

# **Rural and Regional Adjustment (Vessel Tracking Rebate Scheme) Amendment Regulation 2018**

Explanatory notes for SL 2018 No. 131

made under the

*Rural and Regional Adjustment Act 1994*

## **General Outline**

### **Short title**

*Rural and Regional Adjustment (Vessel Tracking Rebate Scheme) Amendment Regulation 2018*

### **Authorising law**

Sections 3, 10, 11 and 44 of the *Rural and Regional Adjustment Act 1994*.

### **Policy objectives and the reasons for them**

The purpose of the subordinate legislation is to enable the Queensland Rural and Industry Development Authority (QRIDA) to provide financial assistance under a scheme aimed at assisting holders of prescribed commercial fishing boat and charter fishing licences with the costs incurred buying and installing vessel tracking units.

The primary objective of the scheme is to implement the Government's 2017 election commitment to work with industry to help minimise the costs associated with the implementation of compulsory vessel tracking.

This commitment stemmed from the implementation of compulsory vessel tracking under the *Queensland Sustainable Fisheries Strategy 2017-2027*. The Strategy requires the installation of vessel tracking units on all commercial fishing boats by the end of 2020, with a priority to install units on boats operating in Queensland's net, line and crab commercial fisheries by the end of 2018. Consultation for the Strategy identified concerns within industry regarding the purchase and installation costs of vessel tracking units.

## **Achievement of policy objectives**

The subordinate legislation will achieve its objective by inserting a new Schedule 33 into the *Rural and Regional Adjustment Regulation 2011*, allowing QRIDA to administer the Vessel Tracking Rebate Scheme (VTRS).

The VTRS will assist applicants who are prescribed licence holders, holders of a Charter Fishing Licence, eligible Commercial Harvest Fishery Licence or eligible Commercial Fishing Boat Licence to offset the costs incurred buying and installing approved vessel tracking units. In addition to Charter Fishing Licence holders, there are five classes of eligible Commercial Fishing Boat and three classes of Commercial Harvest Fishery Licences under the VTRS. Each class of prescribed licence represents a different variation of fishery symbols written on the licence. The maximum amount of assistance available to an applicant under the scheme is calculated by reference to the type and class of licence the applicant holds.

There are two types of assistance available to applicants under the VTRS. The first is the purchase rebate to offset the applicant's costs incurred buying new vessel tracking units from authorised suppliers. The type of vessel tracking unit purchased determines the purchase rebate payable to an applicant under the VTRS. For the purchase of a Category A vessel tracking unit, the amount of assistance available to an applicant is the amount the applicant paid for the unit, up to a maximum of \$300. For the purchase of a Category B vessel tracking unit, the amount of assistance available to an applicant is the amount the applicant paid for the unit, up to a maximum of \$750. The purchase rebate is payable to an applicant once for each vessel tracking unit bought by the applicant, up to the prescribed limit.

The second rebate available to applicants under the VTRS is the installation rebate. The installation rebate is a rebate payable for having a vessel tracking unit professionally installed in an eligible boat authorised for use under an applicant's licence. The amount of assistance payable to an applicant under the VTRS is the amount the applicant paid to have the unit installed, up to a maximum of \$220.

The installation rebate can generally be paid to an applicant once for each vessel tracking unit professionally installed in an eligible boat authorised for use under a prescribed licence, up to the prescribed limit. For Charter Fishing Licences, the installation rebate can additionally only be paid to an applicant once for each vessel tracking unit installed in a boat that is identified on a certificate of operation held by the applicant and which is ordinarily used for charter fishing trips. For applicants who hold a class 4 Commercial Fishing Boat Licence, the installation rebate can only be paid once for each vessel tracking unit installed in an eligible boat authorised for use under the broadest fishery symbol on the licence, up to a prescribed limit.

Several conditions apply to the provision of assistance under the VTRS. These include that the application for assistance must be made within the prescribed period and relate to the purchase and installation of a vessel tracking unit within the prescribed period. Additionally, a person is not eligible for assistance under the VTRS in connection with a prescribed licence that is suspended or held by way of temporary transfer.

## **Consistency with policy objectives of authorising law**

The subordinate legislation is consistent with the objectives of the Act.

## **Inconsistency with policy objectives of other legislation**

The subordinate legislation is consistent with the policy objectives of other legislation.

## **Alternative ways of achieving policy objectives**

An alternative way of achieving the policy objectives would be for the provision of assistance to be handled administratively by the Department of Agriculture and Fisheries. However, QRIDA's primary function is to administer approved financial assistance schemes and is therefore better equipped to deliver the rebate scheme.

The *Rural and Regional Adjustment Act 1994* enables QRIDA to give financial assistance to primary producers, small businesses or other elements of the State's economy to benefit the State's economy. QRIDA has extensive experience in administering grant, loan and rebate schemes for government and is better placed to administer the VTRS.

## **Benefits and costs of implementation**

The VTRS will benefit commercial fishing licence holders by providing financial assistance to offset the supply and installation costs of vessel tracking units. This will support the implementation of the *Queensland Sustainable Fisheries Strategy 2017-2027*, which features vessel tracking as a key component of the Strategy.

The total budget allocated toward the VTRS is \$3 million. The Queensland Government has provided \$800,000, with the remaining \$2.2 million provided by the Great Barrier Reef Marine Park Authority.

## **Consistency with fundamental legislative principles**

The subordinate legislation has been drafted with regard to the fundamental legislative principles as defined in section 4 of the *Legislative Standards Act 1992*.

The subordinate legislation relies upon the content of the Vessel Tracking Installation and Maintenance Standard throughout the scheme. This document is prepared and amended by the Department of Agriculture and Fisheries and published on the department's website. The use of this document may be seen not to have sufficient regard to the institution of Parliament, as it provides a sub delegation of power delegated by the Act to the executive. This is a potential breach of sections 4(2)(b) and (5)(e) of the *Legislative Standards Act 1992*.

The potential inconsistency is justified, as the department requires the flexibility to adapt this document to account for new vessel tracking units and updated maintenance and installation methods. Prescribing the contents of standard within the subordinate legislation or in other legislation would not be feasible, because it would not allow the department to be sufficiently responsive to new vessel tracking technology.

The subordinate legislation also requires that applicants must give QRIDA any further documents or information it reasonably requires to decide the application for assistance. The use of this power could potentially affect the privacy and confidentiality rights of individuals if it is used to request information that would otherwise be confidential, such as bank statements. This power is a potential breach of section 4(2)(a) of the *Legislative*

*Standards Act 1992*, as the legislation could be seen not to have sufficient regard to the rights and liberties of these individuals.

The potential inconsistency is justified, however, as this power can only be exercised in circumstances where it is reasonably necessary to obtain further information to decide the application. The exercise of this power will therefore be limited to circumstances where there are evidentiary deficiencies present in the information provided by the applicant that prevents QRIDA from properly assessing the application.

## Consultation

The policy that requires vessel tracking on all commercial fishing boats was released in early January 2018. The Department of Agriculture and Fisheries has undertaken public consultation in the form of public meetings to gauge support for the vessel tracking policy.

Consultation for the *Queensland Sustainable Fisheries Strategy 2017-2027* identified concerns within industry regarding the purchase and installation costs of vessel tracking units. The results of this consultation also identified concern about the costs, with some fishers suggesting they would prefer government to cover the ongoing data costs rather than the upfront purchase and installation costs. This is not the Government's preferred approach, because it would be more difficult to administer and could lead to an unrealistic expectation that data costs would be subsidised indefinitely.

The department has also sought advice from the Queensland Productivity Commission (the Commission). The Commission advised that the proposal is excluded from further analysis under the *Queensland Government Guide to Better Regulation* on the basis of category (k) - *regulatory proposals designed to reduce the burden of regulation, or clearly do not add to the burden, and it is reasonably clear there are no significant adverse impacts*.