

Agreement in Principle

Mr FRANK SARTOR (Rockdale—Minister for Climate Change and the Environment, and Minister Assisting the Minister for Health (Cancer)) [8.07 p.m.]: I move:

That this bill be now agreed to in principle.

The genesis of the Nature Conservation Trust lay with the community. It lay in a coalition of conservation groups and the NSW Farmers Association—a coalition that saw the potential for an independent body that could work in tandem with government to achieve stronger cross-tenure conservation gains in New South Wales. The Government listened to that coalition and enacted the Nature Conservation Trust Act in 2001. It was a landmark achievement. Since then the trust has become a key player in cross-tenure conservation efforts across the State, and has produced a strong record of conservation gains. Let me share some of these with the House.

The trust operates a revolving fund program. It buys properties of high conservation value, places a conservation covenant over the land, and resells to a supportive new owner. The proceeds of the sale are returned to the fund and are used for further purchases. Since 2003 the trust has increased the quantum of its revolving fund program from \$2 million to \$25.1 million at June 2010. The trust has purchased 16 properties, six of which have been on-sold with conservation covenants. The trust has protected 21,581 hectares across 58 properties. This includes 87 different regional ecosystems, 47 of which are under-represented in the formal New South Wales reserve system; three nationally threatened ecological communities; and 10 ecological communities threatened in New South Wales.

The trust has successfully delivered the Government's Farmer Exit Assistance Program, with funding of \$17.6 million from the New South Wales Environmental Trust. This is an admirable record of achievement, and the trust has built a strong support base as a result of this success. Nevertheless, it has become apparent over the past nine years that certain aspects of the Nature Conservation Trust Act 2001 are hampering the trust's efforts in two key areas: namely, attracting donations and sponsorship, and holding and trading in water entitlements for the purpose of managing conservation values on land subject to a trust agreement.

A statutory review of the Nature Conservation Trust Act undertaken in 2006 highlighted these constraints on the trust's operations, and recommended legislative amendment. This bill will insert model clauses required for the trust to achieve tax-deductible status. This will make the Nature Conservation Trust more attractive to potential donors by removing the current obstacles to gaining tax deductibility in its own right. These changes will also reduce the current administrative burden on the trust. The bill will give the trust the power to buy and trade water allocations associated with trust properties. This is a right that other private landholders currently enjoy, but is not provided for under the Nature Conservation Trust Act.

I assure the House that the use of this power by the trust will only be to optimise conservation outcomes on properties subject to a trust agreement. This bill does not allow the trust to purchase or trade in water for any other purpose, including as a means of revenue raising. The bill will permit the trust to sell land unsuitable for nature conservation without a covenant. In some cases, the trust may purchase properties with areas of both high and low conservation value. This bill will allow the trust to sell, without constraints, those parcels of land with little or no conservation value. This bill provides that a trust agreement can restrict or prohibit the subdivision of land with high conservation value. At times, the ability to restrict future subdivisions may be essential to protect high conservation values.

This bill clarifies a trust agreement can restrict subdivision. This bill will also refine the skills and experience required by trust board members. The very nature of the trust's work requires its board to have a specific set of skills and experience. Although the Act currently refers to certain capabilities required of board members, the increasing complexity of the trust's operating environment calls for a more rigorous set of eligibility requirements. The bill codifies the specific skills and experience required of board members. Private land conservation is crucial to the protection of our natural heritage. The Nature Conservation Trust provides landholders with the conservation tools and support they need. It is our responsibility as legislators to give the trust the statutory powers that it needs to continue operating effectively into the future. I commend the bill to the House.