

Act No. 128-1988

# LIBRARY

1988

THE PARLIAMENT OF THE COMMONWEALTH  
OF AUSTRALIA

HOUSE OF REPRESENTATIVES

SATELLITE COMMUNICATIONS AMENDMENT BILL 1988

EXPLANATORY MEMORANDUM

(Circulated by the authority of the Minister for Transport  
and Communications, the Hon Ralph Willis M.P.)

## SATELLITE COMMUNICATIONS AMENDMENT BILL 1988

### OUTLINE

The aim of the Bill is to:

- . amend the definition of "neighbouring region" in the Act to clarify the areas outside Australia in which AUSSAT can provide satellites for telecommunications services
- . clarify the limitations on the Telecom directors and employees who can be directors of AUSSAT
- . provide for the exemption of AUSSAT from the Public Works Committee Act 1969 and the Lands Acquisition Act 1955.

As AUSSAT is established as a company under companies legislation, the main reforms arising from the Government's statement "Reshaping the Transport and Communications Government Business Enterprises" announced by Senator Gareth Evans on May 25, will be implemented by administrative measures, or amendments to AUSSAT's memorandum and articles of association. However, the exemptions from the Public Works Committee Act 1969 and the Lands Acquisition Act 1955 are included in legislation in line with the Government's 1987 ministerial statement "Guidelines for Commonwealth Authorities and Government Business Enterprises".

The amendment to section 9 allows for "neighbouring regions" to be prescribed by regulation to allow for clarification of the areas outside Australia in which AUSSAT is authorised to provide services in accordance with paragraph 6(1)(b).

### FINANCIAL IMPACT STATEMENT

The Bill does not involve any additional expenditure by the Commonwealth or additional revenue for the Commonwealth.

NOTES ON CLAUSES

Clause 1      Short Title

Provides for the citation as the Satellite Communications Act 1988

The Principal Act is the Satellite Communications Act 1984

Clause 2      Commencement

Provides that the exemption from the Public Works Committee Act and Lands Acquisition Act operate from Royal Assent. Other provisions operate from dates to be fixed by proclamation, which may differ for each provision.

Clause 3      Interpretation

Substitutes a new definition of "neighbouring regions" in section 3 which provides for regulations which define neighbouring regions as countries and areas. This will allow regulations which describe by latitude and longitude areas, including named countries or all countries.

The term neighbouring regions is used in paragraph 6(b) which provides that one of AUSSAT's primary functions is the provision of space satellite facilities for use in telecommunications systems for neighbouring regions. At present this is defined to include Papua New Guinea and the South West Pacific. The new arrangements will not operate until proclamation to allow for suitable regulations to be drafted.

The provision relates to services outside Australia and it is not intended that it could cover either services within Australia or between Australia and other places.

Clause 4      Directors of AUSSAT

Amends section 9 of the Act which limits the number and proportion of people associated with Telecom who can be AUSSAT directors, to 2 and 25% respectively, while Telecom continues to hold 25% of the shares.

The amendment makes two changes: (i) a government director of Telecom, also appointed to AUSSAT, will not be taken to be a Telecom director for the purposes of this section; (ii) the provision now recognises the organisational change in Telecom and the absence of State Manager positions and will now apply to all Telecom employees, whereas presently it applies only to senior employees.

**Clause 5      New sections 18A and 18B**

Proposed section 18A provides that the Public Works Committee Act does not apply to AUSSAT.

Proposed section 18B provides that the Lands Acquisition Act does not apply to AUSSAT.

Note: AUSSAT will not be empowered to obtain land through compulsory process. Any acquisition through compulsory process must be carried out through relevant Commonwealth Departments, and then only if there has been no effort to acquire by agreement. These arrangements acknowledge the Law Reform Commission recommendations on the matter of land acquisition. AUSSAT will be directed to observe Government policy in this regard.

**Clause 6      Transitional provisions - directors**

Provides for the operation of amended section 9 if the amendments come into operation before the amendments in the Telecommunications Amendment Bill 1988, to the Telecommunications Act 1975 which provide for the change of name to the Australian Telecommunications Corporation and the establishment of the new Telecom Board.