NATIONAL RAILWAY NETWORK (FINANCIAL ASSISTANCE) BILL 1979

Date Introduced: 8 March 1979
House: House of Representatives

Purpose

To enable the Minister for Transport to make agreements with some States for financial assistance for mainline railway improvements.

Background

The government, in its 1977 election policy, made a commitment to undertake a joint Commonwealth/State program for upgrading State railways which are part of the mainline network. The Bill seeks to provide a legislative framework for this commitment.

The Bureau of Transport Economics has been carrying out a general assessment of railway freight operations at the request of the Australian Transport Advisory Council in July 1973 and has published several reports on options for upgrading particular mainlines. Options considered include regrading, re-railing with heavier rail, centralised traffic control, selective line doubling, and the addition of crossing loops. Mainline upgrading has been looked at from the viewpoints of the railways as commercial concerns and the optimum allocation of resources within the transport sector. Upgrading programs would aim to increase the fast goods capacity on mainlines. Steps to improve energy-efficient rail services are increasingly relevant, given the liquid fuel situation in Australia.

Main Provisions

Clause 3 makes certain definitions, including the period of applicability of the Bill which is to be 5 years from 1 July 1978 to 30 June 1983, and lists the States to which the Bill Act applies: New South Wales, Victoria, Queensland, and Western Australia. There is no formula for sharing any financial assistance between these States. South Australia and Tasmania no longer operate their own mainline railways.
Clause 4 provides that the Minister may declare the principal railway line linking the capital cities of two adjoining states, or any railway line considered by him to be of national importance, to be a main railway line for the purposes of the Bill.

Clause 5 enables the Minister to make agreements for financial assistance (in the form of interest bearing repayable grants) to States, though the form of agreement is not specified.

Clause 7 requires that copies of all agreements be tabled in each House of Parliament. There is no provision for agreements to be varied or disallowed by Parliament.

Clause 8 provides that a total amount of $70 million will be available under this program, with $3 million having already been appropriated in the 1978/79 Budget.

Clauses 10 covers methods and conditions of payments by the Minister of Finance, who may require evidence that money provided has been spent in accordance with agreements. If such evidence is not provided, the State is required to repay the amount paid under the Bill in accordance with the agreement, or such part of that amount which is specified by the Minister.

Clause 11 allows the Minister for Finance to deduct any amount repayable under Clause 10 from any financial assistance provided through an agreement or agreements relating to other projects under this Bill.

Defence, Science & Technology Group
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LEGISLATIVE RESEARCH SERVICE