

EXPLANATORY STATEMENT

Telecommunications (Carrier Licence Application Charge) Determination 2007

Telecommunications (Carrier Licence Charges) Act 1997

Legislative Provisions

The *Telecommunications (Carrier Licence Application Charge) Determination 2007* (the Determination) has been made by the Australian Communications and Media Authority (ACMA) to revoke and replace the *Telecommunications (Carrier Licence Application Charge) Determination 2004*. The determination provides updated charges arising from a review of ACMA's cost recovery fees and charges.

Section 7 of the *Telecommunications (Carrier Licence Charges) Act 1997* provides that a charge is imposed on an application for a carrier licence. Subsection 9(1) specifies that the amount of charge imposed is the amount ascertained in accordance with a written determination made by ACMA. Subsection 9(2) provides that a determination made under subsection 9(1) is a disallowable instrument for the purposes of section 46A of the *Acts Interpretation Act 1901*.

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

Background

ACMA reviewed its fees and charges as part of a scheduled five-yearly review of its cost recovery arrangements. ACMA reviewed its existing fees and charges against cost recovery principles outlined in the Australian Government's *Cost Recovery Guidelines*.

The review resulted in updates to a range of existing charges, including charges for services provided by ACMA under the *Telecommunications Act 1997*.

The Determination specifies the charges payable by telecommunications carriers to ACMA to recover the expenses incurred by ACMA in consideration of a carrier licence application made under section 52 of the *Telecommunications Act 1997*.

The Determination is named the *Telecommunications (Carrier Licence Application Charge) Determination 2007*.

Regulation Impact

ACMA has obtained the advice of the Office of Best Practice Regulation (formerly the Office of Regulation Review) that a Regulation Impact Statement is not required for the Determination as the proposal does not have a significant impact on business or the economy. A Cost Recovery Impact Statement has been prepared which outlines the basis for calculating the charges payable.

Consultation

A consultation paper about the review of ACMA's existing cost recovery fees and charges was released for public comment on 22 December 2006. The consultation paper proposed the change to the carrier licence application charge in this determination. The consultation paper was also published on ACMA's website and was provided directly to telecommunications carriers, carriage service providers and to a range of industry bodies and associations.

ACMA received five submissions on the proposed arrangements.

Commencement of Determination

The Determination commences on 1 July 2007

Notes on Sections

Section 1 – Name of Determination

Section 1 provides for the citation of the Determination as the *Telecommunications (Carrier Licence Application Charge) Determination 2007*.

Section 2 – Commencement

Section 2 provides that the Determination commences on 1 July 2007.

Section 3 – Carrier Licence Application Charge

Section 3 specifies the charge imposed on an application for a carrier licence.

Section 4 – Revocation

Section 4 revokes the Determination known as the *Telecommunications (Carrier Licence Application Charge) Determination 2004*.