

MINISTRY OF TRANSPORT AMENDMENT BILL

EXPLANATORY NOTE

THIS Bill amends the Ministry of Transport Act 1968.

It gives effect to the recommendation in the Report of the Committee of Inquiry into Urban Passenger Transport (Parliamentary Paper 1970 H. 37A) that an Urban Passenger Transport Council be set up to administer national aspects of urban passenger transport.

Clause 1 relates to the Short Title.

Clause 2 inserts new *sections 13A to 13H* in the principal Act relating to the New Zealand Urban Public Passenger Transport Council. The effect of these sections is as follows:

Section 13A establishes the Council. It is to have 6 members, comprising the 3 Government representatives and 3 other members. Those other members are to be appointed by the Governor-General on the recommendation of the Minister of Transport and are to hold office for 3 years. Except in special circumstances, the Minister may not recommend any person who has a pecuniary interest, other than an interest in common with the public, in any public passenger transport undertaking.

The section contains the usual provisions for extraordinary vacancies, deputies of members, and meetings and procedure of the Council.

Section 13B applies to meetings of the Council and its Committees the provisions of sections 6, 7, and 8 of the Local Authorities (Members' Interests) Act 1968, which prohibit a member of a local authority taking part in the discussion of, or voting on, any matter before the local authority in which he has a pecuniary interest.

Section 13C defines the functions and powers of the Council. Generally, it will have such functions as are necessary for the administration of Government assistance to urban public passenger transport operators (other than operators of taxicab services) and such other functions as the Minister directs by notice in the *Gazette*.

The Council will also have the particular functions specified in subsection (2).

The Council will have all such powers as are reasonably necessary to enable it to discharge its functions.

Section 13d provides that every Regional Transport Authority and every person or body providing urban public passenger services (other than taxicab services) in areas other than Regional Transport Districts proposing to borrow money from the Council for capital expenditure or to seek a grant towards capital expenditure is to submit to the Council an application and statement giving such particulars as the Council may require.

Every person or body providing urban public passenger services (other than taxicab services) in any Regional Transport District and proposing to borrow money from the Council for capital expenditure or to seek a grant from the Council towards capital expenditure is to submit to the Regional Transport Authority an application and statement giving such information and particulars as the Council requires. The application and statement are to be forwarded to the Council together with any recommendations or comments that the Authority may wish to make.

Section 13e defines the powers of the Council in respect of any application for a loan or an advance made under *section 13b*.

The Council may grant the application in whole or in part, or refer it back to the applicant for amendment, or decline to sanction the loan or grant, or defer its sanction.

In the case of an application for a loan, the Council may exercise the additional powers specified in subsection (2).

Section 13f authorises the Council to delegate any of its powers to any of its members.

Section 13g provides for the payment from money appropriated by Parliament for the purpose of such sums by way of grant or loan as the Council determines in accordance with the provisions of the Bill.

There may also be paid from money appropriated by Parliament for the purpose expenditure incurred by the Council in the performance and exercise of its functions and powers and allowances and travelling expenses to its members.

Section 13h provides that the Council must report annually to the Minister, and the report must include a statement of the payments made by the Council during the year and of amounts recovered in respect of loans. A copy of that report is to be laid before Parliament.

Clause 3 provides for consequential amendments of the principal Act, and also amends the Local Authorities Loans Act 1956 to provide that loans made to local authorities under *section 13e* will not require the sanction of the Local Authorities Loans Board.

Hon. Mr Gordon

MINISTRY OF TRANSPORT AMENDMENT

ANALYSIS

Title	13c. Functions and powers of the Council
1. Short Title	13d. Applications to Council
2. New sections (as to New Zealand Urban Public Passenger Transport Council) inserted	13e. Powers of Council in respect of applications
13A. New Zealand Urban Public Passenger Transport Council established	13f. Delegation of powers by the Council
13B. Application of certain provisions of Local Authorities (Members' Interests) Act 1968	13g. Money payable out of Consolidated Revenue Account
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	3. Consequential amendments

A BILL INTITULED

An Act to amend the Ministry of Transport Act 1968

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same,
5 as follows:

1. Short Title—This Act may be cited as the Ministry of Transport Amendment Act 1971, and shall be read together with and deemed part of the Ministry of Transport Act 1968* (hereinafter referred to as the principal Act).

10 **2. New sections (as to New Zealand Urban Public Passenger Transport Council) inserted**—The principal Act is hereby amended by inserting, after section 13, the following heading and new sections:

*1968, No. 39

No. 121—1

"New Zealand Urban Public Passenger Transport Council

"13A. New Zealand Urban Public Passenger Transport Council established—(1) There is hereby established a Council, to be called the New Zealand Urban Public Passenger Transport Council.

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"(2) The Council shall consist of—

"(a) The Secretary for Transport, who shall be Chairman of the Council:

"(b) The Secretary to the Treasury:

"(c) The Secretary for Internal Affairs:

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"(d) Three members, to be appointed as provided for in subsection (3) of this section.

"(3) The following provisions shall apply with respect to every member of the Council under paragraph (d) of subsection (2) of this section, namely:

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"(a) He shall be appointed by the Governor-General on the recommendation of the Minister:

"(b) He shall hold office for a term of 3 years, but may from time to time be reappointed, and may at any time be removed from office by the Governor-General for disability, insolvency, neglect of duty, or misconduct, or if he acquires any pecuniary interest, other than an interest in common with the public, in any urban public passenger transport undertaking, and he may at any time resign his office by writing addressed to the Minister:

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"(c) If he dies, is removed from office, or resigns, the vacancy so created may be filled in the manner in which the appointment to the vacant office was originally made. Every person appointed to fill the vacancy shall be appointed for the residue of the term for which his predecessor was appointed:

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"(d) Unless he sooner vacates his office as provided in paragraph (b) of this subsection, he shall continue in office until his successor comes into office, notwithstanding that the term for which he was appointed may have expired.

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"(4) The Governor-General may, on the recommendation of the Minister, appoint any person to be the deputy of any member of the Council appointed under paragraph (d) of subsection (2) of this section, to act, pursuant to the terms of his appointment, in the event of the absence from any meeting of the Council of the member whose deputy he is.

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“(5) Except in special circumstances, the Minister shall not recommend for appointment as a member of the Council under paragraph (d) of subsection (2) of this section, or as the deputy of any such member, any person who has any pecuniary interest, other than an interest in common with the public, in any urban public passenger transport undertaking.

“(6) In the absence from any meeting of the Council of the Secretary for Transport or the Secretary to the Treasury or the Secretary for Internal Affairs, any other officer of his department nominated by him as his deputy may attend the meeting in his stead. While any person is attending any meeting under this subsection, he shall be deemed for all purposes to be a member of the Council, and, in the case of the deputy of the Secretary for Transport, to be the Chairman.

“(7) The fact that any member appointed or nominated as the deputy of any member of the Council attends and acts at any meeting thereof shall be conclusive evidence of his authority to do so.

“(8) In the absence of the Chairman and his deputy from any meeting of the Council, the members present shall appoint one of their members to be Chairman of that meeting.

“(9) Three members shall form a quorum at any meeting of the Council.

“(10) The Chairman of any meeting shall have a deliberative vote, and in the case of an equality of votes shall have a casting vote.

“(11) The powers of the Council shall not be affected by any vacancy in its membership.

“(12) The Council may make rules consistent with this section governing its own procedure.”

“13B. **Application of certain provisions of Local Authorities (Members’ Interests) Act 1968**—The provisions of sections 6, 7, and 8 of the Local Authorities (Members’ Interests) Act 1968 shall apply with respect to every meeting of the Council or of any committee of the Council and the consideration by the Council or any such committee under sections 13D and 13E of this Act of any application for a loan or grant, as if the meeting were a meeting of members of a local authority within the meaning of the first-mentioned Act.

“13c. **Functions and powers of the Council**—(1) The Council shall have and undertake such functions as are necessary for the administration of Government assistance to urban public passenger transport operators in New Zealand (other than the operators of taxicab services), and such other functions as the Minister may direct by notice in the *Gazette*.

“(2) Without limiting the general functions specified in subsection (1) of this section, the Council shall have the following functions:

- “(a) To advise the Minister on any matters concerning urban public passenger transport: 5
- “(b) To determine priorities for Government assistance to the capital expenditure of urban public passenger transport operators (other than the operators of taxicab services), having regard to the extent of other assistance available, and national, regional, and other factors: 10
- “(c) To receive applications for assistance with capital expenditure from any Regional Transport Authority and from any persons or bodies which provide urban public passenger transport services (other than taxicab services), whether by road, water, or by rail, and to allocate finance by way of loans or grants in accordance with the priorities determined pursuant to paragraph (b) of this subsection: 15
- “(d) To encourage and conduct research into urban passenger transport and associated matters: 20
- “(e) To maintain such liaison with other national organisations as the Council considers beneficial:
- “(f) To make proposals to the Local Government Commission pursuant to the Local Government Commission Act 1967 for the preparation of local schemes relating to Regional Transport Districts and Regional Transport Authorities, including, notwithstanding anything in subsection (4) of section 22 of that Act, the transfer of any urban passenger service from any public body (whether a territorial local authority or not) to any Regional Transport Authority, and any such local scheme may provide accordingly. 25 30
- “(3) The Council shall have all such powers as are reasonably necessary to enable it to exercise its functions. 35

“13D. **Applications to Council**—(1) Every Regional Transport Authority and every person or body who or which provides urban public passenger transport (other than taxicab services) in areas other than Regional Transport Districts and proposes to borrow any money from the Council for capital expenditure or to seek a grant from the Council towards capital expenditure shall submit to the Council an application and 40

statement giving such information and particulars as may be required by the Council, which information and particulars shall be verified in such manner as may be required by the Council.

5 “(2) Every person or body who or which provides urban public passenger services (other than taxicab services) in any Regional Transport District and proposes to borrow any money from the Council for capital expenditure or to seek a grant from the Council towards capital expenditure shall
10 submit to the Regional Transport Authority for that district an application and statement giving such information and particulars as may be required by the Council, which shall be forwarded forthwith by that Authority to the Council together with any recommendations or comments that the
15 Authority may wish to make.

“ (3) Upon receipt of the application and statement, the Council may of itself, or by any of its members, or by any other person authorised by it in that behalf, make such investigations in respect of the application as the Council thinks fit.

20 “(4) The Council, or any person authorised by it in that behalf, shall when making investigations in respect of any such application have all the powers of a Commission under the Commissions of Inquiry Act 1908.

“13E. Powers of Council in respect of applications—(1) In
25 respect of every such application made to the Council, the Council may,—

“ (a) Grant the application wholly or in part; or

“ (b) Refer the application back to the applicant for amend-
ment; or

30 “ (c) Decline to sanction the proposed loan or grant or defer its sanction.

“ (2) Without limiting the generality of the powers conferred by subsection (1) of this section, it is hereby declared that in exercise of its powers conferred by paragraph (a) of that sub-
35 section in relation to any loan, the Council may—

“ (a) Determine—

“ (i) The time at which the money may be borrowed:

“ (ii) The term for which it may be borrowed:

40 “ (iii) With the concurrence of the Minister of Finance, the rate of interest (if any) that may be paid in respect thereof:

“ (iv) The provisions for repayment thereof, if any:

45 “ (v) The security (if any) to be provided:

“(b) From time to time, with the approval of the Minister of Finance, vary or modify in such manner and to such extent as it thinks fit, or cancel or add to, any such determination.

“(3) The Council shall duly notify the applicant of every decision made by the Council (with the approval of the Minister of Finance, where required by this section) with respect to the application or in relation to the loan or grant. 5

“(4) Where any such notification purporting to be signed by any person as Secretary or acting Secretary of the Council is given, no person shall be concerned to inquire whether the decisions specified therein have been duly made by the Council, or, as the case may be, by any member acting pursuant to a delegation under section 13F of this Act, or whether, where required by this section, the decisions have been made with the approval of the Minister of Finance. 10 15

“**13F. Delegation of powers by the Council**—(1) The Council may from time to time delegate to any of its members all or any part of the Council’s powers under this Act. No such delegation shall prevent the exercise by the Council of any of its powers. 20

“(2) Where any delegation under this section is made to 2 or more members of the Council those members shall be deemed to be a committee of the Council for the purposes of section 13B of this Act. 25

“**13G. Money payable out of Consolidated Revenue Account**—(1) There may from time to time be paid out of the Consolidated Revenue Account, from money appropriated by Parliament for the purpose, such sums by way of grant or loan as the Council determines, in accordance with this Act. 30

“(2) There may also from time to time be paid out of the Consolidated Revenue Account, from money appropriated by Parliament for the purpose, all fees, salaries, or allowances and other expenditure incurred by the Council in the performance and exercise of its functions and powers under this Act, and travelling allowances and expenses, in accordance with the Fees and Travelling Allowances Act 1951, and the provisions of that Act shall apply accordingly and the Council shall be deemed to be a Statutory Board for the purposes of that Act. 35 40

“13H. **Annual report and accounts to be presented to Parliament**—(1) The Council shall as soon as practicable after the close of each financial year ending with the 31st day of March prepare and submit to the Minister a report on its
5 operations under this Act. The report shall include a statement showing the payments made during the year out of the money appropriated by Parliament for the purposes of sections 13A to 13H of this Act, together with a statement of
10 the amounts recovered in respect of loans made in that or in any previous year.

“(2) The report shall be laid before Parliament as soon as practicable after it has been received by the Minister.”

3. Consequential amendments—(1) Section 2 of the principal Act is hereby amended by repealing the definition of the
15 term “Council”, and substituting the following definition:

“‘Council’ means—

“(a) In sections 10 to 13 of this Act, the Transport Advisory Council established by section 10 of this Act:

20 “(b) In sections 13A to 13H of this Act, the New Zealand Urban Public Passenger Transport Council established by section 13A of this Act:”.

(2) Section 2 of the principal Act is hereby further amended by inserting, after the definition of the term
25 “Ministry”, the following definitions:

“‘Regional Transport Authority’ means any public body established or designated by or pursuant to any Act as an Urban Public Passenger Transport Authority:

30 “‘Regional Transport District’ means the district of any Regional Transport Authority:”.

(3) Section 4 of the principal Act is hereby amended by inserting in subsection (3), after the words “Transport Advisory Council”, the words “the New Zealand Urban
35 Public Passenger Transport Council”.

(4) Section 18 of the Local Authorities Loans Act 1956 is hereby amended by adding the following paragraph:

“(k) Loans made to Local Authorities under section 13E of the Ministry of Transport Act 1968.”