

Independent Competition and Regulatory Commission (Reference for Investigation) 2003 (No 3)*

Disallowable Instrument DI2003 - 271

made under the

Independent Competition and Regulatory Commission Act 1997, s 15 Nature of industry references & s 16 Terms of industry references

Pursuant to sub-section 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 2004 addressing the following:

1. To recommend maximum fares for regulated taxi services for a period of three years from 1 July 2004 having regard to the Weighted Cost Index model developed by the Commission as set out at Attachment 5, Final Report 2002 "*Review of the future direction of the ACT taxi and hire car industry, and price direction for taxi services*".

Without restricting the Commission in reaching a determination on those matters listed in item 1 above or its used of the Weighted Cost Index model, the Commission is to take into account:

- a) the effectiveness of the Weighted Cost Index model and the need for any adjustment or change to the index;
- b) the assembly of the value of Fixed Costs, Variable Costs, Return on Investment and Labour Costs;
- c) the setting of labour Cost weighting;
- d) the adjustment of the previous year's base cost components to take account of any change in the number of kilometres travelled on average by taxis;
- e) the summation of the individual components for the base year and the current year to determine the percentage change in these aggregates between the two years; and
- f) the matters referred to in Section 20 of the Act.

*Name amended under Legislation Act 2001 s 60

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

- The final report in relation to determined taxi fares for the period 1 July 2004 to 30 June 2005 is to be provided to the Minister of Urban Services by 30 May 2004.

BILL WOOD
Minister for Urban Services
26 September 2003