

# **Rural and Regional Adjustment Amendment Regulation (No. 6) 2013**

Explanatory Notes for SL 2013 No. 194

made under the

Rural and Regional Adjustment Act 1994

## **General Outline**

### **Short title**

*Rural and Regional Adjustment Amendment Regulation (No. 6) 2013*

### **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 objective of the Queensland East Coast Commercial Net Fishing Reduction Scheme (stage 2) (the Scheme) is to make the Queensland east coast commercial net fisheries more sustainable by the voluntary surrender of particular authorities which will be purchased for a set price.

Commercial fishery representatives, tourism operators, conservation groups and recreational fishing advocacy groups made representations prior to the March 2012 State Election seeking a bilateral approach to reform net fisheries on the Queensland east coast.

These fisheries are subject to increasing competition by various resource users such as commercial fishers, charter operators and recreational fishers. The nets employed in the fishery also have a negative impact on species of conservation interest such as turtles and dugongs.

The Scheme therefore delivers upon the Government's election commitment to reduce the fishing pressure in the east coast net fisheries and provide for industry and community benefits through the access to a greater and more sustainable, fisheries resource.

### **Achievement of policy objectives**

The Scheme to be established by the subordinate legislation will invite applications from the holders of particular authorities to submit surrender offers to QRAA to surrender their net fishing authority or licence for a fixed price. Eligible applications will be assessed in order of priority and accepted on a date received basis until the available funding for the scheme is exhausted.

Holders of net authorities which are inactive, or for whom net fishing comprises a small part of their fishing activities or who simply no longer wish to engage in net fishing, are able to surrender those authorities they no longer wish to hold. As this is a voluntary scheme and as successful applicants will receive a pre-determined, fixed amount offered for their authority they will be able to select the authorities they wish to keep, allowing them to participate in other fisheries within the industry should they wish.

Reducing the pressure on the fishery resource through a reduction in effort (i.e. the reduction of the total number of authorities that can be used in the net fisheries) will enable those who remain in the industry to benefit from reduced fishing competition. Other stakeholders will benefit from increased availability of fisheries resources shared amongst the fishery sectors and the community as a whole will benefit from a decreased impact of netting activities on species of conservation interest.

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

The subordinate legislation is consistent with the objectives of section 3(1) of the Act which provides that QRAA is primarily established to administer assistance schemes that foster the development of a more productive and sustainable rural and regional sector in Queensland.

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

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

Specifically the subordinate legislation is consistent with the *Fisheries Act 1994* (the Fisheries Act), the main purpose of which is to provide for the use, conservation and enhancement of the community's fisheries resources and fish habitats.

To achieve this objective, section 20A(1)(h) of the Fisheries Act provides that the chief executive in the performance of his powers, may formulate and operate arrangements (including funding) for adjusting the use of fisheries resources, including, for example, by adjusting the number of authorities for a fishery.

Section 21 provides for the delegation of the chief executive's functions to a prescribed entity and as QRAA is a prescribed entity under section 699 of the *Fisheries Regulation 2008*, QRAA may therefore acquire authorities under the Scheme.

## **Benefits and costs of implementation**

The subordinate legislation is of a beneficial nature in that it will allow holders of particular commercial net fishing authorities to voluntarily surrender them at a fixed price.

This will provide those commercial net fishers looking to exit the industry with an opportunity to do so. The resultant effect of reducing the total effort on the fishery should assist the viability of commercial net fishers remaining in the industry as well as other sectoral groups who will have less competition for the available fishery resource.

The total budget for the purchase of authorities under the Scheme is \$3.6 million.

The benefit of having QRAA administer the Scheme, as opposed to the Department of Agriculture, Fisheries and Forestry (DAFF), is that QRAA is an agency which possesses the necessary expertise and specialist skill in administering financial assistance schemes and structural adjustment packages. QRAA also administered the first net fishing reduction scheme. DAFF is not specifically resourced to undertake this role and has no experience in administering such schemes. Having DAFF undertake the role of administering the scheme would impose significant additional costs upon Government as additional staff with the necessary skill sets would need to be acquired and trained.

It is also not considered appropriate for DAFF, as the Department responsible for the management of commercial fisheries, to administer a Scheme involving the payment of funds for the surrender of authorities which it has issued. This may bring into question DAFF's impartiality in terms of its decision-making process in assessing eligible applications.

## **Consistency with fundamental legislative principles**

The subordinate legislation is consistent with fundamental legislative principles.

## **Consultation**

The Netting Buyback Stakeholder Working Group (the Working Group), established by the Minister for Agriculture, Fisheries and Forestry to provide advice on the Scheme, provided recommendations to the Minister regarding preferred options. The legislation which implements the Scheme represents the preferred option of the Working Group, subsequently approved by the Minister.

The Office of Best Practice Regulation (OBPR), Queensland Competition Authority was consulted in regard to regulatory impact statement (RIS) requirements. The OBPR advised that this amendment to establish the Scheme is not likely to attract significant adverse impacts and therefore a RIS is not required.