



16 May 2002

Messrs Paul Baxter and Peter MacGhie
Commissioners
Independent Competition and Regulatory Commission
Level 7, FAI House
197 London Circuit
CANBERRA ACT 2600

Dear Commissioners

Thank you for your time at the public hearing on the review of the future direction of the ACT taxi and hire car industries on Monday 13 May, 2002.

As the peak industry association for the tourism industry in the ACT, the Council represents a large and diverse range of sectors in the industry including tour operators in the ACT and region. Stakeholders of the Council from this sector provide a wide range of specialised services to visitors in the ACT, including eco, bush, adventure and sightseeing tours.

Page 18 of your draft report refers to the transitional period after which businesses such as these will no longer be able to operate under the present conditions, due to a prohibitive license pricing structure.

It is recognised that this is not a desired outcome of the new Act, however the recommendation favoured by the Commission (an 'other public passenger vehicle' category that would cover hire cars and other/tourist vehicles) still has the opportunity of severely impacting on the profitability and sustainability of tour operators in the ACT.

The tour services sector represents an important and vital component of the tourism industry, and is mainly comprised of small tourism operators who provide a variety of services adding depth to the experiences on offer to visitors to the ACT and region. T

A Special Purpose Vehicle (SPV) License, as recommended by the Council, recognises the distinction between tour operators and the hire car industry removing any perceptions of competition between two industries who provide completely different services, while allowing both to expand within their markets.


Tourism Industry Council (ACT & Region) Ltd
ABN 14 095 850 838
GPO Box 287 Canberra ACT 2601
Telephone: 02 6283 5224
Fax: 02 6232 4711
Email: tic@actchamber.com.au

The Tourism Industry Council, ACT & Region believes that the Commission's preference for a 'one license fits all' approach, with significant annual license fees, will result in the virtual extinction of the specialised tourism operations sector. This will have significant implications for the development of Canberra as an attractive and diverse tourism destination.

Due to the relatively immature stage of development of our regional tourism industry, in considering such issues the Tourism Industry Council believes that it is important to recognize the need for regulatory processes to facilitate the growth of important (albeit small) sectors such as specialized tourism operators and service providers.

Should regulatory processes and policies, such as 'a one license fits all' policy result in the creation of public/tourism transport monoculture the ACT's tourism development opportunities would be significantly and negatively impacted.

Please don't hesitate to contact me if you wish to discuss any of the above issues further.

Kind regards



Michelle Slater
Executive Director



Tourism Industry Council (ACT & Region) Ltd

ABN 14 095 850 838

GPO Box 287 Canberra ACT 2601

Telephone: 02 6283 5224

Fax: 02 6232 4711

Email: tic@actchamber.com.au