

## **EXPLANATORY STATEMENT**

### **Select Legislative Instrument 2008 No. 247**

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

*Farm Household Support Act 1992*

*Farm Household Support Amendment Regulations 2008 (No. 2)*

The *Farm Household Support Act 1992* (the Act) establishes the *exceptional circumstances relief payment for small business*. This payment provides financial assistance to eligible individuals operating a small business who are experiencing hardship due to the effect of exceptional circumstances in the area where the business operates.

A business operator is able to receive financial assistance under the Act where in normal turnover the majority of the income of the business is derived from the supply of goods or services to farm enterprises, the business is situated in an exceptional circumstances declared area and the gross income of the business has been significantly reduced due to the effect of the exceptional circumstances.

Subsection 58(1) of the Act provides that the Governor-General may make regulations prescribing all matters required or permitted by the Act to be prescribed, or necessary and convenient to be prescribed for carrying out or giving effect to the Act.

Section 6C of the Act currently provides that *exceptional circumstances relief payments for small business* is not payable to an eligible person in respect of any period after 30 June 2008, or such later day as is prescribed.

The purpose of the Regulations is to extend the end date for qualification for exceptional circumstances relief payments by one year. This would provide continued financial assistance for small business operators in Exceptional Circumstances declared areas until 30 June 2009.

The Regulations create regulation 4B which prescribes 30 June 2009 as the new ending date for exceptional circumstances relief payments for small business operators.

The detail of the Regulations is set out in Attachment A.

The Regulations are a legislative instrument for the purposes of the Legislative Instruments Act 2003.

Consultation was undertaken with the Attorney General's Department (Office of Legislative Drafting and Publishing), the Office of Best Practice Regulation and Centrelink during the development of this note.

The Regulations are taken to have commenced on 30 June 2008. The Office of Legislative Drafting and Publishing has confirmed that the retrospective operation of the proposed Regulations is permissible as they would not contravene subsection 12 (2) of the *Legislative Instruments Act 2003*. In particular, there would be no detrimental impact on any persons who may have accessed exceptional circumstances relief payments since 1 July 2008.

***Farm Household Support Amendment Regulations 2008 (No. 2)***

**Regulation 1 Name of Regulations**

This regulation states that the Regulations are called the *Farm Household Support Amendment Regulations 2008 (No. 2)*.

**Regulation 2 Commencement**

This regulation provides for the Regulations to have commenced on 30 June 2008.

**Regulation 3 Amendment of Farm Household Support Regulations**

This regulation provides that Schedule 1 amends the *Farm Household Support Regulations 1993*.

**Schedule 1 Amendment**

This item introduces regulation 4B and refers to the prescribed day for Subsection 6C (1) of the *Farm Household Support Act 1992*.

**[1] After regulation 4A**

*insert*

**4B Ending exceptional circumstances relief payment for small business — prescribed day (Act s. 6C)**

For subsection 6C (1) of the Act, 30 June 2009 is prescribed.