

# PROJECT AGREEMENT FOR THE IMPLEMENTATION OF NATIONAL TRANSPORT REGULATOR REFORMS

Council of  
Australian  
Governments

An agreement between

- n the Commonwealth of Australia and
- n the States and Territories, being:
  - t The State of Tasmania
  - t The Australian Capital Territory
  - t The Northern Territory of Australia

An agreement between the Commonwealth and the State of Tasmania, the Australian Capital Territory and the Northern Territory of Australia to assist with the implementation of the agreed National Transport Regulator Reforms.

# Project Agreement for the implementation of National Transport Regulator Reforms

## INTERGOVERNMENTAL AGREEMENT ON FEDERAL FINANCIAL RELATIONS

### PRELIMINARIES

1. This Project Agreement (the Agreement) is created subject to the provisions of the **Intergovernmental Agreement on Federal Financial Relations** and should be read in conjunction with that Agreement and its Schedules, which provide information in relation to performance reporting and payment arrangements under the Intergovernmental Agreement on Federal Financial Relations.
2. In recognition of the administrative and other costs for small jurisdictions, this Agreement will support the State of Tasmania, the Australian Capital Territory, and the Northern Territory of Australia in the transition to agreed National Transport Regulator Reforms.
3. The agreed National Transport Regulator Reforms are in three separate Intergovernmental Agreements (IGAs) on Heavy Vehicle Regulatory Reform, Rail Safety Regulation and Investigation Reform, and Commercial Vessel Safety Reform, signed by the Council of Australian Governments (COAG) at its meeting of 19 August 2011.
4. This Agreement constitutes the entire agreement for this project.

### PART 1 – FORMALITIES

#### Parties to this Agreement

5. This Agreement is between the Commonwealth of Australia (the Commonwealth) and the State of Tasmania, the Australian Capital Territory and the Northern Territory of Australia (the States).

#### Term of the Agreement

6. This Agreement will commence as soon as the Commonwealth and one other Party sign the Agreement and will expire on 30 June 2012, unless terminated earlier or extended as agreed in writing by the Parties.

#### Enforceability of the Agreement

7. The Parties do not intend any of the provisions of this Agreement to be legally enforceable. However, that does not lessen the Parties' commitment to this Agreement.

## Role of the Commonwealth

8. The Commonwealth will be responsible for:
  - (a) providing a one-off financial contribution of \$3 million to assist the State of Tasmania, the Australian Capital Territory and the Northern Territory of Australia in recognition of the administrative and other costs for smaller jurisdictions in transitioning to agreed National Transport Regulator Reforms.

## Role of the States

9. The States will be responsible for:
  - (a) implementing the agreed administrative and legislative changes to give full effect to the National Transport Regulator Reforms.
10. Both Parties will meet the requirements of Schedule E, Clause 26 of the **Intergovernmental Agreement on Federal Financial Relations**, by ensuring that prior agreement is reached on the nature and content of any events, announcements, promotional material or publicity relating to activities under this Agreement, and that the roles of both Parties will be acknowledged and recognised appropriately.

## PART 2 – PROJECT OUTPUT

### Output

11. The output(s) of this Agreement will be the implementation of the agreed administrative and legislative changes to give full effect to the National Transport Regulator Reforms, within the specified timeframes, detailed in the IGAs on Heavy Vehicle Regulatory Reform, Rail Safety Regulation and Investigation Reform, and Commercial Vessel Safety Reform, signed at the COAG meeting of 19 August 2011.

## PART 3 – FINANCIAL ARRANGEMENTS

12. In respect of this Agreement, the Commonwealth will provide a one-off financial contribution to the States of:
  - (a) \$1.0 million to the State of Tasmania;
  - (b) \$1.0 million to the Australian Capital Territory; and
  - (c) \$1.0 million to the Northern Territory.
13. All payments are GST exclusive.

14. The Commonwealth's estimated financial contribution to the operation of this Agreement, including through National Partnership payments to the States paid in accordance with *Schedule D – Payment Arrangements* of the **Intergovernmental Agreement on Federal Financial Relations**, are shown in Table 1.

Table 1: Estimated financial contributions

State of Tasmania	2011-12
Estimated total budget	1.0
Less estimated National Partnership Payments	1.0
Balance of non-Commonwealth contributions	0.0
Australian Capital Territory	2011-12
Estimated total budget	1.0
Less estimated National Partnership Payments	1.0
Balance of non-Commonwealth contributions	0.0
Northern Territory of Australia	2011-12
Estimated total budget	1.0
Less estimated National Partnership Payments	1.0
Balance of non-Commonwealth contributions	0.0

15. National Partnership payments to the States will be paid in accordance with *Schedule D – Payment Arrangements* of the **Intergovernmental Agreement on Federal Financial Relations**.
16. Having regard to the agreed estimated costs of projects specified in a Project Agreement, a State or Territory will not be required to pay a refund to the Commonwealth if the actual cost of the project is less than the agreed estimated cost of the project. Similarly, the States bear all risk should the costs of a project exceed the agreed estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for the States to deliver projects cost effectively and efficiently.

## PART 4 – PROJECT MILESTONES, REPORTING AND PAYMENTS

17. Upon the commencement of this Agreement in each State, signifying the commitment of that State to transition to the National Transport Regulator Reforms, the Commonwealth will make a one-off payment of \$1 million in assistance to that State.
18. Project milestones and reporting on the transition to the National Transport Regulator Reforms, are as described in the reporting arrangements in Part 5 of the IGAs on Heavy Vehicle Regulatory Reform, Rail Safety Regulation and Investigation Reform, and Commercial Vessel Safety Reform.

## PART 5 – GOVERNANCE ARRANGEMENTS

### Dispute resolution

19. Any Party may give notice to other Parties of a dispute under this Agreement.
20. Officials of relevant Parties will attempt to resolve any dispute in the first instance.
21. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers and if necessary, the relevant Ministerial Council.
22. If a dispute cannot be resolved by the relevant Ministers, it may be referred by a Party to COAG for consideration.

### Variation of the Agreement

23. The Agreement may be amended at any time by agreement in writing by all the Parties.
24. A Party to the Agreement may terminate their participation in the Agreement at any time by notifying all the other Parties in writing.

The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the  
Commonwealth of Australia by

  
The Honourable Anthony Albanese MP  
Minister for Infrastructure and Transport

1st of March 2012

Signed for and on behalf of the  
State of Tasmania by

\_\_\_\_\_  
The Honourable David O'Byrne MP  
Minister for Infrastructure

of 2012

Signed for and on behalf of the Australian  
Capital Territory by

\_\_\_\_\_  
Mr Simon Corbell MLA  
Attorney-General

of 2012


Signed for and on behalf of the  
Northern Territory of Australia by

  
The Honourable Gerald McCarthy MLA  
Minister for Transport

13<sup>th</sup> of MARCH 2012

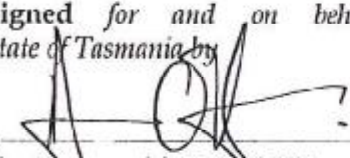
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1st of March 2012

Signed for and on behalf of the  
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The Honourable David O'Byrne MP  
Minister for Infrastructure

6 of May 2012

Signed for and on behalf of the Australian  
Capital Territory by

\_\_\_\_\_  
Mr Simon Corbell MLA  
Attorney-General

of 2012

Signed for and on behalf of the  
Northern Territory of Australia by

\_\_\_\_\_  
The Honourable Gerald McCarthy MLA  
Minister for Transport

of 2012

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*1st* of *March* 2012

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**The Honourable David O'Byrne MP**  
Minister for Infrastructure

of 2012

*Signed for and on behalf of the Australian  
Capital Territory by*



**Mr Simon Corbell MLA**  
Attorney-General

*7th* of *May* 2012

*Signed for and on behalf of the  
Northern Territory of Australia by*

**The Honourable Gerald McCarthy MLA**  
Minister for Transport

of 2012