

CIS-S358H

14 December 2015

Radio Spectrum Fees Review

Radio Spectrum Management Policy and Planning
Ministry of Business, Innovation and Employment
PO Box 2847
Wellington

RADIO SPECTRUM FEES REVIEW 2015

This submission is the NZ Defence Force (NZDF) response to the Ministry's "*Review of Licence Fees Framework: Consultation Document*".

The paragraph of this submission marked in square brackets below [] (relating to proposal 3) is to be withheld in accordance with section 6(a) of the Official Information Act 1982.

In our broad role of defending New Zealand, we have a need to operate radio systems both in New Zealand and offshore. NZDF makes significant use of the radio spectrum and operates a variety of specialist and commercial radio equipment in most services and in all bands of the radio spectrum.

NZDF supports the overall intentions expressed in the consultation document and also supports the two major proposals relating to: under-recovery of fees for a period; and the introduction of a single fee for all licence types.

In response to the discussion document the NZDF provides the following comments to each of the proposals;

Proposal 1: *Set fees based on the level projected to reduce the memorandum account balance to zero in six years, with a subsequent increase in fees to balance revenue and expenditure.*

The proposal from the Ministry to lower the overall fee intake with a view to reducing the level of the memorandum account is noted. It is understood that, at some time in the future, this will result in a higher than inflation increase in the licence fees. The Ministry is aware that all government departments set budgets more than a year in advance. Should this proposal be implemented, the Ministry is asked to clearly signal its intentions to increase the licence fees well in advance of any increase being implemented.

Proposal 2: Introduce a single licence fee for all licence classes.

The NZDF current licence categories are numerous and create an administrative burden to accurately report the licences return. Accordingly, the NZDF fully supports the single fee for all licence types.

Proposal 3: Discontinue licence categories for land mobile multiple repeaters on a common channel throughout New Zealand (LR1 and LR2) and multiple radio transmitters on a common frequency for paging (LP1).**Proposal 4: Remove the discount for online payment and reflect the discount in the calculation of the base licence fee.**

The NZDF currently uses the manual payment method however is not opposed to online payment. Accordingly the NZDF supports the application of the discount in the calculation of the base licence fee.

Proposal 5: Introduce a manual processing fee of \$25 to recover the administration costs of paper-based payments.

In line with the comments on proposal 4, the NZDF would support the addition of a processing fee for paper based payments.

Proposal 6: Remove the Licence Interference Investigation (LII) rebate.

The NZDF undertakes its own interference investigation although we have not received the rebate, therefore the NZDF supports the removal of the LII rebate.

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Please feel free to contact Mr Emirali should you wish to discuss this submission further.

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