

Rural and Regional Adjustment (Rural Economic Development Grants Scheme) Amendment Regulation 2018

Explanatory Notes for SL 2018 No. 130

made under the

Rural and Regional Adjustment Act 1994

General Outline

Short title

Rural and Regional Adjustment (Rural Economic Development Grants Scheme) Amendment Regulation 2018

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 intent of the scheme of financial assistance subject to this regulatory amendment is to establish a grants program to fund projects from eligible applicants that will create jobs in rural and regional areas of Queensland as well as sustain economic development in regional Queensland.

This scheme of financial assistance aligns with several core priority areas of the Queensland Government as identified in the Queensland Budget 2018-19 including *Creating jobs in a strong economy*, *Supporting Our Regions* and *Supporting Queensland businesses*.

Achievement of policy objectives

The subordinate legislation will achieve the policy objective of supporting job growth in regional Queensland by creating a Scheme that will provide a grant of up to \$250,000 with a matched co-contribution of at least the same amount of the grant from the applicant for activities that will directly create employment in rural areas. The scheme will operate in rounds, opened and closed by way of notification on the QRIDA website and will close on 30 June 2021.

Specific types of projects that the scheme could fund include employment creating projects such as but not limited to developing a new market, establishing a training facility related to primary production, expanding a business.

Applications will open for projects in rural areas as defined by the Australian Statistical Standard Geography Standard, inner regional Queensland, outer regional Queensland, remote and very remote Queensland.

Eligible entities include medium sized businesses (less than 200 employees), primary producers, higher education institutions, local governments, associations incorporated under the Associations Incorporation Act 1981, corporations registered under the Corporations (Aboriginal and Torres Strait Islander) Act 2006 (Cwlth) cooperatives registered under the Cooperatives Act 1997 and entities established to represent primary producers and primary production enterprises.

Applications from eligible entities to seek funding for activities under the Scheme will be considered against their capacity to create employment related to primary production ie primary production and industries related to primary production such as the agriculture supply chain in a rural area and the applications capacity to complete the proposed activities.

QRIDA in assessing applications will approve applications for assistance assessed as providing the greatest economic benefit in priority over those assessed as providing the least benefit.

As well as demonstrating that the applicant can provide a matching co-contribution to the amount sought (up to \$250,000), the applicant will need to demonstrate it has adequate experience or other qualifications to give the applicant a reasonable prospect of success in carrying out the activity. They must also demonstrate sound prospects for commercial viability and also that the activity for which the funding is sought will provide a significant economic benefit. Applicants are eligible for assistance if they have previously received assistance under the scheme or another government program for the activity.

A range of activities are ineligible to receive assistance under the Scheme including activities already commenced, repairing or replacing infrastructure, purchasing land, paying a debt, undertaking training or professional costs not related to the activity, conducting feasibility studies or paying administration costs.

Successful applicants will be required to enter into a written agreement with the authority that sets out the terms on which the assistance is provided. Successful applicants must not disclose they have been approved for assistance until the approval has been publicly announced and must from time to time provide reports to QRIDA on how the assistance funds are achieving the outcomes intended by the Scheme.

Consistency with policy objectives of authorising law

The subordinate legislation is consistent with the objectives of the Act which establishes QRIDA 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

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

Benefits and costs of implementation

In summary, this scheme will provide a grant of up to \$250,000 with a matched co-contribution of at least the same amount of the grant from the applicant for activities that will directly create employment in rural areas related to primary production.

\$10 million is being made available over 3 years.

Consistency with fundamental legislative principles

The subordinate legislation is consistent with fundamental legislative principles.

Consultation

The Department of Agriculture and Fisheries applied a self-assessed exclusion from undertaking further regulatory impact analysis (Categories (c) and (g) Regulatory proposals that are for the internal management of the public sector or statutory authority and that are of a machinery nature.

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