

EXPLANATORY STATEMENT

Telecommunications (Carrier Licence Charges) Act 1997

Determination Under Paragraph 15(1)(d) No. 1 of 2016

Issued by authority of the Minister for Communications and the Arts

Authority

Section 15 of the *Telecommunications (Carrier Licence Charges) Act 1997* (the Act) sets out the method of calculating annual charges that apply to the carrier licences held by telecommunications carriers. Paragraphs 15(1)(a) to (d) set out the amounts to be used in this calculation.

Purpose

The Determination sets out the amount for the purposes outlined in paragraph 15(1)(d) of the Act (i.e. the amount determined to be 'the estimated total amount of grants likely to be made during the financial year under section 593 of the *Telecommunications Act 1997*') at \$2,196,000 for 2015-2016 financial year.

Background

The Determination only sets out the amount for the purposes of paragraph 15(1)(d). The determinations referenced in paragraphs 15(1)(a), (c) and (ca) will be made by the Australian Communications and Media Authority and the determination referenced in paragraph 15(1)(b) will be made by the Australian Competition and Consumer Commission.

Section 593 of the *Telecommunications Act 1997* provides that the Minister may, on behalf of the Commonwealth, make a grant of financial assistance to:

- a consumer body for purposes in connection with the representation of the interests of consumers in relation to telecommunications issues (subsection 593(1)); and/or
- a person or body for purposes in connection with research into the social, economic, environmental or technological implications of developments relating to telecommunications (subsection 593(2)).

Since 2009-10, a grant of financial assistance under section 593 of the *Telecommunications Act 1997* has been provided to the Australian Communications Consumer Action Network (ACCAN) as the peak body representing consumers of telecommunication services. ACCAN is currently provided \$2 million (CPI indexed) per annum as part of a multi-year Funding Agreement to 2017. The grant enables ACCAN to conduct activities necessary for an effective peak communications consumer advocate, including representation, research, consumer education and participation in self-regulatory activities. The grant also allows ACCAN to operate an annual competitive Independent Grants Scheme for individuals and organisations to undertake research or representation projects in the interest of the telecommunication consumer.

Consultation

Consultation on the instrument was considered unnecessary because the instrument is of a minor or machinery nature and does not substantially alter existing arrangements (see paragraph 18(2)(a) of the *Legislative Instruments Act 2003*).

Statement of compatibility with human rights

This statement of compatibility is prepared in accordance with Part 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

The Determination sets out the estimated total amount of grants that are likely to be made during the 2015-2016 financial year under section 593 of the *Telecommunications Act 1997*. Section 593 provides that the Minister may, on behalf of the Commonwealth, make a grant of financial assistance to persons or bodies (for the purpose of research into the social, economic, environmental and technological implications of developments relating to telecommunications), and to consumer bodies (for purposes in connection with the representation of consumer interests in relation to telecommunications issues).

The Determination does not engage any of the applicable rights or freedoms. Accordingly, the Determination is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*, as it does not raise any human rights issues.

The Determination is a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.