

2006
THE LEGISLATIVE ASSEMBLY
FOR AUSTRALIAN CAPITAL TERRITORY

INDEPENDENT COMPETITION AND REGULATORY
COMMISSION ACT 1997

**Independent Competition and Regulatory Commission (Terms of
Reference) Determination 2006 (No 1)**

EXPLANATORY STATEMENT

Circulated by the 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 (Terms of Reference) Determination 2006 (No 1)

DISALLOWABLE INSTRUMENT: DI2006 – 2

EXPLANATORY STATEMENT

The *Independent Competition and Regulatory Commission Act 1997* provides for, among other things, the provision of price directions for “regulated industries”. The latter term is defined by the Act to include an industry which has been declared by instrument to be a regulated industry under subsection 4(1) of the Act. ACTION was declared a regulated industry on 23 December 1998.

Section 15 allows a referring authority (the relevant Minister in this case) to provide a reference in relation to prices for regulated services. The Minister for Urban Services has, by Notifiable Instrument NI 2006-1, provided a reference to the Commission seeking a determination of prices for public passenger bus services provided by ACTION for the period 1 July 2006 to 30 June 2007.

Section 16 allows the Minister, by instrument, to specify the requirements in relation to the conduct of an investigation or a report on an investigation by the Commission. Such an instrument is a disallowable instrument.

The instrument requires the provision of a draft report to the Minister, which report must be made available for public examination in accordance with section 18 of the Act.

The instrument also requires a final report to the Minister by 19 May 2006.

The instrument specifically requires the Commission to consider the impact of fuel prices on ACTION’s costs. This is in addition to those matters mentioned in section 20(2) of the Act which the Commission is required to consider.