

# **Rural and Regional Adjustment (Horticultural Netting Program —Trial Expansion) Amendment Regulation 2022**

Explanatory Notes for SL 2022 No. 45

made under the

*Rural and Regional Adjustment Act 1994*

## **General Outline**

### **Short title**

*Rural and Regional Adjustment (Horticultural Netting Program—Trial Expansion) Amendment Regulation 2022*

### **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 policy objective of the amendment regulation is to allow the Queensland Rural and Industry Development Authority (QRIDA) to administer a new Australian Government scheme of financial assistance to support primary producers in the horticultural industry to offset the cost of purchasing horticultural netting.

### **Achievement of policy objectives**

The amendment regulation will achieve its objective of improving the disaster resilience of primary producers in the horticulture industry.

The scheme is an expansion of the Horticulture Netting Scheme-Apple and Pears administered by the Department of Agriculture and Fisheries on behalf of the Australian Government. With the expansion of the scheme to all horticultural types and an expansion of scheme funding, administration of this program is being transitioned to QRIDA which is the Queensland Government's administrator of schemes of financial assistance such as this one.

### **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.

The Department of Agriculture and Fisheries administered the Horticulture Netting Program-Apples and Pears on behalf of the Australian Government. The Horticulture Netting Program first commenced in Queensland in May 2021 and provided a rebate of up to \$150 000 to producers in the apple and pear industry to install permanent horticultural netting to reduce the impact of adverse weather events.

In December 2021, the Australian Government offered Queensland an additional \$10.9 million for this program on condition that it be extended to all horticultural crops. Due to the expansion of the program, the administration of the scheme is being transferred in Queensland to QRIDA, and the guidelines for the expanded program known as the Horticultural Netting Program—Trial Expansion have been revised. In summary, the scheme will provide a grant of up to 50 per cent of the cost of purchasing and installing horticultural netting on existing horticultural production that:

- is purchased to increase horticultural productivity by reducing the impact of adverse weather events or animal predation and to reduce water usage;
- is purchased on or after 16 December 2019 for apples and pears or 14 December 2021 for all other horticultural crops; and
- is to a maximum of \$300,000.

The program will close to applications on 30 April 2024 or when available funds have been allocated.

## **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 scheme will be funded by the Australian Government with an additional \$10.9 million on top of the \$2.2 million already provided to Queensland (\$13.1 million in total). The administration costs necessary for QRIDA to run the scheme will be sourced from within the overall funding made available from the Australian Government.

No adverse impacts are identified as a consequence of the introduction of this scheme. The installation of netting has been identified as a means of reducing the impact of adverse weather events such as hail. Netting also potentially reduces water consumption and reduces predation from bats. Accordingly, the installation of netting as a result of this scheme will boost agricultural productivity in the horticultural industry. Many producers in the horticultural industry already deploy netting and this program will provide assistance to those producers who may not already have netting to do so or allow producers who already have netting to upgrade their existing netting.

## 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

Industry stakeholders including Growcom, Queensland Farmers' Federation and Nursery and Garden Industry Queensland were supportive of the expansion of the scheme beyond apples and pears and the increase in the size of the grant from \$150,000 to \$300,000. Industry also reviewed and supported the guidelines that QRIDA will use to administer the scheme. Industry raised some points of clarification with regard to the eligibility criteria for the scheme and these points of clarification were raised with the Australian Government and advice was provided back to industry to their satisfaction.

The Office of Best Practice Regulation advised that the amendment is excluded from further analysis under the *Queensland Government Guide to Better Regulation* on the basis the regulatory proposals are unlikely to result in significant adverse impacts and will not add to the regulatory burden.