

# *Vote Communications*

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

ADMINISTERING DEPARTMENT: Ministry of Economic Development

MINISTER RESPONSIBLE FOR MINISTRY OF ECONOMIC DEVELOPMENT: Minister for Economic Development

## Overview of the Vote

The Minister for Communications and Information Technology is responsible for appropriations in the Vote for the 2012/13 financial year covering the following:

- a total of just under \$14.200 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
- a total of \$6.970 million for international membership fees and Commerce Commission costs to enforce regulated telecommunications services and undertake specific telecommunications regulatory functions
- a total of just over \$1.200 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 just over \$7.900 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 \$96.400 million for the purchase of Deaf Relay Services and Rural Broadband investments recoverable by the Telecommunications Development Levy, and
- a total of \$100 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	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Departmental Output Expenses</b>			
<i>Communications and ICT Operational Policy, Ministerial Servicing and Crown Entity Monitoring (M88)</i> 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.	-	-	599
<i>Management and Enforcement of the Radiocommunications Act 1989 (M88)</i> 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.	9,894	7,945	9,797
<i>Policy Advice - Communications (M88)</i> 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.	5,039	5,039	3,763
<b>Total Departmental Output Expenses</b>	14,933	12,984	14,159
<b>Non-Departmental Output Expenses</b>			
<i>Administrative Support for Telecommunications Relay Equipment and Services (M88)</i> 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.	1,269	955	1,269
<i>Enforcement of Telecommunications Sector Regulation (M88)</i> The regulation and monitoring of telecommunication services in accordance with the Telecommunications Act 2001.	7,790	7,790	6,000
<i>Fibre Drop Costs (M88)</i> 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.	11,838	4,664	7,970
<b>Total Non-Departmental Output Expenses</b>	20,897	13,409	15,239
<b>Non-Departmental Other Expenses</b>			
<i>Contributions to International Telecommunications Organisations (M88)</i> The Crown's annual membership of the Asia Pacific Telecommunity and subscription to the International Telecommunications Union.	970	945	970
<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.	2,300	2,300	2,400

Titles and Scopes of Appropriations by Appropriation Type	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Non-Departmental Other Expenses - cont'd</b>			
<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.	57,000	-	<b>94,000</b>
<i>Broadband Investment (Rural Supply) (M88)</i> 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.	48,000	5,094	-
<i>International Connectivity (M88)</i> This appropriation is limited to the purchase of an anchor tenancy on a new trans-Tasman and trans-Pacific submarine cable.	15,000	2,397	-
<b>Total Non-Departmental Other Expenses</b>	<b>123,270</b>	<b>10,736</b>	<b>97,370</b>
<b>Non-Departmental Capital Expenditure</b>			
<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	100	<b>200</b>
<i>Broadband Investment (Crown Company Capital Costs) (M88)</i> This appropriation is limited to the establishment of and provision of ongoing investment funding for a Crown-owned investment company which will function as the vehicle for investing and managing the Government's broadband infrastructure commitment.	610,000	142,500	-
<b>Total Non-Departmental Capital Expenditure</b>	<b>610,200</b>	<b>142,600</b>	<b>200</b>
<b>Total Annual and Permanent Appropriations</b>	<b>769,300</b>	<b>179,729</b>	<b>126,968</b>

## Details of Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Non-Departmental Capital Expenditure</b>		
<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 2010/11 Adjustments for 2011/12 Adjusted Appropriation Actual to 2010/11 Year End Estimated Actual for 2011/12 Estimated Actual for 2012/13 Estimated Appropriation Remaining	408,000 - - 408,000 - - 100,000 308,000