



Queensland

Rural and Regional Adjustment Regulation 2011

Explanatory Notes for SL 2011 No. 155

made under the

Rural and Regional Adjustment Act 1994

General outline

Short title

Rural and Regional Adjustment Regulation 2011.

Authorising law

Sections 10, 11, 11A and 44 of the *Rural and Regional Adjustment Act 1994* (the Act).

Policy objectives and the reasons for them

The purpose of the subordinate legislation is to revise and replace the *Rural and Regional Adjustment Regulation 2000* (the former Regulation) which expires on 31 August 2011.

The subordinate legislation will implement the recommendations of the review of the former Regulation, which commenced in 2010, as follows:

- delete schemes no longer being offered (while allowing QRAA to continue to administer residual elements of such expired schemes);
- carry over currently administered schemes of assistance from the former Regulation to allow QRAA to continue to administer them;

- make minor revisions to the wording of existing schemes of an administrative nature for consistency; and
- extend the closing dates of the natural disaster assistance schemes offered in response to the Queensland Floods (November 2010 – January 2011) and Tropical Cyclone Yasi to 31 January 2012.

Achievement of policy objectives

The review of the former Regulation found that the nature and objectives of all schemes legally anchored in the former Regulation align with the objectives and requirements of the Act.

Section 10 of the Act provides that QRAA may only give financial assistance under an approved scheme and section 11 provides that an approved assistance scheme is one which is approved by regulation. Consequently approved assistance schemes under which QRAA administers financial assistance are prescriptively detailed in the subordinate legislation.

A number of natural disaster assistance schemes were also introduced into the former Regulation in response to the Queensland Floods (November 2010 – January 2011) and Tropical Cyclone Yasi. These assistance schemes close on either 30 September 2011 or 31 October 2011. After advice from local government, industry groups and individual producers, the Queensland Government agreed to extend the closing date of these assistance schemes to 31 January 2012 to provide sufficient time to allow all potential applicants to apply for the assistance. The revision of the former Regulation was an opportunity to give affect to Government's decision to extend these schemes.

These schemes also have record keeping requirements which require applicants to keep records up to a year from the closing date of the scheme. This record keeping requirement allows for the potential audit of recipients of the grants. As a consequence of the extension of the closing date of these schemes, the record keeping requirements have also been extended to 31 January 2013 through this subordinate legislation.

Consistency with policy objectives of authorising law

This subordinate legislation is consistent with the objects as outlined in section 3 of the Act in that it will enable QRAA to support the State's

economy by providing assistance to primary producers, small business and other elements of the economy in periods when they are experiencing temporary difficulty or to otherwise benefit the State's economy.

Inconsistency with policy objectives of other legislation

This subordinate legislation is not inconsistent with the policy objectives of any other legislation.

Benefits and costs of implementation

This subordinate legislation does not introduce new assistance schemes. Therefore no additional benefits or costs accrue to either the Queensland Government, QRAA or QRAA clients as a result of this subordinate legislation.

Consistency with fundamental legislative principles

Potential fundamental legislative principles (FLP) issues have been identified in regard to whether the legislation allows the delegation of administrative power only in appropriate cases and to appropriate persons (section 4(3)(c) of the *Legislative Standards Act 1992*).

Specifically, the provisions of both the Drought Carry-on Finance Scheme and Drought Recovery Scheme (schedules 4 and 5 respectively) in setting out the eligibility criteria that applicants must meet, provide for the Minister to decide which local government areas are severely drought affected. These two assistance schemes also provide that applicants must submit applications for assistance under the schemes before a day decided by the Minister.

The Small Business Emergency Assistance Scheme (schedule 6) provides that the objective of the scheme is to assist owners of small businesses to meet operating and other essential costs if the business is located in, adjacent to or dependent on, an Exceptional Circumstances declared area or affected by another significant event decided by the Minister.

In each of these cases it is the discretionary element of the Minister's power which gives rise to the potential FLP.

With regard to the Minister's discretion in deciding which local government areas are severely drought affected, this power is desirable as it avoids

having to amend the legislation each time a new drought event occurs. In relation to the other provisions, these are beneficial provisions as they can either extend the date by which time applications must be made or expand the range of individuals to which assistance may be provided.

It is considered that the exercise of these discretionary powers by the Minister is appropriate, particularly given their beneficial nature.

Consultation

Queensland Treasury, QRAA and the Department of the Premier and Cabinet were consulted on the provisions of the subordinate legislation.

The Queensland Office for Regulatory Efficiency within Queensland Treasury, was consulted with regard to the requirements for a Regulatory Assessment Statement (RAS). QORE confirmed that a RAS is not required on the basis that, given this is beneficial subordinate legislation, there are no significant impacts.

ENDNOTES

- 1 Laid before the Legislative Assembly on . . .
- 2 The administering agency is the Department of Employment, Economic Development and Innovation.

© State of Queensland 2011