

# Senate Select Committee on Superannuation and Financial Services

## Main Inquiry Reference (b)

### Submission No. 32

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Department of  
Communications  
Information Technology  
and the Arts



our reference  
4 September 2000

Ms Sue Morton  
Secretary  
Senate Select Committee on Superannuation and Financial Services  
Parliament House  
CANBERRA ACT 2600

Dear Ms Morton

Thank you for your letter of 8 August 2000, and the proof transcript relating to the Senate Committee inquiry hearing into the opportunities and constraints for the provision of global financial services, held in Canberra on 14 July 2000.

Responding to a question from Senator Hogg, I undertook to provide information on trade barriers in the information technology and telecommunications sectors.

Australia has a very open and competitive telecommunications environment, and is a world leader in this area. In the last decade Australia has undergone significant market liberalisation, which is continuing. Combined with rapid technological change and innovation, this liberalisation has driven down costs and facilitated the provision of new services and industry growth.

Australian companies have, however, faced constraints in operating overseas. The Productivity Commission published the *International Telecommunications Market Regulation* report in August 1999, which looked at the reform issues facing international telecommunications markets. The report examined possible inefficiencies associated with international payment arrangements, community benefits arising from recent domestic regulatory reform and issues relating to future reform. A summary of the report's findings and the government's response is available at **Attachment A**.

The report found that not all governments have supported reform to "traditional" telecommunications regulatory regimes, institutions and international payment systems. This impacts upon Australian operators, particularly through inefficient pricing structures and by limiting opportunities for investment in these countries.

A key finding of the report was the importance of Australia's participation in international regulatory agencies, such as the World Trade Organization (WTO), Asia-Pacific Economic Cooperation forum (APEC), and International Telecommunications Union. It confirmed that Australia's international efforts in pursuing telecommunications reform have been well directed, and recommended that Australia continue to build strong relationships through such fora to maximise its effectiveness in pursuing multilateral reform.

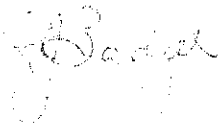
The report suggests that future benefits may be derived from reform to:

- Possible excess interconnection costs;
- Possible excess costs on leased lines for international traffic; and
- Excess costs for internet traffic with the United States.

In relation to the last point, Senator Alston represented Australia at the APEC Telecommunication and Information Industry Ministers meeting in Cancun, Mexico in May 2000. At this meeting, the ministers endorsed the APEC *Principles on International Charging Arrangements for Internet Services*, which provides for fairer competition and reflection of each party's contribution (**Attachment B**).

Finally, the Department of Foreign Affairs and Trade works at a number of levels to identify and remove international trade constraints facing the Australian information industries. This includes working through the WTO's General Agreement on Trade on Services to bind the member to market liberalisation reforms. Further details on these activities are detailed at **Attachment C**.

Yours sincerely,



DR ROD BADGER  
Executive Director  
Information Technology



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## Media Release

SENATOR THE HON RICHARD ALSTON

*Minister for Communications, Information Technology and the Arts  
Deputy Leader of the Government in the Senate*

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### Minister welcomes Productivity Commission report

The Minister for Communications, Information Technology and the Arts, Senator Richard Alston, today welcomed a Productivity Commission report that endorses the Government's international activities in telecommunications market reform.

The report, *International Telecommunications Market Regulation*, finds that Australia's efforts to reform the international telecommunications market are well targeted to deliver benefits to Australian business.

'Cost effective telecommunications will increasingly determine Australian exporters' competitiveness, and Australia's position in global electronic commerce,' Senator Alston said.

'It is encouraging that the Government's efforts in this area have been endorsed by the independent scrutiny of the Productivity Commission, following extensive consultation with industry'.

*International Telecommunications Market Regulation* addresses issues including the international telephony accounting rate system, Internet charging arrangements, interconnection, market liberalisation, competition in services, and institutional arrangements.

'Industry and consumers have received real and substantial benefits from Australia's open regulatory environment. The Government will work to ensure that this is supported by a robust international regulatory framework for global e-commerce and communications,' Senator Alston said.

Bilateral and regional liberalisation initiatives in forums such as APEC will continue to be pursued in conjunction with objectives and initiatives in other international fora such as the International Telecommunication Union and the World Trade Organisation.

The Government expects that the range of international services available to Australian residential and business consumers will continue to expand and prices of these services will continue to fall.

Comments relating to each of the Productivity Commission findings is attached. For more information see [www.pc.gov.au](http://www.pc.gov.au)

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149/99

24 September 1999

## Attachment

### Government Response to each of the "Findings" of the Productivity Commission's Report on International Telecommunications Market Regulation

#### Finding:

The traditional accounting rate system for international telephony has significantly declined in importance in recent years. There is increasing scope for commercial negotiation between providers, with prices determined on the basis of the services required.

#### Response

The Government agrees with this finding. The traditional accounting rate system is based on the assumption that international telecommunication is a service that is jointly provided by an identified provider in each country of a bilateral relationship, and settled according to a negotiated allocation of costs between them. This model is increasingly inapplicable to modern international telecommunications business practices. Modern service delivery involves a multiplicity of technical and commercial models and requires flexibility in the ways in which accounts may be settled.

The Government has implemented a telecommunications regulatory regime that supports commercial negotiations between carriers exchanging traffic with each other. This market-based arrangement, where telecommunications is regarded as a traded service, allows for both facilities-based carriers and other service providers to negotiate commercial arrangements directly - the Government's role is to ensure a fair market. Effective markets will deliver pricing that reflects underlying costs, and choice of commercial arrangements with service providers to suit individual needs.

The open regulatory environment also provides telecommunications industry participants with the freedom to pursue business strategies that focus on customer demand, rather than being constrained by regulation.

#### Finding:

Accounting rates for international telecommunications traffic to and from non-liberalised countries remain well above costs.

- Australia could increase pressure for reform through negotiation with other countries in the ITU to extend endorsement of alternative calling procedures and to seek removal of categories of international traffic, such as that originating or terminating on mobile networks, from the accounting rate system.

#### Response

The Government agrees with the finding that accounting rates with non-liberalised countries remain well above costs. One reason for this lies in the International Telecommunication Regulations (ITRs), which are a binding treaty obligation on members of the International Telecommunication Union (ITU) such as Australia. The ITRs provide the regulatory cover that allows some monopoly operators in non-liberalised countries to charge foreign carriers accounting rates that are significantly above cost. The accounting rates system provides no effective mechanism for relating costs to prices, and is no substitute for competition.

The Government has been campaigning for some years in the ITU to have the ITRs reviewed. The ITU Plenipotentiary Conference in November 1998 instructed the Secretary-General to implement a review process, in which Australia is an active participant. The review is to conclude by mid-2000.

"Alternative calling procedures" that "bypass" the ITU-recommended cost-sharing arrangements are a normal commercial response to inefficient, uneconomic and discriminatory charging practices under the accounting rate system. The Government considers that these procedures have the potential to offer benefits to consumers.

The Government notes that many countries regulate against alternative calling procedures because such practices reduce their local revenues. It is not illegal for Australian carriers to provide alternative calling procedures. The Government does not condone however, any alternative calling procedures that cause technical harm or involve unremunerated use of carriers' networks.

The Government has been advised that the separation of traffic originating or terminating on mobile networks is already occurring within the framework of bilateral commercial arrangements. The higher costs of calls originating or terminating on the mobile phone network were absorbed within international accounting rates so long as those accounting rates were high and mobile traffic volumes comparatively low. As competition and technological advances have reduced charges for international phone calls in liberalised markets closer to real costs, there is greater attention to cost categories in the calculation of traffic settlement rates.

### **Finding:**

There is evidence of inefficient pricing for some services between liberalised markets, including the Internet.

- The relative importance of domestic interconnection in the total costs of international telecommunications continues to grow. The work of the ACCC should ultimately result in a better alignment of interconnection prices with underlying costs.
- There is a potential anomaly in levying a Universal Service Obligation (USO) contribution on international satellite operators, but not on international cable consortia.

### **Response**

The Government notes the Commission's concern about high PSTN and other access charges in Australia which may deter the entry of new players and result in increased prices for international telephony and other services. The Government acknowledges that this is an issue and notes that it is being addressed under the telecommunications access regime under Part XIC of the Trade Practices Act. Administration of Part XIC rests with the ACCC. Originating and terminating PSTN access services are declared services for the purposes of the access regime. This means that in the event of a dispute between an access seeker and an access provider, the ACCC may determine terms and conditions, including price, which are fair and reasonable for all parties. To further promote the competitive supply of services, the Government recently amended Part XIC to enable the ACCC to make interim determinations in access disputes. The Government monitors the operation of Part XIC on an ongoing basis. The ACCC will also report on the operation of Part XIC in 1998-99 in its forthcoming report under s.151CM of the Trade Practices Act.

Regarding the Commission's finding that access to transmission facilities has been difficult and expensive for some Australian providers, the Government expects that increased competition in the international transmission market will facilitate access at reduced prices by service providers. As the Productivity Commission notes, access

seekers have the right to seek to have international carriage services declared for the purposes of the Part XIC access regime. The Government notes that the International Rules of Conduct are designed to enable action to be taken in relation to carriers operating in overseas markets and who would generally be beyond the reach of Australian trade practices law. It is not clear from the report that this limitation is fully understood.

Regarding the inclusion of international satellite revenue in the calculation of USO contributions, the Government is committed to promoting competitive neutrality between telecommunications service providers. PanAmSat discussed this issue in its submission to the Productivity Commission, and has raised it with the ACA. As noted by the Commission, the Government is reviewing USO funding arrangements this year, including the 'eligible revenue' Regulations, and will consider the matter raised by PanAmSat.

### **Finding:**

It is difficult to link the market conduct and investment behaviour of international telecommunications providers directly to the inefficiencies inherent in past and existing payment systems. There is considerable evidence, however, that providers adopt strategies that minimise the adverse effects of those systems and that they continue to exploit remaining market power.

### **Response**

The Government agrees that there are inefficiencies in past and present payment systems. One of the inherent difficulties of international trade is that it is impossible for a country such as Australia to take unilateral action that will significantly change international telecommunications market regulation. International regulation requires bilateral, plurilateral or multilateral agreement. Therefore, the Government actively pursues its reform agenda in international organisations.

Australia is an active proponent of regulatory reform in regional fora, such as APEC and the AsiaPacific Telecommunity (APT), and multilateral fora such as the ITU, OECD and the WTO.

The Government encourages Australian carriers to adopt strategies that minimise the adverse effects of international payment systems on Australian consumers. The Government has implemented an Australian telecommunications regime that permits carriers freedom to negotiate the best deals they can for Australian consumers. For example, with liberalised market entry, there is scope for network interconnection by carriers, and carriers are able to establish their own operations in other countries, reducing or removing the need for traditional settlement arrangements.

The Government has adopted measures to mitigate any attempt by Australian carriers and service providers to abuse any market power they might have.

The Government requires carriers and service providers in Australia to observe international conventions and agreements to which Australia is a party.

The Government is also aware that there is an apparent inequity in the practice of non-US networks being required to fund the full cost of two-way Internet links with the US. The Government has promoted examination of Internet charging arrangements in international fora including the OECD, APEC, WTO and the ITU, with a view to developing norms for fair trading and market behaviour, including international trade rules.

So far, there is no international consensus, and no industry consensus, on how this should be done. Any effective outcome must be industry-driven, with minimum

government intervention to ensure fair market conditions. The Government is promoting, particularly through APEC, multilateral agreement on Internet pricing and access principles that encourage rational and sustainable investment in Internet infrastructure and services. Internet pricing issues may be considered in the forthcoming WTO Round, due to commence by 1 January 2000.

### **Finding:**

While individual providers adopt strategies to reduce the costs imposed on them by inefficiencies in payment arrangements, greater benefit to the community would be obtained by reform of the payment arrangements themselves and further liberalisation of markets.

### **Response**

The Government pursues reform of payment arrangements and further liberalisation of markets in international fora.

With respect to reform of payment arrangements, the Australian telecommunications regime allows carriers to negotiate payment arrangements directly with their correspondent relations. The Government notes that the traditional correspondent relations between countries for the termination and settlement of international telecommunications are being superseded by new arrangements. Some of these arrangements are finding expression in ITU Recommendations but others are freely agreed between relevant carriers, without any involvement from governments.

This reflects the separation of responsibilities between government regulatory and policy responsibilities on the one hand, and carrier business responsibilities on the other hand. Governments must look more closely at their international obligations and their national economic objectives across all sectors, and not act simply as advocates for national carriers' interests.

To this end, the Government maintains its active role in multilateral processes as a way of promoting international telecommunications market regulation that is consistent, non-discriminatory, transparent, cost-orientated and that encourages freer trade in telecommunications and benefits for end-users.

The Government encourages other countries to liberalise their telecommunications markets, citing Australia's positive experience. Liberalisation of the Australian telecommunications market has delivered improved services to remote and under-served areas of Australia, as well as the main population centres. Trunk links between the major cities have gained capacity and resilience from competition between carriers. Costs to consumers have fallen, services to business and consumers have become more responsive, and service offerings have multiplied. Investment in the telecommunications sector has increased, leading to network expansion and modernisation. Lower prices, and a wider range of services and products is likely to stimulate business activity.

In December 1998 Deloitte, Touche Tohmatsu reported that its survey of Australia's top 100 companies showed that all respondents had made savings on their telecommunications since the introduction of full competition, either by changing suppliers or simply by renegotiating contracts with current suppliers within the new competitive environment. 71% of respondent companies made savings of 10% or above - 9.5% made savings of 30% or more. For the majority of these companies (63.4%), their telecommunications bill were over \$2m - at the lower end of the range, therefore, savings of least at \$200,000 per company had been made

### **Finding:**



Although the available estimates of the losses arising from inefficiencies in payment arrangements appear relatively small, they are likely to underestimate the full benefits which could be obtained from current and future reform.

- The potential benefits from reform would be more visible if the ACCC included more services in the scope of its annual public report on telecommunications charges paid by consumers and also published information about the underlying costs making up the elements of international telecommunications services.

## Response

A major difficulty here is that, as the Commission notes, services to business are generally supplied as a package under individual, confidential contracts. The multiplicity of such contracts and their commercial sensitivity makes monitoring difficult.

The Commission's discussion of possible ACCC reporting of wholesale and retail international charges appears to merge three different ACCC functions, each of which has a different focus and purpose. First, under Divisions 4 and 5 of Part XIB the ACCC may require specified carriage service providers to file charges and, in certain circumstances, publish those charges. This is primarily designed to enable the identification of anti-competitive conduct. Second, under Division 6 of Part XIB the ACCC can require a carrier or carriage service provider to keep records, including accounts, in a prescribed manner, and in certain circumstances may require their disclosure. This was originally a tool designed to provide information to the ACCC to assist in the regulation of anti-competitive conduct and access. More recently an additional purpose of providing information to industry to assist in the negotiation of access prices has been added. Third, under Division 12 of Part XIB the ACCC must report annually on charges. This is essentially a broad monitoring role. The merging of these three functions makes it difficult to assess the merit of the Commission's reporting proposal.

How it performs these functions is ultimately a matter for the ACCC. The Government does consider it important, however, that the potential benefits of disclosing detailed cost and pricing information be balanced against the possible detrimental effects on competition, both between suppliers of telecommunications services (eg. by facilitating shadow pricing) and the acquirers of those services (eg. loss of hard-won cost advantages). The Government is concerned about the high level of scrutiny of international charges the Commission appears to be suggesting in an increasingly competitive market.

## Finding:

The broad strategies adopted by Australia in pursuit of telecommunications market reform in general, and of reform of international telecommunications payment arrangements in particular, have been appropriate. They include:

1. liberalising the Australian domestic telecommunications market
2. pursuing liberalisation of domestic markets of other countries through the WTO
3. following through on the commitment of WTO Members to take up reform of the accounting rate system in forthcoming negotiations
4. seeking a commercially negotiated cost-based pricing approach to international telecommunications and its various service components, including originating and terminating interconnection
5. continuing to seek reform through the ITU
6. building strong bilateral and regional relationships to maximise Australia's effectiveness in multilateral forums; and
7. pursuing reform of Internet charging arrangements in an international context.

## Response

The Government appreciates the Productivity Commission's endorsement of its telecommunications market reform policies. With respect to each of the points raised:

1. Australia has one of the most open, liberal telecommunications markets anywhere in the world. This open market has seen consumers benefit from lower prices for telephone calls, greater choice of services, improved client focus and quality of service and expanded investment in the telecommunications sector, to name a few.
2. The Government encourages liberalisation of domestic markets by other countries in its bilateral, plurilateral and multilateral negotiations, particularly in the WTO, citing its own liberalisation experiences as an incentive.
3. The WTO has not made a commitment to reform accounting rates during the next round of negotiations. Rather, discussion of this issue in the previous negotiation gave rise to a de facto moratorium, to be reviewed when negotiations begin, that accounting rates would not give rise to dispute settlement action. Australia had strongly promoted the inclusion of telecommunication termination services as a traded service, and the Government will renew its efforts in this regards to ensure that this item is included on the WTO telecommunications services negotiation agenda.
4. The Australian telecommunications regulatory regime allows carriers to negotiate directly with other carriers to obtain the best possible prices for the services, including international services, they receive. The range of services that carriers are able to be negotiate on includes originating and terminating interconnection. Interconnection is governed by the access regime. This regime establishes a mechanism for industry to develop an access code containing model terms and conditions for access to particular declared services. Once approved by the ACCC those model terms and conditions may be adopted in an undertaking by individual carriers or carriage service providers who are, or will be, under an access obligation.
5. Review of the International Telecommunication Regulations is already commencing, with Australian Government participation. Additionally, the ITU Telecommunications Standardisation Sector operates on four-yearly work cycles known as study periods. The current study period will end in 2000. The Government is currently considering questions it wishes the ITU to study during its next study period, from 2001 to 2005. This consideration includes consultation with industry and consumer groups as well as the Australian carriers. The Government will continue to promote international telecommunications market regulation that is consistent, non-discriminatory, transparent, cost-orientated and that encourages freer trade in telecommunications and benefits for end-users.
6. The Government will continue to pursue bilateral and regional liberalisation initiatives, alongside efforts in multilateral fora, particularly the WTO. The Government believes that these initiatives will reinforce our efforts during and beyond the WTO round that is due to commence by 1 January 2000.
7. The Government is continuing to push its Internet charging reform agenda, seeking market-based solutions and minimum intervention by governments in the process. At the international level: Australia is leading the APEC Telecommunications Working Group study on International Charging Arrangements for Internet Services (ICAIS); the Government has proposed that Internet charging and access issues should be included in the forthcoming round of WTO negotiations; the Government supports initiatives in the ITU to examine a range of Internet issues, including pricing, access, network and other issues.

At the domestic level, the Government has been conducting an examination of bandwidth availability and pricing within, and to and from, Australia. The "Bandwidth Inquiry" has included input from the public, in the form of written and oral submissions. The Inquiry is to report its findings during the final quarter of 1999.

## GLOSSARY OF ACRONYMS

ACA Australian Communications Authority

ACCC Australian Competition and Consumer Commission

APEC Asia Pacific Economic Cooperation

APT Asia Pacific Telecommunity

ITU International Telecommunication Union

OECD Organisation for Economic Cooperation and Development

PSTN Public Switched Telephone Network

WTO World Trade Organisation

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## Media Release

SENATOR THE HON RICHARD ALSTON

*Minister for Communications, Information Technology and the Arts  
Deputy Leader of the Government in the Senate*

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### Groundbreaking APEC decision on international Internet charging

'The fourth APEC Telecommunications Ministers meeting has endorsed a groundbreaking set of principles on international Internet charging arrangements,' the Minister for Communications Information Technology and the Arts, Senator Richard Alston said today.

'For the first time, these principles recognise the need for commercial agreements on international Internet charging to reflect the contribution of each network to the communication and the use by each party of the interconnected networks.

'While the principles make it clear that governments need not intervene in private business arrangements on international Internet charging, they state that where there are dominant players or de facto monopolies, governments must play a role in promoting competition.

'Importantly the principles which were agreed by all APEC member nations, state that commercially negotiated arrangements should reflect:

- a) the contribution of each network to the communication;
- b) the use by each party of the interconnected network resources; and
- c) the end to end costs of international transport link capacity.'

Senator Alston said that until now, non-US network providers have been required to meet the costs of international Internet carriage both to and from the USA regardless of where the connection is generated from.

'It is estimated that the annual opportunity cost of the existing arrangements for Australia runs into the hundreds of millions of dollars.'

Senator Alston said that, with data traffic (mainly Internet Protocol and Voice over IP traffic) estimated to comprise 95% of global telecommunications traffic within 4 years, the decision by APEC Ministers was a very significant breakthrough.

'While per-megabit international Internet charges are falling rapidly, the current charging arrangements have meant that Australian Internet users pay more for Internet access than they would under a more competitive regime.

'Currently over 30% of US-Australia Internet traffic emanates from the USA, and this needs to be reflected in commercially negotiated cost-sharing agreements.'

Senator Alston said that Australia's highly competitive telecommunications regime meant that the benefits of agreements negotiated in accordance with the APEC principles should be passed on to Internet users.

'Affordable Internet access prices are critical to the widespread uptake of electronic commerce by business and the wider community, and this decision provides the opportunity to lower Australia's already internationally competitive Internet access rates,' Senator Alston said.

Senator Alston expressed his appreciation to Australia's senior officials, led by Mr. Richard Thwaites, for their central role in the development of these principles over the last two years.

A copy of the international Internet charging principles and a short background on the issue is attached.

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48/00  
28 May 2000

## APEC Principles on International Charging Arrangements for Internet Services

1. Internet connectivity is an essential element of the global information infrastructure that should be encouraged to strengthen the Asia-Pacific Information Infrastructure.
2. Governments need not intervene in private business agreements on International Charging Arrangements for Internet Services achieved in a competitive environment, but where there are dominant players or de facto monopolies, governments must play a role in promoting fair competition.
3. Internet charging arrangements between providers of network services should be commercially negotiated and, among other issues, reflect:
  - a) The contribution of each network to the communication;
  - b) The use by each party of the interconnected network resources; and
  - c) The end to end costs of international transport link capacity. Australian involvement in APEC work on International Internet Charging

## Australian involvement in APEC work on International Internet Charging

The Australian Internet industry and users have been increasingly expressing concern about international charging arrangements for Internet services.

At the Third APEC Ministerial Meeting on the Telecommunications and Information Industry in June 1998, Singapore proposed a study on the issue, and Senator Alston supported this, intervening to ensure that it reported with recommendations to the next meeting.

The APEC Telecommunications Senior Officials then established a Taskforce to study this issue. Chaired initially by Singapore and then by Australia, it commissioned studies into the issue and held three information sessions and meetings. It worked inter-sessionally through the electronic circulation of papers and completed its report in May 2000 in time for consideration at TELMIN 4. Taskforce papers are available on the Internet at <http://www.apii.or.kr/telwg/ICAIS/ICAIS-frame.html>.

Australians industry associations including the AIIA and IIA have taken a close interest in the study, as has Telstra. A recent ASOCIO statement reflected concerns in the IT

user community in the Asia-Oceania region about the need for change.

The Australian Government consulted actively with APEC members in the lead up to the 4th APEC Ministerial Meeting in Mexico.

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## ADDRESSING MARKET ACCESS BARRIERS: WTO SERVICES NEGOTIATIONS

International trade in services is subject to the WTO General Agreement on Trade in Services (GATS). The current WTO services negotiations, which began in January 2000, are an opportunity to secure comprehensive market access commitments across all services sectors. In addition to addressing market access and national treatment issues across all sectors, the Department of Foreign Affairs and Trade (DFAT) focusses on the unique characteristics of our priority sectors, which vary greatly in the ways they are regulated and traded.

The further liberalisation of financial and telecommunications services is a key priority for Australia in the negotiations. Following the Uruguay Round, sectoral negotiations were held on both sectors, resulting in significant liberalisation. However, both sectors need revisiting because of commercial changes.

For example, in financial services, DFAT seeks to legally bind the liberalisation reforms Members have undertaken domestically. Some countries have undertaken significant reform in response to the East Asian financial crisis, but these reforms have yet to be formalised and written into their respective GATS schedules of commitments. The financial services industry has been strongly interested in developments in the WTO, including China's accession. The types of barriers they would like to see addressed include numbers of licences issued and more transparent licensing criteria, fewer restrictions on forms of commercial presence, such as branches, greater freedom for companies to employ their own personnel overseas, and more flexibility in the types of products which can be offered by foreign firms.

In telecommunications, DFAT seeks the reform of the international "accounting rates" system, which currently protects prices for international telephone calls well above the costs in competitive markets. In addition, DFAT is working towards the development of international internet traffic pricing and access principles which would be non-discriminatory, compensate all carriers appropriately for the use of their infrastructure and deliver fair and reasonable internet services to consumers. DFAT is working closely with industry to develop a list of key barriers in telecommunications. They could include restrictions on competition, overly-complex licensing processes and lack of transparency, timeliness and/or objectivity in the allocation of scarce resources such as spectrum and numbering.

DFAT undertakes regular consultations with industry and other stakeholders in order to identify barriers to Australian services exports and raise awareness about the GATS and DFAT's role in services negotiations. The information gathered on market access barriers is incorporated into a comprehensive database, which can provide reports by both country and sector.