

Rural and Regional Adjustment (Variation of Rural Economic Development Grants Scheme) Amendment Regulation 2021

Explanatory Notes for SL 2021 No. 149

made under the

Rural and Regional Adjustment Act 1994

General Outline

Short title

Rural and Regional Adjustment (Variation of Rural Economic Development Grants Scheme) Amendment Regulation 2021

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 policy objective of the amendment regulation is to amend Schedule 32 of the *Rural and Regional Adjustment Regulation 2011*: the Rural Economic Development (RED) Grants program to:

- allow the Queensland Rural and Industry Development Authority (QRIDA) to continue to administer the scheme beyond its current closing date of 30 June 2021
- at a new maximum level of assistance of \$200,000 (previous to these amendments, the maximum amount was \$250,000) and
- increase the areas potentially eligible to apply for a RED grant with only the government areas of Brisbane, Ipswich, Logan and Redlands to be ineligible to apply.

The RED Grants are a Queensland Government initiative administered by QRIDA intended to support rural economic development and create employment in rural and regional Queensland. The RED Grants do this by providing grants (matched by the applicant) to business applicants to allow them to invest in new investments related to primary production. For example, eligible activities for a RED Grant include new investments that develop new markets, establish training facilities, develop the agriculture supply chain, or other measures that value add or transform primary production.

Costs of administration will be covered within the funding made available and no additional costs will be incurred as a result of these regulatory amendments.

Achievement of policy objectives

The amendment regulation will achieve its objectives by amending Schedule 32 – Rural Economic Development Grants Scheme of the *Rural and Regional Adjustment Regulation 2011* to allow QRIDA to continue to administer additional rounds of the RED Grants Program.

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, including schemes offered by the Australian Government.

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

The Queensland Government in the 2021-22 State Budget announced \$6.6 million for two additional rounds of the RED Grants program.

Three rounds have been offered in this program to date and across the three rounds it is estimated a total of 1,897 jobs have been created funding investments such as new packing facilities, storage and handling facilities, fish nurseries, and propagation and production sheds. The delivery of a further two rounds of the RED Grants aligns with the Queensland COVID-19 Economic Recovery Plan to support economic recovery from COVID-19 and create jobs.

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

These regulatory amendments make minor changes to an already existing scheme of financial assistance and, therefore, consultation with industry did not occur.

The Office of Best Practice Regulation in Queensland Treasury advised that the amendment is excluded from further analysis under the *Queensland Government Guide*

to Better Regulation on the basis of category (k) – regulatory proposals that are unlikely to result in significant adverse impacts.

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