Digest of Bill

Purpose

To allow the Australian National Railways Commission (ANRC) to provide entertainment services, including gambling, and to widen the accident inquiry power.

Background

The ANRC was established by the Australian National Railways Commission Act 1983 (the Principal Act) and is empowered to provide passenger and freight services, incidental non-rail services and engineering advice. ANRC operates interstate rail services, non-metropolitan services in South Australia and the Tasmanian rail system. ANRC is to conduct its operations in a manner that complies with sound business practices. However, the Minister retains a right to direct ANRC in certain matters and this power was used in 1985-86 to direct ANRC to continue operations in Tasmania for a further three years. In compensation, ANRC will receive $52.4 million over the period.

ANRC has continued to lose money since its establishment though the extent of the loss has diminished in recent years. In 1982-83 the loss was $106.556 million compared with a loss of $69.449 million in 1985-86.¹ Of this latter amount $25.7 million was lost on passenger services which contributed approximately 10% of total revenue.² The reduction in losses has been achieved through increased revenue and improved efficiency. As well as reducing its losses ANRC has reduced its workforce which fell by 672 to 8,127 in 1985-86 and since 1978 there has been a reduction of 30.2% in the workforce.³ The improvement in ANRC's performance is reflected in the revenue to cost ratio which is currently approximately 45% and is anticipated to rise to 60% by 1988-89.⁴

The intention to amend the Principal Act to allow entertainment to be provided was announced by the Minister in a media release dated 1 October 1986 which also contained a number of other amendments such as the separate financing of passenger services.
Main Provisions

Clause 2 will insert a new section 13A into the Principal Act. The proposed section will authorise ANRC to provide entertainment, including gambling, on passenger trains and premises owned by the Commonwealth and set aside for the purpose.

Proposed sub-section 13A(2) will require that the services only be provided to travellers which is defined in proposed sub-section 13A(4) to be a person who has travelled on ANRC services for 24 hours or has paid for and intends to travel for that period.

Proposed sub-section 13A(3) will allow the provision of such entertainment notwithstanding any State or Territory law.

Clause 3 will amend section 70 of the Principal Act to widen the powers of inquiry into accidents to examine such other matters as are specified in the instrument establishing the inquiry.

Section 79 of the Principal Act will be amended to allow by-laws relating to entertainment to be made (clause 4).

References

2. ibid., p. 2.
3. ibid., p. 3.

For further information, if required, contact the Economics and Commerce Group.