



7 December 2015

Radio Spectrum Fees Review Radio Spectrum Management Policy and Planning Ministry of Business, Innovation and Employment PO Box 2847 WELLINGTON 6140

Email: radio.spectrum@mbie.govt.nz

Dear RSM,

Radio Spectrum Fees Review Submission

Thank you for the opportunity to participate in this Review of Licence Fees Framework: Consultation Document 'Review of licence fees under the Radiocommunications Regulations 2001', [hereinafter referred to as the 'Consultation Document'].

Introduction

The objective of Amateur Radio Emergency Communications [AREC] is to support emergency services and disaster response organisations with the provision of experienced radio communications personnel.

AREC is formed by members of the New Zealand Association of Radio Transmitters (NZART) who are, as you know, individually licensed amateur radio operators required to meet standards set by Radio Spectrum Management to operate in the Amateur Service. AREC is a member of the New Zealand Search and Rescue (NZSAR) Consultative Committee and an associate member of LandSAR New Zealand. AREC works closely with Police in assisting with technical information, policy, and development of technology related to SAR. The NZSAR Consultative Committee advises the NZSAR Council who have a mandate from Cabinet to provide strategic leadership to the New Zealand Search and Rescue Sector.

Operationally AREC operates under a Service Level Agreement to Police alongside LandSAR for the provision of SAR services at no cost and work closely with Civil Defence Emergency Management offices around the country. The word amateur in AREC recognizes that all members of the organization are unpaid volunteers. Members strive to achieve the highest engineering standards but one of the strengths of AREC is that its people are drawn from every walk of life and profession giving a breadth of experience aligned to unique technical depth. AREC is actively involved in supporting the communications function at headquarters as well as training for field teams. AREC offers background advice and support with all the ICT aspects of SAR and CD. Our public facing website is www.AREC.today and linkages to other SAR organisations are shown in the attached diagram.

AREC uses the network of amateur VHF and UHF repeaters provided by Branches of its parent NZART. AREC also uses amateur HF frequencies throughout the HF spectrum for emergency communications of all types.

Proposal 2

In relation to the present review AREC is concerned at the potential for a reduction in available amateur VHF and UHF repeaters as a result of the financial burden imposed by the fee increases proposed in the Consultation Document. The Amateur Service is a 'public good' and is regulated as a non-pecuniary service, there is no option to directly recover proposed fee increases from our 'customers'. Equally AREC is concerned that increases in licence costs for amateur radio will have an undoubted impact on the nurturing of science interest in young people. New Zealand needs more scientist and engineers, interests in science and technology particularly in radio needs to be engendered at an early age. We can't live in a country where all radios engineers have grey hair.

With reference to Proposal 2, we note and support the NZART submission in respect of public good and/or an extension to the existing Amateur GURL to include repeaters, beacons, and links.

In support of NZART submission in respect of public AREC notes section 2.50 of the Controller and Auditor-General Good practice guide 'Charging fees for public sector goods and services', June 2008, referenced by the Consultation Document, "A further example illustrating this is the Committee's report into licensing fees for gaming machines. The charges, based on full cost-recovery, substantially increased the previous fees that licence holders had to pay. The Committee thought **that requiring all licence holders, regardless of their size**, to pay the same level of charge **was an unusual or unexpected** use of the authority, even though the statute covering gaming machines did not permit differentiated fees." Author's emphasis. It is inherently unfair to charge non-profit volunteer organisations the same fees as for-profit commercial organisations.

Proposal 3

In addition to the amateur repeaters operating within the Amateur GURL, AREC arranges commercial licenses for HF and VHF services to directly support the communications of SAR teams. This is necessary because search teams are not permitted to operate on frequencies covered by the Amateur GURL bands and because of demand for coverage in areas where other commercial or Police facilities do not exist. These commercial arrangements take advantage of the rules allowing for licences for multiple repeaters or on a common channel. This licence class is a valuable concession for AREC which as a volunteer group relies on grant funding.

It is also an operational necessity to have common channels available throughout the country. The arrangement allows a National SAR channel bank of 16 channels to be used in all radios used by LandSAR, Police, DoC, and other organisations that donate their time and resources to search and rescue.

Proposal 3 recommends that licence categories for land mobile multiple repeaters on a common channel throughout New Zealand be discontinued. Contrary to the analysis offered in the Consultation Document, more extensive use of this class of licence by entities (or indeed industry groups) could well increase efficient use of spectrum. We suggest that further work on this concept could be beneficial from a spectrum efficiency perspective. Unfortunately AREC does not have the resources to fully explore and argue this option but, respectfully, it seems convenient that the argument for efficient use of spectrum coincides with an increase in fee revenue. RSM might reflect on the 1098 band auction for an example of where income did not equate to efficiency in the use of valuable radio spectrum.

Proposal 4 and 5

While the discount for online payment is small, volunteer organisations are motivated to take advantage of any discounts offered. Removal of this incentive seems out-of-step with the move to reduce the costs of processing paper-based payments. The \$25 charge is little disincentive for larger organisations whereas the value of the discount to smaller entities is considerable.

General comments

It is suggested that substantial fee discounts could be provided to those organisations prepared to pay for long term licences, increasing licence terms to 5 or 10 years. Long term arrangements would reduce annual administration costs for both RSM and licence holders.

Yours faithfully

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