

Legislation (Deferral of Sunsetting—Trade Practices (Industry Codes – Unit Pricing) Regulations 2009) Certificate 2019

EXPLANATORY STATEMENT

Issued by the Attorney-General in compliance with
section 15G of the *Legislation Act 2003*

INTRODUCTION

The *Legislation (Deferral of Sunsetting—Trade Practices (Industry Codes—Unit Pricing) Regulations) Certificate 2019* (the certificate) is made under paragraph 51(1)(c) of the *Legislation Act 2003*. It is a legislative instrument for the purposes of the *Legislation Act* and must be registered on the Federal Register of Legislation. The certificate is subject to the disallowance provisions of the *Legislation Act* as the deferred sunset day specified in the certificate is after the first anniversary of the sunset day, which means that subsection 51(4) of that Act (which provides an exemption from disallowance for deferrals of 12 months or less) does not apply.

OUTLINE

Sunsetting is the automatic repeal of legislative instruments after a fixed period. The Australian Government's sunsetting framework is established under Part 4 of Chapter 3 of the *Legislation Act*. The purpose of the sunsetting framework is to ensure that legislative instruments are kept up to date and only remain in force for so long as they are needed.

Subsection 50(1) of the *Legislation Act* provides that a legislative instrument is automatically repealed on the 1 April or 1 October immediately on or following the tenth anniversary of its registration, unless it was registered on 1 January 2005. Legislative instruments registered on 1 January 2005 are subject to the staggered sunset timetable set out in subsection 50(2) of the *Legislation Act*.

Under paragraph 51(1)(c) of the *Legislation Act* the Attorney-General can issue a certificate to defer the sunset day of an instrument for a period of either six, 12, 18 or 24 months. The instrument will then be repealed on the day specified in the certificate instead of the previously scheduled sunset day.

This allows instruments to continue to be in force for a further but limited period of time when they would otherwise sunset. This removes the administrative burden of remaking instruments which would have a limited duration prior to their repeal and potential replacement, or where circumstances prevent the making of replacement instruments prior to the sunset day.

The certificate defers the sunset date of the *Trade Practices (Industry Codes – Unit Pricing) Regulations 2009* from 1 October 2019 to 1 October 2021.

STATEMENT OF COMPATIBILITY WITH HUMAN RIGHTS

The *Legislation (Deferral of Sunsetting—Trade Practices (Industry Codes—Unit Pricing) Regulations) Certificate 2019* (the certificate) is compatible with human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011* (Human Rights Act).

Overview of the Certificate

This certificate is made under paragraph 51(1)(c) of the Legislation Act. Under that paragraph the Attorney-General can issue a certificate to defer the sunsetting day of an instrument for a period of either six, 12, 18 or 24 months. The instrument will then be repealed on the day specified in the certificate instead of the scheduled sunsetting day. The instrument specified in this certificate is *Trade Practices (Industry Codes – Unit Pricing) Regulations 2009* (the Regulations).

The Regulations are expected to be repealed and replaced within 24 months of their expected sunsetting date. The deferral of the sunsetting date would enable further consultation on the proposed replacement regulations.

The certificate allows the Regulations to continue to be in force for a further but limited period of time when they would otherwise sunset. This removes the administrative burden of remaking instruments which would have a limited duration prior to their repeal and potential replacement, or where circumstances prevent the making of replacement instruments prior to the sunsetting day.

Human Rights Implications

Before issuing the certificate, the Attorney-General was satisfied that the instrument would, apart from the operation of the sunsetting provisions, cease to be in force within 24 months of its sunsetting date. Issuing a certificate of deferral therefore avoids the need to remake the Regulations in their current form for a short period of time before they are expected to be repealed and replaced.

The Statement of Compatibility for a certificate of deferral of sunsetting focuses on the effect of the deferral instrument, rather than the substantive effect of continuing the instruments that have been deferred.

Instruments that are replaced will be subject to parliamentary scrutiny and oversight through the disallowance processes unless otherwise exempt. The human rights impact of the instruments will be individually assessed at that time, including through the requirement to prepare further Statements of Compatibility with Human Rights.

Conclusion

This certificate is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the Human Rights Act by ensuring that any proposal to make replacement instruments that unduly limit human rights and freedoms will be subject to parliamentary oversight and scrutiny.

PROCESS BEFORE CERTIFICATE WAS MADE

Regulatory impact analysis

Certificates of deferral of sunseting are machinery of government instruments, and are therefore not subject to the regulatory impact assessment requirements set out by the Office of Best Practice Regulation (OBPR). The OBPR reference for this standing exemption is ID19633.

Consultation before making

Before the certificate was issued, the Attorney-General considered the general obligation to consult imposed by section 17 of the Legislation Act.

The Assistant Treasurer, the Hon Michael Sukkar MP, advised the Attorney-General of the reasons in support of issuing the certificate. The Assistant Treasurer is responsible for administering the *Competition and Consumer Act 2010* (previously the *Trade Practices Act 1974*), the enabling legislation under which the Regulations were made. The Assistant Treasurer is therefore the relevant rule-maker for the purposes of section 6 of the Legislation Act.

The certificate is consistent with the policy intent of the sunseting arrangements and does not significantly alter existing arrangements. Accordingly, further consultation was unnecessary.

Statutory preconditions relevant to the certificate

If the statutory conditions in section 51 of the Legislation Act are met, an instrument's sunseting day can be deferred for either six, 12, 18 or 24 months by means of a certificate made under that section.

In terms of process, the Legislation Act requires:

- (a) the responsible rule-maker to apply to the Attorney-General in writing, and
- (b) the Attorney-General to be satisfied that:
 - (i) the instrument would (apart from the operation of the sunseting provisions) be likely to cease to be in force within 24 months after its sunseting day
 - (ii) the proposed replacement instrument will not be able to be completed before the sunseting day for reasons that the rule maker could not have foreseen and avoided
 - (iii) the dissolution or expiration of the House of Representatives or the prorogation of the Parliament renders it inappropriate to make a replacement instrument before a new government is formed, or
 - (iv) the Attorney-General has approved Part 4 of Chapter 3 of the Legislation Act (Sunsetting) not applying to the instrument, and
- (c) the Attorney-General to issue a certificate. The explanatory statement for the certificate must include a statement of reasons for the issue of the certificate.

The rule-maker for this instrument, the Minister for Housing and Assistant Treasurer, provided a written application to the Attorney-General seeking a deferral of sunseting days for the Regulations. On the basis of the information contained in the statement of reasons below, the Attorney-General is satisfied that the instrument would, apart from the operation of Part 4 of Chapter 3 of the Legislation Act, be likely to cease to be in force within 24 months after their sunseting day. As such, the criterion in subparagraph 51(1)(b)(i) of the Legislation Act is met.

Statement of Reasons for issuing of the Certificate

For the purposes of subsection 51(5) of the Legislation Act, this section sets out the statement of reasons for the issue of the certificate.

The Regulations are made under the *Competition and Consumer Act 2010* (previously the *Trade Practices Act 1974*). The Regulations prescribe a mandatory industry code for the retail grocery industry. The code requires large store-based grocery retailers, online grocery retailers and any other persons that voluntarily enter the scheme to display unit prices for grocery items for which selling prices are displayed, unless specifically exempt.

The Regulations are expected to be repealed and replaced within 24 months of the scheduled sunset date of 1 October 2019. The Assistant Treasurer has requested a 24 month deferral of the sunset date to enable further consultation to be undertaken on the proposed replacement regulations. A deferral will also avoid the need to replace the Regulations in their existing form for a short period of time before they are expected to be repealed and replaced by the replacement regulations.

As such, deferral of the sunset date of the Regulations is consistent with the policy intent of the sunset regime, that legislative instruments should be kept up to date and only remain in force so long as they are needed.

More information

Further details on the provisions of the certificate are provided in [Attachment A](#).

The instrument which is the subject of the certificate, and which will now sunset at a later day as specified in the certificate, is available on the Federal Register of Legislation.

Further information may be requested from the Attorney-General's Department about the operation of the certificate, and from the Treasury about the instrument to which the certificate applies.

ATTACHMENT A

NOTES ON THE CERTIFICATE

Section 1 Name

This section provides that the certificate is named the *Legislation (Deferral of Sunsetting—Trade Practices (Industry Codes—Unit Pricing) Regulations) Certificate 2019*. The certificate may be cited by that name.

Section 2 Commencement

This section provides for the certificate to commence on the day after it is registered.

Section 3 Authority

This section provides that the certificate is made under paragraph 51(1)(c) of the Legislation Act.

Section 4 Deferral of sunsetting

This section provides that the *Trade Practices (Industry Codes – Unit Pricing) Regulations 2009* for which the sunsetting day is 1 October 2019, is taken to be repealed under section 51 of the Legislation Act on 1 October 2021.

Section 5 Repeal of this instrument

This section provides that the certificate is repealed at the start of 2 October 2021.