



NSW Legislative Assembly Hansard

Ports Corporatisation and Waterways Management Amendment Bill

Extract from NSW Legislative Assembly Hansard and Papers Tuesday 17 October 2006.

Second Reading

Mr JOSEPH TRIPODI (Fairfield—Minister for Energy, Minister for Ports and Waterways, and Minister Assisting the Treasurer on Business and Economic Regulatory Reform) [11.27 p.m.]: I move:

That this bill be now read a second time.

In 1995 the Labor Government introduced the Ports Corporatisation and Waterways Management Act. This groundbreaking legislation dissolved the old Maritime Services Board and created the three port corporations of Sydney, Newcastle and Port Kembla. The port corporations were established with a charter to operate efficiently on a commercial basis, to maximise the State's investment and to promote trade through their facilities. Each of the port corporations are also required to carry out certain port safety functions under their port safety operating licence. The Act introduced new commercial disciplines and management accountabilities. Cross-subsidisation between the major ports has been eliminated. Many benefits have flowed from this initiative, including increased efficiencies and a corresponding reduction in costs. Greater trade has been attracted to the ports and the adjacent regions. A clear signal was sent to the business community that this Government is committed to achieving greater economic growth for the State.

The ports are an integral link in the freight logistics chain, handling \$60 billion of trade in New South Wales. The port of Botany is now the second-largest container port in Australia. Trade through Sydney ports for last financial year totalled 25.9 million mass tonnes, an increase of 3 per cent on the previous financial year. The year 2005-2006 also saw record growth in total container movements of 1.4 million TEU—an average size shipping container—an increase of 5 per cent on 2004-2005. The port of Newcastle is the economic and trade centre for the resource rich Hunter Valley and much of northern New South Wales. Newcastle is one of the world's largest coal exporting ports. In 2005-2006, coal exports totalled 85.6 million mass tonnes, an increase of 2 per cent on 2004-2005. In 2005-2006, Port Kembla Port Corporation achieved \$4 billion worth of trade, a trade growth of 6 per cent on the previous year, the best result since 1997-98.

Since the ports were corporatised more than 10 years ago tonnage throughput at the ports of Newcastle, Port Kembla, and Sydney has collectively risen by more than 30 per cent. Mass tonnage throughput at New South Wales ports has risen from 103 million mass tonnes in 1995 to more than 138 million last financial year, an increase of 34 per cent. Just last year, the ports of New South Wales handled more than 4,500 ships, carrying trade estimated to be worth \$60 billion. This is good news for the ports, for jobs, for business and for the economy. And to reinforce the positive outlook for New South Wales, trade growth is forecast to triple over the next three decades. As Minister for Ports and Waterways, I am delighted with the achievements that have been recorded over recent years by this great maritime State. Port safety operating licences are issued to each port corporation to certify their ability to carry out port safety functions.

The Ports Corporatisation and Waterways Management Act currently gives the Governor the responsibility for issuing, renewing, and cancelling these licences. The personal involvement of the Governor in administering these licences is an unnecessary formality. To streamline the administration of this process it is proposed that these functions be assigned directly to the Minister for Ports and Waterways. Over the years, the Maritime Authority has undergone considerable transformation and changes to its administrative arrangements. In 1995, the then Waterways Authority was established as a stand-alone declared authority, responsible for the regulation of recreational boaters and the operators of small commercial vessels. Since 1995 the organisation's role has evolved from a core focus on recreational and commercial boating safety to a broader maritime role encompassing oil and chemical pollution response, some environmental regulation, and safety regulation for all vessels in State waters other than those that are the responsibility of the port corporations.

In recognition of these developments, the Ports Corporatisation and Waterways Management Act has already been amended to change the name of the Waterways Authority to the Maritime Authority of New South Wales. Activities regulated by the Maritime Authority under delegation from the Minister include commercial passenger vessels, commercial fishing and working vessels, recreational boats, and marinas. The Maritime Authority is also now charged with the provision of policy advice on maritime and port matters to the Minister of day, and the management of any property vested in it. These property functions include the control and management of dry and submerged land including structures, roads and installations on that land to facilitate navigation and port operations in New South Wales. More recently, New South Wales Maritime has additional functions in relation to the redevelopment and management of land for public precincts, including Walsh Bay and King Street Wharf.

The Maritime Authority is also responsible for the safe operation and navigation of recreational vessels, and for

commercial vessels not subject to control by a port corporation. The authority also ensures compliance by the ports with the port safety functions exercised by them under their port safety operating licences. The Maritime Authority is responsible for the protection of the environment from waste associated with vessels on State waters and co-ordinating emergency environment protection services in response to oil and chemical spill incidents from vessels. The authority arranges for the mooring of recreational vessels and commercial vessels not subject to the control of a port corporation. New South Wales Maritime investigates marine accidents and incidents, and manages port facilities, such as Yamba and Eden, not managed by a port corporation. The authority is also responsible for the co-ordination of New South Wales policy on port and maritime security, and the co-ordination of maritime security activities not covered by either the requirements of the Commonwealth Maritime Transport and Offshore Facilities Security Act or plans approved in accordance with that Act.

In light of these developments the bill seeks to amend the Ports Corporatisation and Waterways Management Act to set out the principal functions of the Maritime Authority. The bill also seeks to expressly provide that the Maritime Authority is to exercise maritime or other functions of the Minister under the marine and other legislation as is delegated to it by the Minister. It is important to note that the Maritime Authority has taken on a number of functions under non-maritime legislation. For example the authority is an appropriate regulatory authority in relation to pollution from vessels under the Protection of the Environment Operations Act. New South Wales Maritime is also responsible for issuing safety management system guidelines to vessel operators under the Passenger Transport Act. It is therefore proposed to amend the Ports Corporatisation and Waterways Management Act to provide the Maritime Authority with a statutory power of delegation.

This will assist with the administration of its important environmental and other roles and responsibilities. The bill also makes sure that there can be no doubt about the validity of any past approvals issued by the authority when the Minister of the day had sought to delegate responsibility to the Maritime Authority or its predecessors. In light of the passage of time since the corporatisation of the ports, I am of the view that the cumbersome name of the Act no longer accurately reflects its day-to-day purpose. Given that the ports are already corporatised, a continuing reference to the process of corporatisation no longer needs to appear in the title of the legislation. For this reason the bill renames the principal Act as the Ports and Maritime (Administration) Act. The 1995 enactment of the Ports Corporatisation and Waterways Management Act represented a significant shift in New South Wales port governance. The improvements contained in this bill provide another example of the New South Wales Government's commitment to improving the administrative efficiency of legislation affecting business and growth. I commend the bill to the House.