



The Rev. The Hon. Fred Nile MLC ED., L.Th.,

Member of the Legislative Council
Deputy Chair, Privileges Committee
Parliamentary Leader, Christian Democratic Party
Parliament House, Macquarie Street, SYDNEY NSW 2000
Telephone: (02) 9230 2478 Facsimile: (02) 9230 2098
Email: f.nile@parliament.nsw.gov.au



MEDIA RELEASE

ONGOING FIGHT FOR JUSTICE:

INNOCENT SHAREHOLDERS DESERVE CONSIDERATION

For immediate circulation

The fight for the rights of innocent shareholders who lost their investments due to no fault of their own with cancellation of a mining license seven years ago, continues in the NSW Legislative Council.

In 2019, the Rev Fred Nile MLC introduced the Mining Amendment (Compensation for Cancellation of Exploration Licence) Bill to provide a legislative mechanism through which those innocent shareholders might obtain justice.

The Bill has gone through the Committee process and the Committee has published its Report. The Government has also responded to the Report, illustrating that there is still hope that some action will be taken to compensate the shareholders.

Below is the speech delivered (in two parts) before the NSW Upper House by the author of the Bill, Fred Nile MLC, responding to the Committee Report and the Government Response.

Standing Committee on Law and Justice (15 September 2020)

Debate resumed from 12 November 2019.

Reverend the Hon. FRED NILE (18:27:37): I speak on report No. 72 of the Standing Committee on Law and Justice entitled Mining Amendment (Compensation for Cancellation of Exploration Licence) Bill 2019, dated October 2019. I have a deep interest in this issue and this bill because it was introduced and read a second time by me in this House on 6 June 2019, after I received a number of submissions from what I call the innocent mum-and-dad investors in NuCoal and so on. They are not big business people. They are not wealthy people. They are working class people that have been financially affected by the decisions of this Parliament. The bill was immediately sent to the Standing Committee on Law and Justice, which published this report on 30 October 2019.

As members know, the committee made two recommendations: firstly, and surprisingly to me, that the bill not proceed in its current form; and, secondly, perhaps more promisingly, *“that the New South Wales Government address the outstanding matters raised during this inquiry, where appropriate, including the issue of compensation for innocent shareholders.”* I note the foreword by the Hon. Wes Fang in report No. 72:

“However, the committee also accepts that there are some innocent shareholders, including mum and dad investors, who acquired shares in good faith and without any knowledge of the controversy.”

The DEPUTY PRESIDENT (The Hon. Shayne Mallard): Order! It being 6.30 p.m., the time for debate on committee reports has expired.

Standing Committee on Law and Justice (22 September 2020)

Debate resumed from 15 September 2020.

Reverend the Hon. FRED NILE (17:36:55): On 15 September 2020 I began my comments on the Standing Committee on Law and Justice's report No. 72 on the Mining Amendment (Compensation for Cancellation of Exploration Licence) Bill 2019. Over a year ago on 6 June 2019 the bill was introduced by me and read a second time by this House. It was immediately sent to the Standing Committee on Law and Justice whose report was published on 30 October 2019. As I mentioned earlier, the committee recommended that the matters raised before the committee, notably including the question of appropriate compensation for the innocent shareholders, be addressed. On 30 April this year the Government published its response to the report. The Government said it "*supports*" the first recommendation and "*notes*" the second. It added that it "*reserves its position on the outstanding matters,*" which is a very general statement of uncertain substance. The time that it is taking for consideration of the bill to be concluded is another example of the strange legislative half-life that some bills have in this House. I say that because originally the bill received a great deal of support from the Government, the Opposition and the crossbench.

The purpose of the bill was to correct an acknowledged wrong that had occurred under the previous Labor administration. I will not reiterate the details and facts that I outlined during my second reading speech. Suffice to say that the bill seeks to redress the harm suffered by innocent shareholders—and I stress *innocent*—due to the alleged conduct of certain corrupt parties. Those innocent parties included the Lantry family, who invested their life savings and lost almost all of it, and the Harvey family, who invested with the aim of building a group home for their severely disabled child. Fundamentally it was and remains a social justice issue, which is why, no doubt, the general climate of support for the bill continued right up until the composition of the committee changed abruptly late in its deliberations last year.

In any event, I am heartened that the Government has noted that the second committee recommendation calls on it to do something. I understand that the Government still wishes to somehow rectify the injustice occasioned by the blanket

cancellation of the mining licences because of the corruption of members of Parliament, which impacted very badly on innocent mother-and-father shareholders in 2014. The scheme established under the bill was to be independent and impartial and to provide an equitable method through which innocent shareholders could seek some form of compensation or restitution. Both the report and the Government's response acknowledge that there is an injustice to be remedied. Unfortunately, there remains a view that the bill seeks to compensate so-called fat cat investors. That is totally false. These are mum-and-dad investors who have lost their savings.

The beneficiaries of the proposed scheme are ordinary investors, some of whom put their life savings into ASX-listed businesses and lost everything through absolutely no fault of their own. This situation needs to be rectified and can be rectified by this Parliament. The mining lease was simply cancelled due to the corrupt conduct of other parties: some members of the previous Government. The loss that this bill seeks to redress was suffered by law-abiding people who were collateral damage in this unfortunate history. I maintain that the scheme under the bill is the best way that justice can be obtained for the thousands of innocent shareholders. Nevertheless, the Government response to the committee allows for some alternative action to be taken. I will be pleased to hear what that action must be. I urge that something must be done urgently in the interest of justice.

The DEPUTY PRESIDENT (The Hon. Taylor Martin): The question is that the motion be agreed to.

Motion agreed to.

The Second Reading Speech of Rev Fred Nile MLC, which was delivered on 6 June 2019 when the Mining Amendment (Compensation for Cancellation of Exploration Licence) Bill 2019 was introduced into the Legislative Council, can be accessed at the NSW Parliamentary *Hansard's* [website](#).

Media inquiries:

Rev. Hon. Fred Nile MLC

(02) 9230 2478