

Accounting rates to remain secret

TELECOMS

THE Government refused to press Hongkong Telecom International to reveal its international telephone services' accounting rates.

Accounting rates are the charges to deliver calls from other countries.

Over recent years, the number of outgoing calls has exceeded incoming calls and Hongkong Telecom has been making net payments to its overseas counterparts.

The Secretary for Economic Services, *Gordon Siu Kwing-chue*, said Hongkong Telecom negotiated to lower the accounting rates.

"But success depends on the other party agreeing and since in most cases the other party is a net recipient this is not easy."

Other countries did not disclose their accounting rates and Hong Kong's negotiating position would be weakened if it did so. This would ultimately leave higher tariffs for local consumers.

He said the interests of the public were protected by the Office of Telecommunications, which had full details of all account rate agreements entered into by the company and the profitability of the IDD services.

The information would be used to ensure IDD charges were fair.

But Mr Siu noted that the office was set up to arbitrate between different local telephone operators.