

[Act 1995 No 50]



New South Wales

Forestry Restructuring and Nature Conservation Bill 1995

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.*

Overview of Bill

The object of this Bill is to provide for the application of the capital and income of the Trust Funds under the 3 Environmental Trusts Acts (the *Environmental Education Trust Act 1990*, the *Environmental Research Trust Act 1990* and the *Environmental Restoration and Rehabilitation Trust Act 1990*) to be applied towards funding the following Government initiatives:

- obtaining land for new National Parks and related conservation strategies (\$50.0 million over 4 years)
- forest industry restructuring (\$60.0 million over 5 years)
- additional environment protection and nature conservation schemes and programs itemised in Schedule 1 to the proposed Act (\$20.025 million over 5 years).

* Amended in committee—see table at end of volume.

During the period of operation of the proposed Act (until 30 June 2000) no new grants will be permitted from the Trust Funds, with the exception of grants from the Environmental Restoration and Rehabilitation Trust Fund to schools (maximum \$0.080 million each year) and community organisations (maximum \$0.850 million each year). Emergency pollution clean-up costs will continue to be able to be paid from the Environmental Restoration and Rehabilitation Trust Fund but will not be limited to payments from income of the Fund. Grants from the Trust Funds that have already been made but not fully paid out will not be affected by the new restrictions.

Consequential amendments are made to the three Environmental Trusts Acts and an additional amendment is made to the Environmental Restoration and Rehabilitation Trust Act 1990 to clarify the power of the Trust under that Act to recover from polluters the cost of emergency clean-ups paid for from the Fund under that Act.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on a day or days to be appointed by proclamation.

Clause 3 contains definitions.

Clause 4 authorises the payment of money out of the Trust Funds for the purposes outlined above.

Clause 5 provides for the Minister for the Environment to determine the timing and amount of payments from the Trust Funds and how those payments are to be apportioned between the Trust Funds. The Minister is required to be mindful of the need for the Funds to be able to earn income in order to meet their projected commitments.

Clause 6 imposes the limits outlined above on the amounts that can be paid from the Trust Funds under the proposed Act.

Clause 7 imposes the time limits outlined above on the making of those payments.

Clause 8 provides that expenditure from the Trust Funds for additional commitments expenditure listed in Schedule 1 (total \$20.025 million) ranks lowest in priority behind all other payments to be made from the Funds.

Clause 9 permits payments from the Trust Funds under the authority of the proposed Act to be made from capital and income.

Clause 10 imposes the restrictions outlined above on new grants from the Trust Funds.

Clause 11 requires each Minister who is responsible for expenditure to be recouped from the Trust Funds to report to Parliament every 6 months on that expenditure.

Clause 12 requires the Auditor-General to audit payments from the Trust Funds under the proposed Act.

Clause 13 gives effect to Schedule 2 which contains consequential amendments to the three Environmental Trusts Acts.

Schedule 1 lists the additional environment protection and nature conservation schemes and programs that the proposed Act authorises to be funded up to a total of \$20.025 million from the Trust Funds.

Schedule 2 contains the amendments to other Acts outlined above.