

## **EXPLANATORY STATEMENT**

### ***Telecommunications (Carrier Licence Charges) Act 1997***

### **Determination under Paragraph 15(1)(b) No. 1 of 2018**

### **Issued by the Australian Competition & Consumer Commission**

#### **Legislative Provisions**

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. Subsection 15(1) of the Act provides that the total of charges that are imposed on carrier licences in force at the beginning of a financial year must not exceed the sum of:

- a) the amount determined, by a written instrument made by the ACMA, to be the proportion of the ACMA's costs for the immediately preceding financial year that is attributable to the ACMA's telecommunications functions and powers; and
- b) the amount determined, by a written instrument made by the ACCC, to be the proportion of the ACCC's costs for the immediately preceding financial year that is attributable to the ACCC's telecommunications functions and powers; and
- c) the amount determined, by a written instrument made by the ACMA, to be the proportion of the Commonwealth's contribution to the budget of the International Telecommunication Union for the calendar year in which the beginning of the financial year occurs that is to be recovered from carriers; and
- (ca) the amount determined, by a written instrument made by the ACMA, to be the sum of the amounts paid under section 136C of the *Telecommunications Act 1997* during the immediately preceding financial year; and
- d) the amount determined, in a written instrument made by the Minister, to be the estimated total amount of grants likely to be made during the financial year under section 593 of the *Telecommunications Act 1997*.

Paragraph 15(4)(b) of the Act defines “costs” and provides that in relation to the ACCC, costs means an amount that, in accordance with accrual-based accounting principles, is treated as a cost of the ACCC. The ACCC’s costs have been calculated in accordance with those principles.

A Determination made under subsection 15(1) of the Act is a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

#### **Purpose**

The Determination has been made for the purposes of paragraph 15(1)(b) of the Act and provides that \$13,109,173 is the amount determined to be the proportion of ACCC’s cost for the 2016-17 financial year that is attributable to the ACCC’s telecommunications functions and powers.

#### **Consultation**

The ACMA, on behalf of the ACCC, conducted a public consultation in relation to the making of this Determination. The consultation period was open to carriers on 16 April 2018 for a six week period ending 25 May 2018. One submission was received, and did not raise any substantive issues regarding the drafting of this instrument.

**STATEMENT OF COMPATIBILITY FOR A BILL OR LEGISLATIVE INSTRUMENT THAT  
DOES NOT RAISE ANY HUMAN RIGHTS ISSUES**

**Statement of Compatibility with Human Rights**

*Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011*

**DETERMINATION UNDER SECTION 15(1)(b) No. 1 of 2018 – 7 JUNE 2018**

This Legislative Instrument 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*.

**Overview of the Legislative Instrument**

This Determination provides the Australian Competition & Consumer Commission's relevant costs used in the calculation of the 2016-17 Annual Carrier Licence Charge.

**Human rights implications**

This Legislative Instrument does not engage any of the applicable rights or freedoms.

**Conclusion**

This Legislative Instrument is compatible with human rights as it does not raise any human rights issues.

*Delia Ann Rickard, Acting Chair, Australian Competition and Consumer Commission*

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