

EXPLANATORY STATEMENT

Issued by Authority of the Minister for Agriculture, Fisheries and Forestry
and the Minister for Finance

Regional Investment Corporation Act 2018

*Regional Investment Corporation (Plantation Development Concessional Loans) Repeal
Rules 2024*

Legislative Authority

The *Regional Investment Corporation Act 2018* (the **Act**) establishes the Regional Investment Corporation (the **Corporation**). Section 8 of the Act prescribes the Corporation's functions. Paragraph 8(1)(g) of the Act provides that it is a function of the Corporation to administer programs prescribed by the rules.

Section 54 of the Act provides that the responsible Ministers may, by legislative instrument, make rules prescribing matters required or permitted by the Act to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to the Act.

The *Regional Investment Corporation (Plantation Development Concessional Loans) Rules 2021* (the **Rules**) prescribe the details of the plantation development loans program established under section 54 of the Act. The plantation development loans program was designed to encourage new, and the replanting of bushfire-damaged, plantations to create wood for trade in both domestic and overseas markets.

Purpose

The purpose of the *Regional Investment Corporation (Plantation Development Concessional Loans) Repeal Rules 2024* (the **Repeal Instrument**) is to repeal the Rules.

Background

There has been little interest in the plantation loan product since the Rules commenced in 2021, and no applications for the loans have been approved.

As part of the 2024-25 Budget, the Government took a decision that, due to low uptake, funding that was allocated to plantation loans would be redirected to other loan products managed by the Corporation to maintain support for the farm business sector.

The Rules will therefore be repealed.

Impact and Effect

The impact on plantation-related businesses as a result of the repeal of the Rules is expected to be minimal, given the lack of interest in the plantation loan product to date. Farm businesses will benefit from the funding for this loan product being made available for other farm business loans administered by the Corporation.

Consultation

The Department of Agriculture, Fisheries and Forestry consulted the Department of Finance and the Corporation on the Repeal Instrument. The Office of Impact Analysis advised that a Regulation Impact Statement is not required (OIA24-06888).

Details/ Operation

Details of the Repeal Instrument are set out in Attachment A.

The Repeal Instrument is compatible with the human rights and freedoms recognised or declared under section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*. A full statement of compatibility is set out in Attachment B.

The Repeal Instrument is a legislative instrument for the purposes of the *Legislation Act 2003*.

Details of the *Regional Investment Corporation (Plantation Development Concessional Loans) Repeal Rules 2024*

Section 1 – Name

This section provides that the name of the instrument is the *Regional Investment Corporation (Plantation Development Concessional Loans) Repeal Rules 2024 (the Repeal Instrument)*.

Section 2 – Commencement

This section provides for the Repeal Instrument to commence on the day after the instrument is registered on the Federal Register of Legislation.

Section 3 – Authority

This section provides that the Repeal Instrument is made under the *Regional Investment Corporation Act 2018*.

Section 4 – Schedules

This section provides that each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

Schedule 1 – Repeals

Regional Investment Corporation (Plantation Development Concessional Loans) Rules 2021

Item 1 – The whole of the instrument

This item repeals the Rules in full.

Statement of Compatibility with Human Rights

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

Regional Investment Corporation (Plantation Development Concessional Loans) Repeal Rules 2024

This Legislative Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

Overview of the Legislative Instrument

The *Regional Investment Corporation Act 2018* (the Act) establishes the Regional Investment Corporation (the **Corporation**). Section 8 of the Act sets out the Corporation's functions and provides that a function of the Corporation is to administer programs prescribed by the Rules.

The purpose of the *Regional Investment Corporation (Plantation Development Concessional Loans) Repeal Rules 2024* (the **Repeal Instrument**) is to repeal the *Regional Investment Corporation (Plantation Development Concessional Loans) Rules 2021* (the **Rules**) which established the plantation development loans program. The plantation development loans program was designed to encourage new, and the replanting of bushfire-damaged, plantations to create wood for trade in both domestic and overseas markets.

There has been little interest in the plantation loan product since the Rules commenced in 2021 and no applications for the loans have been approved. The Rules will therefore be repealed.

Human rights implications

This Legislative Instrument does not engage any of the applicable rights or freedoms.

Conclusion

This Legislative Instrument is compatible with human rights as it does not raise any human rights issues.

The Hon. Julie Collins
Minister for Agriculture, Fisheries and Forestry

Senator the Hon. Katy Gallagher
Minister for Finance