

1996

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

SENATE

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NATURAL HERITAGE TRUST OF AUSTRALIA BILL 1996

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**SUPPLEMENTARY EXPLANATORY MEMORANDUM**

**Amendments and requests for amendments to be moved on behalf of the Government**

(Circulated by authority of the Minister for the Environment,  
Senator the Hon Robert Hill)

## **NATURAL HERITAGE TRUST OF AUSTRALIA BILL 1996**

### **General Outline**

The amendments the Government proposes to make to the *Natural Heritage Trust of Australia Bill 1996* address a concern raised by the Senate Environment, Recreation, Communications and the Arts Legislation Committee inquiry into this Bill about the confusion of the term 'Board' to describe the partnership between the Environment and Primary Industries and Energy Ministers. Specifically the amendments will change the name of the Natural Heritage Board to Natural Heritage Ministerial Board.

The requests for amendments implement the Government's commitment to provide an additional \$100 million for the Natural Heritage Trust of Australia Reserve (the Reserve).

### **Financial Impact Statement**

The requests for amendments increase the funding for the Reserve that is sourced from the partial privatisation of Telstra from \$1 billion to \$1.1 billion.

### **Explanation of Amendments**

#### **Amendments (1) to (7) - Natural Heritage Ministerial Board**

1. These amendments change the name of the Natural Heritage Board throughout the Bill to 'Natural Heritage Ministerial Board'. The purpose of these amendments is to avoid confusion about the membership and role of the Board and to make it clear that the Board is a Ministerial body which is subject to normal Parliamentary scrutiny and accountability arrangements.
2. This responds to the concern raised by the Senate Environment, Recreation, Communications and the Arts Legislation Committee, in its inquiry into this Bill, that the use of the name 'Board' to describe the partnership of administration between the Ministers for the Environment and Primary Industries and Energy may convey the impression of a body less subject to parliamentary scrutiny.

## **Explanation of requests for Amendments**

### **Amendments (1) and (3)**

3. These amendments implement the Government's commitment to provide an additional \$100 million for the Reserve from the proceeds of the partial privatisation of Telstra.

### **Amendment (2)**

4. This amendment clarifies the commitment in 'Saving our Natural Heritage' that money invested in the Trust from the proceeds of the partial privatisation of Telstra would be "devoted entirely to capital projects to maintain and replenish Australia's environmental infrastructure".

5. This amendment will enable environmental infrastructure projects or programs under the environmental protection, sustainable agriculture and natural resources management purposes of the Reserve to be funded from the proceeds of the partial privatisation of Telstra.

### **Amendments (4) to (6)**

6. These amendments ensure that all of the additional \$100 million to be provided under amendments (1) and (3) can be spent for Reserve purposes, by removing the requirement that 30% of these funds be retained as part of the minimum balance in the Reserve.

7. The amendments make it clear that at the end of the 2000/01 financial year \$300 million will remain in perpetuity in the Reserve, as a capital base, as outlined in the Coalition policy document 'Saving our Natural Heritage'.

