

1991

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

TELECOMMUNICATIONS (APPLICATION FEES) BILL 1991

TELECOMMUNICATIONS (CARRIER LICENCE FEES) BILL 1991

TELECOMMUNICATIONS (NUMBERING FEES) BILL 1991

EXPLANATORY MEMORANDUM

(Circulated by authority of the Minister for Transport and
Communications, the Hon Kim C Beazley M.P.)



OUTLINE

TELECOMMUNICATIONS (APPLICATION FEES) BILL 1991

On 8 November 1990, the Prime Minister gave a Ministerial Statement on Transport and Telecommunications reform. That Statement was accompanied by the booklet "Micro Economic Reform: Progress - Telecommunications" which was released after the Statement was made.

The Telecommunications Bill 1991, together with the related Bills introduced in this package, implement the Government's decisions announced in the Prime Ministerial Statement and booklet. The Telecommunications (Application Fees) Bill 1991, the Telecommunications (Carrier Licence Fees) Bill 1991 and the Telecommunications (Numbering Fees) Bill 1991 form part of the legislative package.

The Telecommunications (Application Fees) Bill 1991 provides for application fees to be payable in respect of certain applications to the Australian Telecommunications Authority (AUSTEL) which was established under the Telecommunications Act 1989 and which will continue in existence under the Telecommunications Act 1991.

AUSTEL will continue its regulatory role and will continue to issue various licences and permits under the Telecommunications Act 1991. This Bill provides for fees to be payable for certain applications for licences and permits. The kinds of applications which were previously specified under the Telecommunications (Application Fees) Act 1989 will be subject to fees under the Telecommunications (Application Fees) Act 1991.

The Telecommunications (Application Fees) Act 1991 creates fees for the same types of applications relating to eligible services under the Telecommunications Act 1991 as applied to applications relating to value added and private network services under the Telecommunications Act 1989. In addition, the following kinds of applications will be subject to application fees:

- . an application for an authorisation for the use of certain facilities under section 108 of the Telecommunications Act 1991; and
- . an application for enrolment as a supplier of public access cordless telecommunications services (PACT services) under section 227 of that Act.

The Telecommunications (Application Fees) Bill 1991 provides for the Governor-General to make regulations fixing application fees in the same way as regulations were

made under the Telecommunications (Application fees) Act 1989 fixing fees payable under that Act.

The details of the Telecommunications (Application Fees) Bill 1991 are contained in the Notes On Clauses.

TELECOMMUNICATIONS (CARRIER LICENCE FEES) BILL 1991

This Bill provides for the payment of fees for general telecommunications licences and public mobile licences issued under the Telecommunications Act 1991.

The holder of a general telecommunications licence or a public mobile licence is to pay the Commonwealth, by way of tax on the licence, a fee on each 1 July while the licence is in effect or within 12 months after the licence ceases to be in effect.

The Telecommunications (Carrier Licence) Fees Bill 1991 provides for regulations to be made determining licence fees.

The details of the clauses of the Telecommunications (Carrier Licence) Fees Bill 1991 are contained in the Notes On Clauses.

TELECOMMUNICATIONS (NUMBERING FEES) BILL 1991

This Bill provides for the payment of fees for the allocation of numbers for public telecommunications services. The allocation of numbers is made by AUSTEL under section 242 of the Telecommunications Act 1991, following an application by a carrier, or another person, for numbers for telecommunication services provided by that carrier, or other person, across a public telecommunications network.

The Bill provides for regulations to be made fixing fees for the allocation of numbers.

The details of the clauses of the Telecommunications (Numbering Fees) Bill 1991 are contained in the Notes On Clauses.

FINANCIAL IMPACT STATEMENT

The Telecommunications (Application Fees) Bill 1991 allows AUSTEL to recover its costs in processing the applications concerned.

The Telecommunications (Carrier Licence Fees) Bill 1991 allows for the recovery of AUSTEL's costs in regulating carrier activities.

It is expected that the Telecommunications (Numbering Fees) Bill 1991 will generate significant Commonwealth revenue.

NOTES ON CLAUSES

A more detailed explanation of the provisions of the Bills is contained in the following notes.

TELECOMMUNICATIONS (APPLICATION FEES) BILL 1991

Clause 1 - Short title

This clause provides for the citation of the Telecommunications (Application Fees) Act 1991.

Clause 2 - Commencement

This clause provides for the commencement of the new Act.

Clause 2(1) provides for most of the Act to commence on 1 July 1991.

Clause 2(2) provides for clauses 1 and 2 to commence on Royal Assent.

Clause 3 - Interpretation

This clause provides that expressions in the new Act have the same meaning as in the Telecommunications Act 1991.

Clause 4 - Application fees

This clause provides for a fee to be payable on certain applications.

Clause 4(1) provides that a person must pay a fee to the Commonwealth where the person makes an eligible application of a kind for which the regulations fix a fee.

Clause 4(2) provides that the following applications made to AUSTEL under the Telecommunications Act 1991 are eligible applications:

- . an application for an authorisation for the use of facilities;
- . an application for variation of an eligible services class licence;
- . an application for registration of an eligible service;

- . an application for enrolment as a supplier of a PACT service;
- . an application for a customer equipment permit;
- . an application for variation of a customer equipment permit;
- . an application for the accreditation of a test house where regulations create a fee for the accreditation;
- . an application for a cabling licence;
- . an application for variation of a cabling licence.

Clause 5 - Regulations

This clause provides for the making of regulations.

Clause 5(1) enables the Governor-General to make regulations fixing fees for eligible applications.

Clause 5(2) provides that the regulations may fix different fees for different kinds of applications, specified in the regulations, even though those applications are of a kind referred to in the same paragraph of subsection 4(2).

Clause 5(3) provides that the regulations shall not fix a fee exceeding \$20,000 for an application for enrolment as a supplier of a PACT service.

Clause 5(4) provides that the regulations must not fix a fee exceeding \$2,000 for any other kind of application.

The reason for the higher fee in relation to enrolment of suppliers of PACT services is that it is, in effect, a fee for a right to become a supplier of PACT services. The maximum level is that recommended in AUSTEL's Report on Resale dated 14 December 1990.

TELECOMMUNICATIONS (CARRIER LICENCE FEES) BILL 1991

Clause 1 - Short Title

This clause provides for the citation of the Telecommunications (Carrier Licence Fees) Act 1991.

Clause 2 - Commencement

This clause provides for the commencement of the new Act.

Clause 2(1) provides for most of the Act to commence on 1 July 1991.

Clause 2(2) provides for clauses 1 and 2 to commence on Royal Assent.

Clause 3 - Interpretation

This clause provides that expressions in the new Act have the same meaning as in the Telecommunications Act 1991.

Clause 4 - Fees for carrier licences

This clause provides that the holder of a general telecommunications licence or a public mobile licence must pay a fee to the Commonwealth, in respect of the licence, on each 1 July that occurs while the licence is in effect, or within 12 months after the licence ceases to be in effect. The amount of the fee is to be determined in accordance with the regulations in force immediately before that 1 July.

The purpose of these fees is to recover the administrative costs borne by AUSTEL in regulating the activities of the carriers.

Clause 5 - How the regulations may provide for fees to be determined

Clause 5(1) provides that, without limiting section 4, regulations may be made for the purposes of that section which may prescribe the amount of the carrier licence fee or may prescribe a procedure by which the amount of such a fee is to be determined.

Clause 5(2) provides that, without limiting the operation of section 4, the regulations prescribing the carrier licence fee may prescribe a different amount for the fee payable by the holder of a general telecommunications licence to the amount prescribed for the holder of a public mobile licence.

Clause 6 - Limit on total of annual fees

Clause 6 provides that the total of the fees that become payable under the new Act on 1 July in a financial year is not to exceed the total of all the amounts appropriated for the purposes of AUSTEL in the preceding financial year. The total of the licence fees payable on 1 July by the carriers is not to exceed AUSTEL's total appropriation from Consolidated Revenue in the preceding financial year.

Clause 7 - Recovery of fee

Clause 7 provides for the recovery of a fee payable under the new Act in a court of competent jurisdiction as a debt due to the Commonwealth.

Clause 8 - Regulations

This clause provides for the making of regulations.

TELECOMMUNICATIONS (NUMBERING FEES) BILL 1991

Clause 1 - Short title

This clause provides for the citation of the Telecommunications (Numbering Fees) Act 1991.

Clause 2 - Commencement

This clause provides for the commencement of the new Act.

Clause 2(1) provides for most of the Act to commence on 1 July 1991.

Clause 2(2) provides for clauses 1 and 2 to commence on Royal Assent.

Clause 3 - Interpretation

This clause provides that expressions in the new Act have the same meaning as in the Telecommunications Act 1991.

Clause 4 - Fees for allocation of numbers

This clause allows for the fixing by regulation of a fee for the allocation by AUSTEL of a number under section 242 of the Telecommunications Act 1991. Where a fee is fixed for a number that fee is payable to the Commonwealth by a person to whom the number is to be allocated.

Clause 5 - Fees for allocation of "special" numbers

This clause allows for the determination under the regulations of an additional fee for the allocation by AUSTEL of a number under section 242 of the Telecommunications Act 1991. Where an additional fee for a number is to be determined or worked out in accordance with the procedure set out in the regulations that additional fee is payable to the Commonwealth by a person to whom the

number is allocated by AUSTEL under section 242 of the Telecommunications Act 1991.

Clause 6 - Regulations for section 4

Clause 6(1) provides that the Governor-General may make regulations fixing fees for the purposes of section 4.

Clause 6(2) provides that the regulations must not fix a fee of more than \$2,000.

Clause 7 - Regulations for section 5

Clause 7(1) provides that the Governor-General may make regulations providing for fees for the purposes of section 5.

Clause 7(2)(a) provides for the regulations made under subsection 7(1) to fix a fee by way of a premium for the allocation of particular numbers or classes of numbers.

Clause 7(2)(b) provides for the regulations made under subsection 7(1) to allow for fees to be worked out by reference to the results of a tender process or a public auction conducted as provided for by the regulations.





