



Report on the Review of the *Rural and Regional Adjustment Regulation 2000*

October 2010

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1.0 Background

1.1 Context

The Review of the *Rural and Regional Adjustment Regulation 2000* (the RRA Regulation) was initiated by the Honourable Tim Mulherin MP, Minister for Primary Industries, Fisheries and Rural and Regional Queensland in April 2010 to fulfil the requirements of the *Statutory Instruments Act 1992* (SI Act).

Section 54 of the SI Act provides for all subordinate legislation to expire on the first day of September, first occurring after the tenth anniversary of its making. Under this provision, the RRA Regulation expired on 1 September 2010, unless otherwise exempted from the expiry provisions by regulation under the SI Act.

The RRA Regulation is the statutory anchor by which QRAA is empowered to administer assistance schemes under the RRA Act. The expiry of the RRA Regulation in 2010 provided the opportunity for a review to enable identification of obsolete provisions and for recommendations to be made as to the content of a revised regulation.

Reviews of the *Rural and Regional Adjustment Act 1994* (RRA Act), Australian Government drought policy and the Primary Industries Productivity Enhancement Scheme (PIPES) (an assistance scheme under the RRA Regulation) were also in progress when the review of the RRA Regulation commenced.

As the outcomes of concurrent reviews were likely to have an effect on the outcomes of the review of the RRA Regulation, the Department of Employment, Economic Development and Innovation (DEEDI), in accordance with established procedures under the SI Act, obtained an exemption of one year from the 10 year expiry arrangements. This was necessary to ensure that the existing provisions of the RRA Regulation remained in force until an amended RRA Regulation could be introduced.

1.2 Purpose of the RRA Regulation

The RRA Act established QRAA to enable the delivery of approved assistance schemes that foster the development of a more productive and sustainable rural and regional sector in Queensland.

QRAA administers approved assistance schemes in Queensland, may assist small business and other sectors during periods of temporary difficulty, or to otherwise benefit the Queensland economy, and administers schemes in rural and regional sectors for the Australian Government and other states within Australia.

The RRA Regulation provides the statutory basis for QRAA to administer assistance schemes under the RRA Act. The RRA Regulation does not in itself set policy directions but implements policy decisions made by the government. The RRA Act requires that the RRA Regulation must set out approved assistance schemes in detail.

An approved scheme is a scheme that states the purpose and nature of financial assistance that may be given; identifies the categories of person/s eligible to receive the assistance; and, is approved under a regulation. QRAA ensures approved assistance schemes are properly and fairly administered and delivers the assistance to applicants. Under the RRA Act, QRAA is empowered to decide its own procedures for assessing and making decisions on applications for assistance and imposing conditions on provision of assistance.

2.0 Matters considered by the Review

- Conformity with the *Rural and Regional Adjustment Act 1994*
- Other functions of QRAA as prescribed by s.8(2)(h) of the *Rural and Regional Adjustment Act 1994*
- Deletion of expired schemes from the *Rural and Regional Adjustment Regulation 2000*
- QRAA administering loans under expired schemes
- Inclusion of a generic scheme covering natural disaster events
- Building disaster mitigation / community resilience incentives into Category B of the Natural Disaster Relief and Recovery Arrangements
- Implications of the review of Commonwealth drought policy and the Primary Industries Productivity Enhancement Scheme
- Assistance to individuals
- Compliance with contemporary drafting practice

3.0 Findings of the review

3.1 Conformity with the *Rural and Regional Adjustment Act 1994*

The review of the *Rural and Regional Adjustment Act 1994* (RRA Act) was completed in July 2010. Findings were that the objectives of the RRA Act continue to be relevant and the provisions in the Act concerning functions and powers are appropriate to enable QRAA to continue to operate effectively.

QRAA confirms that the objectives and nature of all schemes legally anchored in the RRA Regulation align with the objectives and requirements of the RRA Act.

3.2 Other functions of QRAA as prescribed by sections 3, 4, 5 and 6 of the RRA Regulation

Sections 2a–6 inclusive of the RRA Regulation describe functions required in the administration of four schemes, all of which have now expired.

Section 3 outlines QRAA's functions relating to determining whether farm business assessment have been carried out in compliance with the rules of the Australian Government's DSAP scheme by which the Dairy Structural Adjustment Fund was disbursed.

Section 4 outlines QRAA's functions on behalf of SunWater in relation to a scheme assisting rural irrigation water users charged under the *Rural Water Pricing Direction Notice (No 1) 2000*.

Section 5 outlines the assessment and review services that were provided by QRAA to the former Department of Housing (now Department of Communities) with respect to its Residential Services Loan program under the *Residential Service (Accreditation) Act 2002*. This program was completed in early 2007 and therefore the Department of Communities no longer provides loans under that program. Consequently, QRAA's services as outlined in the RRA Regulation are no longer required.

Section 6 outlines QRAA's functions in relation to the Great Barrier Reef Marine Park Structural Adjustment Package 2004 delivered on behalf of the Australian Government.

As sections 3, 4, 5 and 6 detail functions and services QRAA no longer delivers, and as all stakeholders are in agreement, there are no impediments to deleting those sections from the RRA Regulation.

QRAA's view is that the authority may perform a wide range of administrative functions in respect to expired schemes and the functions section should acknowledge this.

Recommendation

- That Part 2 Other functions of authority sections 2a, 3, 4, 5 and 6 be omitted from the new RRA Regulation
- That a section is inserted which outlines generic administrative functions QRAA may perform, even after a scheme has expired and has been deleted from the RRA Regulation

3.3 Deletion of expired schemes from Part 3 of the Rural and Regional Adjustment Regulation 2000

The RRA Regulation contains a number of schemes which are now closed or expired and for which QRAA is no longer accepting applications. Of the 27 schemes still contained in the Regulation, 16 are no longer current and could be deleted.

Consultation with external stakeholders and agencies with policy responsibility for schemes included in the RRA Regulation has not revealed any concerns about deleting expired schemes from a revised RRA Regulation.

DEEDI has not consulted with the Office of Clean Energy in relation to deletion of Part 23 (Smart Energy Savings Fund Scheme) and Part 24 (Queensland Renewable Energy Fund Scheme). There were initial discussions between the former Department of Mines and Energy (DME) and QRAA about the potential for QRAA to administer these schemes and an amendment to the RRA Regulation was drafted and enacted.

However, prior to the implementation of the schemes, a decision was made by DME that it would not outsource administration of the schemes to QRAA. Subsequently, responsibility for energy efficiency policy devolved to the Office of Clean Energy. As the purpose of the RRA Regulation is to empower QRAA to deliver approved assistance schemes, it was deemed unnecessary to consult with the Office of Clean Energy about deletion of schemes that QRAA has never delivered.

In relation to Part 14 Vegetation Management (Exit Assistance) Scheme, the Department of Environment and Resource Management (DERM) has advised there are outstanding legal issues, although no further assistance is being provided under the scheme. DERM wishes to be consulted during the drafting phase with respect to the omission of Part 14 from the new RRA Regulation.

Recommendation

That all expired schemes are deleted from the new RRA Regulation; that Parts 23 and 24 are deleted from the new RRA Regulation; and, that DERM is consulted with respect to omission of Part 14 from the new RRA Regulation during the drafting phase.

3.4 QRAA administering loans under expired schemes

As the repayment period for loans assistance can be extended up to 20 years, QRAA routinely administers loans under expired schemes. Some stakeholders have expressed concern about the legal implications of this practice.

Advice from DEEDI Legal is that QRAA is able to continue to administer an assistance scheme approved under the current RRA Regulation even if new regulations make no mention of that specific scheme. However, in order to remove any uncertainty, DEEDI Legal recommends that a reference to QRAA continuing to administer assistance under previously approved schemes is included in the new RRA Regulation.

QRAA supports the recommendation to include in the new RRA Regulation a reference to QRAA continuing to administer assistance under previously approved schemes which have expired. Further, QRAA suggests the reference should be sufficiently broad so as to cover administrative functions for schemes other than loans schemes; for example, the assessment of appeals and the provision of other administrative services relative to expired schemes.

Recommendation

- That a reference to QRAA continuing to administer assistance under previously approved schemes which have expired is included in the functions section of the new RRA Regulation to remove ambiguity surrounding QRAA's continued administration of loans made under those schemes; and,
- That this reference is sufficiently broad to cover all potential administrative functions for schemes other than loans schemes, such as the assessment of appeals and provision of administrative services relative to expired schemes

3.5 Inclusion of a new Part to establish a generic framework for NDRRA Category C recovery grants in a new Rural and Regional Adjustment Regulation

An issue raised by officers within the Department of Employment Economic Development and Innovation during the review is that a new RRA Regulation could include a Part giving affect to Category C grants under the Natural Disaster Relief and Recovery Arrangements (NDRRA).

Category C clean up and recovery grants are provided by agreement between Australian and state governments on a case-by-case basis in response to severe natural disasters. Currently, implementing a decision to introduce Category C recovery grants in response to a disaster requires an amendment to the RRA Regulation for each disaster event that such a decision is made. Including a Part for recovery grants in a new RRA Regulation could enable QRAA to provide grants funding quicker to affected communities and individuals following severe natural disasters.

The NDRRA provides a cost sharing formula for the Australian Government to reimburse state and territory governments for a proportion of their expenditure on eligible natural disaster relief and recovery activities. These eligible activities are defined in the *NDRRA Determination* made by the Australian Government and cover eligible natural disasters which may include one or more of the following: bushfire, earthquake, flood, storm, cyclone, storm surge, landslide, tsunami, meteorite strike, tornado and/or terrorist events.

The NDDRA Determination 2007 provides four categories of measures eligible for cost sharing: Category A assistance to individuals; Category B restoration of essential public assets and business support (concessional loans, freight subsidies and interest subsidies); Category C community recovery, including community recovery fund and recovery grants to business and primary producers, and Category D relief measures of an exceptional nature.

Concessional loans to primary producers and businesses are currently provided for in Part 11 and Part 12 of the RRA Regulation.

Details of the assistance available under Category C are contained in the Community Recovery Package Guidelines 2007. These guidelines have been prepared to provide state and territory governments with a set of measures “on the shelf” which can be quickly and seamlessly modified to the specific natural disaster event when the need arises. Assistance measures can include:

- A community recovery fund to restore social networks, functioning and community facilities. Expenditure is aimed at community recovery, community development and community capacity building for the future;
- Recovery grants for small businesses; and
- Recovery grants for primary producers.

A decision to introduce a Community Recovery Package occurs where a community is severely affected by a natural disaster event, and where there is a joint Australian and state/territory government agreement to trigger the package following consideration of the impact of the disaster. Assistance offered under the Community Recovery Package is additional to the standard suite of business support measures available under the NDRRA. For Queensland, these are freight subsidies administered by DEEDI and concessional loans to businesses and producers administered by QRAA.

There are two tiers of financial assistance: Tier One, a grant for which no proof of expenditure is required; and Tier Two, an upfront payment or reimbursement of costs for which proof of expenditure, based on assessment of impact and provision of quotes or receipts and invoices, is required.

Each year that recovery grants have been introduced in Queensland following a severe natural disaster, the Part of the RRA Regulation allowing QRAA to administer the program has been consistent with the Community Recovery Package Guidelines 2007, with minor modifications to improve the administrative efficacy of the program and to identify the level of each of the two tiers of financial assistance.

Rather than create a new part for each event for which Category C is introduced, it would be possible to include a generic Part in the RRA Regulation that details that Category C grants are available for certain natural disasters as agreed by the Australian and Queensland Governments. This generic Part would give effect to the general terms and conditions of the Community Recovery Package Guidelines 2007. At the same time, the Minister for Primary Industries, Fisheries and Rural and Regional Queensland and QRAA, by media statements and information on the QRAA website and other public announcements, could give details of the specific terms and conditions, such as defining the disaster event and eligible locality, the levels of financial assistance or other specific eligibility criteria based on the nature of the event.

The key benefit of a Part containing generic framework in the RRA Regulation is that it would enable more timely provision of financial assistance to affected communities following a natural disaster.

Under current arrangements, an amendment to the RRA Regulation has to be developed for every natural disaster. This process normally takes at least six weeks.

Creating a generic framework in the new RRA Regulation would remove the need to develop an amendment to the RRA Regulation following every natural disaster.

Financial assistance could be provided to affected communities, businesses and primary producers at least six weeks earlier than is currently possible, thus enabling those communities to begin the process of recovery more rapidly. The administrative burden for agencies involved in amending the RRA Regulation would also be reduced.

The Department of Community Safety, Queensland Treasury and QRRA support this approach.

Recommendation

That the new RRA Regulation includes a generic framework for a community recovery package under Natural Disaster Relief and Recovery Arrangements

3.6 Incorporation of resilience incentives into NDRRA Category B - restoration of essential public assets and business support (concessional loans, freight subsidies and interest subsidies) - in a new Rural and Regional Adjustment Regulation

An issue raised by officers from the Department of Community Safety (DCS) during the review is that the revision of the RRA Regulation provides an opportunity to build disaster mitigation / community resilience incentives into Category B of the Natural Disaster Relief and Recovery Arrangements (NDRRA).

The suggestion to incentivise mitigation using NDRRA measures is consistent with:

- Recommendations 44 and 45 of COAG 2002, *Natural Disasters In Australia* (p. 37, 35-52, 90);
- Commonwealth 2007 NDRRA Determination which states (at s. 1.1.2) that “the Commonwealth’s [relief and recovery] assistance is intended to be directed to state measures that complement other strategies in relation to natural disasters, such as insurance and disaster mitigation planning and implementation”; and
- COAG’s 2009 review of national disaster arrangements which included exploration of how NDRRA community recovery funds can be used to support mitigation and resilience.

The NDRRA provides a cost sharing formula for the Australian Government to reimburse state and territory governments for a proportion of their expenditure on eligible natural disaster relief and recovery activities.

The NDRRA Determination 2007 provides four categories of measures eligible for cost sharing: Category A assistance to individuals; Category B restoration of essential public assets and business support (concessional loans, freight subsidies and interest subsidies); Category C community recovery including community recovery fund and recovery grants to business and primary producers; and Category D relief measures of an exceptional nature. Concessional loans to primary producers and businesses are currently provided for in Part 11 and Part 12 of the RRA Regulation.

The NDRRA is complemented by the Natural Disaster Resilience Program (NDRP), a four year competitive grant program funded through shared contributions of the Australian Government and the Queensland Government, and administered by states and territories through the National Partnership Agreement on Natural Disaster Resilience.

Queensland's NDRP vision is "to reduce Queensland communities' vulnerability to natural hazards by supporting regional councils and other stakeholders to build community resilience." This vision is supported by four broad objectives: to reduce community vulnerability to natural hazards; to support local governments and others to build community resilience and increase self-reliance; to promote innovation through a focus on building partnerships between sectors, support volunteering, encourage a regional or catchment area approach to mitigation, and potential impacts due to climate change; and, to ensure that NDRP funding is utilised in an efficient way.

The four year NDRP priorities are:

- Target NDRP funding to Queensland's highest natural hazard risks
- Enhance community preparedness for natural events through community education and awareness raising
- Strategic targeting to increase resilience across sectors

The current budget for the NDRP in Queensland is \$44 million, of which \$4 million has been partitioned for strategic community resilience-building purposes.

The Queensland Government's exposure under the cost sharing formula for the NDRRA is significant. Mechanisms to foster greater preparedness and resilience building may, over time, reduce the impost on the state government.

DCS has proposed examining the feasibility of an arrangement whereby a nominal amount of NDRP funds is set aside and used for loans and/or grants in conjunction with measures under Category B NDRRA for activities that promote disaster mitigation, preparedness and resilience building for small businesses. Through this approach, when a small business applies for a concessional loan under Category B of the NDRRA, an additional 'top up' NDRP resilience-building loan or NDRP grant could be added to enable the business to undertake resilience building activities or purchase essential equipment which will enable the business to keep trading and to be more resilient to future events. The grant could also make concessional loans more attractive to potential borrowers.

The long-term resilience building focus of NDRP would not blur the short-term relief and recovery intent of NDRRA. The NDRP grants would be provided *in addition to* NDRRA funding measures. To reduce costs, existing NDRRA financial management arrangements would be used to administer the loans and/or grants.

Returning small businesses in a community to profitability as quickly as possible is the key objective of the proposal. Strategically targeting small businesses integral to local economies with funding to enable them to take measures to remain in business in the aftermath of a natural disaster will have economic benefits for the whole community, not just the business that receives a grant. Such businesses might include food stores, hardware stores and produce merchants. For example, if a small business, such as a supermarket or grocery store, sought a concessional loan under Category B of the NDRRA as a result of flooding, a grant for the purchase of a generator could be made to enable the business to keep trading in the immediate recovery period, but more importantly during the next event.

Options for implementing the proposal include:

- a) Expansion of Small Business Recovery Grants (Category B measure 3.3.1 B) to include an additional 'top up' NDRP resilience-building grant;
- b) Expansion of Small Business Concessional Loans (Category B measure 3.3.1 B) to include an additional 'top up' NDRP resilience-building loan;
- c) Expansion of Small Business Concessional Loans with an additional 'top up' NDRP resilience-building grant component (Category B measure 3.3.1 B);
- d) Cost-recovery grants for businesses that have undertaken resilience building to 'harden' their business against future events; and,
- e) Special Purpose Grants - Strategic Interventions: when special purpose recovery packages are designed, disaster mitigation / community resilience building objectives are included within the design.

At this stage, the provision of targeted resilience-building grants to specific kinds of small businesses to assist disaster affected communities has not been tested in Queensland. It is therefore unclear if the proposal would meet the desired policy outcome of reducing the government's exposure to natural disaster recovery. However, the proposal is consistent with COAG and Australian Government directions and seeks to reduce recovery costs to government through investment in disaster mitigation and community resilience building at no additional cost to government (using funds already allocated for this purpose).

Due to the relatively small quantum available under NDRP, it is proposed that NDRP resilience-building grants and loans be made available to sectors of the small business community whose services and products are deemed critical to economic continuity after an event. While the exclusion of primary producers from the proposal can be justified due to the limited funds available, it may not be acceptable to the rural community.

As the policy justification for incorporating grants to small businesses to foster preparedness and resilience building under Category B of the NDRRA had not been fully explored when consultation with DCS on the review occurred, nor had consultation with relevant agencies taken place, DEEDI is unable to recommend at this time that the proposed new arrangements are included in a new RRA Regulation.

However, DCS is committed to developing the policy justification including investigation of: the potential effectiveness of NDRP to enhance resilience; the uptake of Category B loans; evidence of attendant (financial) market failure; and any other factors material to the success of the proposal. QRAA is supportive of the proposal being further explored by DCS in consultation with all stakeholders.

Recommendation

That the incorporation of grants to small businesses to foster preparedness and resilience building under Category B of the NDRRA be further explored by DCS in consultation with DEEDI, Queensland Treasury and QRAA.

3.7 Implications of the review of the Australian Government's drought policy and the Primary Industries Productivity Enhancement Scheme (PIPES)

The review of drought policy by the Australian Government is likely to result in changes to, or expiry of, the Small Business Emergency Assistance Scheme; the Exceptional Circumstances scheme; the Small Business Drought Assistance scheme; and the Drought Rate Rebate Scheme.

The recommendations from the concurrent review of PIPES by the Department of Employment, Economic Development and Innovation will result in a change to the current method of calculating the initial interest rate on these loans. The regulation Part 3 Section 32 (1) and (2) (a) and (b) is being amended to reflect the change from the date approved by the authority to the date of initial drawdown, either partially or in full, by the applicant.

The Queensland Government's Drought Carry-on Finance and the Drought Recovery schemes will be similarly affected because at present, the Drought Carry-on Finance Scheme and Drought Recovery Scheme have the same method for calculating interest rates as PIPES. In terms of consistency and for operational efficiency, this method should change in line with the PIPES change.

DEEDI proposes that the Drought Carry-on Finance Scheme and Drought Recovery Scheme regulations (Part 4 Section 58 (1) and (2) (a) and (b) and Part 5 Section 71 (1) and (2) (a) and (b) respectively) be amended to contain the same wording as the proposed PIPES Part 3 Section 32 (1) and (2) (a) and (b) amendment. QRAA supports this approach.

With both the Australian and Queensland Government's drought related schemes and PIPES, it will be a matter of timing whether the revised schemes are included in the current RRA Regulation – for which a twelve month extension has been granted – or remade for inclusion in the new RRA Regulation.

Recommendation

That the Drought Carry-on Finance Scheme and Drought Recovery Scheme regulations (Part 4 Section 58 (1) and (2) (a) and (b) and Part 5 Section 71 (1) and (2) (a) and (b) respectively) be amended to contain the same wording as the proposed PIPES Part 3 Section 32 (1) and (2) (a) and (b) amendment.

3.8 Assistance to individuals as distinct from business entities

Some stakeholders have expressed uncertainty as to whether the RRA Regulation enables QRAA to provide assistance to individuals as distinct from business entities. Legal advice to DEEDI is that the RRA Regulation does empower QRAA to assist both individuals and business entities. However it is recommended that this is clarified.

This could be achieved by the inclusion of a definition of 'applicant' in the amendments to the RRA Regulation which clarifies that the term can mean both individuals and business entities. Clarification will only be required in eligibility criteria for new schemes if eligibility is restricted to either business entities or individuals. It is not acceptable drafting practice to include a clause in a regulation if an appropriate anchoring 'head of power' is not included in the parent Act. Additionally Acts have greater legislative standing than regulations. Therefore DEEDI proposes to recommend that a definition of 'applicant' is included as an additional amendment to the RRA Act, which is the process of being amended.

QRAA supports the inclusion of a definition of 'applicant' in the amended RRA Act, empowering QRAA to administer assistance programs to individuals and business entities as required with the

proviso that the definition encompasses various types of business entities, including co-operatives and incorporated associations as well as companies and partnerships

QRAA considers such an inclusion would be timely given the recently expanded objectives of the RRA Act which allows assistance to be provided to other elements of the Queensland economy.

Recommendation

That a further amendment to the RRA Act includes a definition of 'applicant' which clarifies that the term can mean both individuals and a broad range of business types, including co-operatives and incorporated associations as well as companies and partnerships.

3.9 Compliance with contemporary drafting practice

Drafting standards are subject to continual review and change over time although the affects of the changes on a particular piece of legislation or subordinate legislation may be subtle. Nevertheless as the RRA Regulation was initially drafted in 2000, it is timely for it to be considered in the light of contemporary drafting standards.

Recommendation

That the language in the new RRA Regulation is consistent with contemporary drafting standards.

Appendices

Appendix 1

Rural and Regional Adjustment Regulation 2000 – Review Recommendations

Title and ref.	Agency with Policy Responsibility	Purpose/Objective	Specific Instructions
Part 2 Other functions of Authority 3 DSAP Scheme [page 13]	Australian Department of Agriculture Fisheries and Forestry (DAFF)	QRAA functions in relation to farm business assessment re Dairy Structural Adjustment Fund introduced by <i>Dairy Produce Act 1986</i> (Cwlth).	It was a function of QRAA to consider whether entities had carried out farm business assessments in compliance with rules of DSAP scheme; scheme has expired and QRAA no longer provides the service Omit
Part 2 Other functions of Authority 4 Rural Irrigation Water Users [page 14]	Department of Environment and Resource Management (DERM)	QRAA functions in relation to assessment of financial hardship experienced by rural water users in Burdekin Channel; Burdekin River; Burdekin (Other); Mareeba Channel; Mareeba River; and Proserpine water supply projects	Relates to <i>Rural Water Pricing Direction Notice (No 1) 2000</i> ; QRAA no longer provides the service DERM recommends deletion
Part 2 Other functions of Authority 5 State loans for residential services [page 16]	Department of Communities (DoC)	QRAA functions in relation to making residential service loans	Relates to the making of residential service loans by the State under the <i>Housing Act 2003</i> ; QRAA no longer provides the service as residential service loans are no longer provided DoC recommends deletion
Part 2 Other functions of Authority 6 Adjustment package [page 17]	Former Commonwealth Department of Environment and Heritage	Function of QRAA in relation to Great Barrier Reef Marine Park Structural Adjustment Package 2004	Relates to adjustment packages for commercial fishers under <i>Fisheries Act 1994</i> affected by <i>Great Barrier Reef Marine Park Zoning Plan 2003</i> (Cwlth) Omit

<p>Part 3 Approved assistance schemes 7 Approval of schemes – Act, s 11 [page 20]</p>	<p>Various</p>	<p>This section lists all the schemes currently included in the RRA Regulation</p>	<ul style="list-style-type: none"> (a) the Citrus Industry Recovery Scheme set out in Schedule; part 1; Omit from new RRA Regulation (b) FarmBis Program Scheme set out in Schedule; part 2; Omit (c) Primary Industry Productivity Enhancement Scheme set out in the schedule, part 3 Include in new RRA Regulation (d) Drought Carry-on Finance Scheme set out in Schedule; part 4 Include (e) Drought Recovery Scheme set out in Schedule; part 5 Include (f) Citrus Reimbursement and Re-Establishment Scheme set out in Schedule; part 6 Omit (g) Small Business Emergency Assistance Scheme set out in the schedule; part 7 Include (h) Exceptional Circumstances Scheme set out in the schedule; part 8 Include (i) Natural Disaster Relief --TC Larry - TC Monica (Primary Producers) Scheme set out in the schedule; part 9; Omit (j) Natural Disaster Relief --TC Larry - TC Monica (Small Business) Scheme set out in the schedule; part 10 Omit (k) Natural Disaster Relief (Primary Producers) Scheme set out in the schedule; part 11 Include (l) Natural Disaster Relief (Small Business) Scheme set out in the schedule; part 12 Include (m) The Queensland Vegetation Management Framework Financial Assistance for Farm Businesses Enterprise Assistance Scheme set out in the schedule; part 13 Omit (n) The Queensland Vegetation Management Framework Financial Assistance for Farm Businesses Exit Assistance Scheme set out in the schedule; part 14 Consult further (o) Business Adjustment -Traveston Crossing Dam - Wyaralong Dam (Business Advice Assistance) set out in the schedule; part 15 Omit (p) Business Adjustment -Traveston Crossing Dam - Wyaralong Dam (Business Restructure Assistance) set out
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			<ul style="list-style-type: none"> (q) Business Adjustment –Traveston Crossing Dam - Wyaralong Dam (Business Exit Assistance) set out in the schedule; part 17 Omit (r) Small Business Drought Assistance Scheme set out in the schedule; part 18 Include (s) Irrigators Fixed Water Charges Rebate Scheme set out in the schedule; part 19 Omit (sa) Additional Irrigators Fixed Water Charges Rebate Scheme set out in the schedule; part 19A Omit (t) Drought Rate Rebate Scheme set out in the schedule; part 20 Include (u) Queensland Commercial Horse Small Business Emergency Assistance Scheme set out in the schedule; part 21 Omit (v) Special Disaster Flood Assistance Scheme set out in the schedule; part 22 Omit (w) Smart Energy Savings Fund Scheme set out in the schedule; part 23 Omit (x) Queensland Renewable Energy Fund Scheme set out in the schedule; part 24 Omit (y) Moreton Bay Marine park Structural Adjustment Package set out in the schedule; part 25 Omit (z) Special Disaster Flood Assistance –TC Charlotte TC Ellie Scheme set out in the schedule; part 26 Omit (za) Special Disaster Flood Assistance (March 2010) Scheme set out in the schedule; part 27 Omit
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Part 5 Transitional provisions for Rural Adjustment Amendment Regulation (No. 3) 2006		Part 5 Section 11 and section 12 refer to the former names of the Natural Disaster Relief – TC Larry-TC Monica (Primary Producers) Scheme and the Natural Disaster Relief – TC Larry-TC Monica (Small Business) Scheme	Both schemes have expired. Omit
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Schedule Approved Assistance Schemes			
Title and ref.	Agency with Policy Responsibility	Purpose/Objective	Review Comments
<i>Part 1</i> Citrus Industry Recovery Scheme [page 24]	Department of Employment Economic Development and Innovation (DEEDI) Biosecurity Queensland	To enable relevant growers maintain viability and support ongoing farm maintenance	Applications must be made on or before 31 December 2005 DEEDI Legal advice is that QRAA is able to continue to administer an assistance scheme approved under the current Regulation even if new regulations are issued which make no specific mention of that particular scheme. However DEEDI Legal recommends that any such new regulations include a 'catch-all' reference to previously approved schemes. Omit
<i>Part 2</i> FarmBis Program Scheme [page 34]	DEEDI/DAFF (Cwth)	To encourage participation by eligible participants in structured learning processes	Applications must be made on or before 31 March 2008 See comment re Part 1 Omit
<i>Part 3</i> PIPES [page 45]	DEEDI	First start; development; resource management	Revise and remake for inclusion in new RRA Regulation taking into account recommendations of the PIPES review
<i>Part 4</i> DCOF Scheme [page 55]	DEEDI	To assist primary producers carrying on primary production enterprises in drought affected areas	Applications must be made before the later of the following days – 30 June 2006; or, another day decided by the Minister Revise and remake for inclusion in new RRA Regulation taking into account recommendations of the PIPES review
<i>Part 5</i> Drought Recovery Scheme [page 59]	DEEDI	To assist primary producers carrying on primary production enterprises in drought affected areas to recover from impact of drought	Applications must be made before the later of the following days – 30 June 2006; another day decided by the Minister Revise and remake for inclusion in new RRA Regulation taking into account recommendations of the PIPES review

<p><i>Part 6</i> Citrus Re- Imbursement and Re- Establishment Scheme [page 64]</p>	<p>DEEDI BQ</p>	<p>To assist each owner of a relevant property who maintained citrus plants on property until 3 June 2005</p>	<p>Applications for assistance mentioned in section 78(1)(a) must be made within 1 year after this section commences [that is, the June 2005 orchard]; applications for assistance mentioned in section 78(1)(b) must be made not later than 1 year after the replanting mentioned in the paragraph is allowed [that is, when the replanting is allowed under the Plant Protection Regulation 2002 in the pest quarantine area]</p> <p>See comment re Part 1</p> <p>Omit</p>
<p><i>Part 7</i> Small Business Emergency Assistance Scheme [page 68]</p>	<p>DEEDI</p>	<p>To assist owners of locally owned small businesses to meet operating and other essential costs if business is located in adjacent to or dependent on an EC area; or affected by another event determined by the Minister</p>	<p>If drought is main cause of need for assistance – application must be made not later than 6 months after EC declaration is revoked under C'wlth Act; if application is made within 6 months after the revocation, assistance may be given for up to 1 year</p> <p>As linked to EC, should remain in the Regulation for as long as EC assistance is in place. Also provides a mechanism for State assistance during severe events</p> <p>Remake for inclusion in new RRA Regulation</p>
<p><i>Part 8</i> Exceptional Circumstances Scheme [page 71]</p>	<p>DEEDI</p>	<p>Purpose is to facilitate improvements in productivity, including for recovery purposes; provision of carry on finance; debt restructuring</p>	<p>Even if most EC areas come off in June 2010, EC will have to be in place until 15 June 2011 at a minimum as there will be one EC area left in the Gulf</p> <p>Revise and remake for inclusion in new RRA Regulation</p>
<p><i>Part 9</i> Natural Disaster Relief TC Larry – TC Monica (Primary Producers) Scheme [page 80]</p>	<p>DEEDI</p>	<p>To assist meeting needs of primary producers affected by a relevant cyclone event to recover from impact of the event; assistance under scheme is not intended to compensate primary producers for losses suffered because of relevant cyclone event</p>	<p>Closing day for applications 31 December 2007</p> <p>See comment re Part 1</p> <p>Omit</p>

<i>Part 10</i> Natural Disaster Relief TC Larry – TC Monica (Small Business) Scheme [page 84]	DEEDI	To provide assistance to owners of small businesses whose buildings, plant, equipment or stock have been significantly damaged by a relevant cyclone event and who have sound prospects of long term viability but not intended to compensate for losses suffered as result of cyclone	Closing day for applications 31 December 2006 See comment re Part 1 Omit
<i>Part 11</i> Natural Disaster Relief (Primary Producers) Scheme [page 89]	DEEDI Department of Community Safety (DCS)	To assist in meeting needs of primary producers affected by an eligible natural disaster of substantial magnitude to recover from the disaster but not intended to compensate primary producers for losses suffered or encourage primary producers in marginal production areas to increase risks in farming operations	Ongoing Possible revision Remake for inclusion in new RRA Regulation
<i>Part 12</i> Natural Disaster Relief (Small Business) Scheme [page 96]	DEEDI DCS	To provide concessional loans to owners of small businesses whose buildings, plant, equipment or stock have been significantly damaged by an eligible natural disaster; who are unable to obtain finance on ordinary commercial terms but have sound prospects of long term viability but not intended to compensate business owners for losses suffered	Ongoing Possible revision Remake for inclusion in new RRA Regulation
<i>Part 13</i> Vegetation Management (Enterprise Assistance) Scheme [page 102]	Department of Environment and Resource Management (DERM)	To allow an eligible farm entity that has affected area of land to adjust its operations if inability to carryout broad scale clearing is directly responsible for imposing significant impact on potential viability of entity's farming business; and with assistance provided under scheme the entity can achieve long term economic viability and sustainable resource use in operating its farming business	Originally all applications under scheme were to be received on or before 21 February 2007; extended to 30 September 2010 See comment re Part 1 Remake for inclusion in new RRA Regulation with minor revision

<p><i>Part 14</i> Vegetation Management (Exit Assistance) Scheme [page 110]</p>	<p>DERM</p>	<p>To help an eligible farm entity that owns an affected area of land if entity is without prospects of sustainable long term viability because of inability it carry our broad scale clearing of vegetation in affected area of land and entity has decided to adjust out of primary production or relocate entity's farming business</p>	<p>All applications under scheme must be received on or before 21 February 2007</p> <p>See comment re Part 1</p> <p>Although the scheme is now expired, DERM requests further consultation prior to deletion as there are outstanding legal issues</p>
<p><i>Part 15</i> Business Adjustment Traveston Crossing Dam Wyaralong Dam (Business Advice Assistance) Scheme [page 117]</p>	<p>DEEDI Queensland Treasury (QT) Department of the Premier and Cabinet (DPC)</p>	<p>Objective to assist eligible business entities adversely affected by proposed dam; not intended to assist business entity adversely affected only because of normal operation of the market in which entity carries on business</p> <p>Purpose to assist eligible business entities to continue to operate during short term decline in profitability suffered as a result of proposed dam or develop and implement business strategies that will positively affect continuing viability</p>	<p>As June 2010, scheme has been extended to 17 December 2010</p> <p>Depending on timing of remaking of RRA Regulation, it is likely this scheme can be omitted</p>
<p><i>Part 16</i> Business Adjustment Traveston Crossing Dam Wyaralong Dam (Business Restructure Assistance) Scheme [page 120]</p>	<p>DEEDI QT DPC</p>	<p>Objective to assist eligible business entities adversely affected by proposed dam; not intended to assist business entity adversely affected only because of normal operation of the market in which entity carries on business</p> <p>Purpose to reimburse eligible business entity for cost of obtaining from appropriate service provider financial advice; not intended to reimburse entity for cost of complying with an obligation under state or C'wlth law such as preparing income tax return</p>	<p>As June 2010, scheme has been extended to 17 December 2010</p> <p>Depending on timing of remaking of RRA Regulation, it is likely this scheme can be omitted</p>

<p><i>Part 17</i> Business Adjustment Traveston Crossing Dam Wyaralong Dam (Business Exit Assistance) Scheme [page 126]</p>	<p>DEEDI QT DPC</p>	<p>Objective to assist eligible business entities adversely affected by proposed dam; not intended to assist business entity adversely affected only because of normal operation of the market in which entity carries on business</p> <p>Purpose to assist eligible business entity to exit its business if exiting is only course of action as a result of effect of proposed dam on viability</p>	<p>As at June 2010, scheme has been extended to 17 December 2010</p> <p>Depending on timing of remaking of RRA Regulation, it is likely this scheme can be omitted</p>
<p><i>Part 18</i> Small Business Drought Assistance Scheme [page 133]</p>	<p>DEEDI DAFF</p>	<p>Objective to assist owners of small businesses dependent on farming enterprises; if turnover has been detrimentally affected by exceptional circumstances; and if business has long term viability if circumstances had not occurred.</p>	<p>As linked to EC, should remain in the Regulation for as long as EC remains</p> <p>Remake for inclusion in new RRA Regulation</p>
<p><i>Part 19</i> Irrigators Fixed Water Charges Rebate Scheme [page 145]</p>	<p>DERM</p>	<p>Objective is to assist irrigators in areas where water availability is or has been low</p>	<p>Assistance consists of payment or part payment of fixed water charges incurred for period from 1 July 2006 to 30 June 2008</p> <p>All applications under scheme must be received on or before 31 December 2008</p> <p>See comment re Part 1</p> <p>Omit</p>
<p><i>Part 19 A</i> Additional Irrigators Fixed Water Charges Rebate Scheme [page 151]</p>	<p>DERM</p>	<p>To provide additional assistance to irrigators in areas where water availability is or has been low</p>	<p>Assistance consists of payment or part payment of fixed water charges incurred for period from 1 July 2008 to 1 July 2009</p> <p>All applications under scheme must be received on or before 30 September 2009</p> <p>See comment re Part 1</p> <p>Omit</p>

<i>Part 20</i> Drought Rate Rebate Scheme [page 158]	DEEDI	Objective to assist primary producers who: are dependent on primary production enterprises in an EC area; have been detrimentally affected by exceptional circumstances for which area became an EC area; and, have received ECR Payment administered by Centrelink	All applications must be received by 30 September 2008 See comment re Part 1 Remake for inclusion in new RRA Regulation
<i>Part 21</i> Queensland Commercial Horse Small Business Emergency Assistance Scheme [page 162]	DEEDI BQ	Objective is to assist owners of small businesses who derive majority of their income from commercial horse industry and for whom equine influenza outbreak has caused significant downturn in incomes to meet operating expenses and other essential costs	Applications must be received by 31 March 2008 See comment re Part 1 Omit
<i>Part 22</i> Special Disaster Flood Assistance Scheme [page 165]	DEEDI DCS	Objective to provide assistance to eligible business entities that have suffered direct damage caused by flood event caused by monsoonal rains in Qld in January and February 2008	Applications must be received by 31 August 2008 See comment re Part 1 Omit
<i>Part 23</i> Smart Energy Savings Fund Scheme [page 173]	DEEDI	To provide and administer matters about loans made from Smart Energy Savings Fund	Omit
<i>Part 24</i> Queensland Renewable Energy Fund Scheme [page 175]	DEEDI	To provide and administer matters about loans made from Qld Renewable Energy Fund	Omit

<p><i>Part 25</i> Moreton Bay Marine Park Structural Adjustment Package Scheme [page 176]</p>	<p>DERM QFS</p>	<p>Purpose to minimise impacts on commercial fishers likely to arise because of operation of <i>Marine Parks (Moreton Bay) Zoning Plan 2008</i> by providing payment for surrender of eligible fishing licences</p>	<p>Omit</p>
<p><i>Part 26</i> Special Disaster Flood Assistance TC Charlotte – TC Ellie Scheme [page 178]</p>	<p>DEEDI</p>	<p>Objective to provide under natural disaster relief and recovery arrangements and Cwltth/ State agreement of 15 June 2009 assistance to eligible business entities that have suffered direct damage caused by flood event. Purpose to help eligible business entities pay for costs arising out of direct damage caused by flood event. Not intended to compensate for losses suffered because of the event</p>	<p>Grants scheme Applications must be received no later than 30 November 2009 See comment re Part 1 Omit</p>
<p><i>Part 27</i> Special Disaster Flood Assistance (March 2010) Scheme [page 188]</p>	<p>DEEDI</p>	<p>Objective to provide under Cwth State agreement of 9 March 2010 assistance to business entities that have suffered direct damage caused by flood event. Purpose to help eligible business entities pay for costs arising out of direct damage caused by flood event. Not intended to compensate for losses suffered because of the event</p>	<p>Current scheme Remake for inclusion in new RRA Regulation</p>
<p><i>Part 28</i> Queensland government Solar Hot Water Rebate Scheme [page 199]</p>	<p>DEEDI</p>	<p>The scheme will provide a rebate for the purchase price to eligible applicants who have bought and arranged for installation of a solar hot water heater in their homes to replace an electric hot water system</p>	<p>New scheme Remake for inclusion in new RRA Regulation</p>

Appendix 2

Consultation questions

- *Conformity with Rural and Regional Adjustment Act 1994*

The *Rural and Regional Adjustment Act 1994* (RRA Act) is currently being reviewed. How will the outcomes of the RRA Act review affect the content of the Regulation?

Are the functions of the RRA Regulation still relevant and achieving the desired outcomes for the government?

- *Assistance to individuals*

DEEDI Legal has provided advice that assistance can be provided to individuals as distinct from business entities. Are there situations in which it is legitimate for schemes to assist individuals or should they only assist business trading entities? If so, does the RRA Regulation need to be unambiguous about whether assistance can be provided to individuals?

- *Retention of expired schemes with outstanding loans in RRA Regulation*

The term of QRRA loans varies but currently, there is no loan with a maximum term of greater than ten years. Should an expired scheme, under which loans are still outstanding, be deleted or are there legal or administrative reasons for the scheme to remain in the Regulation until all loans made under the scheme are terminated?

Is this an issue that can be dealt with in the functions section of the Regulation?

- *Incorporation of best practice drafting principles*

The redrafted Regulation should conform to best practice drafting principles. Each scheme in the Regulation should be tested for relevance and the extent to which it is achieving its aims. Then it should be drafted in a style that is easily understood by a person unfamiliar with legal language while adhering to contemporary drafting standards.

Appendix 3

Stakeholder list

Mr Colin Holden
Chief Executive Officer
QRAA

Ms Bernadette Ditchfield
Principal Policy Officer
Queensland Treasury

Mr Robert Walker
Chief Executive Officer
AgForce Queensland

Mr Rob Johnson
Government and Stakeholder Liaison
AgForce Queensland

Mr Alex Livingstone
Chief Executive Officer
GrowCom

Mr Dan Galligan
Chief Executive Officer
Queensland Farmers' Federation

Mr Peter Perkins
Project Officer - Drought
Queensland Farmers' Federation

Mr Joseph Evans
Manager – Industry Programs
Canegrowers

Mr Simon Dobbie
Senior Policy Officer
Economic Policy
Department of the Premier and Cabinet

Ms Terri Birrell
Senior Manager
Business Development and Marketing
QRAA

Mr Samuel Blake
Treasury Analyst
Resources and Economic Development Branch
Queensland Treasury

Mr Graham White
Senior Treasury Analyst
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Mr Rex Meadowcroft
Director
Legislative Development Services
Department of Environment and Resource
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Mr Douglas Magendanz
Principal Policy Advisor Strategy
Policy and Legislative Reform Branch
Emergency Management Queensland
Department of Community Safety

Mr Michael Shapland
Acting Deputy Chief Officer
Emergency Management Queensland
Department of Community Safety

Ms Kirsty Beavington
Senior Program Officer
Relief and Recovery Arrangements
Department of Community Safety

Mr Tony Wilson
Manager
Loans and Debt Management
Regional Services
Statewide Services
Department of Communities

Mr Ron Glanville
Chief Biosecurity Officer
Biosecurity Queensland