



Transport Legislation Amendment (Safety And Reliability)

Bill.

Second Reading

Mr JOSEPH TRIPODI (Fairfield—Parliamentary Secretary) [12.40 p.m.], on behalf of Ms Reba Meagher: I move:

That this bill be now read a second time.

On 8 April this year the Minister for Transport Services announced his intention to put in place a range of reforms to focus the full resources of the State's public transport system on safety, reliability and cleanliness. The most important of these initiatives is safety. The Transport Legislation Amendment (Safety and Reliability) Bill establishes the Independent Transport Safety and Reliability Regulator as a stand-alone statutory authority. The regulator will be independent of the Ministry of Transport and transport operators. It will have the authority to regulate and audit the safety of transport services, investigate transport accidents, and advise on the reliability and performance of transport service providers. The Independent Transport Safety and Reliability Regulator will have as its principal objective the safety of transport services in New South Wales, including bus and ferry passenger services and rail passenger and freight services.

The rail safety powers under the Rail Safety Act will transfer to the new Independent Transport Safety and Reliability Regulator. The bill extends these principles across the other transport modes. Within the regulator, the audit and investigation functions are independent, with accountabilities separated. The bill establishes the Office of Transport Safety Investigation, headed by a Chief Investigator, which will have separate lines of reporting to that of the regulator. This will enable the Chief Investigator to investigate the role of the regulator in the event of an accident or incident. Independence is critical for the regulatory and investigative functions to be effective. That is why the regulator will be a stand-alone statutory authority. It will report to Parliament through the Minister for Transport Services.

To ensure the regulator remains independent, the bill provides for strict limitations on the ministerial control and direction. The Minister will have no control or power of direction in relation to decisions regarding accreditation, decisions to prosecute, decisions to investigate or audit, the conduct of any investigation or audit, or the contents of any report or recommendation. However, the Minister will be able to direct that an investigation be undertaken. This regulatory model is consistent with the Commonwealth model for regulating and investigating air safety. The corporate governance provisions of this bill will provide further protection in regard to the independence of the new regulator. The bill provides for the creation of an advisory board consisting of a chairperson, the chief executive officer of the regulator and three independent members.

Importantly, the bill provides that the chairperson of the independent regulator must have experience in transport safety management systems. Other members of the board must collectively have experience in areas such as safety management, safety science, customer service, accident investigation and public administration. This will provide the regulator with greater access to technical and industry expertise, and ensure strong mechanisms to review the rigour of its activities. An amendment passed by the Legislative Council states that a deputy appointed to the board must have similar experience. While the Government did not oppose this amendment, we believe it was not necessary. Mr Christie recently appeared before the upper House inquiry into the bill and was questioned on the appointment of deputies and the criteria applied to full-time board members. He said:

I would feel bound by the criteria in the Act.

The Government is committed to transparency in the operations of the transport agencies. Honourable members need only look at the range of reports and information now made available on the transport agency web sites to see this commitment in action. As I mentioned earlier, the Rail Safety Act 2002 significantly strengthened the regulatory powers for rail safety and the requirements for open and transparent reporting of rail safety issues. The Act requires the Rail Safety Regulator to prepare an annual industry safety report, and to report to the Minister on all accident investigations undertaken by it. The bill extends these public reporting requirements to other transport modes, including buses and ferries. The new regulator will be required to provide an annual report to the Minister on both the safety and reliability of transport services across all modes.

These reports, along with any transport accident investigation report, must be tabled by the Minister in the Parliament no later than 28 days after their receipt. These reports will be posted on the regulator's web site. This bill also strengthens the requirements of operators of transport services in relation to their provision of safe services for the people of New South Wales. The Rail Safety Act 2002 introduced a specific requirement for rail operators to have and maintain a safety management system to underpin their operations. This bill introduces a similar requirement for bus and ferry operators. The bill provides a transition period of 12 months for operators to ensure their systems are in place. The new regulator will work with the Ministry of Transport's Operations Division, the Roads and Traffic Authority

and the Waterways Authority to assist the bus and ferry industries in introducing the required systems.

This rigorous approach to safety management across mass transport in New South Wales will be backed up with budgetary and staffing resources to enable the independent regulator to do its job. The Transport Safety and Rail Safety Division within the Ministry of Transport has a budget of \$4.9 million. The new regulator will have a budget of more than \$17 million. The current regulator has a staff of 26. We will provide funding for more than 80 positions in the new organisation. The current regulator has 5 field inspectors. The new regulator will have 13 field inspectors plus a further 3 field officers dedicated to specific safety projects. It will also have a number of technical experts in civil engineering, structures, signalling, rolling stock and communications. They will also have a field inspection role. There will also be a significant increase in resources available to collect and analyse transport safety data and other information, such as investigation reports from other Australian and overseas jurisdictions.

The regulator will also provide independent expert advice on whether operators are meeting the performance standards the Government has set. This performance-monitoring role will enable the regulator to identify problems and notify the Government of them before they become safety critical. This arrangement will ensure responsibility for safety is not compromised or over-ridden by responsibility for driving performance. Given its importance and the establishment of new transport agencies, the Government intends to set up the new regulator promptly. We will review the legislation in 12 months. This review will provide an opportunity to consider the final outcomes of the Waterfall inquiry. As the Minister advised members in the other place, the commission of inquiry sought an extension on report. In granting his extension, the Premier has advised Justice McInerney that the Government is proceeding with its legislation, and would reconsider safety legislation following the receipt of his final report. The Opposition amended the bill in the other place so the review would be completed with 15 months of the commencement of the legislation. The Government did not oppose the amendment. The Opposition also proposed amendments to the bill that would significantly alter the structure of the regulator. I am pleased to say that members in the other place found the Opposition's proposal unworkable, and they rejected it for blurring the lines of accountability on safety. The Government is pleased to bring forward the safety improvements that will arise from this bill. I commend the bill to the House.

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