



## Full Day Hansard Transcript (Legislative Council, 21 November 2013, Proof)

Proof

Extract from NSW Legislative Council Hansard and Papers Thursday, 21 November 2013 (Proof).

### MINING AND PETROLEUM LEGISLATION AMENDMENT (PUBLIC INTEREST) BILL 2013

**Bill introduced, and read a first time and ordered to be printed on motion by the Hon. Michael Gallacher.**

**Question—That the bill be considered an urgent bill—put and resolved in the affirmative.**

**Declaration of urgency agreed to.**

#### Second Reading

**The Hon. MICHAEL GALLACHER** (Minister for Police and Emergency Services, Minister for the Hunter, and Vice-President of the Executive Council) [3.37 p.m.]: I move:

That this bill be now read a second time.

The Independent Commission Against Corruption has to date issued three reports arising from operations Acacia and Jasper, which have unearthed grossly corrupt conduct in relation to the granting of certain coalmining rights at Doyles Creek and Mount Penny respectively. A fourth and final report is expected within weeks. That report will address the additional matters referred to the Independent Commission Against Corruption by the Parliament on 23 November 2011 in respect of Doyles Creek and which the Government asked the Independent Commission Against Corruption to also address in respect of Mount Penny in a letter dated 30 January 2013. Those matters include what action should be taken by the Government with respect to relevant licences and leases; what, if any, amendments should be made to the legislation; and whether the Government should commence legal proceedings or take action against any individual or company.

The Government has consistently said that we it wait to receive the Independent Commission Against Corruption's advice on these matters before considering any specific action with respect to the particular licences and leases under investigation. The Government had originally hoped that the report would be available before Parliament rose for the recess. However, it is now clear that will not be the case. It is important, therefore, that if it does become necessary for the Government to take action on the Independent Commission Against Corruption's report that the Government is in a position to do so. Currently there is no general power to cancel a mining exploration licence in circumstances in which the granting of the licence, or the licence holder itself, is otherwise somehow tainted by corruption.

<29>

Accordingly, the bill that the Government is introducing seeks to amend the mining and onshore petroleum legislation to ensure that if and when it ever becomes necessary to do so following the Independent Commission Against Corruption's report the Government will have a specific power to cancel or refuse to renew a licence or other mining title. It is the Government's intention to use this special power only when the Independent Commission Against Corruption has determined that serious corrupt conduct has infected in some essential respect the granting of a licence or licence holder itself.

It is the Government's expectation that, following the Independent Commission Against Corruption's recommendations, it is probable that further amendment of mining legislation will be necessary. And, in that process, the Government also expects to revisit this amendment and its intent, so that it can be finetuned to meet the needs of both the public and the resources sector. The Government will consult interested parties about these matters early next year. As the Government has highlighted previously, our resources industries and their significant capital investments are important to both the State economy and the employment of family members across the State.

I can advise the House that the Independent Commission Against Corruption has been informed about our intention to introduce this bill to help get us through the parliamentary recess. It is supportive of what is proposed. As I mentioned, the Government will seek the expeditious passage of this legislation to ensure that it has the power to act on any Independent Commission Against Corruption recommendations. I thank members opposite and the crossbenchers for agreeing to give this legislation urgency. Hopefully, it is a sign that lessons are being learned and, as the public demands, corrupt practices are being exposed and punished expeditiously. I commend the bill to the House.