

EXPLANATORY STATEMENT

Telecommunications (Carrier Licence Charges) Act 1997

DETERMINATION UNDER PARAGRAPH 15(1)(d) No. 1 of 2017

Issued by authority of the Minister for Communications

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 the calculation.

Subsection 15(2) of the Act provides that an instrument under subsection (1) is a legislative instrument.

Purpose

The Determination has been made for the purposes of paragraph 15(1)(d) of the Act.

Details

The Determination provides that \$2,230,000 is the estimated total amount of grants likely to be made during the 2016-17 financial year under section 593 of the *Telecommunications Act 1997* (Tel Act)

For the 2016-17 financial year, 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.

Background

Section 593 of the Tel Act 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, several grants of financial assistance under section 593 of the Tel Act have been provided to the Australian Communications Consumer Action Network (ACCAN). ACCAN is the peak body representing consumers of telecommunication services. ACCAN is currently provided \$2 million (GST exclusive and CPI indexed) per annum as part of a multi-year Funding Agreement to 30 May 2017. The current 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 Determination was considered unnecessary because the instrument is of a minor or machinery nature and does not substantially alter existing arrangements.

Regulatory impact

The Office of Best Practice Regulation (OBPR) was previously consulted about the making of the Determination. The OBPR considered that the regulatory changes arising from the Determination are machinery in nature and that no Regulation Impact Statement is required. The OBPR regulation impact statement exemption number for the Determination is ID 12379.

Other details

A statement of compatibility with human rights for the purposes of Part 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011* is set out in **Attachment 1**.

Statement of compatibility with human rights

Prepared in accordance with Part 3 of the

Human Rights (Parliamentary Scrutiny) Act 2011

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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*.

The Determination is made by the Minister for Communications under paragraph 15(1)(d) of the *Telecommunications (Carrier Licence Charges) Act 1997*.

The Determination sets out the estimated total amount of grants that are likely to be made during the 2016-17 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.