



Queensland

Rural and Regional Adjustment Amendment Regulation (No. 2) 2013

Subordinate Legislation 2013 No. 26

made under the

Rural and Regional Adjustment Act 1994

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1 Short title

This regulation may be cited as the *Rural and Regional Adjustment Amendment Regulation (No. 2) 2013*.

2 Regulation amended

This regulation amends the *Rural and Regional Adjustment Regulation 2011*.

3 Amendment of s 3 (Approval of schemes—Act, s 11)

Section 3(1), ‘to 23’—
omit, insert—
‘to 24’.

4 Insertion of new sch 24

After schedule 23—
insert—

**‘Schedule 24 Tropical Cyclone Oswald
Exceptional Disaster
Assistance Scheme**

section 3(1)

‘Part 1 Preliminary

‘1 Objective of scheme

‘The objective of the scheme is to provide, under an agreement between the Commonwealth and the State of 15 February 2013, assistance to an eligible entity to pay the costs of re-establishing its normal operations arising out of direct extreme damage caused by the disaster event if the eligible entity is—

-
- (a) a primary producer; or
 - (b) a business owner.

‘2 Purpose of assistance

- ‘(1) The purpose of the assistance under the scheme is to help an eligible entity pay for costs arising out of direct extreme damage caused by the disaster event.
- ‘(2) However, assistance under the scheme is not intended to compensate eligible entities for loss of income suffered because of the disaster event.

‘3 Definitions for sch 24

‘In this schedule—

applicant means a person applying for assistance under the scheme.

appropriate Minister means the Minister responsible for administering the *Disaster Management Act 2003*.

business means a business—

- (a) that is operating commercially in other than a primary production industry; and
- (b) for which an entity holds an Australian Business Number; and
- (c) for which an entity is registered under the *A New Tax System (Goods and Services Tax) Act 1999* (Cwlth); and
- (d) that is not operated by a public company.

business owner means—

- (a) a sole trader who spends the majority of his or her labour on, and derives the majority of his or her income from, a business; or
- (b) in relation to a partnership, private company or trust that carries on a business—the partners in the partnership, shareholders in the company or beneficiaries of the trust

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who spend the majority of their labour on, and derive the majority of their income from, the business.

disaster event means the floods, caused by Tropical Cyclone Oswald in Queensland in January 2013, that have affected the prescribed disaster area.

eligible entity means either of the following eligible for assistance under the scheme—

- (a) primary producer;
- (b) a business owner.

extreme damage means damage to the assets of an entity to an extent that any prescribed assistance available or made available to the entity is inadequate to provide reasonable prospects of the entity re-establishing viability or normal operations.

natural disaster relief and recovery arrangements means the funding arrangements agreed between the Commonwealth and the State for providing financial assistance to communities affected by natural disasters.

Editor's note—

At the commencement of this section, the funding arrangements were described in the document called 'Natural disaster relief and recovery arrangements-determination 2012 (version 1)' available on the Australian Government Disaster Assist website at <www.disasterassist.gov.au>.

official receipt means a receipt including—

- (a) the name and address of the entity that issued the receipt; and
- (b) if the entity has an Australian Business Number—the Australian Business Number; and
- (c) a description of each item to which the receipt relates.

prescribed assistance means assistance available or made available to an entity under—

- (a) schedule 2, 3 or 23 (each a ***relevant provision***); or
- (b) if the assistance is available or made available to the entity under more than 1 relevant provision—each

relevant provision under which the assistance is available or made available to the entity.

prescribed disaster area means the area—

- (a) defined by the appropriate Minister for the purpose of activating the natural disaster relief and recovery arrangements for communities affected by the disaster event; and
- (b) described in documents held by the authority and available for inspection by members of the public.

Editor's note—

At the commencement of this section, the documents describing the prescribed disaster area are published on the authority's website at <www.qraa.qld.gov.au>.

primary producer means—

- (a) a sole trader who spends the majority of his or her labour on, and derives the majority of his or her income from, a primary production enterprise; or
- (b) in relation to a partnership, company or trust that carries on a primary production enterprise—the partners in the partnership, shareholders in the company or beneficiaries of the trust who spend the majority of their labour on, and derive the majority of their income from, the primary production enterprise.

primary production enterprise means a business—

- (a) that involves primary production, including the agricultural, apicultural, aquacultural, commercial wild-catch fishing, forestry, grazing and horticultural industries; and
- (b) for which an entity holds an Australian Business Number.

public company means a public company within the meaning of the Corporations Act.

scheme means the scheme set out in this schedule.

- (b) the applicant has suffered direct extreme damage to a property, buildings, plant, equipment or stock as a result of the disaster event; and
- (c) the applicant's primary production enterprise or business is located in the prescribed disaster area; and
- (d) the applicant has used all liquid assets and normal credit sources up to normal credit limits; and
- (e) the applicant has taken reasonable precautions to avoid or minimise loss or damage from the disaster; and

Example—

The applicant has adequate insurance against loss or damage from the disaster event.

- (f) with assistance under the scheme, the applicant has reasonable prospects of re-establishing the applicant's primary production enterprise or business on a viable basis.
- '(2) A public company, whether acting alone or with another company, is not eligible for assistance under the scheme.

'7 Maximum loan and grants amounts

- '(1) Assistance under the scheme is by way of both a loan and a grant.
- '(2) The maximum amount of assistance that may be given to an applicant under the scheme as a loan and grant for a disaster event is \$650000 inclusive of any amount received, or approved for receipt, by the applicant in relation to the disaster event under schedule 2 or 3.
- '(3) However, the maximum amount of the grant is the lesser of the following—
- (a) 25% of the total amount of the loan and grant;
 - (b) \$50000.

'8 Security

'A loan under the scheme must be secured by—

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- (a) a mortgage over land or other assets satisfactory to the authority; and
- (b) any other security the authority considers necessary, including, for example, a bill of sale, crop lien, livestock mortgage or a fixed and floating charge.

‘9 Terms of repayment

- ‘(1) The maximum term of a loan to an applicant under the scheme is 10 years.
- ‘(2) The applicant may be given a loan under the scheme at a concessional interest rate decided by the authority.

Editor’s note—

At the commencement of this section, the concessional interest rate for a loan under the scheme was 1.7% a year.

- ‘(3) For the first 2 years of the loan, no interest is charged on the loan and no loan principal repayments are required.
- ‘(4) Subject to subsection (5), principal and interest amounts to repay the loan within its approved term will be calculated from the start of the third year of the loan.
- ‘(5) The authority may grant to the applicant an interest only period of up to 2 years for the loan if the applicant satisfies the authority that the period is required.

‘10 Conditions

- ‘(1) Payment of assistance under the scheme is subject to the conditions stated in subsections (2) and (3).
- ‘(2) The applicant must, if requested by the authority, from time to time provide evidence to the authority, in the form of tax invoices, official receipts for payment or bank statements, showing full details of the goods or services acquired, that all amounts claimed by the applicant under the scheme have been paid by the applicant.
- ‘(3) If an applicant asks for the authority’s consent to substitute a security for an existing security for the loan and the authority

consents to the substitution, the applicant must pay to the authority—

- (a) the authority's reasonable fee for giving the consent; and
- (b) any other reasonable costs of the authority in relation to the substitution.

'11 Applications

- '(1) An application for assistance under the scheme must—
 - (a) be made on the authority's application form; and
 - (b) be accompanied by the documentation stated in the application; and
 - (c) be given to the authority.
- '(2) An application for assistance under the scheme must be received by the authority no later than 30 August 2013.
- '(3) The authority may request that an applicant provide further relevant information required to decide the application.

'12 Deciding applications

'The authority must consider, and decide to approve or refuse to approve, each application for assistance under the scheme.'

ENDNOTES

- 1 Made by the Governor in Council on 28 February 2013.
- 2 Notified in the gazette on 1 March 2013.
- 3 Laid before the Legislative Assembly on . . .
- 4 The administering agency is the Department of Agriculture, Fisheries and Forestry.