

Rural and Regional Adjustment (North and Far North Queensland Flood Disaster Recovery Funding) Amendment Regulation 2019

Explanatory Notes for SL 2019 No. 8

made under the

Rural and Regional Adjustment Act 1994

General Outline

Short title

Rural and Regional Adjustment (North and Far North Queensland Flood Disaster Recovery Funding) Amendment Regulation 2019

Authorising law

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

Policy objectives and the reasons for them

Natural disaster assistance policy in Australia is delivered through the joint Commonwealth-State Disaster Recovery Funding Arrangements (DRFA). The DRFA establishes a suite of pre-approved measures which can be activated by a State to assist with the response and recovery from natural disasters which can be cost shared by the Australian Government. These measures are grouped into categories A, B, C and D.

Category C assistance grants can be used for a range of clean up and restoration activities to support the recovery of primary producers, small businesses and not for profit organisations impacted by a severe natural disaster. Category C assistance is administered in Queensland by the Queensland Rural and Industry Development Authority (QRIDA) under the approved scheme in Schedule 23 (Special Disaster Assistance Recovery Grants Scheme) of the *Rural and Regional Adjustment Regulation 2011*.

DRFA assistance, including Category C grants for primary producers, has been activated in response to the monsoon trough and significant rainfall and flooding in North and Far North Queensland in late January and early February 2019.

The Australian and Queensland governments have also agreed to increased assistance under the DRFA for primary producers affected by this event. As a special assistance measure, the maximum amount of a Category C assistance grant for primary producers affected by this event is to increase from \$25,000 to \$75,000. The increased assistance was

announced by the Australian Prime Minister, the Honourable Scott Morrison MP, on 8 February 2019.

Also, the Australian and Queensland governments have agreed to streamline administrative processes for the Category C assistance grants to eligible primary producers impacted by this event. This will expedite the grant process so the grants can more quickly be provided to support, among other things, feeding livestock that are stranded by floodwaters.

Achievement of policy objectives

The subordinate legislation will achieve its objectives by empowering QRIDA to provide Category C assistance grants of up to \$75,000 to primary producers impacted by the monsoon trough and significant rainfall and flooding in North and Far North Queensland in late January and early February 2019.

The subordinate legislation will also relax the normal requirements for application and record keeping in relation to Category C grants for eligible primary producers impacted by the monsoon trough and significant rainfall and flooding in North and Far North Queensland in late January and early February 2019. In particular, for this event, an application may not need to be specific about what costs are being claimed and that the recipient may not need to keep tax invoices, official receipts, bank statements or other similar records as evidence of the costs claimed. The relaxations are subject to an assistance establishment notice made by the Minister under the Act.

Consistency with policy objectives of authorising law

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

Benefits and costs of implementation

As measures under the DRFA are cost shared between the Queensland and Australian governments, an increase of the amount of assistance available from \$25,000 to \$75,000 will increase the Queensland Government's expenditure. The amount of additional expenditure is unknown as this will depend on the level of uptake, but it could be in the hundreds of millions of dollars.

Relaxing the requirements for applications and record keeping will reduce the administrative burden on applicants for assistance and the cost of QRIDA assessing applications. The relaxations will reduce accountability for the use of the grants but it is

considered more important to expedite the provision of grants to affected primary producers.

Consistency with fundamental legislative principles

The subordinate legislation is consistent with fundamental legislative principles.

Consultation

Emergency Management Australia support the increase in the maximum value of the grants and initiated the proposal to relax the requirements.

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 of category (k) – regulatory proposals designed to reduce the burden of regulation, or clearly do not add to the burden, and it is reasonably clear there are no significant adverse impacts.