Natural Resources Commission Bill, Native Vegetation Bill, Catchment Management Authorities Bill.

Second Reading

Mr CRAIG KNOWLES (Macquarie Fields—Minister for Infrastructure and Planning, and Minister for Natural Resources) [10.47 p.m.]: I move:

That these bills be now read a second time.

On 15 October the Government announced that natural resource management in New South Wales was to undergo a series of historic changes following the recommendations of the Native Vegetation Reform Implementation Group chaired by Ian Sinclair. Today I am proud to introduce three bills that cement these historic reforms in place. These bills, taken as a whole, launch a new era in natural resource management in this State. Many community groups and individuals, some of them traditional adversaries, have worked together to develop the basis for the proposals in these bills. I thank them for their efforts, and today I am rewarding their hard work by introducing three bills that embody their proposals and deliver genuine improvements to natural resource management in New South Wales.

I record here my thanks to Rob Anderson, Jeff Angel, Peter Cosier, Col Gellatly, Glen Klatovsky, Jonathon McKeown, John Pierce, Jennifer Westacott, Roger Wilkins, Mike Young and, whilst not directly a member of the committee, the president of NSW Farmers, Mr Mal Peters. Most particularly I thank the Rt Hon. Ian Sinclair, who chaired the group, for his wisdom and his stewardship in these matters. He is truly one of a kind, but all of these people have worked with commitment and commonsense. They have produced a good result. We can deliver what they have asked for.

These bills create an independent Natural Resources Commission to make recommendations on natural resource management standards and targets, audit the performance of the catchment management authorities [CMAs], report on the achievement of targets and carry out inquiries; they create 13 locally driven catchment management authorities to deliver natural resource management programs at the catchment level; and they introduce the changes to native vegetation management that are at the heart of the Sinclair plan to end broadscale land clearing and give greater certainty to farmers and industry in their various and numerous activities.

The Natural Resources Commission Bill provides the foundations for a move away from the conflict that historically goes with the natural resource debate to a professional, outcomes-based approach to natural resource management. Under this new approach, for the first time we will have clear targets for the condition of our natural resources. This means that we can track our progress and know when we have achieved our goals. To begin this new approach, the bill establishes the commission as a statutory, independent body along the lines of the Independent Pricing and Regulatory Tribunal, and provides that the Natural Resources Commission [NRC] may conduct inquiries and provide advice on specific issues as directed by the Government. The NRC will help the Government to establish targets and standards for natural resource management based on the best available scientific, economic and social information, and to monitor progress towards those targets. The Premier will oversee the NRC but delegate its day-to-day operations to me as Minister for Natural Resources.

The Catchment Management Authorities Bill establishes 13 new regional authorities to replace 72 existing natural resource management committees. This will allow local communities to have a more direct say in key decisions about how their natural resources are managed. By removing a lot of process and bureaucracy we can better focus on results and performance. These new authorities will be key landscape managers in their local areas, doing day-to-day administration and delivery of natural resource management programs. The catchment management authorities [CMAs] will develop comprehensive catchment action plans that consolidate and build on the existing native vegetation plans and catchment blueprints, and incorporate other issues over time. They will also provide me with an annual implementation program that lists the activities that will be undertaken each year and how much they will cost. The bill provides that CMAs will be governed by a skills-based board and a general manager. They are expected to employ 10 to 15 staff.

The role of CMAs is to set targets for their regions and to ensure that the funds available to them are delivered to projects that achieve those targets. The intention of these new arrangements for catchment management is to ensure the smoother and faster delivery of natural resources funding to regional communities, particularly those funds from the National Action Plan for Salinity and Water Quality and the Natural Heritage Trust; provide CMAs with block funding of the plans they have prepared so that they can get on with delivering those funds to the community; and streamline the current complex committee structure.

The Native Vegetation Bill replaces the Native Vegetation Conservation Act 1997. Its objects reflect the Government's commitment to end broadscale clearing and maintain productive landscapes. It delivers the Sinclair report's standard definitions for native vegetation, regrowth and protected regrowth that will end broadscale clearing; it provides the practicality and flexibility for continuing routine agricultural management activities; and it establishes a new consent

process for native vegetation management based on property vegetation plans. The bill provides for agreed definitions for terms that have been a constant source of contention for years, such as remnant native vegetation, regrowth, protected regrowth, and broadscale clearing. The bill provides for a new system to support land-holders to develop voluntarily individual or group property vegetation plans [PVPs]. The primary benefits of the new system include giving farmers the opportunity and flexibility to take the initiative to develop a plan for the whole property; the opportunity to link plans at the property level to the catchment action plans developed by regional communities; and new development consent rules that end broadscale clearing but allow flexibility for farmers to continue routine agricultural management practices.

Together these three bills create a new system based on statewide targets, regional plans to achieve those targets and new rules for the management of native vegetation. This system will move us away from the "argy bargy" style conflict that has historically accompanied the natural resource debate to a professional, outcomes-based approach to natural resource management. This new system seeks to clarify and separate the complementary, but separate, roles of government, its agencies, catchment management authorities, the independent Natural Resources Commission and the non-government stakeholders, who will be represented through a new Natural Resource Advisory Council.

The new model is driven by the recognition that there must be a clear separation of responsibilities and roles. In the past these lines of separation were blurred. In their simplest form, under the new structure, government remains the key source of policy and direction; the NRC advises independently on standards and targets and reports on progress towards targets; the advisory council articulates clearly the positions of key stakeholders to the Government; and CMAs deliver programs and outcomes on the ground either in their own right or potentially in partnership with other local organisation such as local councils and land care groups. By identifying and separating these linked and complementary roles we have created accountability. We will now know what we are trying to achieve, whose job it is to achieve it and whether we are on track to get there.

The Natural Resources Commission Bill is concerned with the establishment of the Natural Resources Commission. One thing is clear about natural resource management: there will always be argument and debate—debate about the size of problems, the cause of problems and solutions to problems. This debate is healthy but we must also take action, otherwise the problems will simply continue to grow and fester. That is why the vital thing about the new commission is its independence. The importance of this cannot be overstated: the commission's capacity as an independent body to make recommendations to government, based on an impartial assessment of all the issues, is absolutely integral to the success of our new model of integrated natural resource management. It is imperative that the commission is recognised and acknowledged for its independence, and that it can be relied upon by all the stakeholders in the natural resources debate to consider the facts and weigh them fairly. The NRC will be able to seek all the advice it requires, it will be able to call on data and information from inside and outside government, and it will be able to integrate this information and then deliver its recommendations to the Government.

Another means of ensuring the independence of the commission is the requirement that its reports will be made public. They will be in the public domain, and it will be incumbent on government to respond to them. A core responsibility of the commission is to recommend to the Government natural resource targets and standards based on the best available scientific, economic and social information. The catchment management authorities will translate these statewide targets into regional targets, and the CMAs and other organisations will design and implement programs to achieve those regional targets. The commission will then audit those programs and report on their effectiveness and on progress towards the statewide targets adopted by the Government. In addition to recommending standards and targets, the bill provides that the NRC may conduct inquiries and provide advice on specific issues as directed by the Government.

Prior to this bill, the Government was advised and assisted on natural resource management issues by a number of committees made up of government and non-government stakeholders. These committees were the Resource and Conservation Assessment Council, the Coastal Council, the Healthy Rivers Commission, the State Catchment Management Co-ordinating Committee, the Native Vegetation Advisory Council, the Water Advisory Council, the State Wetlands Advisory Council, the State Weir Review Committee, the Advisory Council on Fisheries Conservation, and the Fisheries Resource Conservation and Assessment Council. For the most part, these committees focused on a particular aspect of natural resource management and advised the Government on those aspects. Some committees had particular statutory functions under Acts and other instruments. Where necessary and appropriate, these functions will be subsumed by the Natural Resources Commission. Otherwise their functions will be taken over by the Natural Resources Advisory Council, which I will discuss shortly. I would like to take this opportunity to thank the members and chairs of these bodies and the staff who assisted them. All these bodies have assisted the Government for many years, and the Natural Resources Commission will now be able to build on their work.

In addition, the following bodies will be transferred to the NRC: the New South Wales Scientific Committee, the Fisheries Scientific Committee, and the Biological Diversity Advisory Council. They will retain their existing legislative responsibilities pending a review of the Threatened Species Conservation Act 1995. The Coastal Council, made up of government and non-government representatives and chaired by Professor Bruce Thom, is a good example of the work done by these organisations. It has been ably advising the Government on coastal management issues for a number of years. The Natural Resources Commission will not in any way diminish our focus on the coast. Rather, we recognise the fundamental links between coastal issues and the myriad of other natural resource issues.

By taking a more integrated approach to natural resource management we will be able to respond far more effectively

to coastal protection and the issues addressed by the other advisory bodies. We recognise that there are particular problems associated with particular issues—in the case of coastal development, problems that arise from the rapidly increasing urbanisation of our coastal regions. These problems will, of course, continue to receive our attention. What the commission can add to coastal management and the other natural resource issues is its distinctive powers, resources and independence. In every instance I see the commission adding focus to each of these issues, not reducing focus. That is the whole purpose of integrated natural resource management—not to diminish the importance of individual elements, but to realise and act on their importance in their interrelated and integrated contexts.

The non-government advisory functions of these committees will now be delivered through a new high-level stakeholder group known as the Natural Resources Advisory Council. I am establishing the Natural Resources Advisory Council to replace many of the disparate advisory bodies that have previously advised government on a wide range of natural resource issues. Bringing these under one high-level advisory council represents another element in our consistent efforts to integrate natural resource management, to focus government on the central issues affecting natural resource management and to be a powerful single source of stakeholder advice to the Government.

The specific functions of the advisory council will be to provide a high-level forum for stakeholders to advise the Government on natural resource management issues and to broker agreements between the representative stakeholder groups on contentious natural resource management issues. The advisory council is to consist of a maximum of 20 representatives of natural resource stakeholders and an independent chairperson. The members will include representatives of the New South Wales Farmers Association, the New South Wales Irrigators Council, the scientific community, the Total Environment Centre, the Nature Conservation Council, the Aboriginal community, catchment management authorities, the Local Government Association and the Shires Association, the Labor Council of New South Wales, fisheries resource management expertise, the New South Wales Minerals Council, the Forest Products Association, the Landcare community, the rural lands protection boards and any other stakeholders appointed by the Minister. The chief executive officers of the Natural Resources agencies will be ex-officio members of the advisory council.

The Natural Resource Advisory Council is a big step forward in stakeholder relations with government. There will be a single stakeholder advisory council with the responsibility of delivering to government the views of stakeholders within the realm of natural resource management. It is an onerous responsibility, but it is critical to deliver the integration and co-ordination that is vital to good natural resource management. The new Department of Infrastructure, Planning and Natural Resources, along with the newly created Department of Environment and Conservation, will continue to provide integrated policy and technical expertise in natural resources management. They will work closely with other land management and natural resource management agencies to be a primary source of data and information, as well as initiating and implementing the policies of government in natural resource management.

I turn now to the bill that establishes the commission as a statutory, independent body, along the lines of the Independent Pricing and Regulatory Tribunal. The bill provides that the Natural Resources Commission [NRC] will report to and receive directions from the Minister. It is intended that the Minister with responsibility for administration of the Act will be the Premier. The bill provides that the Premier may delegate any of his functions under the bill to another Minister. This will allow the Premier to oversee the NRC but will allow him to delegate its day-to-day operations to me as Minister for Natural Resources.

The bill also outlines a range of administrative matters relating to the appointment of commissioners and the organisations to be replaced by the NRC. The bill is divided into three parts, which I shall outline to the House. The first part is the preliminary section, which among other things provides for the application of the bill to matters related to the management of natural resources including water, native vegetation, salinity, soil, biodiversity and coastal protection and other matters concerning natural resources prescribed by the regulations, such as forestry. It is important to point out that these issues are to be considered in both rural and urban contexts. In particular, it is impossible for coastal protection to be achieved without consideration of the urban pressures along our coastal shores. However, it is not intended that the responsibilities of the commission will extend to the more local details of urban development, such as the height or arrangement of buildings, or deal with sustainability issues like waste management or energy efficient building design.

Part 2 of the bill deals with the establishment of the Natural Resources Commission. The commission will be made up of a full-time or part-time commissioner, who may be assisted by assistant commissioners, full time or part time, or on a temporary basis as required. For example, if the Government instructs the commission to undertake an inquiry into a particular matter, the commissioner may appoint an assistant commissioner to either assist, or deputise for, him or her in that inquiry. Schedule 1 to the bill details provisions relating to the commissioner and assistant commissioners.

Part 3 of the bill deals with the functions of the Natural Resources Commission. The general function of the commission is to provide the Government with independent advice on natural resource management. Its specific functions are to make recommendations to the Government on statewide standards and targets. Standards and targets for individual catchments will be developed by the catchment management authorities themselves, taking into account specific regional conditions as well as the statewide standards and targets adopted by the Government. In developing its recommendations, the commission will need to take into account the best available scientific, social and economic information. The standards and targets will need to be fair and practicable as there is no point in setting unachievable goals.

In recommending standards and targets the commission will consider factors such as regional variation, the impact on communities directly affected, indigenous knowledge, the impact on future generations and consistency with other government decisions relevant to natural resource management. Standards developed by the commission will be used to underpin absolute requirements across the State, such as the prohibition of clearing native vegetation on steep slopes. Targets, such as reducing surface water salinity levels by a certain amount by a certain time, will be used to direct investment in natural resource management to projects that contribute to the adopted targets.

The second core responsibility of the commission is to recommend to government the approval of catchment action plans developed by the catchment management authorities. The catchment action plans will set regional targets and standards, and the NRC will advise me as to whether these regional targets and standards are consistent with the statewide standards and targets adopted by the Government. Where the commission is concerned about particular aspects of a draft catchment action plan the Catchment Management Authorities Bill provides for me to request that further explanation or analysis be undertaken by an authority before its draft plan is approved.

The commission will also be asked to undertake audits of catchment action plans. These audits will occur on a regular basis and will show how our reforms are working on the ground and in the community, where it counts. They will show whether the catchment action plans need adjustment or refinement, where they are successful and how they might be improved. In addition to these core tasks the commission may also take on a range of other tasks as directed. It may undertake inquiries or help resolve particularly complex natural resource issues. To assist it in these tasks, the commission may involve stakeholders. It may also hold public hearings if it considers them necessary to obtain the right information and spread of community views.

The bill provides that the commission will report to government on all of its findings through the preparation of an annual report. Most importantly, the annual report will record our progress towards achieving the statewide standards and targets we adopt. The annual reports will also contain the findings of audits and inquiries undertaken by the commission during the reporting period. The commission will also provide an assessment of the success of catchment action plans in complying with statewide standards and achieving the statewide targets adopted by the Government.

Essential to the effective functioning of the commission is that it have at its disposal the best resources and information available. Part 3, therefore, provides for the commission to engage government agencies and consultants to provide assistance. In addition, the commission is empowered to seek information or data that agencies may hold and it is expected that agencies will comply with such requests. Of course, if any dispute about the provision of such information arises, then the commission may refer it to the Premier for resolution. Part 4 of the bill deals with miscellaneous matters including the amendments of other Acts and instruments as set out in the schedules. Part 4 also provides for a review of the proposed Act as soon as possible after the period of five years from the assent date of the Act.

Schedule 1 deals with provisions relating to the commissioner and assistant commissioners and details their appointments, whether they be appointed on a full-time or part-time basis, and the terms of their office. In general, the terms of appointment are for a period not exceeding five years, but commissioners and assistant commissioners are eligible for re-appointment. However, the schedule provides sufficient flexibility to allow assistant commissioners with specific expertise to be appointed on a short-term basis to undertake inquiries relevant to their specific expertise.

This schedule also deals with remuneration of the commissioner and assistant commissioners and contains provisions for vacancies and the filling of vacancies. Schedule 2 deals with the consequential amendment of Acts and instruments necessary for the NRC to perform the functions of the many bodies it is replacing. The Coastal Protection Act 1979 is amended to omit the Coastal Council, with provision in the Natural Resources Council Bill for incorporation of the various functions and responsibilities of the Coastal Council.

The Forestry and National Park Estate Act 1998 is amended to give the NRC responsibility for undertaking a forest assessment, prior to a Forest Agreement being made. The Public Finance and Audit Regulation 2000 is amended to omit the Coastal Council as an authority under that Act. State Environmental Planning Policy 71—Coastal Protection—is amended to give the NRC a consultation role with regard to draft master plans. The Statutory and Other Offices Remuneration Act 1975 is amended to insert the NRC. The Water Management Act 2000 is also amended to omit the Water Advisory Council from that Act.

Schedule 3 deals with the savings and transitional provisions relating to regulations and the replacement of existing advisory bodies. In particular, it provides for the NRC to subsume the following bodies: the Resource and Conservation Assessment Council, the Healthy Rivers Commission, the Coastal Council, the Native Vegetation Advisory Council, the Water Advisory Council, the State Catchment Management Co-ordinating Committee, the State Wetlands Advisory Committee, the State Weir Review Committee, the Fisheries Resource Conservation and Assessment Council and the Advisory Council on Fisheries Conservation. I affirm that the Government wishes to press ahead with its important new reforms. As previously announced, I have appointed Dr Tom Parry as Interim Commissioner of the Natural Resources Commission to assist with the early establishment of the commission and to proceed with its first urgent tasks to set the standards and targets for four priority regions in New South Wales—namely, North Coast, Gwydir/Border, Central West and Murray-Murrumbidgee. It will be a challenging role and I am grateful to Dr Parry for taking it on.

I now turn to the Catchment Management Authorities Bill. Part 1 of the bill sets out the objects of the Act and part 2 establishes the 13 new catchment management authorities. These 13 new bodies will replace 72 existing regional committees. The Catchment Management Authorities [CMAs] established by the bill are Border Rivers-Gwydir, Central

West, Hawkesbury-Nepean, Hunter-Central Rivers, Lachlan, lower Murray-Darling, Murrumbidgee, Murray, Namoi, Northern Rivers, Southern Rivers, Sydney Metropolitan and Western. The bill provides that these CMAs will be formally constituted as statutory authorities with a responsible and accountable board. Appointments to the boards will be based on certain skills and knowledge. The skills I will require on the board include primary production—for example, expertise in landcare or sustainable farming; environmental, social and economic analysis—for example, understanding the likely impacts of plans on the local community or local biodiversity; facilitation and negotiation skills; business management; understanding of state and local government; and community leadership.

Let me be clear about the board's membership. These are the skills I want the board to have collectively. This is not a list where each member is ticked off against a single category. These boards will comprise people of standing in the catchment. When either a farmer or an environmentalist reads the names in the local paper announcing the CMA I hope they will think to themselves, "I may not agree with everything the person says, but I respect their knowledge and expertise." In the process of selecting board members it will be important to ensure that collectively each board has the capacity to access the knowledge and understand the concerns of all sectors of the community. I also intend, as far as is possible, to appoint people that live in the area of operations of the authority. The CMA boards will report directly to me, as the Minister for Natural Resources. The CMAs will have a chair, a general manager, and the power to employ staff. It is expected that the CMAs will initially have a team of about 10 to 15 staff.

Part 3 of the bill sets out the functions of the CMAs. The role of the CMAs is to work with local communities to deliver real natural resource improvements. To do this they need a clear expression of where they are going, a catchment action plan and how they are going to get there, and an annual implementation program. The catchment action plan will consolidate and build on the existing native vegetation plans, catchment blueprints and other existing natural resource plans as well as provide the long-term direction for investment in natural resources. The annual implementation program will set out how the funds will be spent on the ground. Of course, the catchment action plan will be developed in consultation with the regions communities. In addition to preparing catchment action plans and implementation programs, the other functions of CMAs will include consultation with local government and catchment communities, recommending and managing incentive programs to implement catchment action plans and achieve environmental improvements, issuing consents under the Native Vegetation Management Bill, and providing education and training on natural resource management, especially native vegetation management.

Part 3 also requires CMAs to prepare annual reports. These reports are an important part of our new system. They will tell us what the CMAs have achieved each year and allow us to judge whether they have made progress towards their regional targets, complied with statewide standards and overall whether we are making progress towards our State targets. Part 3 of the bill describes the role of catchment action plans and the process for preparing and approving them. It is intended that catchment action plans fulfil the crucial role set out for them in the Native Vegetation Reform Implementation Group report. They will contain regional standards and measurable and achievable short-term and long-term regional targets, priorities for investment in practical on-ground action to achieve these regional targets, identify areas of protected regrowth, practical guidance for preparing property vegetation plans so they are consistent with regional standards and targets, and monitoring and reporting arrangements.

The bill provides that CMAs must consult widely in the process of preparing draft catchment action plans, including with any bodies that are to carry out an activity under the plan. I will expect CMAs to demonstrate that they have used best practice consultation techniques and, in particular, to demonstrate that they have engaged communities and other relevant stakeholders in their planning process. Final approval of draft plans will rest with the Minister, but prior to approval the Minister must seek the advice of the Natural Resources Commission. This is the key to our new system. It is this step that will ensure a good marriage between the local skills and knowledge of the CMAs and the statewide independent overview of the NRC. The NRC will tell me whether each draft Catchment Action Plan is adequately addressing the relevant statewide targets and standards. The bill provides that the Minister may not approve a draft catchment action plan unless the Minister is satisfied that the plan complies with relevant statewide standards and promotes the achievement of the relevant statewide targets.

Once they are approved the effectiveness of the catchment action plans will be reviewed regularly. The Natural Resources Commission will review the plans to see if the CMAs are implementing their actions, achieving their regional targets, contributing to statewide targets and complying with statewide standards. We have included this in the bill because we want to know whether we are getting value for money. If these plans are making our State better, we want to know so we can support and encourage the CMAs that are working well. If a plan is not working we want to identify the problems early and fix them. Part 5 of the bill requires CMAs to prepare annual implementation programs that set out their proposed activities for the coming year and how much they will cost. This program needs to be approved by the Minister before it is undertaken by the CMA.

Part 6 of the bill deals with the financial arrangements of the CMAs. It enables them to enter into contracts, distribute funds and charge fees for services. In addition, the existing powers of catchment management trusts are transferred. These financial arrangements for catchment management will result in smoother and faster delivery of funds to communities from the National Action Plan for Salinity and Water Quality, and the Natural Heritage Trust; block funding of the plans prepared by CMAs rather than project-by-project assessment of funding applications; transfer of the consent functions for native vegetation clearing to CMAs; and CMAs entering into contracts with landholders wishing to conserve high conservation value native vegetation. Part 7 contains necessary amendments to other Acts, including the repeal of the Catchment Management Act 1989, the Catchment Management Regulation 1999 and the Hunter Catchment Management Trust Regulation 1997.

I now turn to the Native Vegetation Bill. The purpose of this bill is to fulfil the Government's commitment to end broadscale clearing by reforming native vegetation management in New South Wales. The Native Vegetation Bill is about managing vegetation in a new way. We recognise that native vegetation is an important part of agricultural and forestry systems and it needs to be managed. We want to work with farmers and foresters to manage this resource sustainably and this bill gives us the tools to do that. Through this bill the Government is implementing our response to the Native Vegetation Reform Implementation Group's recommendations. The bill will include objects that reflect the Government's commitment to end broadscale clearing and maintain productive landscapes; deliver the Sinclair report's standard definitions for native vegetation, regrowth and protected regrowth that will end broadscale clearing; provide the practicality and flexibility for continuation of routine agricultural management activities; and establish a new consent process for native vegetation management based on property vegetation plans.

Part 1 of the bill establishes objects of the bill that reflect the Government's intent to end the broadscale clearing of native vegetation and to maintain productive landscapes. The objects are to provide for, encourage and promote the management and conservation of native vegetation on a regional basis in the social, economic and environmental interests of the State; to prevent the clearing of remnant native vegetation and protected regrowth unless it leads to better environmental outcomes; to protect native vegetation of high conservation value having regard to its contribution to such matters as water quality, biodiversity, or the prevention of salinity or land degradation; to improve the condition of existing native vegetation, particularly where it has high conservation value; and to encourage the revegetation of land, and the rehabilitation of land, with appropriate native vegetation.

Part 2 of the bill establishes definitions for the key concepts on which our new system of native vegetation management is based. Remnant native vegetation is defined as "all native vegetation except regrowth". The definition of "regrowth" is a very important concept in this bill. The principle embodied in the Sinclair report is that farmers should be free to carry on their existing activities and, where regrowth arises, clearing it should not require consent. Regrowth is defined as "native vegetation that has grown after 1 January 1983 in the case of the Western Division and 1 January 1990 in the case of other land". However, a property vegetation plan [PVP] may also provide for an earlier date for regrowth where it can be demonstrated by the landowner.

This is not an open door to simply allow any area of remnant vegetation to be declared regrowth and so be cleared. It is intended to cover those situations where regrowth has arisen as part of a planned and legitimate cropping or grazing rotation that commenced before the standard cut-off date for defining regrowth. I would expect that a high standard of evidence will be required to establish that such a long-term rotation had been planned at the time it was initiated. This will be further defined in the regulations. These rules will cover the vast majority of applications, but there will be cases where one size does not fit all.

For example, in the case of the Central Division the Government will regulate to allow thinning of native vegetation that has grown between 1983 and 1990 and the land-holder provides evidence of such regrowth and the Catchment Management Authority, firstly, undertakes a site inspection to ascertain the evidence of the regrowth; secondly, will accept the application if the evidence relating to regrowth age is substantiated; and, thirdly, has the ability to place conditions on the approved property vegetation plan to ensure that it is consistent with the catchment plan. This process will involve the Catchment Management Authority and the land-holder considering the economic and social impacts, and may agree on reasonable conditions with the land-holder to implement the environmental outcomes, including the public good conservation outcomes, sought by the catchment plan.

Protected regrowth is defined as "regrowth identified as worthy of protection in a property vegetation plan, environmental planning instrument or natural resource management plan such as a catchment action plan". Broadscale clearing is clearing of remnant native vegetation or protected regrowth other than for routine agricultural management practices. I emphasise that this term does not refer to the size or area of a clearing activity, merely the nature of the vegetation cleared, that is, remnant native vegetation or protected regrowth. Routine agricultural management activities are also defined in this part.

Practices included in the definition are sustainable grazing of groundcover that is not likely to result in long-term decline in the structure or composition of native vegetation; the construction, operation and maintenance of rural infrastructure, such as dams, stockyards and fences; the harvesting or other clearing of native vegetation planted for commercial purposes; lopping of native vegetation for stock fodder, including uprooting mulga in times of declared drought; traditional Aboriginal cultural activities; maintenance of public utilities, such as those associated with the transmission of electricity, the supply of water, the supply of gas and electronic communication; and any other activity prescribed by the regulations.

There has been some concern that the reference in this list to sustainable grazing of groundcover is narrower than the rotational use of groundcover referred to in the Sinclair report. This is because other provisions of the bill cover the rotational use of groundcover for practices other than grazing. If it is regrowth younger than the specified date, then it does not require consent at all. If it is older than the specified dates, then a land-holder could establish, through a PVP accredited by a CMA, that it was part of a legitimate rotation. I have already mentioned that this process will be carefully managed to avoid any misuse of this system.

Part 3 of the bill contains the new development consent process for native vegetation management. Under the new system, approval to clear remnant vegetation and protected regrowth will not be granted unless I am convinced that the

clearing concerned will improve or maintain environmental outcomes. For example, in the Western Division of the State some native shrubs, such as narrowleaf hopbush, grow so thickly that they overwhelm other native species. At times land-holders wish to control these species to encourage native groundcover, and this provision will allow a PVP that included such a control program and clearing to be undertaken. This part also creates flexibility for farmers and other land managers by allowing clearing for routine agricultural management activities or activities authorised under other legislation, such as the Rural Fires Act, to be undertaken without consent.

By making very clear the classes of clearing that do not require consent, I believe that this is a vast improvement on the uncertain situation under the Native Vegetation Conservation Act 1997. The bill indicates that groundcover that comprises less than 50 per cent of indigenous species of vegetation can be cleared without permit. This is intended to allow farmers the freedom to use areas of their farm that are mainly non-native groundcover—primarily improved pastures—unfettered. Regulations will be made to further clarify how this percentage is to be calculated, as this is a matter of detail that is inappropriate within the legislation.

The consent procedures created under part 3 of the bill will not apply to urban areas, as stringent consent procedures administered by local councils already apply to those areas. As honourable members are aware, I am no fan of red tape and I do not intend to oversee any duplication of consent processes. Part 3 of the bill will apply to rural residential areas. This means that rural residential development involving clearing of remnant vegetation or protected regrowth will require consent under this bill.

In line with my commitment to cut red tape, the new consent system creates specific and targeted matters to be considered when issuing a consent. Some of the matters currently listed in section 79C of the Environmental Planning and Assessment Act 1979 may not be relevant to clearing. The intention of part 3 of the bill is to ensure that only those matters relevant to native vegetation clearing and its potential effects are considered during the consent process. Consistent with the previous Act, there is no provision for third parties to challenge the merits of a decision to grant a consent. However, third parties may challenge the legality of a consent decision on procedural grounds, that is, if there is a concern that the proper procedures have not been followed.

The bill does not repeal the Threatened Species Conservation Act 1995. The eight-part test to assess whether there are likely to be impacts on threatened species will still be undertaken as part of the new consent process. My colleague the Minister for the Environment is initiating a review of the Threatened Species Conservation Act to examine whether any changes are necessary in light of the extensive changes to natural resource management arrangements embodied in these bills and the Sinclair report. Part 4 of the bill deals with property vegetation plans. It details the contents of PVPs and processes for submission and approval of PVPs.

The bill provides for the three categories of PVPs outlined in the Sinclair report. PVPs can be used to accredit existing native vegetation management practices in accordance with current laws; provide access to incentives for on-farm conservation of native vegetation; or give approval for land-holders seeking to change their land management in a way that involves clearing remnant vegetation or protected regrowth, if the proposed change will maintain or improve environmental outcomes. A PVP can have effect for any period specified in the plan. However, the maximum period for the provisions that allow clearing is 15 years.

Some concern has been expressed that the private native forestry will no longer be exempt, as it was under the Native Vegetation Conservation Act 1997. A sustainable forestry operation should, by definition, maintain or improve the long-term condition of the forest through sound silvicultural practices. Under this bill, private native forestry will require a property vegetation plan. In most cases this will be undertaken through an existing use PVP. A land use change PVP may be required for significant operations. This is in line with the recommendations of the Private Native Forestry Reference Group that advised the previous Minister. The group recommended that both a forest management and harvest management plan be developed for private native forestry operations.

Consultancies to develop more detailed guidelines for private native forestry were also undertaken, based on the recommendation of the reference group. It is anticipated that these will be used as the basis for a specific regulation to clarify the provisions for private native forestry that maintains or improves environmental outcomes. PVPs that were consistent with these guidelines would be processed very quickly and would lead to security for the land-holder in the form of a 15-year PVP. Part 4 of the bill includes provisions that require approved PVPs to be registered on the title of the relevant land. This means that successors to the title will be parties to the provisions of a PVP applying to their land. Part 5 of the bill covers enforcement provisions, such as appointment of authorised officers, powers of entry, stop work and remedial work orders, powers to obtain information and penalty provisions. These provisions tighten up our enforcement procedures.

Part 6 of the bill contains provisions to cover issues such as the making of regulations, servicing of notices and delegation of functions. It is through the provisions related to delegations that catchment management authorities will be empowered to undertake the certification of property vegetation plans and other activities as identified by the Minister. It is through the provisions for making regulations that we will continue to refine and develop the system as we learn from experience. For example, regulations may be made to further define routine agricultural management practices. Regulations such as these can be disallowed in the Parliament. This means there is a high level of accountability to ensure any regulations adopted are fair and in the public interest.

In addition to this bill the Government will also implement the Native Vegetation Reform Implementation Group's

recommendation to strengthen the compliance framework. The vast majority of farmers are doing the right thing by managing native vegetation on their properties legally and sensibly. They understand the environmental problems caused by land clearing, such as salinity and erosion, and that they can make their land more productive through sustainable management of native vegetation. However, there are still those few who will continue to clear illegally. These are the cowboys who get their D9s out, put the chains on and flatten trees indiscriminately. Fortunately, they are a minority. This is unfair to the rest of the farming community. They give farmers who do the right thing a bad name, and this Government will not tolerate their behaviour. On this we have the support of the New South Wales Farmers Association and the broader farming community.

The Government has made a commitment to the New South Wales community to police breaches of the law strongly and swiftly. We intend to fulfil that commitment through an enhanced compliance effort. The new approach is based on: a risk management approach to prioritising investigation of alleged breaches; encouraging voluntary compliance through education and incentive programs; providing adequate resources to ensure effective compliance and enforcement; and systematic monitoring of changes in native vegetation cover rather than ad hoc investigations.

New South Wales covers a big area and finding out where illegal broadscale clearing is taking place is not easy. The current situation relies on reports from the community or departmental officers detecting cases of illegal clearing. This is neither an effective nor an efficient means of ensuring compliance with the law. However, as a result of satellite mapping technology we can now better detect illegal clearing across New South Wales. The use of satellite technology is strategic and cost-effective compared to other monitoring options and can be integrated with other government programs that generate information on native vegetation, salinity, soils and water assessment.

I will be monitoring the implementation of this new legislation very closely, not just in terms of its enforcement. I will want to be sure that it is delivering the objectives that the Government and catchment management authorities have set out. It must be workable and effective for landholders on whose land the native vegetation occurs. It must be effective for the community who get the benefit of good native vegetation management, or who would be disadvantaged by salinity and poor water quality if native vegetation was poorly managed. If I find that it is not achieving the objectives set out, I will be using the flexibility provided by the Act's regulation-making powers to make sure that it is effective. This issue is too important to all concerned to allow it to drift off course.

Both farming and environmental interests have played a key role in developing all three of the bills I have introduced today. The Government is committed to continue working with all stakeholders to ensure each of the bills and the new approach they embody is successfully implemented. I am delighted at what has been accomplished to resolve these complex issues and get these bills before the House today. However, I am soberly aware that a lot remains to be achieved. But to get to this point is a great step forward and a great tribute to the goodwill of the stakeholders involved. With that behind us I am confident that we can go on to fulfil the great promise of these bills and deliver what the community wants: real environmental improvements that are recognisable and measurable, and above all acknowledged by the communities that did the work to make them happen; and greater involvement of the people of regional New South Wales in the management of their landscapes. I commend all three bills to the House.