



## NSW Legislative Council Hansard

### Passenger Transport Amendment Bill

Extract from NSW Legislative Council Hansard and Papers Wednesday 18 October 2006.

#### Second Reading

**The Hon. HENRY TSANG** (Parliamentary Secretary) [9.01 p.m.], on behalf of the Hon. Eric Roozendaal: I move:

That this bill be now read a second time.

I seek leave to have the second reading speech incorporated in *Hansard*.

#### Leave granted.

The purpose of this Bill is to amend the Passenger Transport Act 1990 to enable the accreditation of incorporated associations and groups of two or more persons, who may be partners, as operators of public passenger services.

The Bill will also validate accreditation of these associations and "partnerships" in the past, as well as any contracts entered into with the Director-General of the Ministry of Transport for the provision of regular bus services by associations and "partnerships".

Under this Act, provision is only made for an individual or a corporation to be accredited as the operator of a public passenger service.

Vehicles used may be a bus, taxi-cab, private hire vehicle, four-wheel-drive vehicle, motor cycle (with or without side-car) or motor tricycle. To provide public passenger services without accreditation is a serious offence, for which a court may impose a penalty of up to \$110,000.

The accreditation mechanism provided for in the Act is the principal method by which the Government attempts to ensure safe, reliable and efficient public passenger road transport services.

The criteria relevant in examining an applicant's application for accreditation as an operator, of a public passenger service, include:

- Good repute;
- Fitness and propriety;
- Public responsibility;
- Financial viability;
- Training; and
- Competence.

The activities of operators are closely monitored by the Ministry of Transport, which may fine or prosecute offending operators, or vary, suspend or cancel their accreditation in more serious circumstances.

Whilst it is possible for a driver, operator and licensee to be one and the same person, in many cases the three roles are held by three different parties. There are currently about 12,000 public passenger service operators in New South Wales, using buses, taxis, private hire vehicles and tourist vehicles.

While "partnerships" and associations have been erroneously accredited since 1990, which was exacerbated by incorrect legal advice some years ago, subsequent legal advice from the Crown Solicitor made it clear that only an individual or a corporation can be accredited.

From the 1st July, 2005, upon amendment of the Passenger Transport (Bus Services) Regulation 2000, the previous arrangement of bus operator accreditation for life was replaced with accreditation for three-year terms. Bus operators were advised that, in the light of the Crown Solicitor's advice, they may apply for reaccreditation only as an individual or a corporation.

This requirement created a difficult situation for a significant number of operators. Some such bus operators who were previously "accredited" as "partners" or "partnerships" have remedied the situation themselves, by applying for reaccreditation in the name of an individual.

Others have not applied for accreditation as an individual, claiming that this may unreasonably necessitate a

rearrangement of their business affairs through no fault of their own.

Acknowledging industry concerns, the Ministry of Transport agreed to representations by the Bus and Coach Association that legislative amendments be sought to recognise "partners" and associations who are operating public passenger services, as well as those who may wish do so in the future. However, although the amendments are aimed primarily at small country family bus operations, equity demands they will apply to all operators of all public passenger vehicles.

In the meantime, the Ministry of Transport is accepting applications from bus operators for reaccreditation as "partners", "partnerships" and associations but, as they cannot legally be accredited or reaccredited, they are not being processed but are being put aside until the matter is resolved.

The proposals would have a positive and welcome effect on rural families who have set up their business affairs as "partnerships", primarily as husband and wife, to run a small country bus service, by allowing them to continue with that arrangement.

I commend this Bill to the House.