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**AUSTRALIAN CAPITAL TERRITORY**

**INDEPENDENT PRICING AND REGULATORY
COMMISSION ACT 1997**

**REFERENCE FOR INVESTIGATION UNDER SECTION 15
AND
SPECIFIED REQUIREMENTS IN RELATION TO INVESTIGATION UNDER
SECTION 16**

**INSTRUMENT NO. 291 OF 2001**

*Reference for Investigation Under Section 15*

Pursuant to subsection 15(1) of the Act, I direct the Independent Competition and Regulatory Commission (the "Commission") to conduct an investigation into the determination of prices for Taxi services within the Territory from 1 July 2002 addressing the following:

1. To further develop and refine the new costing and pricing model constructed by the Commission to determine prices (fares) for taxi services to provide a reliable and sustainable service for the period of the determination for both the industry and consumers. The costing and pricing model should address deficiencies within the existing taxi cost index and make provisions, where appropriate, for return on investment and efficiency gains through technology.

2 The recommended maximum fares for the regulated taxi services for a period of two years from 1 July 2002.

Without restricting the Commission in reaching a determination on those matters listed in items 1 and 2 above the Commission is to take into account:

a) The degree of competition within the industry and the way in which that may affect the efficiency of the industry; and

b) The matters referred to in Section 20 of the Act.

*Specified Requirements in Relation to Investigation Under Section 16*

Pursuant to subsection 16(1) of the Act, I specify the following requirement in relation to the conduct of the investigation:

- The Commission in conducting its investigation into the determination of fares shall determine a price path capable of being applied over a period of 2 years.

- The final report in relation to determined taxi fares for the period 1 July 2002 to 30 June 2004 is to be provided to the Minister of Urban Services by 30 May 2002;

Dated this 6<sup>th</sup> day of September 2001

BRENDAN SMYTH

MINISTER FOR URBAN SERVICES