

2002

**THE LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL
TERRITORY**

**INDEPENDENT COMPETITION AND REGULATORY COMMISSION ACT
1997**

**INDEPENDENT COMPETITION AND REGULATORY COMMISSION
REFERENCE FOR INVESTIGATION**

EXPLANATORY STATEMENT

Circulated by authority of

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Minister for Urban Services

AUSTRALIAN CAPITAL TERRITORY

INDEPENDENT COMPETITION AND REGULATORY COMMISSION ACT 1997

INDEPENDENT COMPETITION AND REGULATORY COMMISSION REFERENCE FOR INVESTIGATION

DISALLOWABLE INSTRUMENT: DI 2002 - 11

EXPLANATORY STATEMENT

Overview

By instrument dated 15 June 1998 the Minister for Urban Services declared the ACT taxi industry to be a regulated industry, being an industry whose infrastructure facilities are wholly or substantially owned, controlled or operated by a single person.

The purpose of the declaration allows for the reference of ACT taxi fares to the Independent Competition and Regulatory Commission (the Commission) for investigation.

Determination No 291 of 2001 directed the Commission to conduct an investigation into the determination of prices for ACT taxi services for the period commencing 1 July 2002. The instrument incorrectly cited the Act as *Independent Pricing and Regulatory Commission Act 1997*.

Details

The instrument correctly cites *the Independent Competition and Regulatory Commission Act 1997*. This instrument directs 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.