

EXPLANATORY STATEMENT

TELECOMMUNICATIONS (CARRIER LICENCE CHARGES) (PARAGRAPH 15(1)(d)) DETERMINATION 2022 (No. 1)

Issued by authority of the Minister for Communications, Urban Infrastructure, Cities and the Arts

Authority

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

Commencement

The Determination commences at the start of the day after it is registered on the Federal Register of Legislation, in accordance with paragraph 12(1)(a) of the *Legislation Act 2003*.

Note: the Federal Register of Legislation may be accessed at www.legislation.gov.au

Purpose and operation

Section 15 of the Act sets out the method of calculating the maximum 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.

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

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

Details

The Determination provides that \$2,381,000 is the estimated total amount of grants likely to be made during the 2021-22 financial year under section 593 of the *Telecommunications Act 1997* (Tel Act).

For the 2021-22 financial year, the determinations referenced in paragraphs 15(1)(a), (c) and (ca) of the Act 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 grant funding as part of a multi-year funding agreement that expires on 31 May 2022.

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 a competitive Independent Grants Program for individuals and organisations to undertake research or representation projects in the interest of the telecommunication consumer.

Consultation

Consultation on the Determination was not considered appropriate or necessary because the instrument is of a minor or machinery nature and the information necessary to determine the estimated total amount of grants likely to be made during the financial year under section 593 of the Tel Act is specified in the Portfolio Budget Statements for 2021-22.

The Office of Best Practice Regulation (OBPR) was consulted about the making of determinations under paragraph 15(1)(d) of the Act. The OBPR considered that a carve-out would be appropriate for determinations made under paragraph 15(1)(d) of the Act, as these determinations are machinery in nature. This carve-out is a standing agreement between OBPR and the Department to remove the need to submit a Regulatory Impact Statement for assessment. The reference number for this carve out is 43366.

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*.

Overview of the Determination

Section 15 of the *Telecommunications (Carrier Licence Charges) Act 1997* (the Act) sets out the method of calculating the maximum 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.

The Determination is made by the Minister for Communications, Urban Infrastructure, Cities and the Arts under paragraph 15(1)(d) of the Act. It sets out the estimated total amount of grants that are likely to be made during the 2021-22 financial year under section 593 of the *Telecommunications Act 1997* (Tel Act).

Section 593 of the Tel Act provides that the Minister may, on behalf of the Commonwealth, make grants of financial assistance to persons or bodies for purposes in connection with research into the social, economic, environmental or 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.

Human rights implications

The Determination does not engage any of the applicable rights or freedoms.

Conclusion

The Determination is compatible with human rights as it does not raise any human rights issues.