Rural and Regional Adjustment Amendment Regulation (No. 1) 2014

Explanatory Notes for SL 2014 No. 2

made under the

Rural and Regional Adjustment Act 1994

General Outline

Short title

Rural and Regional Adjustment Amendment Regulation (No. 1) 2014

Authorising law

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

Policy objectives and the reasons for them

The objective of the regulatory amendment is to further support Queensland cattle owners affected by Bovine Johne's Disease (BJD) and maintain Queensland's BJD free status. Since the detection of BJD on a beef stud cattle herd near Rockhampton in late 2012, the Queensland Government has committed to eradicating this disease, recognising that the livestock industry is a significant industry and employer in rural and regional Queensland.

Achievement of policy objectives

The regulatory amendment achieves its objective of furthering support for affected Queensland cattle owners and restoring Queensland's BJD free status by providing for an increase of the maximum amount of assistance available to eligible applicants under the BJD Assistance Scheme from $50,000 to $100,000. This increased assistance will further enable affected cattle owners to recover from the financial impact of cattle slaughter under planned slaughter or testing conditions. It will also enable further recovery from the financial impact of taking alternative supply actions for slaughtered or tested cattle.

Consistency with policy objectives of authorising law

The amendment regulation is consistent with the objects as outlined in section 3 of the Act, which in part, 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.

Inconsistency with policy objectives of other legislation

The amendment regulation is not inconsistent with the policy objectives of other legislation.

Benefits and costs of implementation

Whilst the maximum amount of assistance available to eligible applicants under the BJD Scheme has been increased, the total amount of Government funding available for the scheme has not changed.

Increasing the cap will assist to increase the uptake of the scheme and will allow eligible producers who have slaughtered cattle for BJD testing or destocking an infected property to claim up to $100,000 for these losses. Eligible producers who are under long-term movement restrictions will also be able to access up to $100,000 to offset costs incurred in finding alternative markets for their cattle while they are under quarantine.

While it is important that assistance to affected producers is maximised, it is essential that existing funds can continue to support those producers eligible for assistance under the regulations for the life of the scheme (until 30 June 2014).

Should there be very high levels of uptake, it may be that as a result of providing an increased amount of assistance, fewer individuals may be able to take advantage of the scheme particularly as a further 44 Queensland properties have been identified as being affected by BJD since October 2013. However, it is estimated that not all owners of affected properties would apply for or be eligible for the maximum assistance under the BJD Scheme. Therefore it is unlikely that the scheme will not have sufficient funds to accommodate all eligible producers, based on the current number of properties impacted by BJD.

Consistency with fundamental legislative principles

The amendment regulation is consistent with fundamental legislative principles.

Consultation

DAFF consulted the industry committee established to review the BJD Scheme’s coverage and the maximum amount of assistance available on the proposed increase and options for its implementation. The industry committee supports the proposed regulatory amendment.

The Office of Best Practice Regulation (OBPR) within the Queensland Competition Authority was consulted with regard to Regulatory Impact Statement (RIS) requirements. The OBPR advised that the proposed regulatory amendment appeared unlikely to have significant adverse impacts and that a RIS is not required.