



# Kristina Keneally MP

Tuesday, 22<sup>nd</sup> March 2011

Mr Tony Harris  
Acting Parliamentary Budget Officer  
NSW Parliament  
Macquarie Street  
SYDNEY NSW 2000

Dear Mr Harris

I am writing to you to formally request, under Part 4 (Election policy costings) of the Parliamentary Budget Officer Act 2010, an official costing for the *Action for our Environment* policy, publicly announced on 21 March 2011.

This policy document includes commitments under Section 18(2) of the Act, specifically:

- Accelerate completion of the iconic 60 kilometre Sydney Harbour Scenic Walk from North head to South Head
- Establish a \$16 million Koala Protection Fund

Please find attached a copy of this policy outlining the purpose of the policy and relevant details required to complete the costing as per the requirements of the Act.

A copy of the NSW Treasury costing and budget impact statement for the policy has also been included for your reference.

Should you require any further information on this request, please contact my office on (02) 9228-5239.

Yours sincerely

**Kristina Keneally**  
Premier of NSW  
Leader of NSW Labor Party







# Action for our Environment

March 2011





## Action for our Environment

NSW Labor has a proud history of environmental reform.

We led on climate change when John Howard refused to act. Our NSW Greenhouse Gas Abatement Scheme, created in 2003, is still the second largest regulatory carbon market in the world and has reduced emissions from NSW industry by 100 million tonnes.

We are now leading on energy efficiency – helping households, businesses, schools and community organisations make simple changes that reduce their carbon footprint, as well as their energy bills.

We have grown our national park system from 5 per cent to almost 9 per cent of the State, tripled the area protected as wilderness, and established a world-class system of marine parks.

We are expanding opportunities for the people of NSW to enjoy and appreciate their spectacular natural environment through high-quality, low-impact visitor experiences in our protected areas, particularly hiking.

And we have a clear vision for how our cities should develop – with a focus on best-practice building design, planned growth and the retention of green open space.

In particular, our plans will foster a cleaner, greener Western Sydney, through action on air quality, tree cover and waste and recycling services for residents of this fast-growing region.



NSW Labor understands that ongoing social and economic prosperity depends on responding proactively to environmental challenges and managing our natural resources sustainably.

That is what the community has seen under Labor. And that is what they can expect from a re-elected Keneally Government.

*Kristina Keneally*

## What this policy means for our community

NSW Labor will support NSW residents and businesses conserve more power, save money on bills and help reduce our collective impact on the climate.

We will plant one million trees in Western Sydney to improve the amenity and health of residents of the region, as well as cool ground temperatures and ease energy demand and associated costs.

NSW Labor will maintain better air quality standards in the face of growing populations and changing weather patterns through a variety of clean air programs.

A re-elected Keneally Government will also create new opportunities for current and future generations to experience our seven millions hectares of national parks and appreciate our unique natural heritage.

We will continue to protect our biodiversity and landscapes and ensure and can continue to provide the essential resources on which our society and economy depend.

Better recycling and waste separation systems will make it more convenient for households and businesses to manage their waste and will improve resource recovery, diverting more waste from landfill.

## ACTION:

### **Establish a \$16 million Koala Protection Fund**

- Establish a \$16 million Koala Protection Fund to support initiatives including:
  - Protecting known koala habitats in the State's south-east forests by permanently excluding from logging Mumbulla, Murrumbidgee and Bermagui State Forests
  - Protecting up to 10,000 hectares of key koala habitat in the north-east Crown forest estate, with reserve additions from Pine Creek State Forest and Tuckers Nob State Forest to Bongil Bongil National Park

### **Complement national action on Climate Change through focus on Energy Efficiency**

- Complete roll-out of \$63 million low-income retrofit program to 220,000 homes
- Invest \$5 million to promote and support private sector building retrofits using the *Property Assessed Clean Energy (PACE)* scheme, with a target of 25 per cent of commercial buildings in City of Sydney, Parramatta and North Sydney local government areas refurbished to a 4.5 NABERS star standard within four years
- Train a new generation of tradespeople in energy efficiency and waste avoidance by making green skills training a component of all apprenticeships
- Advocate national adoption of an energy efficiency strategy reflecting the landmark work by NSW in this area



### **Greening Western Sydney**

- Invest \$10 million to plant one million trees across Western Sydney, in partnership with community organisations and councils
- Maintain a sustainable balance for future urban development in Sydney

### **Action on air quality**

- Advocate automatic adoption of national emissions standards for vehicles and energy efficiency standards for appliances, consistent with those in place in the EU or North America, within two years of any change in their standards
- Improve management of air quality and reduce health impacts of air pollution by establishing an Air Quality Research Centre to promote high-quality, collaborative research that informs policy-making, planning and regulation

### **Invest in our National Parks**

- Spend a planned \$1.2 billion over four years on management, maintenance and facilities in NSW National Parks
- Dedicate \$42 million to develop infrastructure in new National Parks such as the River Red Gums, Toorale, Lower Hunter and Wianamatta Parks
- Increase annual hazard reduction in the National Park estate with enhancement funding of \$62.5 million over 5 years

### **Make NSW the 'Healthy Walking' capital of the world**

- Accelerate completion of the iconic 60 kilometre Sydney Harbour Scenic Walk from North head to South Head
- Create iconic new coastal and regional walking trails in the Illawarra Escarpment and Central Coast and Lower Hunter regions

### **Enact a new Aboriginal Cultural Heritage Act**

- Develop a new *Aboriginal Cultural Heritage Act*, moving provisions for the protection of Aboriginal cultural heritage from the *National Parks and Wildlife Act 1974* to stand alone legislation and providing Aboriginal cultural heritage the recognition it deserves

### **Protect ecosystems and natural resources**

- Implement Labor's *10 Point Plan for Coal and Gas Seam Exploration*, winding back mining licences from sensitive lands such as waterways adjoining National Parks
- Build the 10 point plan into a broader NSW Coal and Gas Strategy to facilitate orderly planning of the coal industry that accommodates and respects neighbouring industries, surrounding communities, and the environment
- Provide \$6.6 million to support further conservation on private land
- Fund research into the effects of climate change on our unique native flora and fauna so we can better plan for their conservation

### **Provide flying-fox netting grants**

- Ban the shooting of flying-foxes and implement a \$5.3 million flying fox netting program over three years to support the installation of netting by orchardists in Western Sydney, the Blue Mountains, and the Central Coast



### **Make recycling easier and more convenient**

- Establish, in partnership with local government, a network of convenient waste recovery centres to act as drop of points for household waste - such centres would collect materials such as electronic waste, paints, timbers, textiles, gas bottles, and batteries and be distributed throughout urban areas so as to make it much more much convenient for dropping off difficult waste
- In partnership with the retail industry and local government, replace plastic bags with compostable bags for all food purchases within four years
- Continue to strongly advocate at a national level for an expansion of Extended Producer responsibility - the Commonwealth will soon be legislating to create producer responsibility for all e-waste - NSW proposes that this be extended to cover paints, textiles, timber, mercury-containing lamps and PVC products
- Work with local councils to reform the collection of waste from small retail and commercial enterprises to ensure better source separation of materials
- Fund litter education campaigns and enhanced enforcement of illegal dumping provisions



## **Labor and the Environment**

The NSW Labor Government has pursued a strong agenda of environmental reform.

We have secured lasting results in a socially and economically responsible way, working in partnership with local communities, our major stakeholders and the other levels of Government.

Together we have achieved significant environmental outcomes and stimulated new investment and jobs.

In the majority of cases, our programs have set the standard for best practice in Australia and, in some notable cases, internationally.

The Keneally Labor Government is committed to maintaining and building on this substantial legacy of environmental improvement.

We know that our spectacular natural environment is highly valued by our community. And we know that the health of the environment is fundamental to the social and economic prosperity of NSW.



## Our Record

### LABOR

#### CONSERVATION

- Added three million hectares (ha) to our national parks system by creating over 450 new reserves and expanding hundreds or other. Seven million hectares or 8.7 per cent of NSW is now protected, up from 5 per cent in 1995.
- Tripled the area of declared wilderness within our parks to more than two million hectares (over 2 per cent of NSW), up from 664,000 hectares in 1995.
- Established a world-class system of 6 multiple use marine parks covering 345,000 hectares – around a third of NSW waters.
- Secured World Heritage listing for the magnificent Blue Mountains, giving the area the international recognition it deserves.
- Protected the world's largest River Red Gum forest in the Riverina in 2010, supported by \$97 million for park establishment and community and industry support programs.
- Enacted landmark legislation to facilitate the return of ownership and management of national parks to their traditional Aboriginal owners. There are now 16 Aboriginal co-management arrangements in NSW protected areas.

#### CLIMATE CHANGE

- Created GreenPower in 1997, one of the first and most comprehensive voluntary renewable energy accreditation programs in the world.
- Introduced the NSW Greenhouse Gas Abatement Scheme in 2003 – one of the world's first mandatory emissions trading schemes. It remains the second largest regulatory carbon market in the world and has resulted in the abatement of over 100 million tonnes of greenhouse gases.
- Introduced the Building Sustainability Index (BASIX) in 2004 to ensure that new home and renovations build in lower energy and water demands. BASIX has saved over 690,000 tonnes of greenhouse gases and 25 billion litres of water.

### OPPOSITION

- Added just 400,000 hectares to the national park estate in seven years of Government, less than a quarter of the Wran – Unsworth legacy.
- Voted against the creation of the River Red Gum National Parks and supported continuation of unsustainable logging rates in the internationally recognised Millewa Group of forests.
- Have promised only one new National Park, at Dharawal – but had not done their research and the commitment has already been thrown into doubt by Nationals leader Andrew Stoner.
- Actively campaigning to “stop the creation of marine parks in NSW.” (Source: [www.stopmarinelockout.com.au](http://www.stopmarinelockout.com.au)) Has committed to review all existing marine parks and fishing exclusion zones.

Barry O'Farrell has vowed to stop Federal action on climate change and won't say whether or not he believes climate change is real.



- Enacted the NSW Energy Savings Scheme, creating incentives for energy retailers to implement energy efficiency measures in homes and businesses and mandating energy savings of 0.4 per cent of electricity sales in NSW, increasing to 4 per cent by 2014. This will help reduce future rises in household electricity bills by an average of \$50 each year and cut greenhouse gas pollution.
- Introduced the \$150 million Energy Efficiency Strategy – the strongest in Australia – to directly help households, businesses, schools and community organisations save energy, cut bills and help reduce greenhouse gas emissions from electricity consumption in NSW. The investment is expected to return more than \$400 million in avoided electricity costs to the NSW economy.
- Delivered more than 300,000 households rebates for water and energy efficient appliances from the \$170 million Home Savers program, saving 4.5 billion litres of water, 397,000 megawatts of electricity and 425,000 tonnes of greenhouse gas emissions.
- Established six Renewable Energy Precincts across NSW in 2009 to facilitate wind energy investment, development and uptake.
- Committed \$120 million to support a large-scale solar energy project for NSW through the national Solar Flagships program.
- Established the \$2 million Climate Change Impacts and Adaptation Research Program to study the impact of climate change on the coast, biodiversity, invasive species, bushfires and human health, to provide a sound basis for our adaptation policies.

#### **AIR QUALITY**

- Introduced *Action for Air* in 1998 – the Government's 25-year air quality management plan for Sydney, the Lower Hunter and the Illawarra.
- Strengthened the State's clear air regulations to keep harmful toxins out of our skies. Substantially improved Sydney's air quality by slashing lead emissions by 95 per cent, carbon monoxide emissions by have and nitrogen oxide emissions by 6 per cent.
- Established NSW Air Emissions Inventory for the Greater Metropolitan Region – the most comprehensive in Australia – covering more than 5000 businesses, more than 1000 licensed premises and more than 2000 substances.
- Established the Upper Hunter Air Quality Monitoring Network to gauge the impacts of dust and particles from mining. The first 2 of 14 stations began operating in December 2010.

Barry O'Farrell has committed only to more monitoring of Sydney air quality, not to actually doing anything about it.



- Introduced the NSW Cleaner Vehicles and Fuels Strategy in 2008, leading to a reduction of almost 4 tonnes of particle emissions and more than \$1 million in health costs avoided each year.

#### **NATURAL RESOURCE MANAGEMENT**

- Ended broadscale land clearing with the enactment of the Native Vegetation Act 2003. Nil commitment
- Established 13 catchment management authorities (CMAs) to ensure local communities are involved in natural resource management decisions. To date CMAs have invested \$667 million of NSW and Australian Government funds in on-ground action, protecting, repairing, enhancing, treating and/or rehabilitating at least five million hectares of land – or 6 per cent of the State.

#### **POLLUTION REDUCTION**

- Consolidated, reformed and strengthened pollution laws with the introduction of the landmark *Protection of the Environment Operations Act 1999*. Nil commitment
- Introduced load-based licensing for air and water pollutants to put limits on the pollutant loads emitted by large industries and link licence fees to environmental impact, thereby creating a financial incentive for pollution reduction.
- Enacted the State's first ever contaminated land remediation laws, putting the onus on the polluter to clean up contaminated sites for the first time.
- Overhauled and modernised the State's key hazardous chemicals management laws to better protect our health and the environment.
- Invested in major upgrades of sewerage and stormwater infrastructure. Improved water quality at 156 ocean beaches in NSW so that 99 per cent are now rated as very good or good. 97 per cent of Sydney's 35 ocean beaches have been rated as having good water quality - up from 40 per cent ten years ago.

#### **WATER**

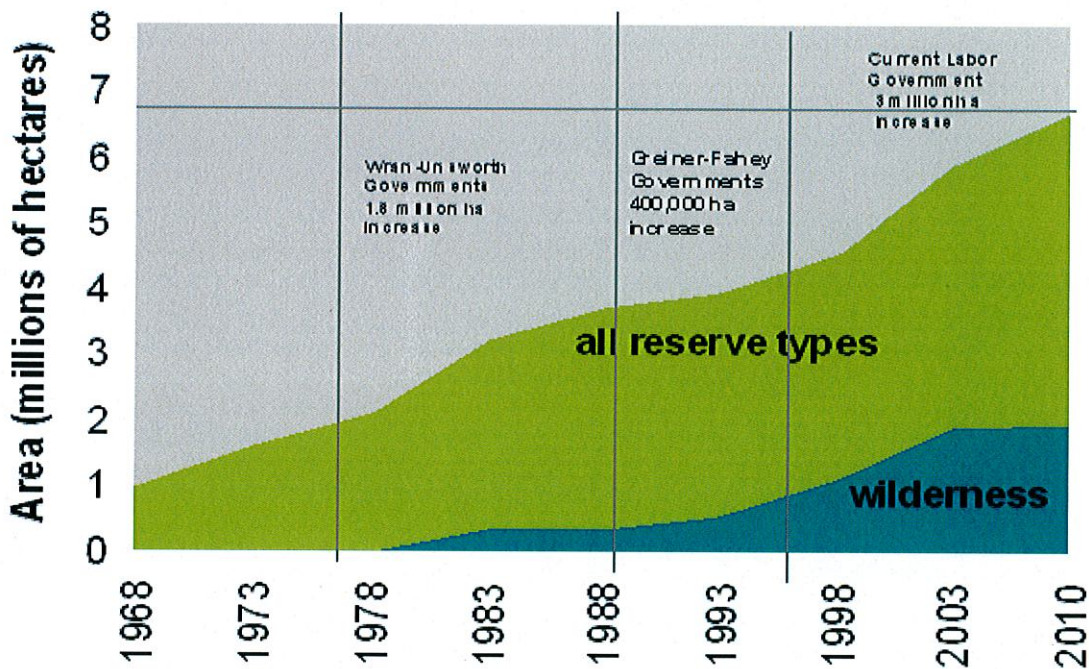
- Fundamentally changed water management in NSW with enactment of the *Water Management Act 2000* - creating a water market, guaranteeing water for the environment and providing security for farmers and irrigators. Nil commitment
- Implemented the \$105 million RiverBank program, leading the way national in using markets to recover water for the environment and building the volume of water actively managed for environmental purposes by 118 Gigalitres.



## WASTE

- Enacted more effective waste management laws and implemented the State's first Waste Avoidance and Resource Recovery Strategy. Nil commitment
- Introduced a new Waste and Environment Levy in the Greater Metropolitan Region to drive waste reform and fund environmental programs.
- Increased recycling in NSW by 80 per cent since 2003. Since 1995 the amount of waste going to landfill has dropped from 430 kilograms to 278 kilograms per person per year.
- Established two Regional Illegal Dumping Squads to carry out illegal dumping enforcement 24 hours a day – professional teams to track down and prosecute dumpers.

## Growth of national parks in NSW





## **Establish a \$16 million Koala Protection Fund**

From childhood we develop a natural affection for the koala. They are a treasured national icon.

While not considered threatened on a national basis, surveys in NSW show that, since 1949, local koala populations have been lost in many areas. Most remaining populations now occur in fragmented and isolated habitat, with many of these areas under ongoing pressure from land and resource use.

The NSW Government will continue to implement the *2008 Koala Recovery Plan*, but more can be done to protect those koala populations at significant risk.

A re-elected Keneally Government will act to increase protections for koala habitat in the south-east forests and north-east forests.

A re-elected Keneally Government will protect known koala habitats in the south-east forests and up to 10,000 hectares of key koala habitat in the north-east Crown forest estate.

### **ACTION:**

- Establish a \$16 million Koala Protection Fund to support initiatives including:
  - Protecting known koala habitats in the State's south-east forests by permanently excluding from logging Mumbulla, Murrah and Bermagui State Forests
  - Protecting up to 10,000 hectares of key koala habitat in the north-east Crown forest estate, with reserve additions from Pine Creek State Forest and Tuckers Nob State Forest to Bongil Bongil National Park



## **Improve home energy efficiency for 220,000 homes**

The average NSW home consumers 7300 kWh of electricity each year, with 9.7 million tonnes of coal burnt annually across NSW to provide electricity to households. Household use of electricity currently accounts for 12 per cent of NSW greenhouse gas emissions.

Increasing the energy efficiency of households will both reduce NSW's greenhouse gas emissions and save on household bills.

**The Labor Government has allocated \$63 million in the *Home Power Savings Program*, to help low income households save up to 20 per cent of their power use and deliver more than \$21 million in bill savings.**

At December 2010, 10,000 home assessments had been completed in NSW. Through this program, these households will save an estimated \$936,000 in annual electricity bill reductions.

A re-elected Keneally Government will continue and build on the Home Power Savings Program to increase energy efficiency in homes and to support low-income and vulnerable households.

### **ACTION:**

- Complete the roll-out of \$63 million low-income retrofit program to 220,000 homes



## Cut greenhouse emissions from buildings

Energy use in commercial buildings accounts for around 13 per cent of Australia's greenhouse gas emissions (not including emissions associated with construction). These emissions have grown by nearly 90 per cent in just 15 years between 1990 and 2006, and at current rates will continue to grow by 3 to 4 per cent each year.

The building sector offers the most cost-effective greenhouse gas emission reduction opportunities of any sector in the economy at an average net cost of - \$130 per tonne (as reported by McKinsey & Company and Climate Works). That is, rather than costing money, implementing energy savings in the buildings sector saves on average \$130 for every tonne of greenhouse gas emissions avoided.

By reducing energy demand in buildings, the property sector can make an important contribution to lowering our greenhouse gas emissions and can also reduce building occupancy costs.

In 2010, the Keneally Labor Government introduced new laws to accelerate energy efficiency improvements in commercial and large residential buildings by improving access to project finance for upgrades. We are committed to promoting this opportunity to the commercial property sector.

This commitment will compliment two related national schemes:

- the requirement from November 2010 for all buildings greater than 2,000 square metres to have an energy efficiency rating; and
- tax breaks for energy efficiency retrofits in commercial buildings from 1 July 2011.

### **ACTION:**

- Provide \$5 million to promote and support private sector building retrofits using the *Property Assessed Clean Energy* (PACE) scheme, with a target of 25 per cent of commercial buildings in City of Sydney, Parramatta and North Sydney local government areas refurbished to a 4.5 NABERS star standard within four years

## Promote national action on energy efficiency

NSW Labor supports national action to reduce carbon emissions. During the years of the Howard Federal Government, when the Liberal/National parties refused to take action on climate change, NSW led the nation by introducing the *Greenhouse Gas Abatement Scheme* – one of the world's first mandatory emissions trading schemes.

**The Greenhouse Gas Abatement Scheme remains the second largest regulatory carbon market in the world and has stopped more than 100 million tonnes of greenhouse gases from being produced.**

Now, with a Federal Government that is willing to act on climate change, Labor in NSW has focused on a complementary range of energy efficiency initiatives. Greater energy efficiency means not only less electricity generation required, but also lower bills for households and businesses.

**NSW Labor created the landmark \$150 million Energy Efficiency Fund to help homes, schools, community organisations and businesses make simple changes around their buildings that reduce their electricity demand.**

The investment in energy efficiency is expected to return \$400 million in avoided electricity costs to the NSW economy.

With expertise derived from a decade's experience working on energy efficiency, a re-elected Keneally Government will push for a national energy efficiency strategy to complement the climate change initiatives currently being pursued by the Federal Government.

We will insist that any national scheme delivers outcomes at least as good as those achieved in NSW.

### **ACTION:**

- Advocate national adoption of an energy efficiency strategy reflecting the landmark work by NSW in this area



## Green skills training

In every trade area, there is a need for a new generation of skilled workers who understand best practice in energy efficiency, waste avoidance and using the latest technology to minimise environmental impact.

NSW Labor's 2008 *Green Skills Strategy* aimed to dramatically expand the courses offered by TAFE NSW specifically in environmental trades, such as sustainable building design, water management and renewable energy electrical trades. The Strategy has been enormously successful – already, almost 8 per cent of TAFE students are now undertaking green skills courses.

A re-elected Keneally Government will continue to expand TAFE's range of specific green skills courses, but Labor believes it's also time to go further.

**Under NSW Labor, all apprenticeship training packages delivered through TAFE NSW will be revised to include a green skills component.**

Employers will know that by taking on graduates from TAFE, they are bringing to their businesses the latest knowledge and skills to help them save money and make their workplaces more efficient.

The next generation of NSW tradespeople will be ready to improve our economy's environmental sustainability, workplace by workplace, right across the State.

### **ACTION:**

- Train a new generation of tradespeople in energy efficiency and waste avoidance by making green skills training a component of all apprenticeships

## Greening Western Sydney

NSW Labor's vision is for a clean, green, healthy Western Sydney.

Since 1995 Labor has created 17 new national parks or nature reserves in Western Sydney – places such as Agnes Banks and Mulgoa Nature Reserves, and Scheyville National Park. The Government recently added the Wianamatta Regional Park to the conservation estate. These reserves, and public parks like the Western Sydney Regional Parklands, provide valuable green space for residents of the region to enjoy.

The value of tree cover extends well beyond amenity for residents. Trees also filter pollutants, improving air quality with important health benefits for sufferers of asthma and other respiratory disease.

Tree cover can also cool ground cover by as much as eight degrees.

While paved surfaces such as roads and roofs absorb and radiate the sun's heat, plants respond to sunlight by drawing moisture from underground and evaporating it through their leaves, cooling the air.

Research by Greening Australia shows that since the 1960s, the average annual maximum temperature in Western Sydney has risen by 6-8 degrees, compared to no change in the established Eastern and Northern Suburbs. Over the same period, the number of days exceeding 35 degrees has climbed by 250 per cent in Western Sydney, compared to a 22 per cent increase on the coast.

These temperature increases in Western Sydney mean residents and businesses also rely more heavily on air-conditioning, increasing their energy requirements and costs.

Labor has an ambitious plan to put back the tree cover that Western Sydney has lost.

**A re-elected Keneally Government will create a \$10 million fund to partner with a community organisation and local councils to plant one million new trees in Western Sydney over four years.**

Planting will focus on revegetating the Western Sydney Regional Parklands and other key conservation corridors, as well as improving tree cover in urban parks, malls and streetscapes.

### **ACTION:**

- Invest \$10 million to plant one million trees across Western Sydney, in partnership with community organisations and councils



## **Sustainable development for Sydney**

Sydney's population is projected to grow significantly over the coming decades. By 2036, NSW will accommodate a population of more than 9 million people.

Labor's Metropolitan Plan seeks to concentrate 70 per cent of new residential construction in existing suburbs along major public transport corridors. Urban renewal utilizing vacant blocks in established suburbs, such as disused industrial lands in the Redfern Waterloo precinct, is a key part of this strategy.

NSW Labor's plan puts only 30 per cent of new development into new suburbs on the city's fringes.

This is the sustainable approach. It recognizes the importance of preserving green space around the city for conservation, recreation and agricultural purposes.

Placing greater emphasis on urban sprawl development will lead to longer travel times, with homes further and further away from employment areas, extra cars on the road and more congestion.

A re-elected Keneally Government will retain a 70-30 split between infill and greenfield urban development.

### **ACTION:**

- Maintain a sustainable balance for future urban development in Sydney

## Promote action on vehicles and appliances

National action is the most effective and efficient way to drive significant reductions in transport emissions and improvements in consumer product standards.

The Australian Government has signalled that it will cut greenhouse gas emissions on our roads by introducing new mandatory carbon dioxide emission standards for all new cars from 2015. This is a welcomed measure, but the proposed standards will still leave Australia behind the European Union and California by about 10 years.

This means Australian motorists are purchasing cars that are less fuel efficient – costing more to run and producing more air pollution – than motorists in other similar countries.

Once major economies like the European Union and the United States have adopted new standards, industry is already in the process of adjusting its production techniques. There is no economic justification for Australia to be 10 years behind.

A re-elected Keneally Labor Government will pursue national action to bring Australia into line with international best practice in introducing stricter standards earlier than what is currently planned.

Similarly, Labor will advocate a stronger national focus on lifting energy efficiency standards for a broader range of consumer appliances.

### **ACTION:**

- Advocate automatic adoption of national emissions standards for vehicles, consistent with those in place in the EU or North America, within two years of any change their vehicle emissions standards
- Advocate automatic adoption of national energy efficiency standards for appliances consistent with those in place in the EU or North America, within two years of any change their appliance emissions standards



## **Establish an air quality research centre**

Air quality in NSW has improved over the past 20 years, despite increases in population (by more than 20 per cent) and the number of vehicles on the road (up by around 50 per cent).

Levels of sulphur dioxide and nitrogen dioxide in Sydney are well below national standards and are the best they have been in decades. Levels of lead are down by 95 per cent and carbon monoxide has halved in recent years.

Labor's 2010 State Plan includes a commitment to further improve air quality. We will continue to implement our 25-year Action for Air Plan, which has delivered many of today's gains.

A new air quality research facility will foster interdisciplinary applied research and education to help us go further. Sydney, with unique air quality challenges owing to its population and topography, is a logical location for the new centre.

### **ACTION:**

- Improve management of air quality and reduce health impacts of air pollution by establishing an Air Quality Research Centre to promote high-quality, collaborative research that informs policy-making, planning and regulation

## National Parks

One of the Labor Government's greatest environmental legacies is its expansion and enhancement of NSW national parks.

**Since 1995, we have added 3 million hectares to our national parks system, creating more than 450 new reserves and expanding hundreds of others.**

**Seven million hectares or almost nine (8.7) per cent of NSW is now protected, compared with 5 per cent before NSW Labor took office.**

NSW national parks now stretch from the spectacular coastal wilderness in the south, to the lush rainforests of the north east, across Mount Kosciuszko to the Riverina and the Outback beyond.

Our parks are protecting this State's unique natural and cultural heritage and providing memorable and meaningful experiences that connect people with nature.

Labor's forecast spend on National Parks for the next four years is \$1.2 billion. This includes visitor infrastructure and management. It also includes maintenance of more than 4,300 kilometres of public roads, 2,000 kilometres of walking tracks and almost 1,000 camping and picnic grounds in national parks.

**A re-elected Keneally Government will allocate \$42 million over four years from the Waste and Environment Services Levy to develop infrastructure in the latest additions in our National Park estate, including the Lower Hunter and River Red Gum National Parks, Toorale, and new parklands in Western Sydney such as Wianamatta and Shane's Park.**

NSW Labor will also increase investment to better protect the NSW National Park estate, including its fauna, from catastrophic bushfires.

A re-elected Keneally Government will maintain the prohibition on recreational hunting in National Parks.

### **ACTION:**

- Spend \$1.2 billion on management, maintenance and infrastructure in NSW National Parks over four years
- Dedicate \$42 million to develop infrastructure in new National Parks such as the River Red Gums, Toorale, Lower Hunter and Wianamatta Parks
- Increase annual hazard reduction in the national park estate with enhancement funding of \$62.5 million over 5 years



## **Make NSW the 'Healthy Walking' capital of the world**

NSW has some of the most spectacular national parks in the world, from waterfalls to wetlands, from river red gums to unique eucalypt forests. Our national parks offer something for everyone.

A recent survey on national park visitation found that by far the most popular activity in our parks is walking. Bushwalking is a low-impact, healthy way to explore and learn about our diverse natural and cultural heritage.

Labor is committed to new initiatives and new partnerships to make NSW a walking wonderland. And Sydney Harbour, with its extraordinary beauty and accessibility, is a great place to start.

**We will enhance investment in the development of the Sydney Harbour Scenic Walk as a world-class, 'must-do' circuit for domestic, inter-state and international visitors.**

**In particular, NSW Labor will invest \$500,000 to finish linking existing tracks to form a continuous walk showcasing Sydney's world-renown harbour and foreshores.**

NSW Labor will invest \$1 million to upgrade and extend existing tracks to create iconic cross-country walks on the Central Coast, including the Bouddi Coastal Walk and links to the Great North Walk and parks in the Lower Hunter.

NSW Labor will invest \$1 million to upgrade and extend tracks through Royal National Park and the Illawarra Escarpment State Conservation Area to create an iconic multi-day walk.

NSW Labor will invest \$1 million to upgrade the Undercliff Overcliff Walk at Wentworth Falls, and a further \$250,000 to purchase 500 additional Personal Locator Beacons to provide added security for walkers in remote parts of the Blue Mountains National Park.

### **ACTION:**

- Complete the 60 kilometre Sydney Harbour Scenic Walk from North Head to South Head
- Complete iconic new coastal and regional walking trails in the Illawarra Escarpment and Central Coast/Lower Hunter regions
- Upgrade the Undercliff Overcliff Walk in Blue Mountains National Park
- Purchase 500 new Personal Locator Beacons for free hire by bushwalkers in the Blue Mountains

## **Enact a new Aboriginal Cultural Heritage Act**

The Labor Government has taken our first steps in the modernisation of Aboriginal cultural heritage protection in NSW by strengthening relevant provisions in the *National Parks and Wildlife Act 1974*.

NSW Labor is committed to broad reform and to the development of stand alone legislation that not only sets out the protections for Aboriginal cultural heritage, but also recognises the roles and rights of Aboriginal people regarding their cultural heritage.

### **ACTION:**

- Develop and commence within two years a new Aboriginal Cultural Heritage Act, moving provisions for the protection of Aboriginal cultural heritage from the *National Parks and Wildlife Act 1974* to stand alone legislation and providing Aboriginal cultural heritage the recognition it deserves



## Protect ecosystems and natural resources

NSW Labor has a strong track record in implementing balanced and sustainable solutions to difficult natural resource management challenges.

In 2000, the Labor Government overhauled the State's antiquated water legislation and for the first time ensured environmental flows to our State's rivers. We worked with local communities to deliver water sharing plans for priority rivers, guaranteeing water for the environment and security for farmers and irrigators.

In 2003, NSW Labor passed historic laws to improve landscape management across NSW, including a ban on broadscale land clearing.

We also established 13 catchment management authorities to give communities a more direct say in the management of their local environments.

In 2005, we created the Brigalow and Nandewar Community Conservation Area, covering 350,000 hectares of woodlands. The decision protected public lands with high quality habitat, and forests of cultural significance to Aboriginal people. At the same time it ensured long-term sustainability of the region's gas, minerals and apiary sectors.

In 2010, NSW Labor protected the world's largest river red gum forest in the Riverina and preserved more than 70,000 hectares of cypress and woodland forests on the western slopes and tablelands.

These reforms and other Labor achievements have fundamentally improved the way our ecosystems and natural resources are managed. We will build on this legacy by pursuing key initiatives for long-term safeguarding of our native forests, landscape values and protected areas.

### **ACTION:**

- Implement Labor's 10 Point Plan for Coal and Gas Seam Exploration, winding back mining licences from sensitive lands such as waterways adjoining National Parks
- Build the 10 Point Plan into a broader NSW Coal and Gas Strategy to facilitate orderly planning of the coal industry that accommodates and respects neighbouring industries, surrounding communities, and the environment
- Provide \$6.6 million to support further conservation on private land
- Fund research into the effects of climate change on our unique native flora and fauna so we can better plan for their conservation

## **Provide flying-fox netting grants**

Flying-foxes play an important role in Australian ecosystems by dispersing seeds and pollinating native plants. Owing to loss of habitat and native food sources, they are also causing increasing damage to commercial fruit crops in the Sydney Basin and on the Central Coast.

Currently licences are issued for limited shooting of flying-foxes for crop protection. Shooting raises both animal welfare issues and occupational health and safety risks for orchardists.

NSW Labor will resolve these issues by supporting exclusion netting of fruit crops and bringing shooting to an end.

### **ACTION:**

- Ban the shooting of flying-foxes and implement a \$5.3 million flying fox netting program over three years to subsidise the installation of netting by orchardists in Western Sydney, the Blue Mountains, and the Central Coast, to protect their crops from flying-foxes



## **Make recycling easier and more convenient**

The Labor Government, in collaboration with councils and industry, has overseen an 80 per cent increase in the amount of materials recycled in NSW since 2002/03. In 2008/09, this meant an extra 4.2 million tonnes of resource from waste was returned to the productive economy.

To make it even easier for households and business to reduce and stream their waste, a Keneally Government will invest in a network of new, conveniently located waste recovery centres based around local government areas.

These centres will provide the community with accessible points to dispose of troublesome wastes which need specialised treatment and help improve recovery of recyclables.

Further details on the Government's comprehensive waste strategy can be found in the document *Reducing Waste: Implementation Strategy 2011-2015*, launched on 4 March, 2011.

### **ACTION:**

- In partnership with local government, establish a network of convenient waste recovery centres to act as drop of points for household waste - such centres would collect materials such as e-waste, paints, timbers, textiles, gas bottles, and batteries and be distributed throughout urban areas so as to make it much more much convenient for dropping off difficult waste
- In partnership with the retail industry and local government, replace plastic bags with compostable bags for all food purchases within four years
- Continue to strongly advocate at a national level for an expansion of Extended Producer responsibility - the Commonwealth will soon be legislating to create producer responsibility for all e-waste - NSW proposes that this be extended to cover paints, textiles, timber, mercury-containing lamps and PVC products
- Work with local councils to reform the collection of waste from small retail and commercial enterprises to ensure better source separation of materials
- Fund litter education campaigns and enhance enforcement of illegal dumping provisions.



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## Costing of Proposal

<b>Title/Subject:</b>	Healthy walking in Sydney
<b>Pink/Physical ID:</b>	EA1644834
<b>Proposal by:</b>	Government
<b>Agency:</b>	Department of Environment, Climate Change and Water
<b>Cluster:</b>	Environment, Climate Change and Water
<b>Detailed description:</b>	Develop the Sydney Harbour Scenic Walk as a world-class, 'must-do' circuit for domestic, inter-state and international visitors by investing \$500,000 to link existing tracks to form a continuous walk showcasing Sydney's world renown (sic) harbour and foreshores.
<b>FIS No:</b> 486	
<b>Classification:</b> GGB	

### General Government Sector Financial Impact

	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	Ongoing \$'000
Expenses (incl. depreciation)		25	25	25	25	25
Less Agency Offsets (1)						
Less Agency Revenue						
Less Crown Provisions						
<b>Budget Result Impact</b>	0	-25	-25	-25	-25	-25
						<b>Residual</b>
Capital Expenditure		500				
Less Capital Offsets (1)						
<b>Net Capital Cost</b>	0	-500	0	0	0	0
Depreciation		25	25	25	25	
<b>Net Lending (2)</b>	0	-500	0	0	0	

### Public Trading Enterprises Sector Financial Impact

	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	Ongoing \$'000
Revenues						
Expenses						
<b>Operating Result</b>	0	0	0	0	0	0
						<b>Residual</b>
Capital Expenditure						
Less Capital Offsets (1)						
<b>Net Capital Cost</b>	0	0	0	0	0	0
Depreciation						
<b>Net Lending (2)</b>	0	0	0	0	0	

### Accumulated Net Financial Liabilities as at 30 June (3)

	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
General Government Sector	0	500	500	500	500
Total State Sector	0	500	500	500	500

(1) Includes items such as available funding within existing estimates, expenditure offsets, recurrent savings associated with capital projects, linked assets sales.

(2) Equal to Budget Result or Operating Result Impact plus Net Capital Cost.

(3) Equals cumulative Net Lending Impact. Total State Sector equals sum of General Government and PTE (and PFE) sectors.

**Key costing assumptions**

The Department of Environment, Climate Change and Water (DECCW) has advised that these works require additional funding. It is assumed the works will commence on 1 July 2011 and will be completed within the 2011-12 financial year. Depreciation is 5% per annum.

**Key data**

NA

**Caveats or qualifications**

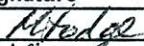
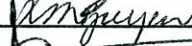
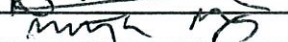

As DECCW receives revenue from the waste and environment levy for environmental programs and commitments, Treasury would expect these costs to be met from within the resources already allocated. DECCW should be able to reprioritise its approved capital program to accommodate this proposal, or offset its recurrent expenses with this capital cost to ensure no impact to the State's Net Lending position. In the time available however, it has not been possible to identify specific programs for reprioritisation.

**Implementation issues (including how Treasury can assist in speedy implementation and any potential difficulties and how these might be overcome)**

These lands are managed by the Department of Environment, Climate Change and Water and local councils. Some negotiation with local councils will be necessary regarding timing of capital works.

**Other comments (including explanation where Treasury costing differs from agency or PBO estimates)**

NA

Position	Name and extension	Signature	Date
Analyst(s)	Marie Lodge 4918		11/3/11
in consultation with	Minh Nguyen 4432		11/3/11
Director	Lindsey Williams		11/3/11
Deputy Secretary	Matt Roberts		11/3/11



## Costing of Proposal

<b>Title/Subject:</b>	Koala Protection Plan
<b>Pink/Physical ID:</b>	EA1646387
<b>Proposal by:</b>	Government
<b>Agency:</b>	Department of Environment, Climate Change and Water
<b>Cluster:</b>	Environment, Climate Change and Water
<b>Detailed description:</b>	A \$16 million plan to protect key koala habitat in the south east and north east forests by removing logging pressures. The \$16 million is for structural adjustment to compensate mills for reduced timber availability, as well as to fund establishment and management of newly protected reserves.
<b>FIS No:</b> 486	
<b>Classification:</b> GGB	

### General Government Sector Financial Impact

	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	Ongoing \$'000
Expenses (incl. depreciation)		4,000	4,000	4,000	4,000	
Less Agency Offsets (1)						
Less Agency Revenue						
Less Crown Provisions						
<b>Budget Result Impact</b>	0	-4,000	-4,000	-4,000	-4,000	0
						<b>Residual</b>
Capital Expenditure						
Less Capital Offsets (1)						
<b>Net Capital Cost</b>	0	0	0	0	0	0
Depreciation						
<b>Net Lending (2)</b>	0	-4,000	-4,000	-4,000	-4,000	

### Public Trading Enterprises Sector Financial Impact

	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	Ongoing \$'000
Revenues						
Expenses						
<b>Operating Result</b>	0	0	0	0	0	0
						<b>Residual</b>
Capital Expenditure						
Less Capital Offsets (1)						
<b>Net Capital Cost</b>	0	0	0	0	0	0
Depreciation						
<b>Net Lending (2)</b>	0	0	0	0	0	

### Accumulated Net Financial Liabilities as at 30 June (3)

	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
General Government Sector	0	4,000	8,000	12,000	16,000
Total State Sector	0	4,000	8,000	12,000	16,000

(1) Includes items such as available funding within existing estimates, expenditure offsets, recurrent savings associated with capital projects, linked assets sales.

(2) Equal to Budget Result or Operating Result Impact plus Net Capital Cost.

(3) Equals cumulative Net Lending Impact. Total State Sector equals sum of General Government and PTE (and PFE) sectors.

**Key costing assumptions**

The Koala Protection Plan is assumed to commence in July 2011 and will terminate after four years. The Treasurer's Office advises that the Plan does not cover a defined set of programs or works and that total expenditure will be capped at \$4 million per annum. All expenditure is assumed to be recurrent, though the additions to Bongil Bongil National Park would require a capital component and any Government investment in the timber industry may also require capital expenditure. In the time available, the Department of Environment, Climate Change and Water (DECCW) is unable to accurately estimate the capital and recurrent components.

**Key data**

DECCW has previously estimated a total cost of \$5 to \$8 million to purchase sawlog wood volumes in the Mumbulla, Murrah and Bermagui State Forests though these figures have not been reviewed by Forests NSW. This excludes wider compensation payments. This also excludes park establishment and management costs.

**Caveats or qualifications**

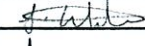
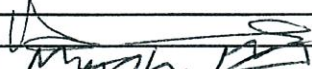

Capping expenditure at \$4 million per annum may not be possible if the Koala Protection Plan requires significant areas of loggable timber to be quarantined. In the timeframe DECCW is unable to advise on the extent of timber affected. Typically structural adjustment packages include business and worker exit assistance and measures to ameliorate community impacts. The adequacy of the funding will depend on the forest operations impacted and the future management costs of the subject land.

**Implementation issues (including how Treasury can assist in speedy implementation and any potential difficulties and how these might be overcome)**

The Government will need to determine rates of compensation as well as eligibility criteria for compensation to be provided to timber mills, forest workers and local communities for reduced timber availability.

**Other comments (including explanation where Treasury costing differs from agency or PBO estimates)**

Nil

Position	Name and extension	Signature	Date
Analyst(s)	Frank Abate x4994		21/3/11
in consultation with			
Director	Lindsey Williams		21/3/11
Deputy Secretary	Matt Roberts		21/3/11