

Vote Communications

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister for Communications and Information Technology (M88)

ADMINISTERING DEPARTMENT: Ministry of Business, Innovation and Employment

MINISTER RESPONSIBLE FOR MINISTRY OF BUSINESS, INNOVATION AND EMPLOYMENT:
Minister for Economic Development

Overview of the Vote

The Minister for Communications and Information Technology is responsible for appropriations in the Vote for the 2013/14 financial year covering the following:

Departmental appropriations consisting of:

- a total of just under \$15 million for the management of New Zealand's radio spectrum, policy advice on New Zealand's communications sector, services to support the Minister and monitoring the performance and compliance of Crown entities.

Non-departmental appropriations consisting of:

- a total of \$6 million for Commerce Commission costs to enforce regulated telecommunications services and undertake specific telecommunications regulatory functions
- a total of under \$2 million for subsidised equipment for hearing and speech impaired people and support and administration costs related to enabling access to the telecommunications relay service
- a total of over \$10 million for fibre connections between schools and Ultra-Fast Broadband and Rural Broadband providers' cable in the roadway or network operators' digital microwave radio towers
- a total of \$15 million to maintain the option of making a strategic purchase of capacity on a new international cable
- a total of over \$31 million for the provision of funding for grants or consumer subsidies relating to the deployment of broadband infrastructure in rural regions of New Zealand
- a total of just under \$1 million for international membership fees
- a total of under \$55 million for the purchase of Deaf Relay Services and Rural Broadband investments recoverable by the Telecommunications Development Levy.

Non-departmental capital expenditure consisting of:

- a total of \$200 million for capital investment in the development of Ultra-Fast Broadband infrastructure.

Details of these appropriations are set out in Parts 2-6 for Vote Communications in the *Information Supporting the Estimates of Appropriations*.

Details of Appropriations

Details of Annual and Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Departmental Output Expenses			
<i>Communications and ICT Operational Policy, Ministerial Servicing and Crown Entity Monitoring (M88)</i>	599	599	599
This appropriation is limited to the development of operational policies in relation to information technology, New Zealand's digital capability, telecommunications markets and regulation, broadband investment, postal services, and international for a related to New Zealand's ICT interests, services to support the Minister, and monitoring the performance and compliance of Crown Entities.			
<i>Management and Enforcement of the Radiocommunications Act 1989 (M88)</i>	10,356	8,959	9,797
Management of the radio spectrum, including technical arrangements for the allocation of spectrum, representation of New Zealand's international radio spectrum interests, and management of spectrum sales including costs associated with financial assistance for transition of radio licences when a management right is created or spectrum is allocated to a different use.			
<i>Policy Advice - Communications (M88)</i>	3,665	3,665	4,133
This appropriation is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters.			
Total Departmental Output Expenses	14,620	13,223	14,529
Non-Departmental Output Expenses			
<i>Administrative Support for Telecommunications Relay Equipment and Services (M88)</i>	1,269	1,269	1,519
This appropriation is limited to funding expenditure for administering contracts procuring the supply of telecommunications relay services textphones and other equipment for user access to relay service platforms (including video) and the cost for administering rental of relay user equipment and depreciating this equipment, together with sponsoring New Zealand Sign Language interpreter scholarships and the purchase of ancillary services to support the availability and uptake of relay services.			
<i>Enforcement of Telecommunications Sector Regulation (M88)</i>	6,000	6,000	6,000
The regulation and monitoring of telecommunication services in accordance with the Telecommunications Act 2001.			
<i>Fibre Drop Costs (M88)</i>	13,350	13,350	10,290
This appropriation is limited to the cost of fibre connections between schools and UFB and RBI providers' cable in the roadway or network operators' digital microwave radio towers.			
Total Non-Departmental Output Expenses	20,619	20,619	17,809
Non-Departmental Other Expenses			
<i>Broadband Investment (Rural Supply) (M88)</i>	-	-	31,260
This appropriation is limited to the provision of funding for grants or consumer subsidies relating to the deployment of broadband infrastructure in rural regions of New Zealand.			
<i>Contributions to International Telecommunications Organisations (M88)</i>	970	970	970
The Crown's annual membership of the Asia Pacific Telecommunity and subscription to the International Telecommunications Union.			
<i>International Connectivity (M88)</i>	-	-	15,000
This appropriation is limited to the purchase of an anchor tenancy on a new trans-Tasman and trans-Pacific submarine cable.			

Titles and Scopes of Appropriations by Appropriation Type	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Non-Departmental Other Expenses - cont'd			
<i>Telecommunications Development Levy Funded Procurement - Deaf Relay Service TSO (M88)</i> This appropriation is limited to the purchase of deaf relay services which is offset by the Telecommunications Development Levy.	2,465	2,465	2,500
<i>Telecommunications Development Levy Funded Procurement - Non-Urban Infrastructure (M88)</i> This appropriation is limited to the payment of grants and investment for non-urban infrastructure offset by the Telecommunications Development Levy.	141,000	141,000	52,000
Total Non-Departmental Other Expenses	144,435	144,435	101,730
Non-Departmental Capital Expenditure			
<i>Acquisition of Textphone Equipment (M88)</i> To purchase textphones after the establishment of a textphone pool for deaf, hearing impaired and speech impaired people.	200	200	200
Total Non-Departmental Capital Expenditure	200	200	200
Total Annual and Permanent Appropriations	179,874	178,477	134,268

Details of Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Non-Departmental Capital Expenditure		
<i>Broadband Investment (Crown Fibre Holdings Capital Costs) (M88)</i> This appropriation is limited to the provision of ongoing investment funding for Crown Fibre Holdings to implement the Government's broadband investment commitment Commences: 22 August 2011 Expires: 30 June 2016	Original Appropriation Adjustments to 2011/12 Adjustments for 2012/13 Adjusted Appropriation Actual to 2011/12 Year End Estimated Actual for 2012/13 Estimated Actual for 2013/14 Estimated Appropriation Remaining	408,000 - 774,500 1,182,500 - 165,000 200,000 817,500