

Rural and Regional Adjustment (Extension of Funding for North and Far North Queensland Flood Disaster) Amendment Regulation 2019

Explanatory Notes for SL 2019 No. 26

made under the

Rural and Regional Adjustment Act 1994

General Outline

Short title

Rural and Regional Adjustment (Extension of Funding for North and Far North Queensland Flood Disaster) Amendment Regulation 2019

Authorising law

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

Policy objectives and the reasons for them

Natural disaster assistance policy in Australia is delivered through the joint Commonwealth-State Disaster Recovery Funding Arrangements (DRFA). The DRFA establishes a suite of pre-approved measures which can be activated by a State to assist with the response and recovery from natural disasters which can be cost shared by the Australian Government. These measures are grouped into categories A, B, C and D.

Category C assistance grants can be used for a range of clean up and restoration activities to support the recovery of primary producers, small businesses and not for profit organisations impacted by a severe natural disaster. Category C assistance is administered in Queensland by the Queensland Rural and Industry Development Authority (QRIDA) under the approved scheme in Schedule 23 (Special Disaster Assistance Recovery Grants Scheme) of the *Rural and Regional Adjustment Regulation 2011*.

DRFA assistance, including Category C grants for small businesses and non-profit organisations, has been activated in response to the monsoon trough and significant rainfall and flooding in North and Far North Queensland in late January and early February 2019.

The Australian and Queensland governments have agreed to increase the amount of assistance under the DRFA for small businesses and non-profit organisations in certain parts of the area affected by this event. As a special assistance measure, the maximum amount of

a Category C assistance grant for small businesses and non-profit organisations affected by this event is to increase from \$25,000 to \$50,000.

In response to a request from the Premier and Minister for Trade, the Australian Prime Minister, the Honourable Scott Morrison MP announced on 1 March 2019 the increased assistance to small businesses and non-profit organisations in Townsville, Cloncurry, McKinlay, Richmond and Flinders local government areas. Changes have also been agreed to the proportion of the assistance which may be accessed without the applicant providing evidence of payment of the costs. The areas where the increased maximum amount will apply and the changes to the proportion of assistance which may be accessed without proof of payment will be specified in an amended assistance establishment notice, made by the Minister for Agriculture Industry Development and Fisheries, to empower the assistance scheme for this event.

The increase in the maximum value of grants to small businesses and non-profit organisations affected by this event which is the subject of this amendment regulation, follows an increase in the maximum value of grants to primary producers enabled by the *Rural and Regional Adjustment (North and Far North Queensland Flood Disaster Recovery Funding) Amendment Regulation 2019*.

Achievement of policy objectives

The *Rural and Regional Adjustment (Extension of Funding for North and Far North Queensland Flood Disaster) Amendment Regulation 2019* (amendment regulation) will achieve its objectives by empowering QRIDA to provide Category C assistance grants of up to \$50,000 to small businesses and non-profit organisations impacted by the monsoon trough and significant rainfall and flooding in North and Far North Queensland in late January and early February 2019.

Consistency with policy objectives of authorising law

The amendment regulation is consistent with the policy objectives of the Act. The Act establishes QRIDA primarily to administer assistance schemes that foster the development of a more productive and sustainable rural and regional sector in Queensland. QRIDA may also administer approved assistance schemes to assist primary producers, small business and other sectors during periods of temporary difficulty, or to otherwise benefit the Queensland economy.

Inconsistency with policy objectives of other legislation

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

Benefits and costs of implementation

As measures under the DRFA are cost shared between the Queensland and Australian governments, an increase of the amount of assistance available from \$25,000 to \$50,000 will increase the Queensland Government's expenditure. The amount of additional

expenditure is unknown as this will depend on the level of uptake but it could be in the tens of millions of dollars.

Consistency with fundamental legislative principles

The amendment regulation has been drafted with regard to, and is consistent with, the fundamental legislative principles as defined in section 4 of the *Legislative Standards Act 1992*.

Consultation

Emergency Management Australia support the increase in the maximum value of the grants.

The Office of Best Practice Regulation in the Queensland Productivity Commission advised that the amendment is excluded from further regulatory impact 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.

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