

# **Rural and Regional Adjustment (Taxi and Limousine Business Support Grants Scheme) Amendment Regulation 2019**

Explanatory notes for SL 2019 No. 157

made under the

*Rural and Regional Adjustment Act 1994*

## **General Outline**

### **Short title**

*Rural and Regional Adjustment (Taxi and Limousine Business Support Grants Scheme) Amendment Regulation 2019*

### **Authorising law**

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

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

The Queensland Government is committed to the continued support of the taxi and limousine industry. The policy objective of the subordinate legislation is to provide business advisory support for Queensland taxi and limousine licence holders. Licence holders will be assisted with implementing a business improvement initiative or overcoming an identified business issue. The support will help them to align their personalised transport business to the new industry framework established by reforms in 2016.

In 2016, the Queensland Government announced a program for reform of the personalised transport industry, including taxis and limousines. As part of the reform, the Queensland Government announced a \$100 million Industry Adjustment Assistance Package (IAAP). The IAAP assisted the taxi and limousine industry to transition to a more competitive market that continues to adapt and meet community expectations. Following delivery of the IAAP, over \$2 million remained unspent. The subordinate legislation will enable up to \$350,000 of the unspent funds to be allocated for delivery of a second round of Business Advisory Support (BAS) grants.

## **Achievement of policy objectives**

The subordinate legislation achieves the policy objective by establishing the Taxi and Limousine Business Support Grants Scheme (the Scheme) as an 'approved scheme' under the *Rural and Regional Adjustment Act 1994*. The Queensland Rural and Industry Development Authority (the Authority) can only give financial assistance under an approved scheme.

The Scheme will provide co-contribution grants to taxi and limousine licence holders, with matched funding of up to \$5,000 for individuals and up to \$20,000 for a group of licence holders, to use a business improvement service. This includes developing the proficiency, efficiency and sustainability of their business, expanding their market reach through an online presence and improved digital capabilities and development of, or attendance at, a training program to build skills and capabilities relating to the personalised transport framework. The Scheme also provides grants to licence holders to offset the cost of engaging a financial advocacy service up to a maximum of \$5,000.

To be eligible to receive a grant under the Scheme, an applicant must:

- hold a current taxi or limousine licence;
- have held a taxi or limousine licence immediately before 11 August 2016;
- be a Queensland-based personalised transport business;
- have not paid in part or in full for business improvement services or financial advocacy services without confirmation that the grant funding is approved;
- where applicable, ensured the eligible business improvement services or financial advocacy services will be provided by an eligible service provider; and
- have not already received assistance under the Scheme for the eligible licence.

The application for assistance must be made in the approved form. It is a condition of the Scheme that the applicant provide the Authority with evidence of the costs incurred in acquiring the business improvement service or eligible financial advocacy service through tax invoices and proof of purchases.

## **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 objective would be for the provision of assistance to be managed administratively by the Department of Transport and Main Roads. However, the Authority is a specialist administrator of government financial assistance programs and it is more efficient for the Authority to administer the financial assistance.

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

## **Benefits and costs of implementation**

The Scheme will assist taxi and limousine licence holders to implement a business improvement initiative or to overcome an identified business issue. Co-contribution grants of up to \$5,000 for individuals and up to \$20,000 for groups will support them to align their personalised transport business to the new industry framework.

The Queensland Government has allocated \$350,000 for the grants from approximately \$2 million that remained unspent following delivery of the IAAP.

## **Consistency with fundamental legislative principles**

The subordinate legislation 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**

Consultation with taxi and limousine licence holders was deemed not necessary for the subordinate legislation as extensive community consultation was undertaken as part of the 2016 reforms. This included the establishment of the Personalised Transport Industry Reference Group to ensure ongoing stakeholder engagement as the reforms were implemented.

The Department of Agriculture and Fisheries sought advice from the Office of Best Practice Regulation (OBPR) within the Queensland Productivity Commission. OBPR advised that the proposal is excluded from further analysis under the *Queensland Guide to Better Regulation* on the basis of category (k) – *regulatory proposals that are designed to reduce the burden of regulation, or that clearly do not add to the burden, and it is reasonably clear there are no significant adverse impacts*.