



Transport Administration Amendment (Portfolio Minister) Bill 2007 (Proof)

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Extract from NSW Legislative Council Hansard and Papers Wednesday 30
May 2007 (Proof).

TRANSPORT ADMINISTRATION AMENDMENT (PORTFOLIO MINISTER) BILL 2007

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Second Reading

The Hon. JOHN DELLA BOSCA (Minister for Education and Training, Minister for Industrial Relations, Minister for the Central Coast, and Minister Assisting the Minister for Finance) [4.19 p.m.]: I move:

That this bill be now read a second time.

As the remarks are lengthy and the second reading speech has been made in the other place, I seek leave to have this speech incorporated in *Hansard*.

Leave granted.

This Bill will amend the *Transport Administration Act* to remove provisions which prohibit the Minister for Transport from becoming one of the two voting shareholders of—

Rail Corporation New South Wales

Transport Infrastructure Development Corporation

Rail Infrastructure Corporation

and Sydney Ferries.

It will allow the Minister for Transport to have dual roles as both the Portfolio Minister and a Voting Shareholder.

This will put the Minister in a better position to work with rail and ferry operators to improve their operational performance.

It will ensure for example that the Minister has a seat at the table in formulating the Statements of Corporate Intent for the Government's rail and ferry operators.

These Statements which are prepared annually set down the overarching objectives of those operators for the coming year.

The Statements also specify the performance targets and other measures by which the operators' performance will be judged.

There is no general prohibition in the *State Owned Corporations Act* which prevents the Portfolio Minister from being appointed as a Voting Shareholder.

The prohibitions in the *Transport Administration Act* were first introduced in relation to the rail infrastructure corporation and FreightCorp at a time when regulatory control needed to be separated from commercial control.

At the time when the prohibitions were introduced rail access arrangements were still to be put in place and FreightCorp which has since been privatised was operating in a competitive market.

With these reforms now behind us the original reasons for the prohibitions have fallen away. Separation of the regulatory and ownership roles is not required these corporations given that they do not operate in competitive markets.

In the context of the Government's rail and ferries services the community looks to the Government and to the Minister for Transport in particular to ensure that their performance continues to improve.

Repeal of these provisions in the *Transport Administration Act* is therefore appropriate.

I commend the Bill to the house.