Telecommunications Users Association of New Zealand Inc.

(TUANZ)

Submission in response to the "Exploring Digital Convergence" Discussion Paper

23rd October 2015

TUANZ

1. The Telecommunications Users Association of New Zealand (TUANZ) has been in existence for over 28 years, advocating for the continued improvement of the use and supply of telecommunications technology and services to all end users of such services. We have always advocated that connectivity, and fast connectivity will enable businesses to improve productivity, and to deal far more efficiently with well-connected customers. Families, wherever they live, will become far better connected. Smart young Kiwis will be much more attracted to living here rather than overseas. The world's capitals will be on our electronic doorstep, while we will become earlier adopters of leading-edge services like fibre-powered television on demand and the widespread use of cloud services for businesses such as on-demand accounting and file storage.

2. TUANZ is a not-for-profit membership association with over 150 members, predominantly large organisations with a strong dependency on telecommunications technology as well as small enterprises and individual members. These small businesses and residential users are the customers of our large corporate members, who are just as focused on the quality of their customers' connectivity as their own.

3. During 2015, we undertook a full review of the strategic direction of TUANZ. We hosted three workshops around the country, which involved 30 individuals from our membership base discussing about what they wanted from TUANZ, and what they thought our purpose was in the era of digital technology.

4. We found that while our purpose may have changed, TUANZ is still as relevant and important as ever.

   Our purpose is to ensure that New Zealand can make the most of a digitally connected world.

5. Our vision, which is the outworking of our purpose, provides a readily measurable target for us to aim for. It reflects our focus on businesses and their use of the technologies rather than the technologies themselves.

6. We propose to use the World Economic Forum's Network Readiness Index as the key measure of our success. New Zealand is currently ranked 17 out of 143 nations on the overall index but we propose to use the Business Usage pillar. We are currently ranked 19th in the index for business usage.

7. Our new 5 year vision is as follows:

    By 2020 New Zealand will be in the top 10 countries for business usage.

    This will be measured by using the WEF Global Network Readiness Index.

By 2020
New Zealand will be in the
TOP 10
countries for business usage according to the WEF.

8. TUANZ further developed its strategic goals and the concepts and issues around "convergence" are important areas for the organisation to be involved with.

Our Paper

9. TUANZ appreciates the opportunity to provide the Ministry for Culture and Heritage (MCH) with our early thoughts on the possible issues arising out of the increasing issues around convergence. Our submissions are always based on our values of positive leadership, credibility and collaboration.

10. In this brief paper, we provide brief answers to the high level questions raised in the discussion paper entitled "Exploring Digital Convergence" and we look forward to being involved further in the workstreams identified within the paper.

11.   We have seen and support the submission by Internet NZ.

General Approach

12.   Our general view on this issue is all around the outcomes we expect for users. And users don't consider the issue of convergence when they go about their everyday lives - all they know is that want to consume content and communicate, when they want to, where they are, and on the device the have with them at the time. This can be as simple as surfing the internet on their laptop, through to video creation and streaming from their smart-phone at an event.

13.   Figure Two from the discussion paper shows this from a more technical perspective.
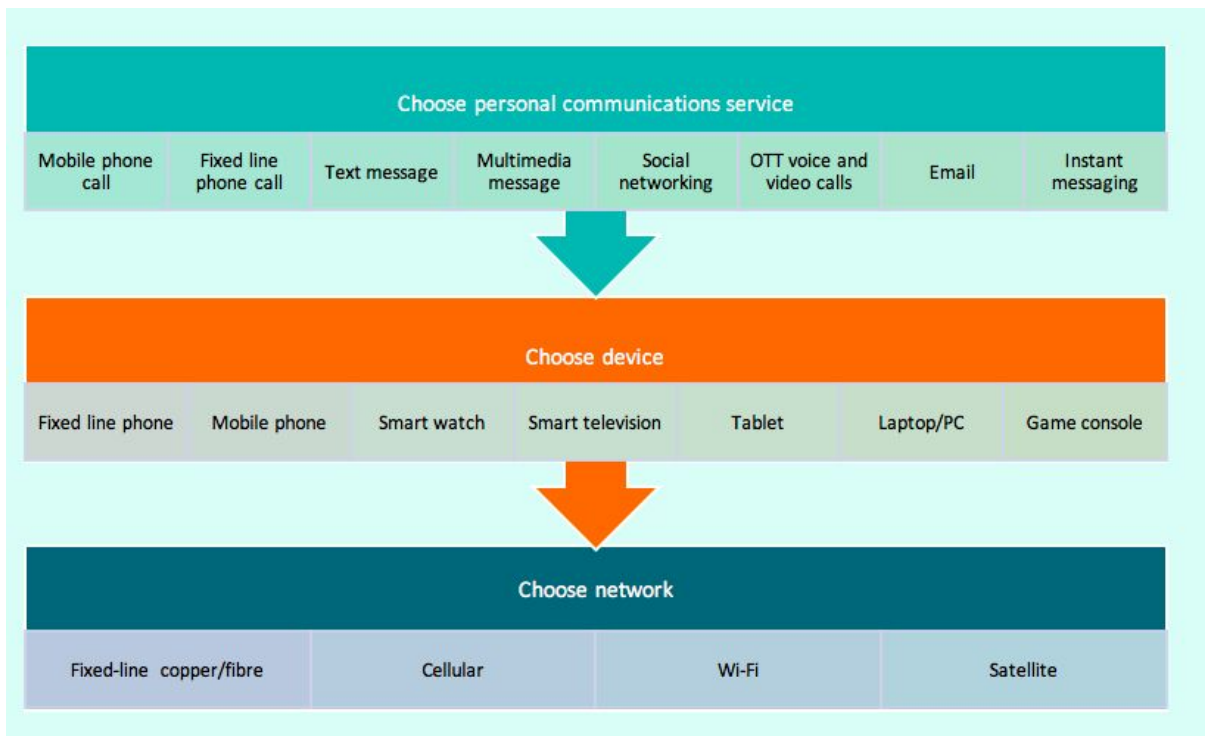
14.   There is general agreement that the rise of the mobility of people and their use of telecommunications further exacerbated with the increased use of technology such as smartphones has meant that laws and regulations

currently in place have not kept pace with these changes, and that change needs to happen.

15. It is for this reason that we need fit for purpose policy, legislation and regulatory frameworks that give users the outcomes they desire. Because of this we generally support the Government's work programme in this area.

16. We realise that this paper provides a high level view of the various workstreams that the Government considers are part of this convergence view. Many of these workstreams TUANZ is already involved with:

    a. Investment in fast connectivity networks - TUANZ called for and supports the rollout of fibre to the premise, and continues to call for the improvement of connectivity in the rural sector. We will continue to work with stakeholders and the Government on achieving the goal of high quality ubiquitous connectivity.

    b. Cyber security - TUANZ became a member of the ConnectSmart programme earlier this year and we are hosting a networking event in December involving the DPMC around this topic.

    c. Spectrum Management - TUANZ has previously submitted on aspects around the Radiocommunications Act and will continue to do so where it has direct impact on users.

    d. Review of the Telecommunications Act - TUANZ has actively contributed to this review which is currently underway and is working with members to submit a user perspective as part of the current process.

17. With our limited resources we are focused on the streams which have the most significant impact on our members. Given our more in depth involvement with these other workstreams, this submission will provide a brief response to the questions raised in the paper.

Questions

18. **One: Do you agree with the way this paper defines convergence?**

19. TUANZ broadly agrees with the definition within the paper which defines Convergence as follows:

"...a term used to describe the common delivery of previously discrete service functions such as broadcasting and telecommunications over shared digital infrastructure, and the consequent reduction of the boundaries between previously separate industries."

20. However, like any word, it is a simple description for what is actually happening.

21. To use this word is to lift the word from its original meaning from science. More specifically when used in biology it means the similarity in form or structure based on environment rather than hereditary. This would seem to be a reasonable explanation for the process that is happening in today's digital world.

22. As already stated, users of technology do not consider the word convergence in their everyday lives - they are simply interested in the outcomes that allow them to consume content and communicate, when they want to, where they are, and on the device the have with them at the time. This can be as simple as surfing the internet on their laptop, through to video creation and streaming from their smart-phone at an event.

23. **Two: Do New Zealand's current regulations and policies need to change to account for convergence?**

24. Current legislation in this area was developed in the time when technology used in each arena was distinct and unique. Content was consumed in a linear manner using Broadcast technology on a piece of technology called

a television. Everyday communication over distance was the area of telecommunications using fixed line technology with copper being the key carrier medium. The use of radio waves was used for further communications for specific uses which often required more secure ways of messaging.

25. The development of the internet and mobile networks has meant the blurring of the boundaries between the technologies. For example the delivery of a video over a mobile phone will use technology that is subject to several different acts of legislation, and different rules and regulations that if it was delivered on a different medium.

26. We therefore agree that current legislation and regulations should be reviewed to ensure they are flexible and fit for purpose in this new digital economy. We do not support simply combining relevant legislation into one - its own form of convergence - but the development of a framework in which current rules can be tested. This may indeed lead to consolidation of acts of legislation but it must be because it provides a better outcome for users rather than regulatory simplicity.

27. **Three: Do you agree with the convergence work programme?**

28. We support the principles of this programme and the idea of placing a framework over the various workstreams already underway in this space.

29. It is important that each workstream though is cognisant of the overall impact any recommendations has on the end user experience as already stated. The programme would not be limited to the workstreams already underway but should be flexible enough to undertake other work if it will provide a better outcome for users.

30. Four: Should the Government be doing anything else to address convergence?

31. While we do not ourselves currently undertake work in the area of end user digital divide, we support the proposal that the programme would benefit from work in the area of availability and skills training for users.

32. Five: What barriers are you aware of that prevent you for benefiting from, or responding to, convergence.

33. Other than the issues raised above, we are currently not aware of other barriers that members have raised with us regarding the issue of convergence.

Concluding comments

34. TUANZ welcomes the opportunity to provide MCH with its initial view on the proposed convergence workstreams. This paper provides these views and we look forward to being part of the debate and discussion going forward.

Contact

Craig Young

Chief Executive Officer

Telecommunications Users Association of New Zealand Inc.

craig.young@tuanz.org.nz

021 488 188