

# **Rural and Regional Adjustment (Variation of Work in Paradise Incentive Scheme) Amendment Regulation 2021**

Explanatory Notes for SL 2021 No. 175

made under the

*Rural and Regional Adjustment Act 1994*

## **General Outline**

### **Short title**

*Rural and Regional Adjustment (Variation of Work in Paradise Incentive Scheme) Amendment Regulation 2021*

### **Authorising law**

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

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

The Work in Paradise Incentive Scheme (the Scheme) is a targeted initiative to attract jobseekers in Australia to acquire a job in the Queensland tourism industry. The objective is to stimulate regional economies and assist Queensland tourism businesses to rebuild in a COVID-Safe environment.

COVID-19 restrictions in New South Wales and Victoria, resulting in lockdowns and border closures, have caused significant hardship to many businesses and workers within the Queensland tourism industry and impacted on Queensland's visitor economy resulting in tourism businesses reducing staff hours and standing down staff.

The impact on the tourism industry was a key driver in the delivery of the \$110 million Tourism and Hospitality Sector Hardship Support Program that provides grants to eligible tourism and hospitality businesses across the state that can demonstrate hardship. This funding was provided to businesses to help them to stay open, retain workers and be in a position to retain and ramp-up their workforce as interstate tourism markets fully open.

In order to keep workers in the tourism industry and within the Scheme, the proposed amendments acknowledge the difficulties faced by the workers within the industry and provide an incentive for them to stay working in the Queensland tourism industry rather than returning interstate or looking for work in alternative industries.

The amendments to the Scheme expand the opportunities for job seekers to be eligible for payments under the Scheme by working in tourism businesses.

## **Achievement of policy objectives**

The subordinate legislation achieves its objective by amending the Scheme to:

- create a new category ('type 2') of '*eligible employment*' which applies only to Work in Paradise Incentive Scheme applicants who are applying for their second or third instalment under the Scheme, and enables these applicants to remain eligible by working for up to two eligible businesses for a total of at least 20 hours per week and in an additional eight local government areas if their original employer for the Scheme was unable to reasonably continue to engage them in (type 1) eligible employment. The eight additional local government areas (LGA) in regional Queensland have been included as they have not been as severely impacted by COVID-19 restrictions and the jobs market in these LGAs remains stronger for tourism workers;
- expand the definition of '*eligible business*' to include additional Australian and New Zealand Standard Industrial Classification (ANZSIC) codes for tourism-related industries such as aviation, performing arts operation and transport rental and hire;
- create a new definition of '*continuous periods of eligible employment*' to acknowledge COVID-19 impacts might have resulted in workplace closures or a reduction of employment hours of a workplace;
- provide an extension of the application closing date from 31 March 2022 to 30 June 2022 or until funds are exhausted, whichever comes earlier; and
- allow incentive instalments to be paid in relation to a continuous period of employment completed up to 31 March 2023.

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

The subordinate legislation is consistent with the policy objectives of the Act. The Act establishes the Queensland Rural and Industry Development Authority (QRIDA) to administer assistance schemes that foster the development of a more productive and sustainable rural and regional sector in Queensland. QRIDA may also support the State's economy by administering approved assistance schemes to assist primary producers, small businesses and other sectors during periods of temporary difficulty, or to otherwise benefit the Queensland economy.

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

The subordinate legislation is not inconsistent with the policy objectives of any other legislation.

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

Given the details of an approved assistance scheme administered by QRIDA must be detailed in regulation, the only way to amend the details of the Scheme is to amend the regulation.

Administration of a revised scheme by another entity is not considered feasible. QRIDA has extensive experience in administering grant, loan and rebate and payment schemes for government and is already administering the Scheme.

## Benefits and costs of implementation

The Queensland Government has allocated a budget of \$7.5 million for 2021-22 to the Scheme. The total cost to the Queensland Government will depend on the level of uptake. The amendments will not change the maximum cost of the Scheme – the Scheme will close earlier than 30 June 2022 if the funds available for the Scheme are already exhausted.

The amendments will help keep workers in the tourism industry by expanding the opportunities for job seekers to be eligible for payments under the Scheme by working in tourism businesses.

## Consistency with fundamental legislative principles

A potential breach of the principle that legislation should not subdelegate a legislative power conferred on a Regulation by the Act to an external document that is produced administratively and is not subject to Parliamentary scrutiny (section 4(2)(b) and 5(e) of the *Legislative Standards Act 1992*) occurs because the proposal relies on the document called the 'Australian and New Zealand Standard Industrial Classification (ANZSIC)' published by the Australian Bureau of Statistics to establish which businesses and organisations are eligible.

It is desirable to refer to this document because applicants already identify their activities by reference to the ANZSIC codes in their dealings with government about various matters. The classifications are well understood and their use will assist businesses and organisations to more readily determine if they are eligible.

## Consultation

The Department of Agriculture and Fisheries consulted the Office of Best Practice Regulation (OBPR) on whether the amendment is excluded from further analysis under the *Queensland Government Guide to Better Regulation*. The OBPR advised that it considers the proposed changes are unlikely to result in significant adverse impacts and no further regulatory impact analysis is required under the *Queensland Government Guide to Better Regulation*.