Landmark broadband bill passed

History has been made with the passing of the Labour-led government's bill to bring New Zealanders faster, better broadband, says Communications Minister David Cunliffe.

"The passing of the Telecommunications Amendment Bill marks the beginning of a new era," Mr Cunliffe said.

"What some people said couldn't be done is being done. What some people said wouldn't work is being given the opportunity to work with an overwhelming majority. The bill equips New Zealand for the new digital age – an age where the smart use of technology will determine our continued prosperity as a country and make economic transformation a reality."

The bill has been passed by 119 votes to two, less than six months after being introduced to Parliament on June 26 following the government's telecommunications stocktake review aimed at rapidly improving New Zealand's broadband performance and access.

"We now have a clear, firm mandate from the people of New Zealand," the minister said. "Kiwis are demanding fast, 'all you can eat' broadband, which this legislation is designed to deliver."

The legislation promotes competition and equal access to key wholesale services by providing a process for the Minister of Communications to settle a robust three-way operational separation with Telecom following public consultation, with appropriate powers to enable the minister and the Commerce Commission to ensure that settlement will be achieved.

It brings New Zealand into line with international best practice by unbundling the local telephone loop and ensuring access to "naked DSL" – removing restrictions on the existing unbundled bitstream service and clarifying that wholesale bitstream can be purchased without having to also purchase a phone service.

And it enhances regulatory processes to ensure that the Telecommunications Commissioner can effectively implement the regulation of these services and empowers the commissioner to effectively monitor industry developments and ensure regulatory compliance.

"I welcome the fact that the telecommunications industry has already responded to the reforms in this legislation and is working collectively towards a digital future where Kiwis can realise their economic, social and cultural aspirations."