



Queensland

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

Explanatory Notes for SL 2013 No. 26

made under the

Rural and Regional Adjustment Act 1994

General outline

Short title

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

Authorising law

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

Policy objectives and the reasons for them

Financial assistance to those who have been directly impacted by eligible disasters is governed by the joint Commonwealth-State Natural Disaster Relief and Recovery Arrangements (NDRRA). The NDRRA is a cost sharing arrangement between the states and the Commonwealth Government which establishes a suite of pre-approved measures which can potentially be activated in response to an eligible disaster in order to assist with community recovery. Eligible disasters include bushfire, earthquake, flood, storm, cyclone, storm surge, landslide, tsunami, meteorite strike, tornado or terrorist event.

The NDRRA pre-approved measures are broken down into four categories namely:

- Category A - assistance to individuals.
- Category B - assistance to business (i.e. small business, not-for-profit organisations and primary producers) and government.
- Category C - a community recovery package and clean-up and recovery grants for severe disasters where Category A and B measures are insufficient.
- Category D - measures to be introduced on a case by case basis in response to exceptional events where Categories A, B and C are inadequate.

Category B concessional loans to primary producers and small business are contained in Schedules 2 and 3 of the *Rural and Regional Adjustment Regulation 2011* and Category C clean up and recovery grants are contained in Schedule 23.

In January 2013 ex Tropical Cyclone Oswald led to significant flooding and damage across wide parts of central coastal and southern Queensland. In response to this damage the NDRRA Categories A, B, C and D have been activated.

In recognition of the severity of the impact of ex Tropical Cyclone Oswald across large areas of southern and central Queensland Category D was approved by the Australian Minister for Agriculture Senator Joe Ludwig on 15 February 2013. The subordinate legislation establishes the Tropical Cyclone Oswald Exceptional Disaster Assistance Scheme which will provide a Category D measure.

This scheme is a grant and loan package of up to \$650,000 for eligible primary producers and businesses that have suffered extreme direct damage from ex Tropical Cyclone Oswald with the grant component the lesser of 25 per cent of the total of the loan or \$50,000. 'Extreme' damage for the purposes of eligibility for assistance under this Scheme 'means damage to the assets of an entity to an extent that any prescribed assistance available or made available to the entity (Category B and C) is inadequate to provide reasonable prospects of the entity re-establishing viability or normal operations.'

This assistance is intended to help the recipient with re-establishing normal operations after the disaster by funding recovery activities such as repair

and replacement of damaged buildings and equipment and other essential property operations.

The geographic area to which the Scheme applies is described in the relevant NDRRA activation for the Tropical Cyclone Oswald Event. NDRRA activations are made by the Minister for Police and Community Safety and are contained on the website www.disaster.qld.gov.au and will also be available on the QRAA website www.qraa.qld.gov.au.

Achievement of policy objectives

Section 10 of the Act provides that QRAA may only give assistance under an approved scheme and section 11 provides that an approved assistance scheme is one which is approved by regulation. Consequently approved assistance schemes under which QRAA administers financial assistance are prescriptively detailed in the *Rural and Regional Adjustment Regulation 2011*.

The establishment of the new Scheme delivers on the policy objectives of the NDRRA which is to assist community recovery through the provision of financial assistance to those suffering direct damage in order to help recovery from an eligible disaster.

Consistency with policy objectives of authorising law

This subordinate legislation is consistent with the objects as outlined in section 3 of the Act in that it will enable QRAA to support the State's economy by providing assistance to primary producers, small business and other elements of the economy in periods when they are experiencing temporary difficulty.

Inconsistency with policy objectives of other legislation

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

Benefits and costs of implementation

This subordinate legislation is of a beneficial nature in that it provides a grant and loan package to eligible business and primary producers that have suffered extreme direct damage from ex Tropical Cyclone Oswald.

Consistency with fundamental legislative principles

No fundamental legislative principle issues have been identified in the preparation of this subordinate legislation.

Consultation

QRAA, the Department of Tourism, Major Events, Small Business and the Commonwealth Games and Queensland Treasury and Trade were consulted in regard to establishing the Scheme. These agencies are supportive of the new assistance scheme.

QRAA as the administrator of approved assistance schemes had extensive involvement in the development of the Scheme.

Queensland Treasury and Trade noted that because the amendment regulation to establish the Scheme was a beneficial flood related assistance scheme it was excluded from the Regulatory Assessment Statement process.

ENDNOTES

- 1 Laid before the Legislative Assembly on . . .
- 2 The administering agency is the Department of Agriculture, Fisheries and Forestry.

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