

**SOUTH EASTERN WATER CONSERVATION AND  
DRAINAGE (CONTRIBUTIONS) AMENDMENT  
BILL**

Received from the House of Assembly and read a first time.

**The Hon. DIANA LAIDLAW (Minister for Transport):** I move:

*That this Bill be now read a second time.*

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

The Upper South East Dryland Salinity and Flood Management Program is to be funded by contributions from the Commonwealth Government (37.5 per cent), the State Government (37.5 per cent), and the local community (25 per cent). In 1995, amendments were made to the *South Eastern Water Conservation and Drainage Act*

1992 ('the Act') to provide a mechanism for collection of the community contribution. That mechanism is contained in section 34A of the Act.

Following the 1995 amendment, negotiations with the community have continued regarding collection of the levy. The basic proposal is for collection of an annual amount (calculated on a per hectare basis) over a period of six years. Following negotiations, however, it was determined that a number of different payment options should be offered to landholders liable to pay the levy. These options would include early payment of amounts due, with a discount and payment over a longer period with an interest component.

In addition it is considered desirable that there be a mechanism for reimbursement of a levy paid in relation to land that has an effective management plan in place for conservation of wetlands or vegetation or reimbursement in the event of the project being completed under budget.

Under the Bill the Board may prepare a scheme, with Ministerial approval, providing for the above matters.

It was also considered that there should be some penalty for non payment of the levy in terms similar to that contained in the *Local Government Act* for late payment of council rates.

The Bill replaces section 34A of the Act to provide for these more complex levy collection arrangements.

It is also proposed to amend section 50 of the Act, which deals with waiver and deferral of payments, to allow conditions to be imposed. This would increase flexibility by allowing the Board to grant, for example, deferral of a payment on the condition that interest is paid for the period of the deferral.

The other provision in the Bill deals with the validity of Ministerial notices fixing the rate of the levy. Because negotiations regarding collection of the levy were still being finalised at the commencement of the current financial year, it was not possible to publish the necessary notice in the *Gazette* (formally fixing the rate of the levy) before that date. There is, however, legal authority that it is not valid to fix a rate during the financial year that the rate is to be applied.

The time taken to negotiate the new collection arrangements has not delayed the design work for the first stage of the project, but the funding is required this financial year if construction is to commence this summer. If the project is to remain on schedule it is therefore essential that collection of the levy commence during the 1996/1997 financial year and clause 4 of the Bill has been included to provide for this.

I commend the Bill to the House.

#### Explanation of Clauses

##### Clause 1: Short title

This clause is formal.

##### Clause 2: Substitution of s. 34A

This clause substitutes a new section 34A into the principal Act, dealing with contributions by landholders to the cost of works undertaken by the South Eastern Water Conservation and Drainage Board.

Proposed subsections (1) and (2) correspond to current subsections (1), (2) and (3).

Proposed subsection (3) provides for backdating of an exemption granted under subsection (2) so that if, for example, a landowner

prepares a management plan for conservation of wetlands or vegetation, the levy can continue to be charged until the Board is satisfied that the plan has been put into operation. Once satisfied that this has happened, the Minister can grant an exemption effective from the actual date that the plan commenced operating in relation to the land. It is then envisaged that, under the terms of a scheme prepared under proposed subsection (10), the Board would refund contributions paid in respect of the land during the period backdated.

Proposed subsections (4), (5), (6) and (7) make provision for the matters currently dealt with in subsections (4), (5), (6), (7) and (8).

Proposed subsection (8) ensures that, if the Minister varies the rate of contribution, such variation may only effect payments to be made following the commencement of the financial year next following publication of the variation. This means that if, for example, a person chooses to pay an amount early under a scheme prepared under proposed subsection (10), that person will not be liable to make extra payments if the rate is subsequently varied.

Proposed subsections (9) and (10) provide the Board with the necessary powers for collection of the levy. Proposed subsection (10) allows the Board to prepare a scheme (the terms of which are to be approved by the Minister) which would set out the details of the different methods a landholder may choose for payment of the levy. The scheme may also provide for recalculation of contributions where a landholder wishes to change from one method of payment to another, and for refunds to be made in certain specified circumstances.

Proposed subsection (11) provides a monetary penalty for late payment, with a power to remit such penalty, in appropriate cases, being provided under subsection (12).

Proposed subsections (13) and (14) correspond to current subsections (10) and (11).

##### Clause 3: Amendment of s. 50—Power to waive or defer payments

This clause amends section 50 of the principal Act to allow conditions to be imposed on the waiver or deferral of payments under the Act.

##### Clause 4: Validation of notices relating to 1996/1997 financial year

This clause provides that a notice fixing a rate of contribution in respect of the 1996/1997 financial year will not be invalidated on the ground that it was published in the *Gazette* after the commencement of that financial year.

**The Hon. R.R. ROBERTS** secured the adjournment of the debate.