Inter-Governmental Agreement

for

Regulatory and Operational Reform in Road, Rail and Intermodal Transport

THE COMMONWEALTH OF AUSTRALIA
THE STATE OF NEW SOUTH WALES
THE STATE OF QUEENSLAND
THE STATE OF SOUTH AUSTRALIA
THE STATE OF TASMANIA
THE STATE OF VICTORIA
THE STATE OF WESTERN AUSTRALIA
THE AUSTRALIAN CAPITAL TERRITORY
THE NORTHERN TERRITORY OF AUSTRALIA
# TABLE OF CONTENTS

1. Preamble.................................................................................................................. 1
2. Objectives.................................................................................................................. 1
3. Definitions and Interpretations.................................................................................. 2
4. Funding of the National Transport Commission...................................................... 4
5. Responsibilities and Functions of the National Transport Commission................. 5
6. Appointment of Ordinary Members, Chair and Deputy Chair of the Commission ................................................................................................................................. 6
7. Proceedings of the National Transport Commission................................................ 7
8. Functions of the Australian Transport Council......................................................... 7
9. Procedural and Voting Arrangements for the Australian Transport Council ....... 7
10. Strategic Plan, Work Program, Estimates and Annual Report .................................. 8
11. Arrangements for Progressing Reforms................................................................. 9
12. Principles for Implementing Reforms...................................................................... 10
13. Monitoring and Reporting on Implementation of Agreed Reforms and Compliance with this Agreement........................................................................................................ 11
14. Model Legislation .................................................................................................. 11
15. Amendments to the National Transport Commission Act.................................... 12
16. Provision of Information by the Parties............................................................... 12
17. Review Requirements............................................................................................ 12
18. Code of Practice for the Defined Interstate Rail Network.................................... 12
20. Exemptions from State and Territory Road Transport Law for the Australian Defence Force .............................................................................................................. 13
21. Termination of Previous Agreements ................................................................... 13
22. Execution and Operation of Agreement............................................................... 13

Attachment A................................................................................................................. 14
Attachment B.................................................................................................................. 15
Signature Pages............................................................................................................. 16-24
Inter-Governmental Agreement for Regulatory and Operational Reform in Road, Rail and Intermodal Transport

AN AGREEMENT BETWEEN:

THE COMMONWEALTH OF AUSTRALIA
THE STATE OF NEW SOUTH WALES
THE STATE OF QUEENSLAND
THE STATE OF SOUTH AUSTRALIA
THE STATE OF TASMANIA
THE STATE OF VICTORIA
THE STATE OF WESTERN AUSTRALIA
THE AUSTRALIAN CAPITAL TERRITORY
THE NORTHERN TERRITORY OF AUSTRALIA

1. PREAMBLE

1.1 The Heads of Government of the Parties to this Agreement have endorsed a report prepared by the Australian Transport Council and have agreed to the establishment of a National Transport Commission to progress regulatory and operational reform for road, rail and intermodal transport in order to deliver and sustain uniform or nationally consistent outcomes.

1.2 The Parties have agreed to the Commonwealth submitting legislation to the Commonwealth Parliament (the NTC Act) to establish the National Transport Commission.

1.3 The Parties agree that the national approach to road transport regulatory and operational reform, which commenced in 1991 through the Special Premiers’ Conferences, and which was facilitated by the establishment of an independent statutory body, the National Road Transport Commission, has been an effective model. The Parties now agree that this model should be extended to regulatory and operational matters in the rail transport industry, building on significant reform over recent years, and to intermodal transport regulatory and operational matters.

1.4 This Agreement sets out the principles and processes for cooperation between the Commonwealth, States and Territories (through the National Transport Commission) to progress such regulatory and operational reform.

2. OBJECTIVES

2.1 The Parties affirm their commitment to improving transport productivity, efficiency, safety and environmental performance and regulatory efficiency in a uniform or nationally consistent manner. This will be achieved by:

(a) continuing the process of regulatory and operational reform in road transport previously managed or undertaken by the National Road Transport Commission;
(b) establishing a national approach to regulatory and operational reform for the rail industry;
(c) facilitating effective intermodal transport arrangements by addressing regulatory and operational issues;
(d) encouraging and facilitating innovation and technological advances in the road, rail and intermodal transport industries where appropriate; and
(e) putting in place appropriate compliance and enforcement and institutional and administrative frameworks, and administering these frameworks in a uniform or a nationally consistent manner as is possible;

while having due regard to the impact of reforms on infrastructure and regional and remote areas.

2.2 To achieve these objectives the Parties affirm their commitment to implementing and maintaining Agreed Reforms developed by the National Transport Commission and the National Road Transport Commission in a uniform or nationally consistent manner.

2.3 The Parties also agree that the primary focus of the reform and maintenance process should be on addressing matters that demonstrably warrant a uniform or nationally consistent regulatory or operational approach.

3. DEFINITIONS AND INTERPRETATIONS

3.1 In this Agreement, except where a contrary intention appears:

Agreed Reform means a Reform proposed by the Commission or the NRTC and agreed by the Council, including any amendments to that Reform that have been made in accordance with this Agreement or the Previous Agreements.

Note: See sub-clause 3.2 for the meaning of “agreed by the Council”.

Appropriate Authority is in the case of:
(a) Commonwealth legislation, the Commonwealth Parliament; and
(b) Commonwealth regulations, the Federal Executive Council including the Governor-General.

Australian Transport Council means the council of Commonwealth, New Zealand, State, Australian Capital Territory and Northern Territory Ministers, established on 11 June 1993 and known as the Australian Transport Council, but constituted so that it consists of only one Minister representing each of the Commonwealth, the States, the Australian Capital Territory and the Northern Territory when dealing with matters with which this Agreement or the NTC Act is concerned.

Code of Practice for the Defined Interstate Rail Network is the publication of that name, as amended from time to time, that provides a means of complying with parts of the Australian Standard on Railway Safety Management (AS 4292).

Commission means the National Transport Commission.

Commonwealth means the Commonwealth of Australia.
**Commonwealth Minister** is the Commonwealth Minister responsible for the NTC Act as set out in the Commonwealth Administrative Arrangements Orders at any given time.

**Council** means the Australian Transport Council.

**Gross Vehicle Mass** (GVM) of a vehicle means the maximum loaded mass of the vehicle:

(a) as specified by the vehicle's manufacturer on an identification plate on the vehicle; or

(b) as specified by the relevant registration authority if:

(i) a mass is not specified by the vehicle's manufacturer on an identification plate on the vehicle; or

(ii) a mass so specified on an identification plate is no longer appropriate because the vehicle has been modified.

**Heavy Vehicle** means a motor vehicle or trailer that has a Gross Vehicle Mass (GVM) greater than 4.5 tonnes and includes:

(a) a special purpose vehicle that has such a GVM; and

(b) a passenger-carrying vehicle that has such a GVM.

**Intermodal Transport** means the interaction of operations between transport modes.

**Minister** means the Minister notified by each Party under sub-clause 9.2 and where the context requires, a person authorised under sub-clause 9.3 or another Minister identified under sub-clause 9.2 in relation to a particular matter.

**Member** means a member of the Commission.

**Model Legislation** is legislation, regulations and other legislative instruments developed by the Commission.

**National Transport Commission Act (NTC Act)** is the legislation that is provided for in sub-clause 1.2, as amended from time to time.

**National Road Transport Commission (NRTC)** is the National Road Transport Commission established by the *National Road Transport Commission Act 1991*.

**National Transport Commission** is the National Transport Commission established by the NTC Act.

**Ordinary Member** means a member of the Commission other than the Chief Executive Officer.

**Other Reform** means a Reform other than Model Legislation or Road Transport Legislation, for example policy principles, codes of practice,
administrative guidelines, and business rules developed either by the NRTC or the Commission.

**Party** means the Commonwealth, a State or a Territory that is a Party to this Agreement.

**Previous Agreements** means the Heavy Vehicles Agreement and the Light Vehicles Agreement as those terms are defined in the *National Road Transport Commission Act 1991*, immediately before its repeal.

**Proposed Reform** means Model Legislation or an Other Reform which has not yet been approved in accordance with this Agreement including where applicable, a proposed amendment to an Agreed Reform.

**Reform** means:

(a) Model Legislation;
(b) Road Transport Legislation; or
(c) an Other Reform.

**Road Use Charge** means a fee for payment for use of the road system, which in the case of a Heavy Vehicle, does not include:

- a nominal or other administration charge associated with registration of a vehicle;
- stamp duties;
- compulsory third party insurance premiums;
- injury protection charges; and
- administrative components of permit, licence or other fees.

**Road Transport Legislation** means legislation, regulations and other legislative instruments (whether enacted or in model form) that were developed by the National Road Transport Commission and recommended to the Council and not disapproved by the Council in accordance with arrangements applicable under the Previous Agreements.

**State** means a State of the Commonwealth of Australia that is a Party to this Agreement.

**Territory** means a Territory of the Commonwealth of Australia that is a Party to this Agreement.

Where this Agreement refers to matters approved, agreed, determined, recommended or resolved by the Council, this includes matters approved, agreed, determined, recommended, resolved or not disapproved by Council under this Agreement or the Previous Agreements.

### 4. FUNDING OF THE NATIONAL TRANSPORT COMMISSION

4.1 The Parties will provide the funds required for the establishment and ongoing functioning of the Commission.

4.2 The Parties have agreed to the following funding arrangements:

---

4
(a) the Commission will have a base budget of $7 million;
(b) the Parties will each provide a share of the Commission's budget in the proportions agreed to by Council, the details of which are set out in Attachment A;
(c) in 2004-05 and subsequent years, the Commission will submit to the Council a proposed budget and associated Work Program based on maintenance of the $7 million base budget in real terms (ie CPI indexation); and
(d) on each occasion the proposed budget will be approved if a simple majority of Ministers agree.

4.3 A proposal put to the Council by the Commission or a Minister to consider changing the funding arrangements in sub-clause 4.2 will be carried if a simple majority of Ministers agree.

4.4 Any changes to the funding arrangements in sub-clause 4.2 will require the unanimous agreement of the Council.

5. RESPONSIBILITIES AND FUNCTIONS OF THE NATIONAL TRANSPORT COMMISSION

5.1 Having regard to the objectives of this Agreement, and matters contained in the NTC Act and elsewhere in this Agreement, the ongoing responsibilities and functions of the Commission will be to:

(a) develop uniform or nationally consistent regulatory and operational arrangements for road, rail and intermodal transport, including recommending to the Council Proposed Reforms and amendments to Agreed Reforms;
(b) without limiting (a), develop Proposed Reforms in relation to
   (i) a framework to improve and strengthen the co-regulatory system for rail safety including the application of mutual recognition;
   (ii) a national policy on key rail safety issues and procedures and standards to manage major rail safety risk factors;
(c) develop
   (i) road use charging principles for Heavy Vehicles (until such time as the Council decides that another organisation should undertake this function);
   (ii) Proposed Reforms in relation to Heavy Vehicle Road Use Charges based on charging principles agreed by the Council from time to time;
(d) recommend that special circumstances warrant a Proposed Reform being developed that allows for differing regulatory and operational requirements in various areas of Australia and, except for a Proposed Reform relating to Heavy Vehicle Road Use Charges, that only those Ministers representing the jurisdictions in which the differing requirements are to apply will be eligible to vote;
   (i) this includes the Commission recommending whether or not the Commonwealth should be included with the jurisdictions eligible to vote in relation to a Proposed Reform;
(e) recommend other matters to the Council that will promote the objectives of this Agreement;
monitor implementation of Agreed Reforms by the Parties and regularly report to the Council;
(m) maintain and review Agreed Reforms;
(h) monitor the effectiveness of the ongoing development and implementation of the Code of Practice for the Defined Interstate Rail Network;
i) provide resources for secretariat support to the industry owner of the Code of Practice for the Defined Interstate Rail Network, until such time as the Council decides that this support should cease; and
(j) collate information on State and Territory expenditure on road construction and maintenance.

5.2 The Commission will also undertake any other responsibilities and functions that are determined by the Council.

5.3 Where a Party proposes to confer a function or power on the Commission under a law of a State or Territory, or another law of the Commonwealth, this may only occur if a simple majority of Ministers agree.

6. APPOINTMENT OF ORDINARY MEMBERS, CHAIR AND DEPUTY CHAIR OF THE COMMISSION

6.1 There will be five Ordinary Members, one of whom will be appointed as the Chair and another of whom will be appointed as the Deputy Chair of the Commission.

6.2 The arrangements for appointments will be as follows:
(a) the Chair of the Council will write inviting Ministers to nominate candidates as Ordinary Members, Chair and Deputy Chair of the Commission, as vacancies arise from time to time;
(b) if a Minister does not respond within 36 days of the date of the written invitation, the Minister will be taken not to have made a nomination;
(c) nominations will be submitted to the Council for a vote on whether to recommend a nominee for appointment as an Ordinary Member, Chair or Deputy Chair; and
(d) Ministers in determining whether to recommend nominees for appointment will ensure that a nominee's skills and expertise are commensurate with the Objectives of the Agreement and that there is an appropriate balance of skills and expertise among the Ordinary Members.

6.3 The Commonwealth Minister, in accordance with a nomination of the Council, will appoint Ordinary Members, a Chair and Deputy Chair.

6.4 Other arrangements in relation to Ordinary Members, Chair or Deputy Chair will be as provided for in the NTC Act.

6.5 A recommendation to appoint a nominee as an Ordinary Member or to terminate the appointment of an Ordinary Member will be carried if two-thirds of Ministers agree. All matters requiring consideration by the Council relating to the Chair and Deputy Chair and all other matters relating to Ordinary Members will be carried if a simple majority of Ministers agree.
7. **PROCEEDINGS OF THE NATIONAL TRANSPORT COMMISSION**

7.1 The business of the Commission is to be conducted in the manner provided for in the NTC Act.

8. **FUNCTIONS OF THE AUSTRALIAN TRANSPORT COUNCIL**

8.1 The functions of the Council are to:

(a) consider whether to approve any matters submitted or recommended by the Commission;
(b) refer any question or matter to the Commission for consideration and report;
(c) consider whether to approve or agree to any other matters provided for in this Agreement or the NTC Act;
(d) consider any other matters that the Council determines would promote the Objectives of the Agreement; and
(e) undertake any other matters conferred on the Council by this Agreement, the NTC Act or by all of the Parties to the Agreement.

9. **PROCEDURAL AND VOTING ARRANGEMENTS FOR THE AUSTRALIAN TRANSPORT COUNCIL**

9.1 The Council may determine its own procedures and those procedures may be inconsistent with this Agreement. A vote on Council procedures will be carried if a simple majority of Ministers agree, except where the procedure is inconsistent with this Agreement, in which case unanimous agreement will be required to adopt the procedure.

9.2 The Minister who is to exercise responsibility for matters contained in this Agreement and the NTC Act, on behalf of each Party, is to notify the Commission and other Ministers in writing and will also advise if a different Minister is to exercise responsibility for a particular matter.

9.3 A Minister may authorise another person to attend a meeting of the Council in his or her place and to exercise responsibility for matters contained in this Agreement and the NTC Act. The Minister will advise the Council Secretariat of any such authorisation.

9.4 Subject to sub-clause 9.6, each Minister who is to exercise responsibility for matters contained in this Agreement and the NTC Act, on behalf of each Party, is eligible to vote in relation to any matter on which the Council is required to vote.

9.5 All matters put to the Council will be carried if a simple majority of Ministers agree, except:

(a) if otherwise stated in the Agreement;
(b) for a recommendation on road use charging principles, where the recommendation will be carried if two-thirds of Ministers agree; and
(c) for a decision to delegate to a Minister any or all of the Council's functions and powers under the NTC Act, where the decision will be carried by unanimous agreement of the Council.

*Note: See Attachment B for a summary of the voting rules.*
9.6 This sub-clause applies in relation to a recommendation made by the Commission under sub-clause 5.1(d):

(a) where the Council approves the recommendation:
   (i) subject to (ii), only Ministers from the jurisdictions in which the differing requirements in the Proposed Reform are to apply will be eligible to vote and the vote will be carried by a simple majority of those Ministers;
   (ii) all Ministers are eligible to vote for a Proposed Reform on Heavy Vehicle Road Use Charges.

(b) where the Council does not approve the recommendation a vote by any Minister on the Proposed Reform shall be null and void.

9.7 Where the Council is required to vote on a matter it may do so:

(a) at a meeting of the Council; or

(b) by a written vote where the Commission submits the recommendation to each of the Ministers and the Ministers provide their vote to the Commission by the deadline set by the Commission in accordance with sub-clause 9.11.

9.8 The same type of majority that was required to make the original resolution is required to carry a variation or revocation of any type of resolution made by the Council.

9.9 A Minister who does not attend a meeting of the Council may submit a written vote in relation to a recommendation for the purposes of that meeting.

9.10 At a meeting of the Council, Ministers who do not vote in person or by written vote will be counted as having voted to approve a recommendation. Where a vote is conducted without a meeting, a Minister who does not submit his or her vote by the deadline set by the Commission in accordance with sub-clause 9.11 will be counted as having voted to approve the recommendation.

9.11 Recommendations concerning Proposed Reforms will be subject to Ministers' consideration for at least eight weeks before a vote is taken, or such lesser period that is agreed unanimously by Ministers.

9.12 The Chair of the Council, as a Minister, has a deliberative but not a casting vote.

9.13 Five Ministers constitute a quorum at a meeting of the Council.

9.14 For the purpose of matters contained in this Agreement, a Minister may convene a special meeting of the Council by giving four weeks notice in writing to all other Ministers (or such lesser period unanimously agreed by Ministers.)

9.15 A special meeting may not, except with the unanimous agreement of all Ministers, consider a matter that was not specified at the time of the notice of the special meeting.

10. STRATEGIC PLAN, WORK PROGRAM, ESTIMATES AND ANNUAL REPORT

10.1 Each year the Commission will prepare a rolling three year Strategic Plan and estimates in accordance with the NTC Act.
10.2 The Commission will also prepare an annual Work Program, which is to be submitted to the Council each year for approval.

10.3 The Commission will include in the Work Program details of all Proposed Reforms, other activities proposed for that year in connection with the responsibilities and functions referred to in clause 5 and any other relevant matters provided for in this Agreement or the NTC Act.

10.4 The Commission will prepare an annual report in accordance with the NTC Act. The annual report must include any information required by the Council.

11. ARRANGEMENTS FOR PROGRESSING REFORMS

11.1 The process for progressing Proposed Reforms will be as follows:
   (a) the Commission will develop Proposed Reforms in accordance with its Strategic Plan and Work Program;
   (b) where applicable, the Commission will prepare regulation impact statements in accordance with guidelines approved by the Council;
   (c) Proposed Reforms will be submitted to the Council for approval in accordance with sub-clauses 12.4(b) and 12.4(c); and
   (d) once a Proposed Reform is approved, it becomes an Agreed Reform.

11.2 Amendments to Agreed Reforms will generally follow the process provided for in sub-clause 11.1. However, the Commission may develop guidelines for approval by the Council that allow for certain types of amendments to Agreed Reforms without further reference to the Council. An amendment to an Agreed Reform, which is made in accordance with the approved guidelines, will become part of the Agreed Reform.

11.3 In developing Proposed Reforms the Commission will:
   (a) refer any Proposed Reform that may have significant infrastructure impacts to the proposed strategic analysis and advice body currently known as the National Transport Advisory Council, or to such other body as the Council determines, for that body's consideration and advice prior to making recommendations to the Council; and
   (b) ensure that there is appropriate consultation with the Environment Protection and Heritage Council and/or the National Environment Protection Council regarding Proposed Reforms that specifically deal with environmental matters or Proposed Reforms that may have a material impact on the environment.

11.4 In line with the objectives of this Agreement, the Commission is to take regional and remote area and geographical factors into account when developing Proposed Reforms.

11.5 For the purposes of sub-clause 11.4, the Parties recognise that, for some matters, the Commission may develop a Proposed Reform for Council’s consideration that does not contain the same regulatory and operational requirements for application in all areas of Australia.

11.6 In addition to work on rail safety related issues, other rail regulatory and operational reforms may be included in the Commission's Strategic Plan and
Work Program. The jurisdiction of other organisations will however need to be recognised.

11.7 The Parties acknowledge that in order for the Commission to perform its functions and responsibilities it will require the cooperation of government agencies to progress Proposed Reforms.

11.8 The Parties also acknowledge that the Commission will need to work cooperatively with representatives of industry to progress Proposed Reforms.

12. PRINCIPLES FOR IMPLEMENTING REFORMS

12.1 The Parties will use their best endeavours to implement and maintain Agreed Reforms in a uniform or nationally consistent manner.

12.2 However the Parties acknowledge that, in exceptional circumstances, a Proposed or Agreed Reform, or aspects of a Proposed or Agreed Reform, may not be able to be implemented by a Party, for example due to policy or practical constraints. In order to provide clarity to the transport industry and the community as a whole, where a Party:

(a) does not intend or is unable to implement a Proposed or Agreed Reform (in full or in part); or
(b) subsequently proposes or implements changes to an Agreed Reform;

the relevant Minister will advise the Commission and the Council of the reasons for the decision at the earliest practicable opportunity.

12.3 For the purposes of sub-clause 12.2, a Party will be taken to have not fully implemented an Agreed Reform where the Party adopts all aspects of the Agreed Reform but in addition imposes other material requirements or conditions in relation to the Reform.

12.4 The Parties agree that:

(a) in consultation with representatives of the Parties, the Commission is to make an early decision as to whether a Proposed Reform is intended to be submitted to the Council as Model Legislation;
(b) the Commission should present all Proposed Reforms in sufficient detail to enable uniform or nationally consistent implementation;
(c) when the Commission presents Proposed Reforms in their final form to the Council, proposals are to include either the words “Subject to the recommendation being approved, this reform is available for implementation” or advice on when the reform will be available for implementation; and
(d) subject to sub-clauses 12.1 and 12.2, Agreed Reforms will be either referenced and/or substantively implemented in the Parties' legal and administrative frameworks, the choice being at the individual Party's discretion.
13. MONITORING AND REPORTING ON IMPLEMENTATION OF AGREED REFORMS AND COMPLIANCE WITH THIS AGREEMENT

13.1 Consistent with the Commission's responsibilities and functions set out in clause 5, the Commission, in consultation with representatives of the Parties, is to establish a process for regular monitoring and reporting on the Parties' progress with implementation of Agreed Reforms. This process is to be approved by the Council and will include provision for the Commission to report to the Council on the details of a Party's divergence from an Agreed Reform.

13.2 Should the Commission resolve that a Party is acting contrary to, or failing to otherwise comply with, a provision of this Agreement it may ask for a response by the relevant Minister.

13.3 The Commission may refer the Minister's response to the Council to determine whether further action should be taken. Where a matter relates to an Agreed Reform this may include a Minister being requested to formally provide an advice in accordance with sub-clause 12.2.

14. MODEL LEGISLATION

14.1 The Parties agree that there is a need to maintain a 'single reference point' for Agreed Reforms that take the form of Model Legislation or Road Transport Legislation, in order to promote and maintain a uniform or nationally consistent regulatory and operating environment.

14.2 The Parties have agreed that regulations should be made under the NTC Act that will include as schedules to the regulations the text of certain Agreed Reforms. The schedules will have no operative effect and will serve only as a repository for these Agreed Reforms.

14.3 After the NTC Act comes into effect, the Commonwealth will submit to the Appropriate Authority as soon as is practicable, regulations made for this purpose.

14.4 The Commonwealth will only submit to the Appropriate Authority, for inclusion in schedules to the regulations to the NTC Act, Agreed Reforms that take the form of:

(a) Road Transport Legislation; and
(b) Model Legislation;

and which has been identified for this purpose and put in an appropriate form by the Commission.

14.5 The Commonwealth, in agreement with the Australian Capital Territory (ACT) and other relevant Parties will, as soon as is practicable, repeal any Road Transport Legislation that has been enacted by the Commonwealth on behalf of the ACT.
15. **AMENDMENTS TO THE NATIONAL TRANSPORT COMMISSION ACT**

15.1 The Commonwealth will not submit to the Appropriate Authority amendments to the NTC Act unless approved by the Council in accordance with this Agreement, except where the amendments are minor or inconsequential. Typographical, drafting or other changes that do not affect the substantive operation of the legislation, or its policy intent, would be considered minor or inconsequential amendments.

16. **PROVISION OF INFORMATION BY THE PARTIES**

16.1 The Parties agree to provide such information to the Commission as is necessary for the Commission to undertake its responsibilities and functions as set out in this Agreement and the NTC Act.

17. **REVIEW REQUIREMENTS**

17.1 After three years from the commencement date of the NTC Act, the Parties will consider whether a review will be undertaken to establish whether the functions of the proposed strategic analysis and advice body, currently known as the National Transport Advisory Council, should be combined with those of the Commission. A decision to conduct such a review will be carried if two-thirds of Ministers agree to the proposal. Following any such review, any decision to combine the functions of the proposed National Transport Advisory Council and the Commission will require unanimous agreement of Council.

17.2 No later than the sixth anniversary of the commencement of the NTC Act and no later than each succeeding period of six years, the Parties agree that the Council will undertake and finalise a review. The Review will make recommendations on whether the arrangements for the Commission and matters set out in this Agreement and the NTC Act should continue or cease to be in force and whether the NTC Act should be repealed or amended. The Report of each Review will include the reasons for any recommendations and will be submitted by the Council to the Prime Minister, the Premier of each State, and the Chief Ministers of the Australian Capital Territory and the Northern Territory.

18. **CODE OF PRACTICE FOR THE DEFINED INTERSTATE RAIL NETWORK**

18.1 Consistent with the co-regulatory framework for rail, a dedicated rail code management company and any successor company will assume ownership and responsibility for the management of the Code of Practice for the Defined Interstate Rail Network.

18.2 The Parties to this Agreement recognise the role of the rail industry in determining harmonised operational and engineering practices in order to comply with State and Territory legislation.

18.3 The Commission, in providing resources for secretariat support to the industry company managing the Code, will liaise directly with the company to establish appropriate administrative arrangements.
19. **MOTOR VEHICLE STANDARDS ACT 1989**

19.1 Subject to sub-clause 19.2 this Agreement does not extend to any matter that is the subject of the Commonwealth *Motor Vehicle Standards Act 1989* (MVS Act).

19.2 Recognising Australia's accession to the 1958 Agreement* and recognising the commitment to harmonise with standards developed under the 1958 Agreement, subject to a resolution by the Council, the Commonwealth will use its best endeavours to:

(a) implement any standards relating to vehicles recommended by the Commission for adoption as a national standard**; and

(b) advance proposals for development of national standards relating to vehicles that have been recommended by the Commission.

19.3 The Commission and the Commonwealth Department of Transport and Regional Services will develop a Memorandum of Understanding on arrangements relating to this clause.

* The 1958 Agreement is the Agreement of the United Nations Economic Commission for Europe, concluded at Geneva on 20 March 1958, concerning the adoption of uniform technical prescriptions for wheeled vehicles, equipment and parts which can be fitted to and/or used on wheeled vehicles and the conditions for the reciprocal recognition of approvals granted on the basis of these prescriptions.

** National Standard has the same meaning as in the MVS Act.

20. **EXEMPTIONS FROM STATE AND TERRITORY ROAD TRANSPORT LAW FOR THE AUSTRALIAN DEFENCE FORCE**

20.1 The States and Territories as Parties to this Agreement, agree to work with the Commonwealth Department of Defence, as necessary, to establish an appropriate framework to enable the Australian Defence Force and members of the Australian Defence Force to be exempt from certain provisions of State and Territory road transport law in certain circumstances.

21. **TERMINATION OF PREVIOUS AGREEMENTS**

21.1 The Parties agree that the Previous Agreements will terminate with effect from the date this Agreement comes into force, except to the extent required for transitional purposes identified in any Commonwealth legislation.

22. **EXECUTION AND OPERATION OF AGREEMENT**

22.1 The Agreement will come into force on whichever of the following dates occurs last:

(a) the date on which the last Party signs;

(b) the date on which the Commission is established by the NTC Act.

22.2 This Agreement may only be amended with the unanimous agreement of the Parties.
AGREED JURISDICTIONAL SHARES OF THE NATIONAL TRANSPORT COMMISSION'S BUDGET

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commonwealth</td>
<td>35.00</td>
</tr>
<tr>
<td>New South Wales</td>
<td>22.03</td>
</tr>
<tr>
<td>Victoria</td>
<td>16.10</td>
</tr>
<tr>
<td>Queensland</td>
<td>12.17</td>
</tr>
<tr>
<td>Western Australia</td>
<td>6.36</td>
</tr>
<tr>
<td>South Australia</td>
<td>5.04</td>
</tr>
<tr>
<td>Tasmania</td>
<td>1.57</td>
</tr>
<tr>
<td>Australian Capital Territory</td>
<td>1.07</td>
</tr>
<tr>
<td>Northern Territory</td>
<td>0.66</td>
</tr>
<tr>
<td>Total</td>
<td>100.00</td>
</tr>
</tbody>
</table>
## SUMMARY OF VOTING RULES

Except for matters listed in the table below all matters will be determined by a simple majority vote of Ministers.

<table>
<thead>
<tr>
<th>Matter</th>
<th>Majority required</th>
<th>Relevant sub-clause in Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variation to funding arrangements</td>
<td>Unanimous</td>
<td>4.4</td>
</tr>
<tr>
<td>Nomination to Minister for appointment of an Ordinary Member</td>
<td>Two-thirds</td>
<td>6.5</td>
</tr>
<tr>
<td>Recommendation to Minister to terminate the appointment of an Ordinary Member</td>
<td>Two-thirds</td>
<td>6.5</td>
</tr>
<tr>
<td>Adoption of Council procedures where they are inconsistent with the Agreement</td>
<td>Unanimous</td>
<td>9.1</td>
</tr>
<tr>
<td>Agreement to road use charging principles</td>
<td>Two-thirds</td>
<td>9.5(b)</td>
</tr>
<tr>
<td>Delegation to a Minister of Council's functions and powers under the NTC Act</td>
<td>Unanimous</td>
<td>9.5(c)</td>
</tr>
<tr>
<td>Shortening of voting period</td>
<td>Unanimous</td>
<td>9.11</td>
</tr>
<tr>
<td>Agreement to shorten the notice period for a special meeting of Council</td>
<td>Unanimous</td>
<td>9.14</td>
</tr>
<tr>
<td>Consideration at a special meeting of matters that were not specified at the time of the notice of meeting</td>
<td>Unanimous</td>
<td>9.15</td>
</tr>
<tr>
<td>Consideration of whether to undertake a review to establish whether the functions of the body, currently known as the National Transport Advisory Council, should be combined with those of the Commission</td>
<td>Two-thirds</td>
<td>17.1</td>
</tr>
<tr>
<td>Combination of the functions of the National Transport Advisory Council and the Commission following a Review</td>
<td>Unanimous</td>
<td>17.1</td>
</tr>
<tr>
<td>Amendment of the Agreement</td>
<td>Unanimous</td>
<td>22.2</td>
</tr>
</tbody>
</table>
Inter-Governmental Agreement for Regulatory and Operational Reform in Road, Rail and Intermodal Transport

SIGNED for and on behalf of the Commonwealth of Australia by
the Minister for Transport and Regional Services the Hon John Anderson, MP

Signature

Dated 15/9/03
Inter-Governmental Agreement for Regulatory and Operational Reform in Road, Rail and Intermodal Transport

SIGNED for and on behalf of the State of New South Wales by the Minister for Transport Services, the Hon Michael Costa, MLC

Signature

Dated 09/12/03

And the Minister for Roads, the Hon Carl Scully, MP

Signature

Dated 09/12/03
Inter-Governmental Agreement for Regulatory and Operational Reform in Road, Rail and Intermodal Transport

SIGNED for and on behalf of the State of Victoria by the Minister for Transport, the Hon Peter Batchelor, MP

Signature

Dated 28/10/03
Inter-Governmental Agreement for Regulatory and Operational Reform in Road, Rail and Intermodal Transport

SIGNED for and on behalf of the State of Queensland by the Minister for Transport, the Hon Steve Bredhauer, MP

Signature

Dated 6/10/03
Inter-Governmental Agreement for Regulatory and Operational Reform in Road, Rail and Intermodal Transport

SIGNED for and on behalf of the State of Western Australia by
the Minister for Planning and Infrastructure, the Hon Alannah MacTiernan, MLA

[Signature]

Dated 26/11/03
Inter-Governmental Agreement for Regulatory and Operational Reform in Road, Rail and Intermodal Transport

SIGNED for and on behalf of the State of South Australia by the Minister for Transport, the Hon Michael Wright, MP

Signature

Dated 29/10/2003
Inter-Governmental Agreement for Regulatory and Operational Reform in Road, Rail and Intermodal Transport

SIGNED for and on behalf of the State of Tasmania by the Minister for Infrastructure, the Hon Jim Cox, MHA

Signature

Dated 31/7/03
Inter-Governmental Agreement for Regulatory and Operational Reform in Road, Rail and Intermodal Transport

SIGNED for and on behalf of the Australian Capital Territory by the Minister for Urban Services, Mr Bill Wood, MLA

Signature

Dated 30/10/2003
Inter-Governmental Agreement for Regulatory and Operational Reform in Road, Rail and Intermodal Transport

SIGNED for and on behalf of the Northern Territory of Australia by the Minister for Transport and Infrastructure, the Hon Konstantine Vatskalis, MLA

Signature

Dated 24/9/03