

Submission from
The Internet Service Providers Association of New Zealand Inc
(ISPANZ)
for the Economic Development, Science and Innovation Committee
on
The Telecommunications Amendment Bill
12th January 2026

ISPANZ is the industry organisation representing internet service providers (ISPs). Our membership consists of a wide range of ISPs, ranging from large entities such as Mercury, through medium sized operators to small ISPs serving specialist or local markets.

Our members support:

- disputes being able to be resolved simply, rapidly and cheaply;
- ISPs being able to access properties easily in order to facilitate fibre installations for end customers;
- the telecommunications development levy being set fairly; and
- the Commerce Commission being able to carry out its role easily and equitably.

In June 2024 ISPANZ provided a submission (our 2024 submission) to MBIE on their work on enhancing telecommunications regulatory and funding

frameworks. We understand that this Bill largely results from that work by MBIE.

Our comments on this Bill are as follows:

Telecommunications Dispute Resolution

In our 2024 submission we stated, in part:

“Those of our members that are not TDRS members have very good records of not getting into disputes, so they do not need resolution. Our members object in principle to funding a system that they do not use. Some of our members were TDRS members and have left the TDRS as they were paying the fee but never had disputes that needed resolution. Any disputes resolution system should be funded by its users, so the more disputes that an RSP has the bigger its bill would be. We have provided substantive input to both the Commerce Commission and to TCF on this subject.”

We therefore support this Bill mandating membership of an industry dispute resolution scheme, but only for telecommunications service providers with an annual retail telecommunications revenue over \$50 million (excluding GST). We agree that this limit is sufficient to ensure that most of our members will not be required to pay for a scheme that they do not use.

We would be in favour of the \$50 million limit being adjusted annually by CPI. We agree that the telecommunications services listed in the proposed s240A(4)(b) are appropriate.

Access to Shared Property

We are in favour of this Bill making permanent the rights that allow fibre providers to access shared property to install fibre in certain circumstances.

Telecommunications Development Levy

In our 2024 submission we noted that “Introducing liability through regulation would be more flexible than having liability set by the Act.”

We therefore support this Bill creating a new regulation-making power that enables the telecommunications development levy amount to be set in regulations via an Order in Council, following the recommendation of the relevant Minister under the Act. We are very pleased that the Minister will only be able to recommend an increase in the levy after consulting levy payers.

Role for Commerce Commission

We note that this Bill provides for the Commerce Commission to undertake roles given to it under the constitutions of Enable, Northpower Fibre, and Tuatahi First Fibre (the 3 “other” local fibre companies (LFCs) that took part in the UFB initiative), but only if the Minister of Finance has given their approval.

Whilst this does not affect ISPANZ members directly, it does seem a bit of a ‘cart before the horse’ arrangement. If the three “other” LFCs amend their constitutions, but the Minister of Finance does not then give their approval, those LFCs’ constitutions would have empowered the Commerce Commission to do things that it is not legally allowed to do. This would be a silly situation.

It would seem to make more sense to give the Minister of Finance a legal veto over such constitutional amendments. That way, if the Minister did not agree, then the constitutional amendments would never come into force.

Summary

In summary, we support this Bill. Specifically, we agree that:

- the \$50 million revenue figure for making services liable for an industry dispute scheme is appropriate, but should be linked to CPI.
- the telecommunications services listed in the proposed s240A(4)(b) are appropriate.
- the existing rights that allow fibre providers to access shared property to install fibre in certain circumstances should be made permanent.
- the telecommunications development levy amount should be set in regulations via an Order in Council, following the recommendation of the relevant Minister under the Act.
- the Minister should only be able to recommend an increase in the levy after consulting levy payers.

Further, we believe that the Minister of Finance should be given the legal power to veto proposed constitutional amendments to the constitutions of the three “other” LFCs, but only where such amendments would give roles to the Commerce Commission.

END