

Rural and Regional Adjustment (Flood Affected Livestock Grants Scheme) Amendment Regulation 2023

Explanatory Notes for SL 2023 No. 78

made under the

Rural and Regional Adjustment Act 1994

General Outline

Short title

Rural and Regional Adjustment (Flood Affected Livestock Grants Scheme) Amendment Regulation 2023

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 introduce a new scheme of financial assistance Schedule 50: Flood Affected Livestock Grants Scheme in the *Rural and Regional Adjustment Regulation 2011*. It will provide additional assistance to primary producers impacted by the monsoonal flooding in early 2023 in north west Queensland.

Schedule 50 is a measure under the joint Commonwealth State Disaster Recovery Funding Arrangements (DRFA) to be administered in Queensland by the Queensland Rural and Industry Development Authority (QRIDA). The Act requires that all QRIDA schemes of financial assistance be set out in regulation.

A significant natural disaster impacted on northern Queensland because of ongoing monsoonal flooding most heavily in Burke Shire Council area and nearby regions. The DRFA activation for this event is the Disaster Event: Northern and Central Queensland Monsoon and Flooding, 20 December 2022 – 30 April 2023.

A major impact of this disaster was the necessity to supply livestock stranded by floodwaters with fodder via an extensive fodder drop operation. Producers had been fodder dropping on their own initiative as well as supported by a Department of Agriculture and Fisheries led coordinated fodder drop effort. As waters receded producers also had to dispose of several thousand dead livestock which otherwise would have proven a health hazard.

Due to the severity of the event on 30 April 2023 the Australian Government approved the activation of the Special Disaster Assistance Recovery Grants Scheme for primary producers, small business and non-profit organisations in the worst impacted areas for this event. \$75,000 grants be made available to primary producers and \$50,000 be made available to small businesses and non-profit organisations. The Special Disaster Assistance Recovery Grants Scheme provides a rebate on eligible clean up, restoration and recovery activities to assist with recovery from severe disasters.

In addition to the activation of recovery grants under the Special Disaster Assistance Recovery Grants Scheme, the Australian Government approved a Category D DRFA package, the Livestock Support and Disposal Program to provide additional support to producers and government (state and local) with the immediate fodder relief effort and carcass disposal effort. For the Department of Agriculture and Fisheries/councils incurred expenses for this fodder drop operation these are reimbursed directly through the Queensland Reconstruction Authority (QRA) under Category D. Category D under the DRFA is activated in response to severe natural disasters and makes available cost sharing for measures tailored to the specific event.

For expenses incurred by primary producers on the fodder drop operation and carcass disposal, these will be claimable through the new assistance scheme subject to this regulatory amendment or through the Special Disaster Assistance Recovery Grants Scheme (fodder supply and carcass disposal are eligible activities under that scheme). The Category D Flood Affected Livestock Grant Scheme will make available up to \$75 000 per primary producer in additional support, above and beyond the current maximum of \$75 000 they could obtain under the Special Disaster Assistance Recovery Grants Scheme, but only if those expenses are related to fodder drop/carcass disposal activities. This will free up the grant available under the Special Disaster Recovery Grant Scheme for other activities eg cleaning and repairing damaged buildings and equipment and debris removal.

In summary, under the Flood Affected Livestock Grants Scheme, eligible primary producers for the Disaster Event: Northern and Central Queensland Monsoon and Flooding, 20 December 2022 – 30 April 2023 will be able to access grants of up to \$75,000 to recover the costs they have incurred in supplying fodder to livestock between 1 March 2023 and 14 April 2023 and the costs of carcass disposal incurred within the period 1 March and 1 August 2023. The scheme will close on 29 September 2023 (the same date as the Special Disaster Assistance Scheme is scheduled to close) with the proviso that the Minister could extend the closing date by not more than six months via an extension notice to be placed on the QRIDA website if it is satisfied that applicants need more time to apply for this assistance. The notice must be tabled by the Minister with the Legislative Assembly within 14 days of issuance.

Achievement of policy objectives

The amendment regulation will achieve its objective of providing additional financial support to primary producers impacted by the monsoonal flooding in north-west Queensland during early 2023.

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 disaster scheme subject to this regulatory amendment is funded through the DRFA. It will benefit primary producers who were significantly impacted by the flooding by providing additional assistance with fodder and carcass disposal expenses. The additional assistance made available will be funded through a Category D package, cost shared 50/50 between Queensland and the Australian Government. The Category D package for the monsoonal flooding event is valued at \$6 million.

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* (save for what is mentioned below).

Section 10 of the regulation may however be inconsistent with Section 4 (5) of the *Legislative Standards Act 1992* whether subordinate legislation has sufficient regard to the institution of Parliament specifically Section 4 (5) e) 'allows the sub-delegation of a power delegation by and Act only-

- i) In appropriate cases and to appropriate persons; and
- ii) If authorised by an Act.'

Section 10 allows the Minister to extend the closing date via an extension notice by not more than six months beyond the date set in regulation for closing of the scheme of 29 September 2023 if the Minister is satisfied applicants need more time to apply. This extension notice would be placed on the QRIDA website and tabled with the Legislative Assembly within 14 days of issuance.

While this provision may be inconsistent with Section 4 (5) of the *Legislative Standards Act 1992*, it is considered the intent of Section 10 of the Regulation is beneficial to potential applicants under the scheme. It has been recent experience for QRIDA administered programs that primary producers are having difficulty accessing contractors to conduct restoration activities due to widespread supply chain difficulties and thus having the option to extend the closing date (should this prove necessary) will ensure that applicants impacted by the disaster do not miss out on accessing this assistance.

While Section 10 allows the Minister to change an aspect of the Scheme, regards to the institution of Parliament is met by the requirement to table this extension notice within 14 days of issuance.

Consultation

The Office of Best Practice Regulation in the Queensland Productivity Commission advised that the amendment is excluded from further analysis under the *Queensland Government Guide to Better Regulation* on the basis that the proposal would not add to the burden of regulation.

The policy owner of the DRFA (the Australian Government's National Emergency Management Agency) was closely involved in the development of the Category D package which gives rise to this regulatory amendment. During the disaster, the Queensland Government worked closely with impacted primary producers and local governments on the immediate response effort and through this interaction the need to provide additional support with fodder costs and carcass disposal was identified.