Forestry.

A regulatory impact analysis is not required as the Regulations only apply to non-corporate Commonwealth entities and do not adversely affect the private sector.

**Details of the *Financial Framework (Supplementary Powers) Amendment (Agriculture, Fisheries and Forestry Measures No. 3) Regulations 2024***

**Section 1 – Name**

This section provides that the title of the Regulations is the *Financial Framework (Supplementary Powers) Amendment (Agriculture, Fisheries and Forestry Measures No. 3) Regulations 2024*.

**Section 2 – Commencement**

This section provides that the Regulations commence on the day after registration on the Federal Register of Legislation.

**Section 3 – Authority**

This section provides that the Regulations are 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 Schedule to the Regulations.

**Schedule 1 – Amendments**

***Financial Framework (Supplementary Powers) Regulations 1997***

The item in Schedule 1 amends Schedule 1AB to the Principal Regulations to provide legislative authority for government spending on a program administered by the Department of Agriculture, Fisheries and Forestry (the department).

**Item 1 - In the appropriate position in Part 4 of Schedule 1AB (table)**

This item adds a new table item to Part 4 of Schedule 1AB.

**Table item 686 – Agricultural workforce initiatives**

New **table item 686** establishes legislative authority for government spending on the Agricultural workforce initiatives program (the program).

The program was considered under the *Foundations for the Agricultural Workforce Package*, which forms part of a broader \$789.0 million *Protecting and Growing the Future of Agriculture* package announced in the 2024-25 Budget. The media release is available at <https://minister.agriculture.gov.au/watt/media-releases/budget-2024-25>.

The program contributes to the department's Outcome 1: More sustainable, productive, internationally competitive and profitable Australian agricultural, food and fibre industries through policies and initiatives that promote better resource management practices, innovation, self-reliance and improved access to international markets.

Human capital, including attracting and retaining a diverse, skilled, and safe workforce for the agriculture sector, is a key theme of the government in assisting the agricultural industry achieve its goal of \$100.0 billion by 2030.

The program will receive funding of \$1.9 million over three years from 2024-25 to deliver the following three initiatives:

- AgCAREERSTART pilot program extension (AgCAREERSTART);
- AgConnections – Skilled Agricultural Work Liaison pilot program (AgConnections); and
- National Farm Safety Education Fund (Farm Safety Week).

### *AgCAREERSTART*

AgCAREERSTART aims to provide opportunities for young Australians and school leavers (aged 17 to 25 years old) to experience working in the agriculture industry through a placement at a farm and undertaking relevant training through a gap year.

AgCAREERSTART is an existing pilot program, commenced in 2021-22 with seed grant funding of \$5.1 million provided to the National Farmers' Federation (NFF), a peak national body representing farmers and agriculture across Australia, to deliver the program. Since commencement, AgCAREERSTART has provided placements, training, and pastoral care for 174 young Australians to experience working in agriculture. Current activities under the pilot program will end on 30 December 2024.

The Government has provided supplementary funding for the NFF to extend the pilot program. This will enable two additional intakes of participants in 2025 and 2026 and to further explore and develop options for a sustainable funding model with possible contributions from industry. Additional funding of \$0.5 million over two years from 2024-25 will be provided to support the continuation of AgCAREERSTART.

The provider, purpose, objectives, deliverables and beneficiaries of AgCAREERSTART will remain unchanged. AgCAREERSTART will continue to support young Australians to start a career in agriculture by:

- attracting farms with appropriate work opportunities and supports for participants in the pilot;
- attracting young Australians over two years to give working in the agriculture sector a go and provide a taste of what a regional lifestyle can offer. Participants will receive training and gain insights into the rewarding, challenging and varied experiences that work on farms can offer through a placement with participating farms;
- ensuring participants are well supported throughout the pilot, including relocation assistance, ongoing pastoral care and provided accredited training in operational skills important to safely working on an operational farm; and
- successfully placing young Australians with appropriate farms for a period of up to 12 months for the benefit of young Australians and the agriculture sector.

## *AgConnections*

AgConnections is a new initiative which aims to increase the number of skilled university students from a broad range of disciplines entering the agriculture sector. AgConnections will help overcome pre-held conceptions of working in the agriculture industry and encourage university students not studying agriculture specific qualifications to consider a career in agriculture. AgConnections will also encourage participation of priority cohorts, including First Nations People and women, to increase diversity and participation in the agricultural industry.

AgConnections will be established through a targeted competitive grant opportunity offered to urban and regional Australian universities, to develop and deliver a pilot over two calendar years from 2024-25. The grant funded activity is anticipated to run from February 2025 to March 2027 to allow the participating universities to conduct and submit an evaluation report on the pilot. Eligible organisations are organisations that fall under the definition of an *Australian university* in the *Higher Education Support Act 2003*.

Successful universities will develop and implement an agriculture sector-specific liaison program collaborating with the agricultural industry, agribusinesses, farm businesses and other stakeholders to facilitate internships and work-based learning opportunities for students with the aim of increasing university students entering the sector.

Through the pilot, successful universities will utilise liaison officer/s (new or currently employed) to:

- facilitate communication and collaboration between the university, students, and agricultural organisations to identify and encourage take up of work opportunities within the agriculture industry, with the aim of increasing university students (including current students and new graduates) entering the sector;
- serve as a bridge, connecting and coordinating efforts, between academia and employment opportunities within the agriculture industry; and
- directly engage and educate young people on modern agricultural careers and job opportunities, including business, research, and innovation and technology skills that the sector will need into the future.

Key objectives of the grant opportunity are to:

- promote opportunities for university students from a broad range of disciplines to connect with the agriculture industry, including those generally not associated with agriculture;
- overcome pre-held conceptions of working in the agriculture industry and encourage university students from a broad range of areas to consider a career in agriculture;
- develop connections with agribusiness and farm business partners for both universities and students (including current students and new graduates); and
- develop and promote opportunities for university students from priority cohorts, including First Nations People and women, to connect with the agriculture industry to increase diversity and participation in the industry.

Intended outcomes of the grant opportunity are:

- increased consideration by graduates from a broad range of disciplines to entering agribusiness and/or farming businesses at the end of their degree;
- increased opportunities for the agriculture sector to attract skilled graduates to work in the agriculture industry; and
- intelligence and learnings on successful and unsuccessful models for connection and engagement options for similar programs that can be financially sustainable.

Funding of \$1.0 million over two years from 2024-25 is available to the AgConnections pilot program, with a maximum of \$250,000 (GST exclusive) available per applicant. Multiple grants may be offered. It is anticipated that grants may vary, depending on the scope of the grant activity and its complexity.

### *Farm Safety Week*

The National Farm Safety Week is an annual campaign to promote farm safety practices and safety culture to reduce the risks of injuries and fatalities on Australian farms.

Grant funding of \$0.4 million over three years from 2024-25 will be provided to Farmsafe Australia to continue delivering a national campaign to highlight the key risks in the agricultural industry and promote farm safety awareness, with the aim of reducing the number of injuries and fatalities in the agricultural sector.

Farmsafe Australia is a not-for-profit organisation with a mission to improve the wellbeing and productivity of Australian agriculture through enhanced health and safety awareness and practices. Its role is to connect state farming organisations, peak commodity bodies, influential advocacy bodies and other groups that share a common interest in agricultural health and safety.

Farmsafe Australia promotes safe practices and culture through a range of mechanisms. As part of the 2024 National Farm Safety Week, Farmsafe Australia established a theme for the campaign and focussed activities on that theme including publishing fact sheets, safety tips and videos and also publishing the Safer Farms Report.

The funding will support continuation of a targeted campaign to deliver critical farm safety information and awareness activities to Australian farmers and primary producers.

### *Funding amount and arrangements, merits review and consultation*

Total funding of \$1.9 million for the three initiatives was included in the 2024-25 Budget under the measure ‘Agriculture – other priorities’ for a period of three years commencing in 2024-25. Details are set out in *Budget 2024-25, Budget Measures, Budget Paper No. 2* at page 41.

Funding for this item will come from Program 1.10: Agricultural Resources, which is part of Outcome 1. Details are set out in the *Portfolio Budget Statements 2024-25, Budget Related Paper No. 1.1, Agriculture, Fisheries and Forestry Portfolio* at page 35.

The department will deliver the three initiatives through a suite of grants processes to be administered by the Community Grants Hub within the Department of Social Services. The new AgConnections pilot program will be delivered through a targeted, competitive grant and the existing AgCAREERSTART and Farm Safety Week are delivered through ad hoc grant arrangements.

The Community Grants Hub's grant administration, governance arrangements and risk management frameworks adhere to the Commonwealth resource management framework, including the *Public Governance, Performance and Accountability Act 2013*, the *Public Governance, Performance and Accountability Rule 2014* and the *Commonwealth Grants Rules and Principles 2024* (CGRPs). The department have developed grant opportunity guidelines and have regard to the nine key principles in administering the grant. Spending decisions and the grant opportunity guidelines will be made public on the GrantConnect website at [www.grants.gov.au](http://www.grants.gov.au).

Grant funding for AgCAREERSTART and Farm Safety Week will be delivered through deeds of variation to the existing grant agreements with NFF and Farmsafe Australia respectively.

Grant funding for AgConnections will be delivered through a targeted, competitive application round, ensuring receipt of applications from eligible Australian universities is achieved.

Grant applications will be assessed by a Selection Advisory Panel established by the department. The department may ask external experts/advisors to inform the assessment process. Any expert/advisor who is not a Commonwealth official will be required to perform their duties in accordance with the CGRPs.

The Community Grants Hub's independent probity advisor will be available to attend Selection Advisory Panel meetings, as required. A strategy for any potential conflict of interest that could be identified between the department or external officials and applicants will be in place and adhered to.

The Selection Advisory Panel will assess the applications against the eligibility criteria outlined in the grant opportunity guidelines. The Selection Advisory Panel will make recommendations on the merit of the applications. Each eligible application will be considered on its merits, based on:

- how well it meets the criteria;
- how it compares to other applications; and
- whether it provides value for money.

The Assistant Minister for Agriculture, Fisheries and Forestry, or a delegate from the department will be the decision maker for the grant opportunity. The delegate will be a Senior Executive Service employee of the department, who will have relevant expertise in, and understanding of, agriculture policy, and be able to perform relevant functions in accordance with the Commonwealth resource management framework. The decision maker decides which grants to approve and its expenditure based on the recommendations of the Selection Advisory Panel.

Independent merits review will not be appropriate for the grants because the funding decisions will relate to the allocation of finite resources between competing applicants and an allocation already made to a party would be affected by overturning the original decision. The Administrative Review Council has recognised that it is justifiable to exclude merits review in relation to decisions of this nature (see paragraphs 4.11 to 4.19 of the guide, *What decisions should be subject to merit review?*).

In addition, the review and audit process undertaken by the Australian National Audit Office also provides a mechanism to review Australian Government spending decisions and report any concerns to the Parliament. These requirements and mechanisms help to ensure the proper use of Commonwealth resources and appropriate transparency around decisions relating to making, varying or administering arrangements to spend relevant money.

Further, the right to review under section 75(v) of the Constitution and review under section 39B of the *Judiciary Act 1903* may also be available. Persons affected by spending decisions would also have recourse to the Commonwealth Ombudsman where appropriate.

The department consulted with NFF and Farmsafe Australia on the program of work for the AgCAREERSTART and Farm Safety Week initiatives. The additional funding has been generally welcomed and the recipient bodies have been made aware of the process to deliver the new funding.

The AgConnections pilot measure responds to industry calls for efforts to attract a pipeline of Australian talent, across a broad range of disciplines, and promote the opportunities available in agriculture in non-traditional agricultural fields.

### Constitutional considerations

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 external affairs power (section 51(xxix)); and
- the express incidental power and the executive power (section 51(xxxix)) and section 61), including the nationhood aspect.

### *External affairs power*

Section 51(xxix) of the Constitution empowers the Parliament to make laws with respect to ‘external affairs’. The external affairs power supports legislation implementing Australia’s international obligations under treaties to which it is a party.

Australia has obligations under a number of international agreements in relation to training and employment:

### *International Covenant on Economic, Social and Cultural Rights (ICESCR)*

Articles 2 and 6 of the ICESCR impose obligations to recognise the right to work and take steps to provide vocational guidance and training programs.



*International Labour Organization's Convention concerning Employment Policy  
(ILO Convention 122)*

Articles 1 and 2 of the ILO Convention 122 impose obligations to promote full, productive and freely chosen employment.

*International Labour Organization's Convention concerning Vocational Guidance and Vocational Training in the Development of Human Resources (ILO Convention 142)*

Articles 1, 2 and 4 of the ILO Convention 142 impose obligations to adopt and develop policies and programs of vocational training and guidance to ensure the needs of people at all levels of skill and sectors are met.

The program gives effect to the above obligations through the following:

- the AgCAREERSTART initiative provides students wishing to pursue a career in the agricultural sector with necessary skills, experience and mentoring via a paid gap-year on an Australian farm; and
- the AgConnections initiative will assist university students to undertake internships and work-based learning opportunities.

*Executive power and incidental power, including the nationhood aspect*

The express incidental power in section 51(xxxix) of the Constitution empowers the Parliament to make laws with respect to matters incidental to the execution of any power vested in the Parliament, the executive or the courts by the Constitution. Section 61 of the Constitution supports activities that are peculiarly adapted to the government of a nation and cannot be carried out for the benefit of the nation otherwise than by the Commonwealth.

The Farm Safety Week initiative would involve advocacy on a public health matter, noting the scale and prevalence of farming-related injuries in Australia. The campaign is a national initiative designed to improve safety on farms Australia-wide.

## **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 (Agriculture, Fisheries and Forestry Measures No. 3) Regulations 2024***

This disallowable 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**

Section 32B of the *Financial Framework (Supplementary Powers) Act 1997* (the FFSP Act) authorises the Commonwealth to make, vary and administer arrangements and grants specified in the *Financial Framework (Supplementary Powers) Regulations 1997* (the Principal Regulations) and to make, vary and administer arrangements and grants for the purposes of programs specified in the Regulations. Schedule 1AA and Schedule 1AB to the Principal Regulations specify the arrangements, grants and programs. The powers in the FFSP Act to make, vary or administer arrangements or grants may be exercised on behalf of the Commonwealth by 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 *Financial Framework (Supplementary Powers) Amendment (Agriculture, Fisheries and Forestry Measures No. 3) Regulations 2024* (the Regulations) amend Schedule 1AB to the Principal Regulations to establish legislative authority for government spending on the Agricultural workforce initiatives program (the program), which is administered by the Department of Agriculture, Fisheries and Forestry.

The program was considered under the *Foundations for the Agricultural Workforce Package*, which forms part of a broader \$789.0 million *Protecting and Growing the Future of Agriculture* package announced in the 2024-25 Budget.

The program comprises three initiatives:

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Total funding of \$1.9 million over three years from 2024-25 will be available for the three initiatives.

### **Human rights implications**

This disallowable legislative instrument engages the following rights:

- the right to work – Article 6 of the *International Covenant on Economic, Social and Cultural Rights* (ICESCR), read with article 2; and
- the right to safety at work – Article 7 of the ICESCR.

#### Right to work

Article 2 of the ICESCR imposes on States Parties the obligation to take steps towards the full realisation of the rights recognised in the ICESCR. The right to work contained in article 6 of the ICESCR includes the right of everyone to the opportunity to gain their living by work which they freely choose or accept. This includes taking steps to safeguard the right to work such as technical and vocational guidance and training programmes.

While the right to work is not a guarantee of full employment, it includes the right to seek work. The program promotes the right to work contained in article 6 of the ICESCR by providing funding directed towards providing training and work-based learning opportunities in the agricultural sector.

#### Right to safety at work

Article 7 recognises the right of everyone to the enjoyment of just and favourable conditions of work including safe and healthy working conditions. The Farm Safety Week initiative promotes this right by taking steps to deliver critical farm safety information and awareness activities aimed at increasing safe working conditions in the agricultural industry.

### **Conclusion**

This disallowable legislative instrument is compatible with human rights because it promotes the protection of human rights.

**Senator the Hon Katy Gallagher  
Minister for Finance**