

## FACT SHEET

### *Passenger Transport Services Bill 2011*

The primary purpose of this Bill is to improve and update the operator accreditation scheme by making it easier to administer, and more flexible, while maintaining the mandatory requirement for passenger transport operators to hold operator accreditation. It clarifies to whom accreditation applies and ensures that the accreditation scheme primarily focuses on regulating commercial activities, not private car-pooling or private transport arrangements between families and friends.

The Bill amends the current seating capacity definitions for large and small passenger vehicles, and will no longer allow the removal of seats from vehicles simply to avoid regulation. Consistent with Commonwealth legislation defining the term ‘bus’, a large passenger vehicle will now be defined as one with 10 or more seats, as the vehicle was originally manufactured.

The legislation also makes it clear that, unless using a large passenger vehicle, community organisations that provide passenger transport to their clients do not require operator accreditation. It should be noted that community transport providers utilising vehicles with 10 to 12 seats will be subject to a modified (less onerous) operator accreditation scheme. Further, a significant number of community transport providers are already subject to operator accreditation under the current seating capacity definitions.

The concept of “for reward” in the old *Passenger Transport Act 1997* is replaced and the problems associated with the practical application of that concept are addressed by introducing a three-part test for operators of small passenger vehicles, to determine who should be accredited. An operator of such vehicles is now required to be accredited if a fare is charged (a ‘fare’ meaning any financial consideration), the service is available to the general public and the service is a ‘transport concern’. A transport concern relates to a service that is primarily based on delivering transport, rather than transport being an adjunct to a wider service of a different type.

The Bill also removes a perceived conflict of interest in the existing administrative arrangements, by vesting the contracting power in the Secretary of DIER, rather than with the Transport Commission. The latter will retain responsibility for safety regulation.

It provides a more streamlined process for the authorisation of new regular passenger services, but also allows the Transport Commission to take into consideration the

potential impact of those services on both existing and planned future services of incumbent operators.

The Bill establishes a clearer process for the procurement of new services, which includes dealing with emergency situations and the scope for the Secretary to authorise the trial of new routes.