

Agreement in Principle

Mr DAVID CAMPBELL (Keira—Minister for Transport and Roads) [10.22 a.m.]: I move:

That this bill be now agreed to in principle.

I am pleased to introduce the Transport Administration Amendment Bill 2010. One of the privileges of being a member of Parliament and a Minister of the Crown is the opportunity it provides us to make a real difference for the communities we represent. This bill represents one of these opportunities. The community expects the Government to deliver a transport system that is integrated and coordinated; has a high standard of reliability and cleanliness; has coordinated timetables that effectively links different modes of public transport with each other; has easy to navigate transport interchanges; manages incidents when they occur in an efficient and coordinated way; has the appropriate resources in place to deliver improved services; continues to expand to cater for the future, in a timely and coordinated way; has a single person in charge who is accountable for improved services, rather than multiple transport providers with separate transport priorities; most importantly, focuses on reducing congestion through both immediate network improvements and integrated long terms strategies and infrastructure investment, and paramount in that task is safety.

Last year, the Public Sector Employment and Management (Departmental Amalgamations) Order 2009 established a central transport agency and the bill builds on this by strengthening the role of Transport NSW, with the Director General having an overarching accountability for the delivery of all transport infrastructure, transport policy, planning and service coordination, timetabling, incident management and the power to administer a single transport budget across rail, bus, ferry and cycle, roads and freight. At the core of this bill are four key objectives that go beyond simply presenting a valid reason for why the legislation is being introduced. Rather, these objectives form the platform for the ongoing work of the Government to improve the delivery of transport services and infrastructure to the people of New South Wales.

The four objectives are: to create an integrated approach to the delivery of transport services and infrastructure that results in a greater effort by public sector agencies around what is best for the community rather than their own set of priorities; to better coordinate the delivery of transport services to ensure that budgets and resources are allocated to community priorities and can be shifted effectively to meet community needs; to enhance the accountability of public sector agencies to deliver the transport services and infrastructure the community deserves through prioritisation of strategic targets and commitments of the portfolio, a greater focus on the customer and a more "results driven" culture; and to ensure that safety—for our passengers, our employees and our community as a whole—remains the top priority by enabling the independent safety regulator to assist the Director General in relation to the regulation of bus safety and maintaining a strong emphasis on rail safety.

In 2009-10 the Government is investing a record \$7.1 billion in operating and expanding the extensive New South Wales public transport system, and \$4.4 billion in maintaining and upgrading the New South Wales road network. But the community is not just interested in how much money is allocated to our transport agencies. The New South Wales community is understandably concerned that these resources are targeted where they are needed most, whether that is new rail lines as outlined in the recently launched Metropolitan Transport Plan, improvements to local roads and highways, better connecting bus, ferry and train services, or somewhere safe to park the car to make a connection to get them to where they want to go. Given this, I will outline to the House how this bill and the establishment of Transport NSW will produce the improvements that the community expects.

Firstly, the Premier has given one Minister the combined responsibility for transport and roads. Secondly, there will be one department, Transport NSW, with overall responsibility to drive better services and the delivery of the \$50.2 billion Metropolitan Transport Plan. This department will be led by a single Director General who will have responsibility for the delivery of all transport infrastructure, transport policy, planning and service coordination, timetabling, incident management and the power to administer a single transport budget across all transport modes. Having the power to direct those public sector transport agencies in the future will, very importantly, strengthen the Director General's responsibility. At all times, the Director General is accountable to the Minister, and the Minister will still retain the ability to direct both the Director General and individual transport agencies.

Thirdly, our transport operators—RailCorp, State Transit Authority, Sydney Ferries and the Road and Traffic Authority—will report to the Director General of the Department and will work together to deliver better and more integrated transport solutions for the people of New South Wales. These operators will be responsible for the delivery of services, as part of a large coordinated transport system. Fourthly, there will be a single transport and roads budget. The Minister and the Director General will be able to manage the budget and reprioritise funds within the overall allocation. Finally, bringing transport operators together will result in streamlined governance arrangements and the abolition of the existing boards in the portfolio. With millions of journeys taking place on public transport and our road network everyday it is vital that agencies work together to develop solutions that go beyond their respective modes and focus on making the journey easier for all of the community.

The bill establishes a coordination division of Transport NSW. This integrated team will be made up of staff from across the various agencies whose goal will be to better coordinate the daily transport task for commuters, improve the coordination at existing interchange facilities and enhance the experience for people as they get around the city during major events. The new structure not only recognises the need to coordinate existing transport modes, it also recognises that light rail and cycleways are legitimate transport options for the community and, when considering the delivery of roads projects, all transport options should be assessed to ensure that the right resourcing decision is made.

I am proud of the fact that recent customer satisfaction surveys carried out by the Independent Regulator have demonstrated that passengers are seeing real improvements across the public transport network and this is something I am determined to continue to work on. Whilst improving the everyday transport experience for the community is obviously a priority, so too is ensuring the effective integration and development of strategic plans for future services and infrastructure. Under this bill, Transport NSW will lead the way in the development and implementation of strategic plans, including the Metropolitan Transport Plan, to ensure that the right infrastructure and services are provided as New South Wales and Sydney continue to grow.

The bill ensures that the director general of Transport NSW, reporting to the Minister, is vested with responsibility for the delivery of effective transport planning across the modes that aligns with land use strategies established for metropolitan and regional areas. Already we have seen this integrated approach taken in the Government's Metropolitan Transport Plan and the more recently announced Sydney Metropolitan Strategy Review to ensure there is alignment of land use development and infrastructure priorities.

The level of knowledge, skill and commitment that the public servants in the transport portfolio show everyday is something that I am very proud of. That is why it is essential that we have expert staff in the right place across transport. The bill allows greater flexibility to move staff to areas where they are needed the most and to use their experience and expertise to drive continuous improvement. This bill does not impact upon the working conditions of staff. In the case of front-line staff, their employment arrangements remain unaffected. This means bus drivers will continue to drive buses and train drivers will continue to drive trains. Operating entities will retain responsibility for the daily operations of the public transport network.

Earlier I spoke about this bill enhancing the accountability of transport agencies to deliver the services and infrastructure that the community expects. I will now explain that in more detail. The community has an expectation, and rightly so, that effective delivery of transport services and infrastructure is the responsibility of government. Whilst obviously this involves working with the private sector to meet these demands ultimately the buck stops with the Government of the day. That is why this bill supports the implementation of robust service delivery contracts between Transport NSW and the public sector providers such as RailCorp, Sydney Ferries and Sydney Buses that are based on specific performance standards and will be monitored centrally to ensure that taxpayers' money is being used to deliver a quality service.

This approach builds on the Government's performance contract arrangements with the private bus industry. Clause 3C of the draft bill makes it a specific function of the director general to enter into these service delivery contracts with the public sector transport agencies. Agencies will also be expected to ensure that the services they provide are in alignment with the key strategic goals and priorities of the broader portfolio as outlined through the Metropolitan Transport Plan and the New South Wales State Plan. The community expects its public servants and elected officials to be accountable for the services and infrastructure they pay for through their taxes. That is why this bill will see the removal of statutory boards that exist within the portfolio down to a single statutory Transport Advisory Council. The reason for this decision is a simple one—greater accountability for the director general and the chief executives, and an enhanced ability for them to work with the Government direct to get on with the job of delivering the transport services the community expects.

I make no apologies for this bill having a sharp focus on accountability. I will not be a Minister who abdicates my accountability to a so-called independent board who have not been elected by the broader community simply as a way to avoiding making the tough decisions that will enhance the way transport services and infrastructure are delivered. To do so is not just, in my view, totally irresponsible, but goes against the very reason we are elected to Parliament; that is, to make the best decisions in the interest of the communities we represent. The concept of contracting out government decision-making is lazy and not supported by this bill. Equally, I will hold to account private sector contractors and public servants who do not meet their obligations to deliver for the community. Now is the time for strong leadership from government to deal with the increasing demands on our transport system. In circumstances that demand greater integration across modes, a board model is no longer the most effective way to deliver services to New South Wales. Instead, accountability will directly rest with me as Minister and with the director general and the chief executives of the transport agencies.

The model of governance outlined in this bill still provides for input and advice to be sought from industry experts and key stakeholders with specialist knowledge through the establishment of a single Transport Advisory Council. This council, which will include a dedicated community representative, will provide advice to the Government on the progress being made to deliver against key strategic commitments and targets, including those in the Metropolitan Transport Plan and the New South Wales State Plan. The council will also have an

ability to be engaged in specific pieces of work aimed at improving efficiencies and service delivery across the portfolio as a whole.

Safety is something that we can never take for granted in the transport sector. I am proud of the commitment of all our agencies to making our public transport and road network as safe as possible. The reliability functions of the Independent Transport Safety Reliability Regulator are to be transferred to Transport NSW to align service delivery procurement and reliability functions. The Government believes that it is important that there continues to be an independent safety regulator. Under this bill the Independent Transport Safety Reliability Regulator will retain its safety regulation functions under the Transport Administration Act.

In addition, the bill also makes it clear that should a direction be given to RailCorp by the director general or Minister that they feel may have an impact on safety, then the Independent Transport Safety Reliability Regulator will be asked to provide advice and make a recommendation as to whether that is the case. The bill also contemplates a future expansion of the regulator's role by amending the Passenger Transport Act to allow the director general to enter into an arrangement with the Independent Transport Safety Reliability Regulator to assist him to exercise his functions under the Act in relation to the regulation of bus safety.

Reform is rarely easy but it is necessary in order to drive a culture of continuous improvement in the delivery of services to the community. The community wants this, the transport experts recommend it, and they already do it overseas—in short, this reform is essential. Getting people to where they want to go will always have challenges. However, the bill is a key part of the reform process currently underway and will accelerate the improvements in transport services and infrastructure delivery through better integration and coordination, greater accountability, more effective strategic planning and a greater focus on meeting key performance measures as expected by the community.

I conclude by saying thank you to the staff of Transport NSW, various agencies in the transport portfolio and the central government and, of course, my personal staff for their efforts in working on this particularly important bill and significant reform to the integration, delivery and construction of public transport services and infrastructure in New South Wales. I commend the bill to the House.