

# Departmental Disclosure Statement

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Telecommunications (Development Levy) Amendment Bill 2015
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The departmental disclosure statement for a government Bill seeks to bring together in one place a range of information to support and enhance the Parliamentary and public scrutiny of that Bill.

It identifies:

- the general policy intent of the Bill and other background policy material;
- some of the key quality assurance products and processes used to develop and test the content of the Bill;
- the presence of certain significant powers or features in the Bill that might be of particular Parliamentary or public interest and warrant an explanation.

This disclosure statement was prepared by the Ministry of Business, Innovation & Employment.

The Ministry of Business, Innovation & Employment certifies that, to the best of its knowledge and understanding, the information provided is complete and accurate at the date of finalisation below.

31 March 2015.

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## **Part One: General Policy Statement**

The key purpose of this Bill is to make additional funding available, through the telecommunications development levy applied to the telecommunications industry, for the Government's policy of extending the Rural Broadband Initiative and establishing a Mobile Black Spots Fund. To achieve that key purpose, the Bill resets the telecommunications levy amounts prescribed in Schedule 3B of the Telecommunications Act 2001 for 2016/17 and beyond.

## Part Two: Background Material and Policy Information

### Published reviews or evaluations

<b>2.1. Are there any publicly available inquiry, review or evaluation reports that have informed, or are relevant to, the policy to be given effect by this Bill?</b>	<b>NO</b>
<p><i>Two Registration of Interest documents are available which invite comments on the broadband extension policy and how projects would be assessed to achieve the policy objectives specified.</i></p> <p><a href="http://www.med.govt.nz/sectors-industries/technology-communication/fast-broadband/pdf-and-documents-library/new-initiatives/roi-supply.pdf">http://www.med.govt.nz/sectors-industries/technology-communication/fast-broadband/pdf-and-documents-library/new-initiatives/roi-supply.pdf</a></p> <p><a href="http://www.med.govt.nz/sectors-industries/technology-communication/fast-broadband/pdf-and-documents-library/new-initiatives/roi-support.pdf">http://www.med.govt.nz/sectors-industries/technology-communication/fast-broadband/pdf-and-documents-library/new-initiatives/roi-support.pdf</a></p>	

### Relevant international treaties

<b>2.2. Does this Bill seek to give effect to New Zealand action in relation to an international treaty?</b>	<b>NO</b>

### Regulatory impact analysis

<b>2.3. Were any regulatory impact statements provided to inform the policy decisions that led to this Bill?</b>	<b>YES</b>
<p><i>Regulatory Impact Statements: Telecommunications Development Levy Extension</i> <i>Ministry of Business, Innovations &amp; Employment. 3 March 2015</i></p> <p><a href="http://www.mbie.govt.nz/about-us/publications/ris">http://www.mbie.govt.nz/about-us/publications/ris</a></p>	

<b>2.3.1. If so, did the RIA Team in the Treasury provide an independent opinion on the quality of any of these regulatory impact statements?</b>	<b>NO</b>
<p><i>The RIS identified above did not meet the threshold for receiving an independent opinion on the quality of the RIS from the RIA Team based in the Treasury.</i></p>	

<b>2.3.2. Are there aspects of the policy to be given effect by this Bill that were not addressed by, or that now vary materially from, the policy options analysed in these regulatory impact statements?</b>	<b>NO</b>

## Extent of impact analysis available

<b>2.4. Has further impact analysis become available for any aspects of the policy to be given effect by this Bill?</b>	<b>NO</b>

<b>2.5. For the policy to be given effect by this Bill, is there analysis available on:</b>	
<b>(a) the size of the potential costs and benefits?</b>	<b>YES</b>
<b>(b) the potential for any group of persons to suffer a substantial unavoidable loss of income or wealth?</b>	<b>NO</b>
<p><i>Please refer to the Regulatory Impact Analysis available above and to the following documents in support of broadband benefits:</i></p> <p><i>A study by Sapere Research in March 2014 showed that productivity improvements through increased internet usage could deliver \$34 billion in value to New Zealand. Available at <a href="http://www.innovationpartnership.co.nz/wp-content/uploads/2014/03/Sapere-Google-INZ-The-value-of-internet-services-to-New-Zealand-Businesses_-_Report-31-March-2014.pdf">http://www.innovationpartnership.co.nz/wp-content/uploads/2014/03/Sapere-Google-INZ-The-value-of-internet-services-to-New-Zealand-Businesses_-_Report-31-March-2014.pdf</a></i></p> <p><i>Other reports:</i></p> <p><i>Building the Benefits of Broadband 2012</i>  <a href="http://www.tmcnet.com/tmc/whitepapers/documents/whitepapers/2013/6687-building-benefits-broadband-how-new-zealand-increase-social.pdf">http://www.tmcnet.com/tmc/whitepapers/documents/whitepapers/2013/6687-building-benefits-broadband-how-new-zealand-increase-social.pdf</a></p> <p><i>Defining a broadband aspiration: how much does broadband matter and what does New Zealand need? 2007</i>  <a href="https://secure.zeald.com/site/nzinitiative/files/Broadband%20aspiration%20Sept%202007.pdf">https://secure.zeald.com/site/nzinitiative/files/Broadband%20aspiration%20Sept%202007.pdf</a></p>	

<b>2.6. For the policy to be given effect by this Bill, are the potential costs or benefits likely to be impacted by:</b>	
<b>(a) the level of effective compliance or non-compliance with applicable obligations or standards?</b>	<b>NO</b>
<b>(b) the nature and level of regulator effort put into encouraging or securing compliance?</b>	<b>NO</b>

## Part Three: Testing of Legislative Content

### Consistency with New Zealand's international obligations

**3.1. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with New Zealand's international obligations?**

*The policy of the Bill does not impact on New Zealand's international obligations.*

### Consistency with the government's Treaty of Waitangi obligations

**3.2. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with the principles of the Treaty of Waitangi?**

*The policy of the Bill does not impact on the principles of the Treaty of Waitangi.*

### Consistency with the New Zealand Bill of Rights Act 1990

**3.3. Has advice been provided to the Attorney-General on whether any provisions of this Bill appear to limit any of the rights and freedoms affirmed in the New Zealand Bill of Rights Act 1990?**

YES

<http://www.justice.govt.nz/policy/constitutional-law-and-human-rights/human-rights/bill-of-rights>

### Offences, penalties and court jurisdictions

**3.4. Does this Bill create, amend, or remove:**

(a) offences or penalties (including infringement offences or penalties and civil pecuniary penalty regimes)?

NO

(b) the jurisdiction of a court or tribunal (including rights to judicial review or rights of appeal)?

NO

### Privacy issues

**3.5. Does this Bill create, amend or remove any provisions relating to the collection, storage, access to, correction of, use or disclosure of personal information?**

NO

### External consultation

**3.6. Has there been any external consultation on the policy to be given effect by this Bill, or on a draft of this Bill?**

NO

Other testing of proposals

3.7. Have the policy details to be given effect by this Bill been otherwise tested or assessed in any way to ensure the Bill's provisions are workable and complete?	NO

## Part Four: Significant Legislative Features

### Compulsory acquisition of private property

4.1. Does this Bill contain any provisions that could result in the compulsory acquisition of private property?	NO

### Charges in the nature of a tax

4.2. Does this Bill create or amend a power to impose a fee, levy or charge in the nature of a tax?	YES
<i>The Bill resets the amounts of telecommunications development levy applied to the telecommunications industry for the years 2016/17 to 2018/2019 by replacing the current \$10 million prescribed for each respective year with \$50 million.</i>	

### Retrospective effect

4.3. Does this Bill affect rights, freedoms, or impose obligations, retrospectively?	NO

### Strict liability or reversal of the usual burden of proof for offences

4.4. Does this Bill:	
(a) create or amend a strict or absolute liability offence?	NO
(b) reverse or modify the usual burden of proof for an offence or a civil pecuniary penalty proceeding?	NO

### Civil or criminal immunity

4.5. Does this Bill create or amend a civil or criminal immunity for any person?	NO

### Significant decision-making powers

4.6. Does this Bill create or amend a decision-making power to make a determination about a person's rights, obligations, or interests protected or recognised by law, and that could have a significant impact on those rights, obligations, or interests?	NO

### Powers to make delegated legislation

4.7. Does this Bill create or amend a power to make delegated legislation that could amend an Act, define the meaning of a term in an Act, or grant an exemption from an Act or delegated legislation?	NO
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<b>4.8. Does this Bill create or amend any other powers to make delegated legislation?</b>	<b>NO</b>

**Any other unusual provisions or features**

<b>4.9. Does this Bill contain any provisions (other than those noted above) that are unusual or call for special comment?</b>	<b>NO</b>